

SUSTAINABILITY MEETING



Astellas Pharma Inc.
February 17, 2023

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

In this material, statements made with respect to current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Astellas Pharma. These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: (i) changes in general economic conditions and in laws and regulations, relating to pharmaceutical markets, (ii) currency exchange rate fluctuations, (iii) delays in new product launches, (iv) the inability of Astellas to market existing and new products effectively, (v) the inability of Astellas to continue to effectively research and develop products accepted by customers in highly competitive markets, and (vi) infringements of Astellas' intellectual property rights by third parties.

Information about pharmaceutical products (including products currently in development) which is included in this material is not intended to constitute an advertisement or medical advice. Information about investigational compounds in development does not imply established safety or efficacy of the compounds; there is no guarantee investigational compounds will receive regulatory approval or become commercially available for the uses being investigated.

SUSTAINABILITY FROM ASTELLAS' PERSPECTIVE

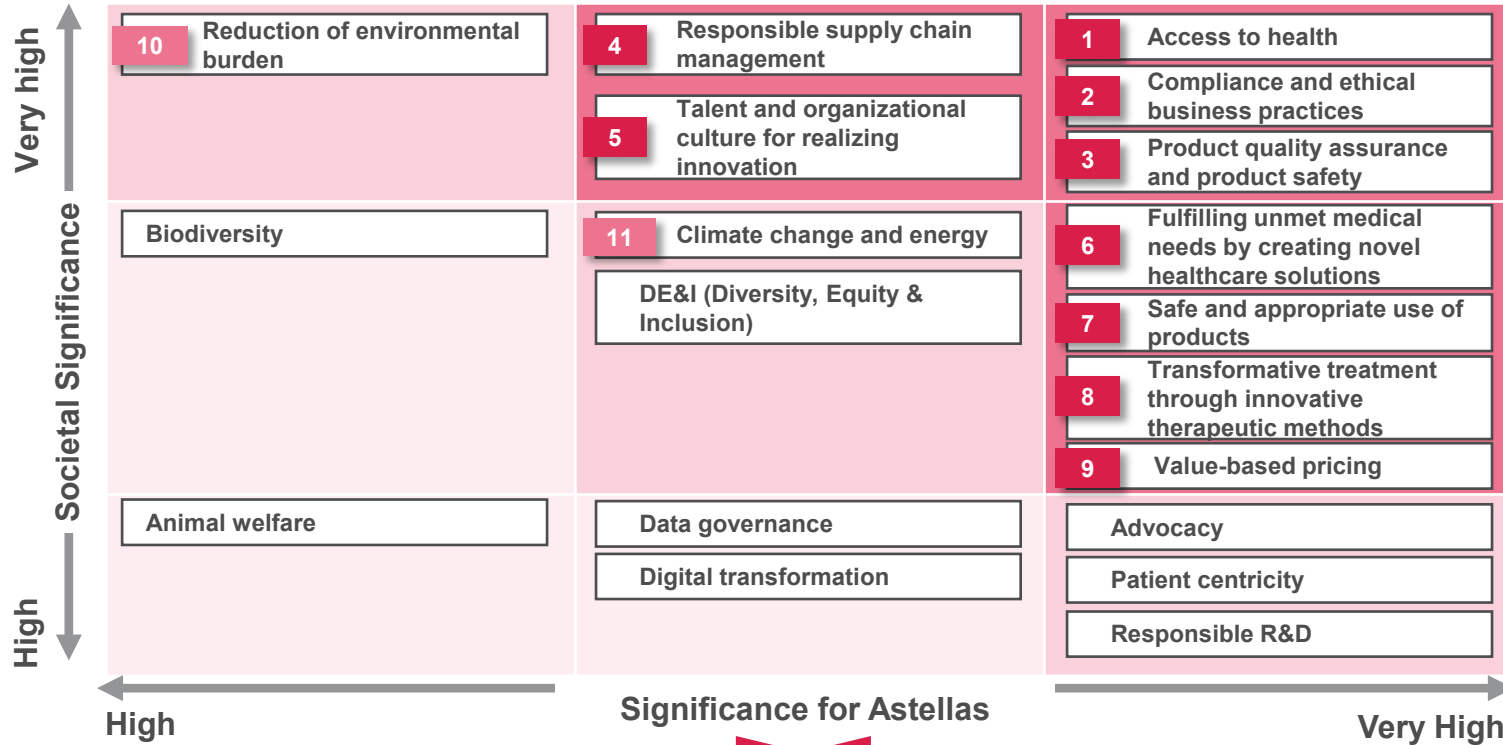


Kenji Yasukawa, Ph.D.
President and CEO



ASTELLAS' MATERIALITY MATRIX & SUSTAINABILITY DIRECTION

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FY2021

- 19 issues were selected as Important / Very important / Most important by the revised materiality matrix
- **9 issues** were identified as the most important issues (Materiality) of the 19 issues

Most important

Very important

Important

Sustainability Direction

2 Pillars for Evolving Sustainability

1. Transforming to be a Cutting-Edge, VALUE-driven life science innovator
2. Strengthening Resilient and sustainable business operations to meet the expectations of society

Environmental Sustainability

FY2022

- **Sustainability Direction** was established as a guide to address 9 most important issues and 2 important issues related to the environment that is highly demanded by society

PROGRESS OF ITEMS FOR WHICH WE PERCEIVE STOCK MARKET EXPECTATIONS TO BE HIGH

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Expectations and efforts for each item*		Progress	
KPI for sustainability initiatives	Specify KPIs for appropriate initiatives	»	- Establishment of “Our Commitments for FY2025” for the most important issues and very important issues - Sustainability measurement indicators will be incorporated into compensation for directors and officers from FY2023
More proactive disclosure of sustainability	Proactive dissemination of initiatives to improve sustainability through each media	»	- Expanded information by upgrading the sustainability section on corporate website - Produced our first integrated report showing the link between financial and non-financial initiatives and corporate value
Ratio of female managers	Succession planning, mentoring, dialogue with management	»	Increase in the ratio of female managers FY2022 (change from FY2021): Global 44% (+3%), Japan 13% (+2%)
Female board members	Selection with emphasis on diversity	»	Increase in the ratio of female board members FY2021: 9% (1/11) → FY2022: 30% (3/10)
Dialogue with outside Directors	Establish opportunities for direct dialogue at Astellas’ meetings, message delivery through integrated reports and corporate website	»	- Set up an opportunity for direct dialogue (participate in Sustainability Meeting) - Interviews in the integrated report
Net Zero commitment	Consideration for 2050 Net Zero Declaration	»	- Obtained SBT certification for 1.5°C target emissions reduction (November 2022) - Declared net zero goal (February 2023)

* Announced at the previous Sustainability Meeting (February 2022)

Managers: Astellas' grade-based management positions, KPI: Key Performance Indicator, SBT: Science Based Targets

STRENGTHENING GOVERNANCE TO IMPROVE SUSTAINABILITY

- INCORPORATION OF SUSTAINABILITY INDICATORS INTO COMPENSATION SYSTEM FOR DIRECTORS & OFFICERS -

6

Regarding sustainability initiatives, link incentive remuneration closely to corporate strategy in order to steadily achieve outcomes and further enhance performance-based compensation to make the compensation system fairer and more appropriate.

