

Slavery and Human Trafficking Statement (Fiscal Year 2022)

This statement is made in accordance with Section 54(1) of the United Kingdom Modern Slavery Act 2015. This statement covers the fiscal year from 1 April 2022 to 31 March 2023 disclosing the steps taken by the Daiichi Sankyo Group (hereinafter the “Group”) to help prevent modern slavery and human trafficking.

The Group strongly recognizes the need to promote respect for human rights in our business activities and supply chain and is committed to acting with respect for human rights. Our commitment includes upholding the United Nations Guiding Principles on Business and Human Rights that laid out in the UK Modern Slavery Act through our efforts towards the prohibition of modern slavery and human trafficking.

1. The Group’s Business and Supply Chain

The Group operates in 26 countries/regions with a mission “To contribute to the enrichment of quality of life around the world through the creation of innovative pharmaceuticals, and through the provision of pharmaceuticals addressing diverse medical needs.”

Daiichi Sankyo Co., Ltd. is the headquarters of the Group, established in Japan and listed on the Tokyo Stock Exchange. Daiichi Sankyo UK Ltd. is a private limited company of the Group, established in the United Kingdom with “wholesale of pharmaceutical goods” as its principal business activity.

The Group’s supply chain consists of suppliers of raw materials (such as active pharmaceutical ingredients, sub-materials and packaging materials), formulations, products and equipment related to our products, as well as suppliers of services related to our business activities. These include contract research organizations (CROs) and professional services such as research and management, and sales agents. We promote “responsible supply chain management”, which is important to our business.

2. Policy Regarding Modern Slavery and Human Trafficking

- The Group has declared its commitment to respect human rights in [the Daiichi Sankyo Group Corporate Conduct Charter](#) that specifies the corporate principles of conduct, as well as in [the Daiichi Sankyo Group Employee Code of Conduct](#) that specifies the principles by which all executives and employees including contractors are expected to conduct their work and embed respect for human rights in their work.
- [The Daiichi Sankyo Group Human Rights Policy](#) (hereinafter the “Human Rights Policy”) outlines our approach to human rights and further describes our commitment to respect international norms and principles, such as the Universal Declaration of Human Rights and the United Nations Guiding Principles. Daiichi Sankyo Co., Ltd. is also a signatory to the United Nations Global Compact and supports the 10 principles covering the 4 areas of Human Rights, Labour, the Environment and Anti-Corruption. In [the Human Rights Policy](#), we have expressed our commitment to enhance respect for human rights in accordance with [the Business Partner Code of Conduct](#), which requires business partners to ensure they continue act by prohibiting modern slavery including forced labour and child labour. Likewise, we have committed to address human rights issues including forced labour and child labour in our workplace. The Daiichi Sankyo Group Business Partner Management Guideline defines the appropriate management of corporate activities in transactions and relationships with business partners, in order to prevent and/or minimize risk that may be incurred by the Group in working with third parties including risk relevant to labor and respect for human rights.

3. Risk Assessment and Human Rights Due Diligence Process

The Group is committed to conducting human rights due diligence based on risk assessment in order to prevent modern slavery and human trafficking in line with [the Human Rights Policy](#).

Specifically, we conduct a risk assessment questionnaire survey as a minimum on a three year-cycle, for all group companies conducting business operations. We identify potential human rights risks connected to our business operations, confirm the status of our efforts on the human rights issues related to these risks, and implement process improvements to mitigate these risks. The survey conducted in fiscal year 2020 included

questions about the dissemination of human rights policies, status of addressing human rights issues, stakeholder engagement and the operation of reporting channels.

In addition, to promote “responsible supply chain management”, we identify categories of suppliers related to our business, and conduct human rights risk assessments, and monitor them through the contract period. A “Sustainable Procurement Survey” has been running for our major business partners since fiscal year 2017, and is repeated on a three yearly cycle. We also conduct communications with our business partners to seek their understanding of our approach to sustainable procurement. The “Sustainable Procurement Survey” also includes questions regarding forced and child labour.

