Declaration on Corporate Citizenship

We have formulated the Mitsubishi Tanabe Pharma Group Declaration on Corporate Citizenship, and are actively advancing corporate citizenship activities, targeting the realization of a “KAITEKI society.”

For further information about KAITEKI, please see the MCHC website.
http://www.mitsubishichem-hd.co.jp/english/kaiteki_management/kaiteki/

Support for Medical Treatment and Welfare

■ Implementing Donation and Assistance Activities
In 2012, we established the Mitsubishi Tanabe Pharma Tenohira Partnership Program, which provides aid for the activities of associations and support groups for patients with intractable diseases. These organizations work to improve patients’ medical treatment, education, and career prospects and to enhance their quality of life. In fiscal 2017, aid was provided to a total of 17 organizations.

Meetings were held on October 19, 2017 (Head Office) and October 25 (Tokyo Head Office) to report on the fiscal 2016 activities of organizations receiving assistance under the Tenohira Partnership Program (15 organizations, 19 people). At these meetings, participants shared know-how about the possibilities of cooperation that transcend disease, shared challenges, asking for outside volunteers, etc.

In addition, on two occasions, in June and October 2017, Group company employees and family members from Japan and the U.S. participated in walking events sponsored by the ALS Association, a U.S. organization for patients with ALS. The ALS Association is a leading ALS patient organization in the U.S., and sponsors more than 150 charity events throughout the U.S. Mitsubishi Tanabe Pharma America, cooperates in the walking events. Donations that were raised through the events will be used for medical treatment, for research and development, and for patients and their families.

■ Contributing to Developing Countries
The Global Health Innovative Technology Fund (GHIT Fund) is a public–private partnership, originating in Japan, that advances the discovery of new drugs for infectious diseases that affect people in the developing world, such as malaria, tuberculosis, and neglected tropical diseases (NTDs). In 2015, through the GHIT Fund, the Company provided its pharmaceutical compound library (50,000 compounds) to Medicine for Malaria Venture, a research institution for anti-malaria drugs. Three types of promising compounds that have the potential to become pharmaceuticals have been identified. Moving forward, we will continue to advance joint research targeting the discovery of new anti-malaria drug candidate compounds.

In addition, we have introduced the TFT Program at the employee cafeterias of the Head Office and the Kashima Office. TFT is an abbreviation for Table for Two, a social contribution activity that originated in Japan. This activity is aimed at simultaneously resolving the problems of hunger in developing countries and the problems of obesity and lifestyle-related diseases in industrially developed countries. At the employee cafeterias, when employees eat low-calorie meals that help prevent obesity, through TABLE FOR TWO International, ¥20 of the price is allocated to the cost of school meals in developing countries, such as in Africa. ¥20 is the amount of money needed to provide 1 meal in a developing country.

Furthermore, since 2014 the Group has been participating in vaccine support activities for children in developing countries. Through this program, when unneeded books, CDs, DVDs, etc.,

The Mitsubishi Tanabe Pharma Group Declaration on Corporate Citizenship
The Mitsubishi Tanabe Pharma Group will strive to contribute to society through its pharmaceutical operations in accordance with its Philosophy, Vision, and Corporate Behavior Charter. In addition, as a good corporate citizen, the Mitsubishi Tanabe Pharma Group will proactively implement the following activities to contribute to the resolution of problems related to health and living environments in the countries and regions where the Group conducts business.

Activities to Contribute to the Resolution of Problems Related to Health and Living Environments

1. Activities to promote medical research and nurture human resources
2. Activities to help patients and families find more joy and satisfaction in their lives
3. Activities to improve health and welfare in developing countries
4. Activities to activate communities and develop more-comfortable living environments
5. Other activities

For further information about corporate citizenship activities, please see the URLs on the below.

are sent to BOOKOFF Online, 10% is added to the assessed amount and the total is donated to Authorized NPO Japan Committee Vaccines for the World’s Children. This international contribution activity uses those donations to deliver vaccines to children in developing countries, such as vaccines for six major infectious diseases. In fiscal 2017, as a result of aggressive initiatives at each worksite, the amount of donations reached ¥223,056, about 1.4 times the level in the previous fiscal year and equivalent to polio vaccines for 11,153 people. Moreover, from fiscal 2017, in addition to donations from employees, the Company is also participating in vaccine support through matching gifts. (Same amount: ¥223,056 donation).

Advancement of local communities

Mitsubishi Tanabe Pharma Historical Museum
In 2015, the Company opened the Mitsubishi Tanabe Pharma Historical Museum on the second floor of the Head Office in Dosho-machi, Osaka, which is known as the “pharmaceutical district.” More than 20,000 people have visited the museum over the three years since its opening. Through the Mitsubishi Tanabe Pharma Historical Museum, the Company is cooperating in regional events and contributing to the development of the next generation, such as with school off-campus learning activities.

WEB For further information about the Mitsubishi Tanabe Pharma Historical Museum, please visit the following website. http://www.mtpc-shiryokan.jp/en/

Activities Addressing Other Social Needs

Developing the Next Generation
As a measure to develop the next generation, the Group offers lessons and company tours at worksites, which are used as venues for pharmaceutical-related lectures and comprehensive learning initiatives that leverage the knowledge of a pharmaceutical company.