**Planning to introduce
from FY2023**

“Deepen our engagement in sustainability”
was set as one of the Strategic Goals in
Corporate Strategic Plan 2021



Sustainability measurement indicators will be added to incentive targets for compensation system for directors and officers:

Sustainability performance will be added to the company-wide performance indicator for bonuses, with a weighting of **about 10%**

Sustainability performance will be evaluated based on the following four evaluation items.

Sustainability Compensation KPIs

Access to Health

Talent and organization

Stable products supply

Environment sustainability

Reasons for selection of evaluation items:

- These items were not adequately reflected in conventional indicators for our sustainability initiatives tackling major social issues.
- Evaluation of major initiatives related to stakeholders (especially patients, investors, employees, and society) will be reflected widely in sustainability performance, which is one of the indicators for company-wide performance.

STRENGTHENING BUSINESS CONTINUITY PLAN (BCP) FOR GEOPOLITICAL RISKS & NATURAL DISASTERS

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Realize a flexible and sustainable business by recognizing and preparing for unpredictable risks

Risks

From regional conflicts and natural disasters

- Supply chain segmentation
- Energy shortage
- Rising energy costs

Manufacturing Supply Chain

Response to supply chain risks

- Inventory management for a stable supply
- Secure secondary suppliers and sites, and make efforts to secure them in as short a time as possible

Response to power shortages and high costs

- Currently considering the introduction of solar power to reduce energy risks

Securing electric power in case of a power outage

- Set up emergency power supplies for refrigerators containing important drug substances and stored products
- Introduce backup power supplies for manufacturing and research sites in Japan

» Toyama, Yaizu, and Tsukuba areas (FY2022)

Energy Procurement



Yaizu Site



Toyama Site

AGENDA

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I

Initiatives for Evolving Sustainability



Vice President, Head of Sustainability
Shingo Iino

II

People and Organization



Chief People Officer and Chief Ethics & Compliance Officer
(CPO&CECO)
Katsuyoshi Sugita

III

Astellas' Corporate Governance from an Outside Director Perspective



Outside Director
Mamoru Sekiyama

INITIATIVES FOR EVOLVING SUSTAINABILITY



Shingo Iino
Vice President, Head of Sustainability



INITIATIVES FOR EVOLVING SUSTAINABILITY

10

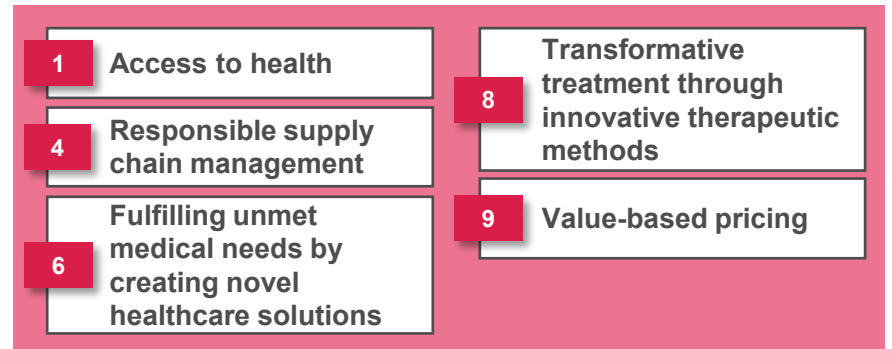
2 Pillars for Evolving Sustainability

1. Transforming to be a Cutting-Edge, VALUE-driven life science innovator

Based on the pillars of Astellas' business model, "Transforming to be a Cutting-Edge, VALUE-driven life science innovator", Astellas will provide innovative healthcare solutions by creating and realizing "VALUE".

2. Strengthening resilient and sustainable business operations to meet the expectations of society

In order to deliver our products to patients under any circumstances, we will respond to the sustainability of society by focusing on "Strengthening Resilient and sustainable business operations to meet the expectations of society".



Environmental Sustainability

Reduce the environmental burden of Astellas' business, address climate change and energy issues, and improve environmental sustainability.



INITIATIVES FOR EVOLVING SUSTAINABILITY

Mid-term Priorities for Astellas

- Maximize patient access to Astellas' innovations and enable them to achieve better outcomes
- Beyond the biopharmaceutical space, develop and commercialize novel healthcare solutions

Initiatives

- Providing comprehensive access programs throughout the product lifecycle
- Supporting healthcare system-strengthening programs in partnership and Astellas Global Health Foundation

Our Commitments by FY2025

1. Astellas Core Bossiness (Rx, Rx+)

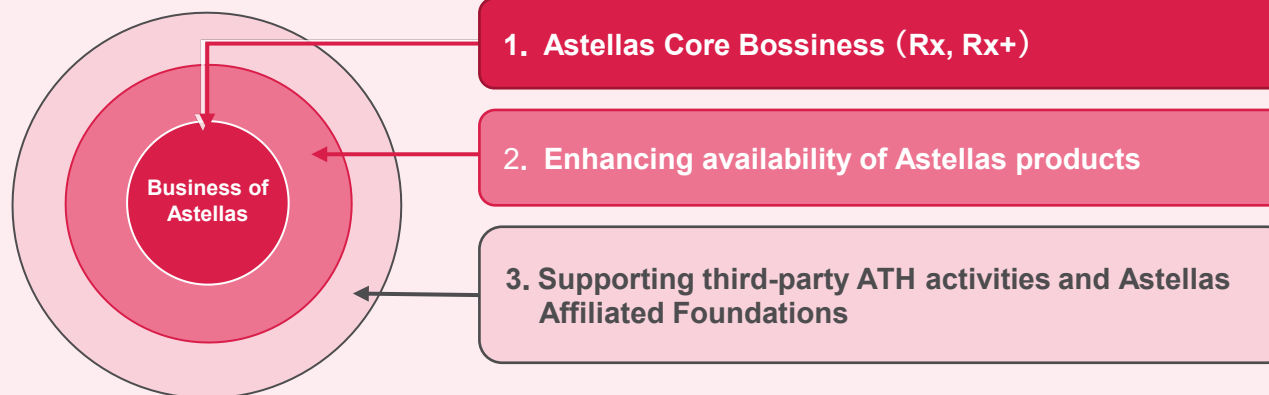
2. Enhancing availability of Astellas products

- Provide as many patients as possible with access to our products

3. Supporting third-party ATH activities and Astellas Affiliated Foundations

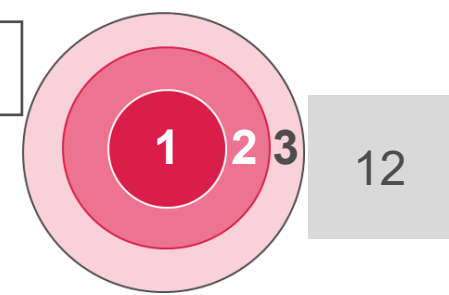
- Impact more than 36 million people* (cumulatively) by improving disease awareness, prevention, and access to healthcare services

Astellas' initiatives for enhancing Access to Health



* See slide 12 (Next slide), ATH: Access to Health

INITIATIVES FOR EVOLVING SUSTAINABILITY



Performance for our initiatives

1 Astellas Core Business (Rx, Rx+)

Innovative drug business

143 million patients

103 countries

were prescribed Astellas products¹⁾ in first half of FY2022

2 Enhancing availability of Astellas products

EARLY ACCESS REQUESTS

550+ patients

continued to receive early access to therapy during the first half of FY2022

1,200+

early access requests

40+ countries

cumulatively for XOSPATA and PADCEV have been approved

POST-TRIAL ACCESS

Nearly 150 oncology patients

25+ countries

continued on treatment with post-trial access to Astellas products (continued course of therapy following the end of a clinical trial given the patient is showing continued benefit)

