Materiality

In accordance with the corporate philosophy of "contributing to the healthier lives of people around the world through the creation of pharmaceuticals," the Mitsubishi Tanabe Pharma Group believes that its ability to survive and grow depends on the provision of social value and a contribution to the achievement of a sustainable society through the Group's business activities. To clarify that idea and reinforce our initiatives, we have designated material issues that we need to address as materiality and set monitoring indicators for each of them.

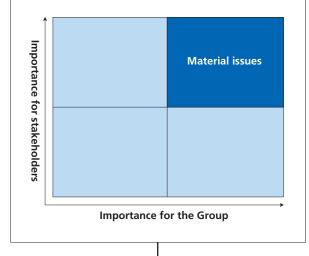
Process of designating material issues

Identify social issues that need to be considered

In designating material issues, the Group considered international guidelines as well as GRI standards, among others. In this way, social issues that need to be considered were identified in a comprehensive manner.

Prioritize social issues

For social issues that were identified, we created a materiality map that was analyzed and organized along two axes based on 1) importance for the Group, and 2) importance for stakeholders, and we narrowed down the items that were high priority.



Confirm appropriateness and designate material issues

We designated the material issues after the validity of the materiality map was confirmed through consultation with experts from inside and outside the Company.

Material issues / Major initiatives / Monitoring indicators

Material issues	Major initiatives		
1) Pharmaceuticals and healthcare services with differentiated value	Creating new drugs, adding indications, changing dosage and administration, adding formulations, and improving products. Building systems for a sustainable supply of reliable pharmaceuticals. Establishing a drug consultation center, collecting safety information, and providing information related to the appropriate use of products.		
2) Reliable products and sustainable supply			
3) Appropriate use of products			
4) Ethics, fairness and sincerity in business practices	Working to cultivate an awareness of compliance issues, establishing and observing a variety of policies, and establishing hotlines related to compliance and harassment.		
5) Stakeholder engagement	Implementing timely, appropriate information disclosure, implementing dialogue with stakeholders including investors and employees.		
6) Employee health, diversity and inclusion	Taking steps to establish a work environment that enables all employees to participate actively, including promotion of health management; maternity leave, childcare leave, and nursing-care leave; and initiatives for LGBT employees.		
7) Social contribution activities for health	Providing support for patient organizations and research, providing information related to diseases, the provision of vaccines in developing countries, and the GHIT Fund.		

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• Nun	mber of external presentations on clinical research	92.4% (Japan)	3 MON WELL-STANE 12 EXPENSION AND PRODUCTION AND P	C-1 Endeavor to earn greater recognition of corporate trust from society
	pers / academic conferences, etc.)	56 (Global)	3 GOODHEATH 3 AND WELL-SING	C-1 Endeavor to earn greater recognition of corporate trust from society
• Insta	tances of safety information collected by MRs	7,419 (Japan)		
• Con	mpliance training participation rate	97.7% (Japan)	12 RESPONSIBLE CONSUMERION AND PRODUCTION AND PRODUCTION INSTITUTIONS	C-1 Endeavor to earn greater recognition of corporate trust from society
• Emp	ployee compliance awareness (Perfect score: 5 points)	4.34 points (Japan)	CO F	
• Nun	mber of briefings and interviews of investors	198 (Global)		C-2 Promote communication and work in concert with stakeholders
● Emp (Per	ployee understanding of management rfect score: 5 points)	3.68 points (Japan)	12 RESPONSELE CONSUMPTION AND PRODUCTION	
	mber of next-generation educational support activities iting lectures, company visits, etc.)	10 (Japan)		
• Tota	al working hours (per employee, per month)	153.9 hours (Japan)	3 GOOD HEALTH AND WELL-STANC S SECRET WINDS AND ECONOMIC GOOTH	C-2 Promote communication and work in concert with stakeholders
• Usa	age rate of paid vacation days	68% (Japan)		
• Smc	oking rate	19.8% (Japan)		
• Emp	ployee awareness of diversity (Perfect score: 5 points)	3.72 points (Japan)		
• Perc	centage of women in managerial positions	20.2% (Global)		
• Nun	mber of employee nationalities	29 (Global)		
• Nun	mber of visitors to health support websites	7.29 million (Global)	3 GOODHEATH 3 MAD WILLIEBENG 9 MAD WEASTIGN THE	
	e of employee participation in social contribution ivities	42.3% (Japan)		
• Nun	mber of organizations supported by Tenohira tnership Program (total since start of grant in FY2013)	e start of grant in FY2013) 91 (Japan) 17 MINISTRIPS 17 INTRESUMS	17 PARTNESHIPS FOR THE GOALS	C-2 Promote communication and work in concert with stakeholders
	mber of supports provided by health contributing grams in developing countries	12,236 meals (Japan) vaccine 14,500 doses (Japan)	8	

MOS indicator: Management of Sustainability (MOS) A management method unique to Mitsubishi Chemical Holdings
 Orphan drug: Medicines for diseases that are said to be intractable disease for which there are few patients and for which no cure has been established
 1ppm=0.0001%