The following were our key initiatives in fiscal year 2022:

- Based on the risk assessment questionnaire survey results conducted in fiscal year 2020, we considered management structure of human rights due diligence, and are in the process of formulating a procedure manual for human rights due diligence.
- The second “Sustainable Procurement Survey” was conducted for our 403 major business partners beginning in fiscal year 2020. We have reviewed 399 responses and conducted communication with 20 target partners based on survey results as of the end of fiscal year 2022. No issues related to modern slavery or human trafficking were reported in this survey.
- In fiscal year 2021, the Group introduced a new business partner management process to manage risks related to human rights in Japan. During fiscal year 2022, the Group has introduced this process in DSI/ARI, DSE, ASCA * to have a globally unified business partner risk management process in place.
- In addition, to promote socially responsible procurement practices by Group companies in Europe, a business partner management system was introduced, and the inherent risk of significant business partners for direct materials, indirect services and other business partners identified as critical were assessed based on the answers they provided. Information collected includes, but is not limited to, Anti-Bribery/Anti-Corruption, Human Rights & Labour, Health & Safety, etc. If we obtain

evidence that a business partner has deviated from their CSR commitment, the case is analyzed and escalated appropriately in order to define the correct actions to mitigate the risk. To date (fiscal years 2020, 2021 and 2022), a total of 171 business partners have been assessed and monitored with no incidences of modern slavery or human trafficking identified.

*ASCA: Asia, South and Central America

4. Stakeholder Engagement

The Group considers it very important to obtain external opinions and best practices of other companies in promoting its human rights initiatives. We participated in the Human Rights Due Diligence Working Group of the Global Compact Network Japan to gain knowledge on human rights due diligence.

In fiscal year 2022, we also participated in the United Nations Development Programme B+HR Academy, where personnel in charge of human rights-related operations shared insights on how to advance human rights due diligence, and through a dialogue with experts in Japan and overseas in the individual guidance session, deepened our knowledge on how to identify important human rights issues.

5. Remedies

The Group has established and operates non-retaliation whistleblowing systems such as a global hotline, which is available to individuals outside the Group as well as employees of the Group with reporting and consulting being available in 19 languages, including Japanese and English, whenever a compliance-related question or issue arises. Allegations of non-compliance, including but not limited to forced labour in our supply chain, can be raised through these systems. The reporting systems also include counselling on harassment and we are committed to promptly investigating reports of misconduct or unethical activity/behaviours and human rights issues in the workplace through consultation with employees' line managers or colleagues or through the Hotline. No issues related to modern slavery or human trafficking were reported in fiscal year 2022.

6. Evaluation of Effectiveness of the Preventive Measures

The Group implements the following activities to monitor the effectiveness of measures taken to prevent modern slavery and human trafficking in our business and supply chain:

- Review of the risk assessment questionnaire survey result for entire Group about the status of addressing human rights issues
- Review of the “Sustainable Procurement Survey” result collected from our business partners
- Monitor modern slavery and human trafficking related concerns raised through the whistle-blowing systems

7. Training

The following are our training programmes related to human rights, conducted in fiscal year 2022:

- A message from the CEO was sent to all Group employees to remind them of the importance of Daiichi Sankyo's engagement in human rights issues.
- Training on human rights has been provided to entire Group.
- Training on the business partner management system has been rolled out in ASCA.
- Training on procurement compliance rolled out to all relevant employees in charge of procurement operations in Japan.
- Training on business and human rights for management has been conducted in Japan.

We aim to build a culture of respect for human rights in our work and business at the Group. We will continue to review and improve initiatives to identify and eliminate modern slavery and human trafficking from our Group businesses.

This statement was approved by the Board of Directors of Daiichi Sankyo UK Ltd. on 19 June 2023 and the Board of Directors of Daiichi Sankyo Co., Ltd. on 30 June 2023.

Daiichi Sankyo UK Ltd. has delegated its signature on this statement to Daiichi Sankyo Co., Ltd.



Passion for Innovation.
Compassion for Patients.™

A handwritten signature in black ink, appearing to read "S. Manabe".

30 June 2023

Sunao Manabe

Daiichi Sankyo Co., Ltd.

Representative Director, Executive Chairperson and CEO