INTERNATIONAL PHARMACY PROGRAM (IPP)

50+ patients

have received therapy since initiation of the IPP for PADCEV in May 2021 that provides access to certain products globally after approval in just one country

PATIENT ACCESS INITIATIVES

30+ active patient access initiatives

30+ countries

to date in FY2022 that provide access for certain products after approval and before reimbursement, and primarily, after commercial availability in a country through various affordability programs called patient access initiatives

1) Harnal, Vesicare, mirabegron, Prograf, XTANDI, XOSPATA, EVRENZO

3 Supporting third-party ATH activities and Foundations

Health System Strengthening Program *

More than \$3.5 Million US Dollars

committed over the next three years

4 global charitable

donations to strengthen health systems and increase health literacy

More than 1.2 million

people expected to be impacted

China ▪ India ▪ Malaysia ▪ Peru

PATIENT CENTRICITY PROGRAMS

20+ patient advocacy/patient

organization programs supported in the first half of 2022 to understand and address what truly matters to patients

20+ million individuals projected to be impacted

MEDICAL EDUCATION PROGRAMS

More than \$4.2 Million US Dollars approved in the first half of FY2022

11,000+ HCP interactions in the first quarter of FY2022 have increased access information

101 education grants globally

500,000+ potential learners

Foundations

Astellas global health foundation *

Nearly \$10 Million US Dollars

awarded since 2018 to support charitable initiatives focusing on improving access to health; building resilient communities and providing disaster support

35+ million lives

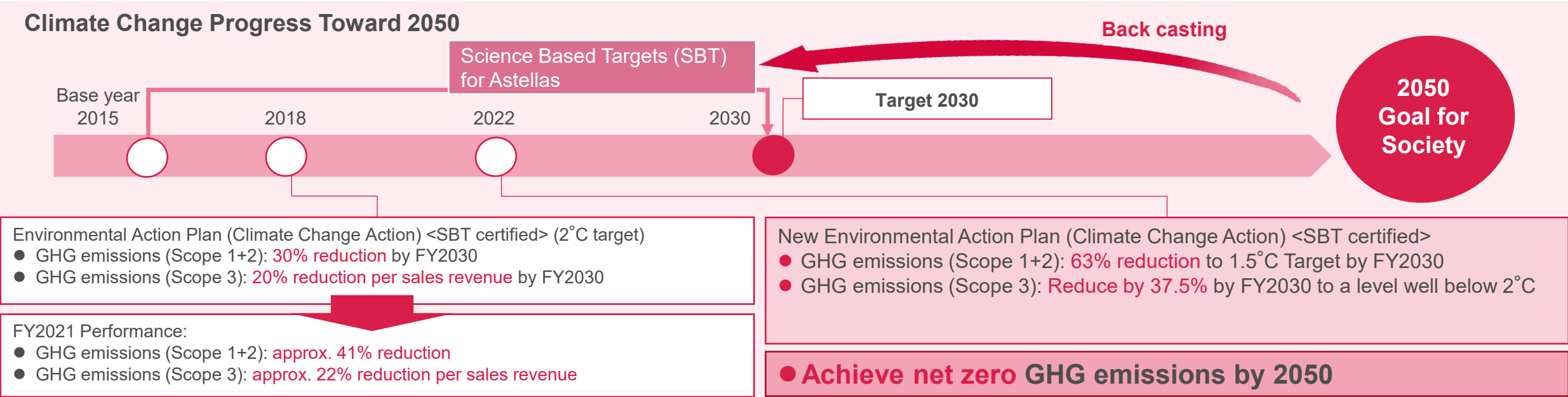
projected to be impacted from supported programs in highly under-resourced countries where Astellas does not have a business presence

The combined number of people marked with * correspond to the target of "more than 36 million people" as stated in "Our Commitment by FY2025" on slide 11 (previous slide).

INITIATIVES FOR EVOLVING SUSTAINABILITY

- 10 Reduction of environmental burden
- 11 Climate change and energy

Mid-term Priorities for Astellas	Initiatives	Our Commitments by FY2025
Reduce greenhouse gas (GHG) emissions toward a goal consistent with the Paris Agreement's and achieve net zero emissions by 2050	- Enhancing energy efficiency and shifting to renewable energy sources such as solar and wind power, - Reducing the carbon footprint of the supply chain	Achieve by FY2025 the amount of reasonable reduction of GHG emissions target* *GHG emission reduction targets by FY2030 - Scope 1+2 63% reduction (base year: FY2015) - Scope 3 37.5% reduction (base year: FY2015)



PROGRESS ON INITIATIVES FOR EVOLVING SUSTAINABILITY

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How to publish future progress

Progress of “Our Commitment by FY2025” will be disclosed on the corporate website



 <https://www.astellas.com/en/sustainability/materiality>



 <https://www.astellas.com/en/investors/integrated-report>

PEOPLE AND ORGANIZATION



Katsuyoshi Sugita

Chief People Officer and Chief Ethics & Compliance Officer (CPO&CECO)

Selected initiatives focused on achieving Organizational Health Goals that are **directly linked to achieving Corporate Strategic Plan 2021**

Developing global **HR policies** that support our global business, ensuring “Right people in right place”

Monitoring the progress through reliable and **data-driven approach**; Reveal human capital disclosure internally and externally

» Astellas HR is the “Coach of personnel development and organizational transformation”, and enable **leaders in the organization to drive culture transformation**

HR INITIATIVES ARE DIRECTLY LINKED TO ACHIEVING CORPORATE STRATEGIC PLAN 2021

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VISION



Ensure psychological safety / promote a culture of feedback

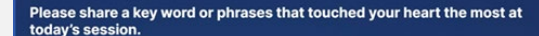
- Trust each other and communicate openly
- Share bold ideas without fear of consequences
- Challenge the status quo and take smart risks

- >> 4,324** submission of feedback

*Dansharism: A new initiative that aims to dramatically improve labor productivity and bring innovation by encouraging each employee to develop financial discipline and cost ownership and through a major mindset shift in their daily work (see details on slide 39)

» Total of **34** times, Approx. **15,000** attendees,
Approx. **1,200** questions

» **Participation of all Top Management**
1st session: Approx. **7,000** attendees
2nd session: Approx. **6,500** attendees



TALENT MANAGEMENT THROUGH GLOBAL LEADERSHIP PROGRAMS

19

Leadership Programs

Astellas Leaders' Summit

Goal

Share understanding of the current situation from Top Management and discuss strategies to achieve the FY2023 plan and CSP2021

Attendees

Top Management and all global Division Heads



Quarterly Leader Forum

Goal

Develop leaders who can create a corporate culture that generates new ideas and drive the culture transformation

Attendees

Executive Director, Vice President and above (Approx. 550 attendees)

1st session: Leading for Ambition

2nd session: Change in Action: Feedback

3rd session: Creating a more Innovative Culture with Guest Speaker (Harvard Professor)



WHAT ARE THE KEY THINGS YOU LEARNED?

Empowerment vs enablement
The problem is the problem
Accountability
Defining priorities
Innovation
Aspiration
More candor in feedback
brave
Enabler
Trust
Dialogue
Focus
Leadership requires candor
Enable to empower
Strong leadership required
Consistency Across All Levels of Leadership

Candor
Enable
Brutal candor

Competitiveness
Candour
Candid
VALUE
Leadership
Resilience
Bravery
Boldness
Tolerance to mistakes is important
Consistency Across All Levels of Leadership

CHANGES IN EMPLOYEE COMPOSITION DUE TO THE GLOBALIZATION OF BUSINESS

20

As business and human resources change, it is essential for the organization to develop people strategies and HR policies that can be applied globally

Revenue by region

(FY2021)

Japan

20%

Overseas

80%



Nationality of employees

(FY2021)



Japan

34%

Outside Japan

66%

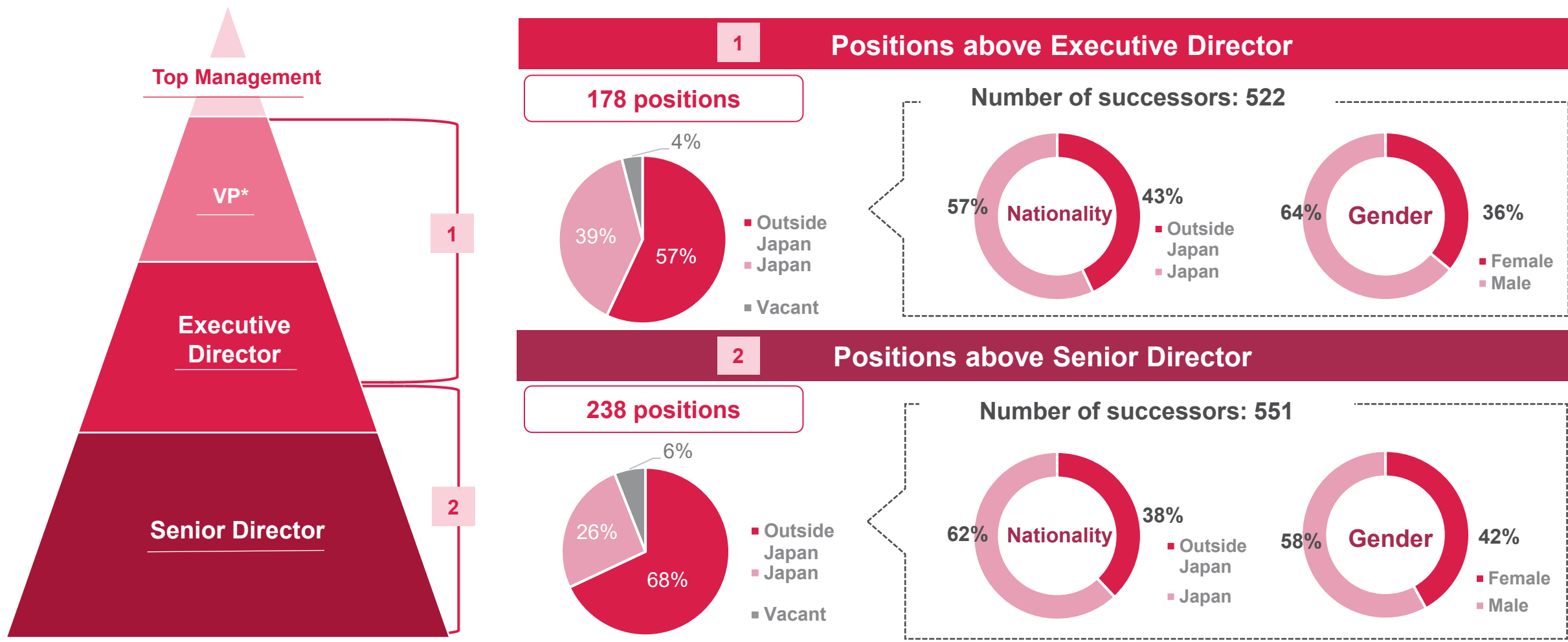
	Total	Japan	Outside Japan
Top Management	9	6	3
Division Head	70	33	37

As of Apr 1, 2023

(person)

BUILDING UP A DIVERSE WORKFORCE THROUGH THE DEPLOYMENT OF SUCCESSION PLANS GLOBALLY IN A CONSISTENT APPROACH

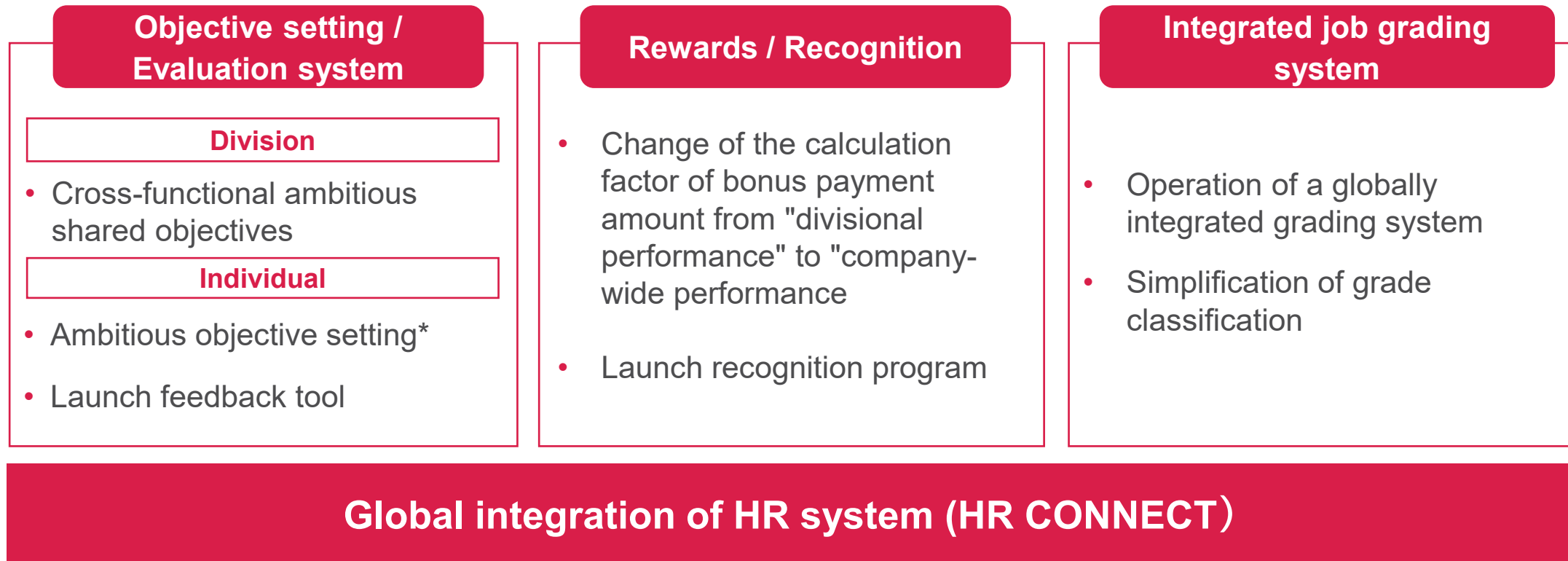
Select and develop diverse successors for each position based on globally consistent succession plans



As of Sep 30, 2022, *VP includes Division Heads as a role, VP: Vice President

INTEGRATION INTO GLOBAL HR POLICIES

Integrated global talent management process including evaluation, rewards, grading to realize “Right person in Right position”



*Ambitious objective setting: Courageous goal setting that goes beyond what you feel comfortable (and achievable) with

ORGANIZATIONAL FLATTENING

Reduce the number of layers from CEO and flatten the organization to promote fast decision making and an organization that generates innovation

- Number of layers: to be **6 or less**

Progress: Ratio of departments with a layer of 6 or less

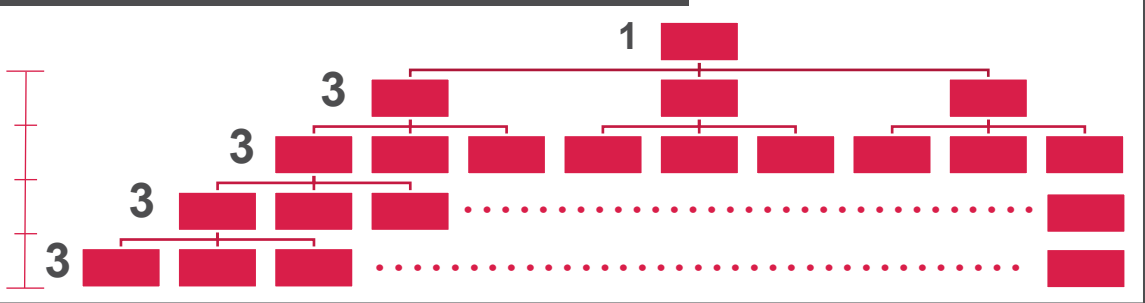


- SPOC: to be **6 or more**

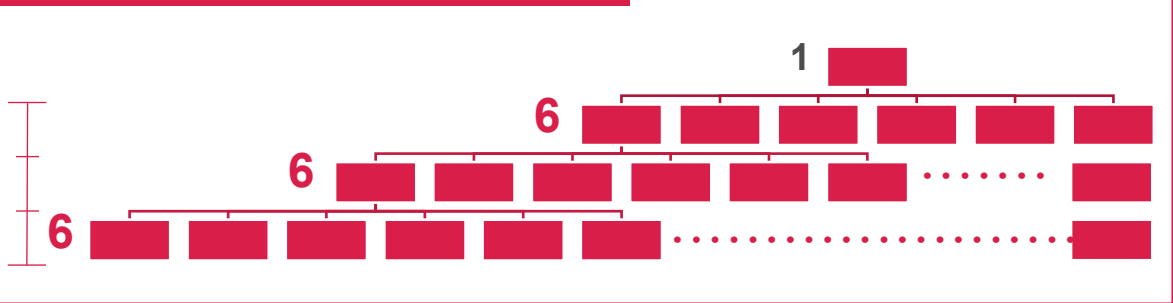
Progress: Average of all departments



Example: Organization with SPOC = 3



To Be: Organization with SPOC ≥ 6



SPOC (Span of Control): Number of members that one people manager manages

VISUALIZATION AND SHARING DATA WITH DASHBOARD

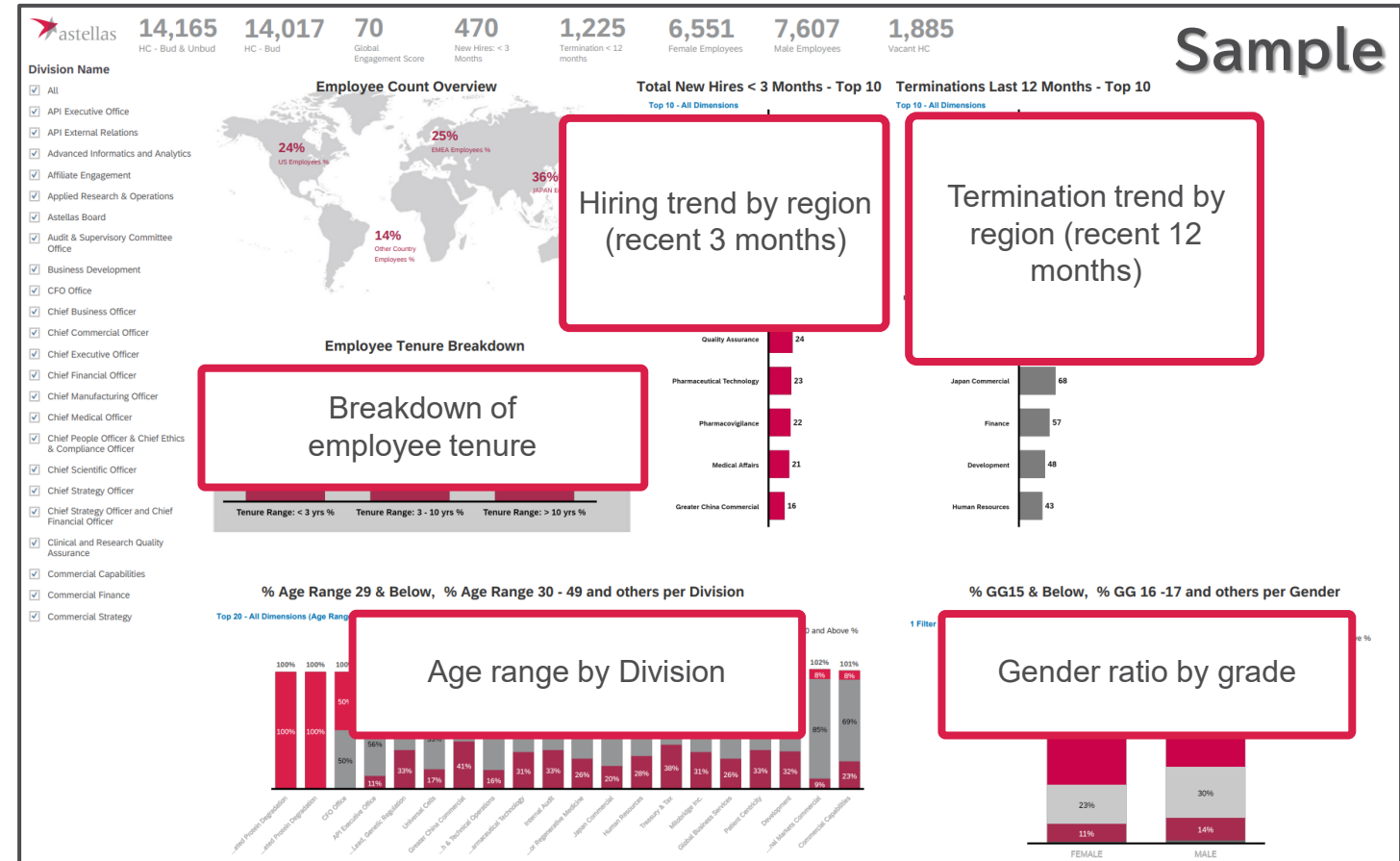
Launch and operationalize HR Leadership Dashboard

Goal

Promoting organizational optimization and fostering a sense of ownership through the visualization and sharing of organizational data

Detail of contents

Layer, SPOC, Personnel structure (gender, tenure etc.), Hiring / Termination trend etc.



HR : Human resources, SPOC (Span of Control): Number of members that one people manager manages

EXECUTIVE SUMMARY OF GLOBAL ENGAGEMENT SURVEY (OCT 2022)

25

Identify more detailed progress from previous survey, strengths and opportunities by analyzing comments in addition to scores with AI



75% of answers to questions showed improvement

- Compared to the previous survey (Jan 2022)
- 33 out of 44 questions showed improvement

Engagement score

71

Response rate

82%

Number of comments

25,865

- Over 61% of employees provided more than one comment
- AI-based analysis of all comments

Our strengths		
Non-discrimination	Purpose	Integrity
A culture that recognizes, complements, and makes the most of each other's differences	Act with a consistent sense of purpose	Always honest choices and decisions

Continue to focus on our strengths

Our opportunities		
White space	Action taking	Pay-for-performance
Resource needed to explore new ideas	Implement measures to address issues identified from the survey results	Compensation based on results

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> Create an environment that encourages innovation by promoting the Dansharism* continuously Improve labor productivity by scrutinizing the priority and necessity of each task | <ul style="list-style-type: none"> Explain and implement a clear response policy tied to survey results Specific response proposals through team discussion Company-wide best practice sharing | <ul style="list-style-type: none"> Establishment of a fair and equitable compensation system through global unification and development of evaluation methods Change of bonus system and introduction of commendation system |
|--|---|--|

*See details for Dansharism on slide 39

GLOBAL ENGAGEMENT SURVEY – TOWARD ACHIEVEMENT OF ORGANIZATIONAL HEALTH GOALS (OHG)

Summarized by item to measure progress against organizational health goals and confirmed improvement in many items (compared to Jan 2022)

OHG1

Brave ideas pursue ambitious outcomes

6 out of 9 items has improved
(No changes on 3 items)



- Innovation
- A culture to take intelligent risks
- Psychological safety etc.

Improved in items related to above

OHG2

Talent and leadership thrives

All of 9 items has improved



- Clear leadership vision
- Active and interactive feedback
- Transparent promotion policy etc.

Improved in items related to above

OHG3

We excel as One Astellas

6 out of 9 items has improved
(No changes on 3 items)



- Open communication
- Cross-functional collaboration
- A sense of self contribution to company etc.

Improved in items related to above

TO ACHIEVE CORPORATE STRATEGIC PLAN 2021, PLACING THE HIGHEST PRIORITY ON BUILDING AN ENVIRONMENT AND CULTURE THAT ARE ALIGNED WITH ORGANIZATIONAL HEALTH GOALS

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VISION



ASTELLAS' CORPORATE GOVERNANCE FROM AN OUTSIDE DIRECTOR PERSPECTIVE



Mamoru Sekiyama
Outside Director



CAREER

29



Outside Director
Mamoru Sekiyama

Chairperson of Nomination Committee
Chairperson of Compensation Committee
(Appointed in June 2017)

Resume, position and responsibilities at the Company

April 1974	Joined Marubeni Corporation
April 1997	General Manager, Power Project Dept.-I, Marubeni Corporation
April 1998	General Manager, Power Project Dept.-III, Marubeni Corporation
April 1999	Deputy General Manager, Power Project Div.; General Manager, Power Project Dept. -I, Marubeni Corporation
April 2001	Senior Operating Officer, Utility Infrastructure Div.; General Manager, Overseas Power Project Dept., Marubeni Corporation
April 2002	Corporate Vice President, Chief Operating Officer, Plant, Power & Infrastructure Div., Marubeni Corporation
April 2005	Corporate Senior Vice President, Chief Operating Officer, Plant, Power & Infrastructure Projects Div., Marubeni Corporation
June 2006	Corporate Senior Vice President, Member of the Board, Marubeni Corporation
April 2007	Corporate Executive Vice President, Member of the Board, Marubeni Corporation
April 2009	Senior Executive Vice President, Member of the Board, Marubeni Corporation
April 2013	Vice Chairman, Marubeni Corporation
April 2015	Corporate Adviser, Marubeni Corporation; Chairman, Marubeni Power Systems Corporation
June 2017	Director, the Company (present post)
April 2020	Outside Director and Audit & Supervisory Committee Member, A.D.Works Group Co., Ltd. (present post)



Outside Director
Eriko Sakurai

Member of Nomination Committee
Member of Compensation Committee
(Appointed in June 2022)

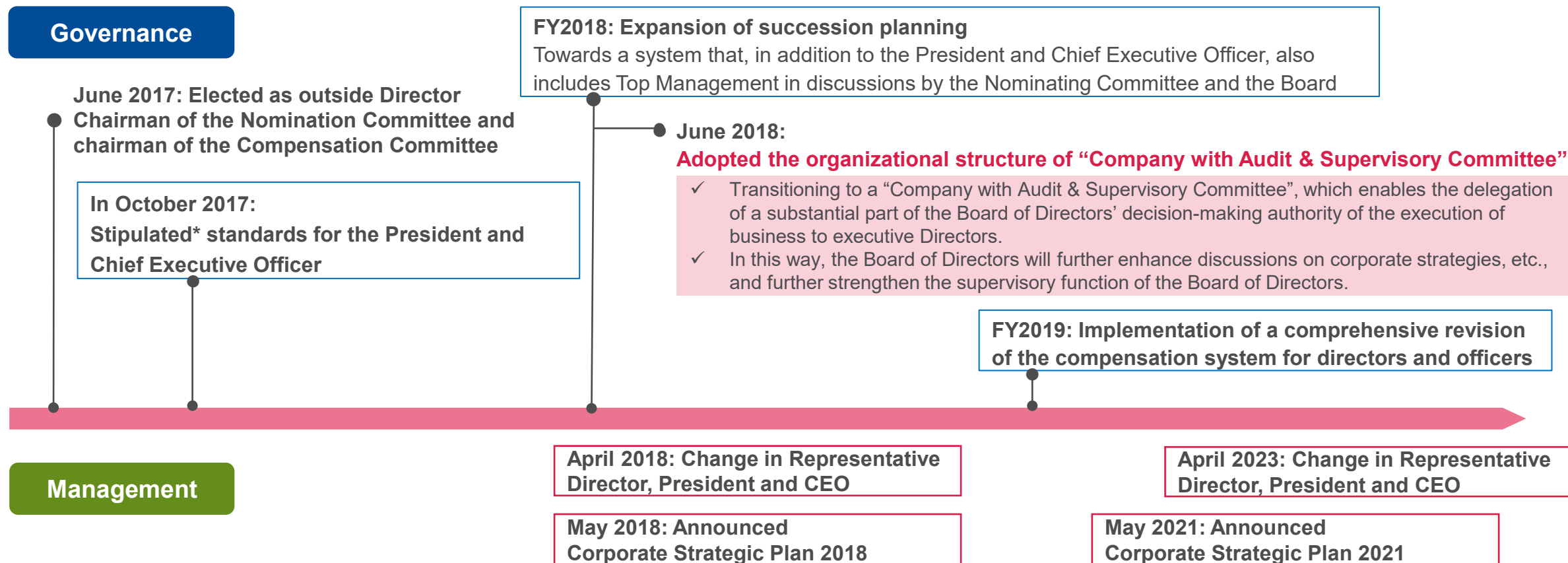
Resume, position and responsibilities at the Company

June 1987	Joined Dow Corning Corporation (current Dow Silicones Corporation)
March 2009	Chairman and CEO, Representative Director, Dow Corning Toray Co., Ltd. (current Dow Toray Co., Ltd.)
May 2011	Regional President Japan/Korea, Dow Corning Corporation (current Dow Silicones Corporation)
June 2014	Outside Director, Sony Corporation (current Sony Group Corporation)
February 2015	President, Representative Director, Dow Silicones Holdings Japan Kabushiki Kaisha (current Specialty Products Japan Godo Kaisha)
June 2015	Outside Director, Sumitomo Mitsui Financial Group, Inc. (present post)
August 2020	President and Representative Director, Dow Chemical Japan Limited; President, Representative Director, Dow Japan Holdings Kabushiki Kaisha (current Dow Chemical Japan Limited); President, Representative Director, Performance Materials Japan Kabushiki Kaisha
March 2022	Outside Director, Kao Corporation (present post)
June 2022	Director, the Company (present post)

MAJOR EVENTS SINCE APPOINTMENT AS OUTSIDE DIRECTOR

30

Since Mamoru Sekiyama's appointment as outside Director in June 2017, the Company has adopted the "Company with Audit & Supervisory Committee" organizational structure and has announced two Corporate Strategic Plans.



*Disclosed in 2018 in our Corporate Governance Guideline and Corporate Governance Report

SOME ACTIVITIES AS CHAIRMAN OF THE NOMINATION AND COMPENSATION COMMITTEES

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- Conduct highly transparent discussions through active communication with the executive team
- Maintain a system that ensures frank recommendations can be made to the executive team or the Board by obtaining necessary information from the executive team and discussing it

» Ensure high governance functions through transparent and objective Committee operations (Our Strength)

The Nomination Committee

- **Stipulating standards for the appointment of President and Chief Executive Officer (CEO):**
 - The appointment standard for the President and CEO are stipulated in the internal policy, and based on succession planning, the appointment of the President and CEO is discussed in the Nomination Committee.
- **Expanding deliberations on succession planning:**
 - In addition to the President and CEO, for Top Management, the Nomination Committee is also responsible for the appointment of successors, the development of potential successor candidates, and the diversity of candidates. The Nomination Committee is engaged in highly transparent discussions from a variety of perspectives and reports to the Board of Directors as appropriate.
- **Ensuring the diversity of Directors:**
 - In accordance with decisions made by the Board regarding Board composition, and with diversity in mind, discussions are held on how to select candidates to create a well-balanced Board.
 - By resolution of the Annual Shareholders meeting in June 2022, the Company has structured the Board of Directors so that three of the ten members are female.

The Compensation Committee

- **Overall revision of the compensation system for directors and officers**
- **Over the course of a year, numerous discussions were held on the ideal compensation system mainly at Compensation Committee**
 - Establishment of competitive compensation levels that enable the acquisition and retention of talented personnel
 - Fair compensation system based on responsibility and results (compensation structure and composition)
 - Incentive-based compensation system with a greater emphasis on enhancing shareholder value as well as increasing the proportion of performance-linked compensation and increasing the linkage with corporate value

Addressing the challenges related to compensation levels and compensation systems that have emerged with the globalization of business

ACTIVITIES OF OUTSIDE DIRECTORS ON THE BOARD

32

The active participation of outside Directors enhances the effectiveness of the Board of Directors and supports the further growth of Astellas

Suggestions and requests from outside Directors

Requested **information sharing that is necessary for the supervision of the Company's management**

Involved deeply in the discussions of Corporate Strategic Plan 2018 and Corporate Strategic Plan 2021.
In Corporate Strategic Plan 2021, made a suggestion to include sustainability as one of the Strategic Goals and to show not only our achievements but also the linkage between these efforts and the enhancement of corporate value

Requested to executive team to share the content of dialogue with various stakeholders and **accept outside director advice to reflect stakeholders' opinions**

What has been impacted

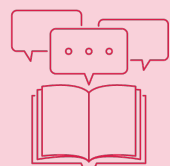


By enhancing information sharing from the executive team, The Board of Directors conducts deeper discussions based on appropriate understanding

- Progress in Business development and Risk-related information (periodically reported by the executive team)
- Progress in Primary Focus (reported from the executive side as appropriate)
- Sustainability Trends in the Pharmaceutical Industry (workshop with external experts)



Set Strategic Goal 4 “Deepen our engagement in sustainability” in Corporate Strategic Plan 2021



- Supporting the executive team to incorporate opinions from stakeholders
- Holding of Sustainability Meetings from FY2021
 - Publication of integrated reports from FY2022

FUTURE CONTRIBUTIONS FROM OUTSIDE DIRECTORS

33

Appropriate monitoring to achieve Corporate Strategic Plan 2021

- Proactive recommendations for the realization of strategies from the supervisory point of view
- Facilitate swift decision-making that encourages intelligent risk-taking in line with Organizational Health Goals
- Strengthening involvement in financial results explanations to external stakeholders

To support the organization's change in becoming agile and flexible

- Adequately encourage agile and flexible changes in response to internal and external environmental changes, not sticking on conventional system and habits
- Request any information thought necessary for the supervisory role, and check and supervise the promotion and change of initiatives from an external perspective
- Advice from different perspectives, taking advantage of the experience and knowledge of each outside Director

Expansion of opportunities for dialogue with diverse stakeholders

- Consider with the executive team about participation in investor meetings
- Continuous participation in Sustainability Meetings
- Incorporate more outside Director messages in integrated reports



APPENDIX

WHY WE HOLD SUSTAINABILITY MEETINGS

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Develop initiatives to improve sustainability through active information disclosure and dialogue with the stock market

1st Meeting (Feb 2022)

Purpose

Comprehensive explanation of initiatives to increase confidence in Astellas' sustainable growth

Content

Comprehensive overview introduced by CEO

- Improving Access to Health
- Initiatives for climate change
- Corporate governance
- Human resources and organization
- Materiality matrix

2nd Meeting (Feb 2023)

Purpose

In addition to progress from the previous fiscal year, introduction of topics focused on the interests of the stock market

Content

Explanation from each responsible and outside Director

- Establishment of medium-and long-term targets for sustainability
- Human resources and organization
- Corporate governance from the view of an outside Director

Future Sustainability Meetings

Disclose initiatives that are unique to Astellas

Continue to disclose information with an emphasis on the interests of the stock market

INITIATIVES FOR ENHANCING SUSTAINABILITY

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– 1. Transforming to be a Cutting-Edge, VALUE-driven life science innovator –

Based on the pillars of Astellas' business model, "Transforming to be a Cutting-Edge, VALUE-driven life science innovator", Astellas will provide innovative healthcare solutions by creating and realizing "VALUE".

Most important issues	Mid-term Priorities for Astellas	Initiatives	Our Commitments by FY2025
Transforming to be a Cutting-Edge, VALUE-driven life science innovator 1 Access to health 4 Responsible supply chain management 6 Fulfilling unmet medical needs by creating novel healthcare solutions 8 Transformative treatment through innovative therapeutic methods 9 Value-based pricing	Translate innovative science into VALUE through the Focus Area approach to R&D, introducing novel therapies and modalities to treat diseases with high unmet medical needs.	Addressing unmet medical needs for provision of solutions that produce better outcomes than previously possible	Aim to improve the lives of patients and caregivers around the world and contribute to reducing the overall load on the healthcare system
	Maximize patient access to Astellas' innovations and enable them to achieve better outcomes. Beyond the biopharmaceutical space, develop and commercialize novel healthcare solutions.	Providing comprehensive access programs throughout the product lifecycle Supporting healthcare system-strengthening programs in partnership and AGHF*	Provide as many patients as possible with access to our products Impact more than 36 million people (cumulatively) by 2025 by improving disease awareness, prevention, and access to healthcare services
	Advocate a value-based pricing for stakeholders to ensure innovative medicines in new modalities contribute to the health of patients around the world and realize the sustainable healthcare system.	Advocating for value-based pricing as a basis to support access to medical innovations.	Contribute to sustain healthcare systems through advocating for value-based pricing
	Create an environment within Astellas that fosters innovation. Align strategy with the right capabilities, embraced in a culture that promotes innovation.	Optimizing the number of people under one manager's control and reducing layers, reinforcement of succession planning, and cultivation of a culture ensuring psychological safety and encouraging active feedback.	Foster talents and an organizational culture with trusted capabilities to deliver innovation

*AGHF: Astellas Global Health Foundation

INITIATIVES FOR ENHANCING SUSTAINABILITY

– 2. Strengthening Resilient and sustainable business operations to meet the expectations of society –

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In order to deliver our products to patients under any circumstances, we will respond to the sustainability of society by focusing on "Strengthening Resilient and sustainable business operations to meet the expectations of society."

Most important issues	Mid-term Priorities for Astellas	Initiatives	Our Commitments by FY2025
Strengthening Resilient and sustainable business operations to meet the expectations of society 2 Compliance and ethical business practices 3 Product quality assurance and product safety 5 Talent and organizational culture for realizing innovation 7 Safe and appropriate use of products	Sustains a resilient business that continuously supplies products during unpredictable or emergency situations. Further enhance capability to secure patient safety and product quality as well as optimizing customer interaction for maximizing value for patients.	Enhancing energy sourcing through investigating reinforcement of emergency power generation and introduction of renewable energy such as solar panels to own facilities Enhancing material sourcing and product supply networks through the various means including double sourcing and diversified distribution bases Fostering a Culture of Quality through leadership commitment, employee engagement and patient centric mindset Evolving customer experience with coordinated omnichannel engagement leveraging digital	Establish a more sustainable and resilient value chain Ensure patient safety and product quality by fostering a Culture of Quality and by evolving customer experience

INITIATIVES FOR ENHANCING SUSTAINABILITY

— OTHERS: ENVIRONMENTAL SUSTAINABILITY —

Reduce the environmental burden of Astellas' business, address climate change and energy issues, and respond to environmental sustainability.

Important issues	Mid-term Priorities for Astellas	Initiatives	Our Commitments by FY2025
Environmental Sustainability 10 Reduction of environmental burden 11 Climate change and energy	Reduce greenhouse gas emissions toward a goal consistent with the Paris Agreement's and achieve net-zero emissions by 2050	Enhancing energy efficiency and shifting to renewable energy sources such as solar and wind power, Reducing the carbon footprint of the supply chain.	Achieve by FY2025 the amount of reasonable reduction of greenhouse gas emissions target* *GHG emission reduction targets by FY2030 •Scope1+2 63% reduction (base year: FY2015) •Scope 3 37.5% reduction (base year: FY2015)

GHG: Greenhouse Gas

“DANSHARISM” MOVEMENT

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- Perfectly fitting for a Japanese company, expanding the concept of “Danshari,” which is the thorough elimination of waste, globally and into daily operations
- At the same time, ensuring that managers have financial discipline and cost ownership, and transforming into an organization that creates innovation by improving our labor productivity
- Having a mindset that enables us to invest resources into new initiatives while maintaining the absolute amount of SG&A expenses

<Step of “Dansharism” >

1. Thoroughly reevaluate our work and activities without exception

Target :

All work, including accepted practices continuing on from the past, old work processes, and routine work

Classification :

Categorize each work with a “Must have” or “Nice to have” perspective

2. Define what work to halt or terminate

Specification:

Specify work that bring “less” ROI or are “less” priority

(Example)

Existing old processes, reports of similar content, reports of excessive quality, review of meeting attendees, etc.

3. Actually halting or terminating that work

Execution :

Be “courageous” and halt work that was specified in order of less importance and eventually secure a white space for employees

Consequently, invest resources in new things while reducing costs

Building an environment that enables the creation of innovation in a sustainable manner through thorough efficiency improvements

What is “Danshari”? -Japanese minimalism-

It is the Japanese concept of “decluttering” and is the process of cutting out what is unnecessary, detaching from things, and readjusting one’s life accordingly.

ROI: Return On Investment, White space: Resources needed to explore new ideas

GLOBAL ENGAGEMENT SURVEY –TOWARD ACHIEVEMENT OF ORGANIZATIONAL HEALTH GOALS (OHG1*)

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All scores increased or remained the same compared to Jan 2022

Item	Change from Jan 2022	Question
Challenge Status Quo	+3	I feel free to challenge the way things are done here.
Speak My Mind	+2	I feel free to speak my mind without fear of negative consequences.
Empowerment	+2	I feel empowered to make decisions regarding my work.
Risk Taking	+2	I am encouraged to take informed risks in getting my work done.
Innovation	+1	My team demonstrates a high level of innovation.
Engagement	+1	How happy are you working at Astellas? I would recommend Astellas as a great place to work.
White Space	-	We have the resources (e.g.,time, tools, expertise) we need to explore new ideas.
Learn from Mistakes	-	We learn from our mistakes.
Accountability	-	Where I work, employees held accountable for their work.

Activities in FY2022 toward achievement of Organizational Health Goals (OHG)

OHG1 Focused on cross-functional shared objectives and ambitious objectives, published psychological safety playbook

*OHG1: Brave ideas pursue ambitious outcomes



GLOBAL ENGAGEMENT SURVEY –TOWARD ACHIEVEMENT OF ORGANIZATIONAL HEALTH GOALS (OHG2*)

41

All scores increased or remained the same compared to Jan 2022

Item	Change from Jan 2022	Question
Growth	+2	I have good opportunities to learn and grow at Astellas.
Career Goals	+2	My career goals can be met as Astellas.
Career Path	+2	My manager has meaningful discussions with me about my career development.
Role Model	+2	Senior leaders at Astellas lead by example.
Promotion Policy	+1	I understand Astellas' promotion policies and practices for employees like me.
Role	+1	My role is an excellent fit with my strengths.
Leadership	+1	I have confidence in the leadership team.
Manager	+1	I would recommend my managers to other
Feedback	+1	My manager provides me with feedback that helps me improve my performance.

Activities in FY2022 toward achievement of Organizational Health Goals (OHG)

OHG2 Gave a mandatory training of organizational health for all leaders and managers, Provided new feedback practices and a tool

*OHG2:Talent and leadership thrives



GLOBAL ENGAGEMENT SURVEY –TOWARD ACHIEVEMENT OF ORGANIZATIONAL HEALTH GOALS (OHG3*)

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All scores increased or remained the same compared to Jan 2022

Item	Change from Jan 2022	Question
Communication	+2	Astellas does a good job of communicating with employees.
Awareness	+2	I know what the different parts of Astellas do.
Transparency (Communication)	+2	Astellas communicates openly and honestly.
Contribution Success	+1	I understand how my work contributes Astellas' success.
Priorities - Manager	+1	My manager keeps our team to focus on clear priorities.
Collaboration	+1	Team at Astellas collaborate efficiently to get things done.
Resources	-	I have the resources I need to do my job well.
Strategy	-	I understand how Astellas plans to achieve its goals.
Procedures	-	Where I work, the work is well organized (smooth workflow, good methods and procedures, productive meetings, etc.)

Activities in FY2022 toward achievement of Organizational Health Goals (OHG)

OHG3 Introduced a communication platform for Organizational Health Goals, Focused on cross-functional shared objectives

*OHG3: We excel as one Astellas