Support for Disaster Reconstruction
The Company is providing ongoing support to regions affected by the Great East Japan Earthquake and the Kumamoto Earthquake and working to support recovery and reconstruction initiatives for regions damaged by national disasters in Japan and overseas.

The Company has made a variety of donations to help people who were affected by the torrential rains in northern Kyushu in July 2017, the earthquake in northern Osaka Prefecture in June 2018, and the torrential rains in western Japan in July 2018, and to assist in the reconstruction of the disaster-stricken regions. In addition, as one part of initiatives to support reconstruction in Tohoku and Kumamoto, we held events to sell products, with the objective of fostering knowledge about and support for the regions affected by the disasters. Moving forward, we will continue to support the regions affected by the disasters by encouraging purchases in order to ensure that memories of the earthquakes do not fade away.
Social and Environmental Activities

Initiatives Related to Environmental Conservation

Environmental Management

In accordance with its environmental policy, in order to help protect the global environment and create a sustainable society, in every aspect of its business operations Mitsubishi Tanabe Pharma is working to reduce resource consumption, energy consumption, and waste and to achieve sustained reductions in the environmental burden. Moreover, we work proactively to ensure that our operations are environmentally friendly. Furthermore, the Group appropriately discloses information related to the environment and promotes dialogue with the public in its initiatives aimed at contributing to the environment and society.

Mitsubishi and Safety Policy

Mitsubishi Tanabe Pharma and its Group companies (“MTPC Group”) aim to be global research-driven pharmaceutical companies that are trusted by communities, and actively strive to protect global environment and ensure people's safety.

1. We assess our corporate activities for their environmental impact in order to continuously reduce environmental burden.
2. We give priority to safety considerations for all of our workers to prevent occurrence of occupational accidents.
3. We set clear targets for our environmental and safety activities, and we effectively maintain and improve our system to achieve such targets.
4. We pursue activities in compliance with not only laws and regulations relating to environment and safety, but also more rigorous corporate management standards.
5. We systematically conduct training to enhance each and every employee's awareness on the environment and safety.
6. We proactively disclose information relating to environment and safety so that we can deepen communication with communities.
7. By proactively participating in and cooperating with environment management and disaster reduction activities organized by local communities, we prepare against unforeseen contingencies such as accidents and disasters, so as to minimize their impact.

Environmental Action Plan

In consideration of changes in the status of our business activities in Japan and overseas, changes in capital investment and other business plans, the demands of external stakeholders, etc., we revised the details of the Medium-Term Environmental Action Plan (2016–2020). The major revisions were as follows.

• In “energy conservation and global warming mitigation,” we increased our target for CO2 emission reductions. We also included offices and expanded the scope.
• We added “effective use of water resources” as a new theme and established domestic and global numerical targets for water usage volume (production and research bases).

Medium-Term Environmental Action Plan (2016–2020): Principal Objectives and Progress

<table>
<thead>
<tr>
<th>Area</th>
<th>Objectives</th>
<th>Principal initiatives and results in fiscal 2017</th>
</tr>
</thead>
</table>
| Energy conservation and global warming mitigation | • CO2 emissions by fiscal 2020 (production and research bases, offices)  
Domestic group: Reduce by at least 40% compared to the fiscal 2010 level  
Global: Reduce by at least 35% compared to the fiscal 2010 level  
• Advance tracking of supply chain CO2 emissions | • CO2 emissions volume (excluding CO2 emissions from the use of fuel in sales vehicles)  
Domestic group: 37% reduction (vs. fiscal 2010)  
Global: 29% reduction (vs. fiscal 2010)  
• Scope 3 emissions in categories 1, 2, 3, 4, 5, 6, 7, and 12 were CO2 calculated. |
| Reduction of waste / effective use of water resources | • Domestic group: Reduce the amount of waste generated, maintain zero emissions (final waste disposal rate of less than 0.5%)  
• In comparison with fiscal 2010, reduce water usage volume (production and research bases) by 15% or more, both in Japan and overseas, by fiscal 2020. | • Domestic group: Final waste disposal rate: 0.37%  
• Water usage volume  
Domestic group: 40% reduction (vs. fiscal 2010)  
Global: 41% reduction (vs. fiscal 2010) |
| Chemical substance emissions reductions | • Reduce emissions of toluene into the environment by 30% or more by fiscal 2020 in comparison with fiscal 2010 | • Emissions of toluene into the environment: Decrease of 34% (vs. fiscal 2010) |
| Preservation of biodiversity | • Understand the relationship between business activities and biodiversity, advance initiatives for the preservation of biodiversity | • Advanced environmental conservation activities, such as planting at Ikoma Mountain (Osaka Prefecture) and natural woodland conservation in the Hachojyaki Takiyama Area (Tokyo Prefecture) |
| Enhancement of environmental management | • Rigorously implement environmental compliance, enhance environmental risk management  
• Maintain zero environmental accidents | • Environmental audits by environment-related departments  
Subject: 6 domestic production and research bases, 1 overseas production base  
• No environmental accidents, record of zero accidents maintained |
The Environmental Safety Committee, which is led by the president and has members from the Executive Committee, etc., deliberates environmental safety action policies and plans as well as important measures and other matters. In addition, to further strengthen collaboration with Group companies, the Liaison Council for Environmental Safety formulates and implements measures to address issues related to environmental safety. Moreover, in the General Affairs Department we have established the Environment & Safety Management Office as a unit that oversees environmental safety management. The office is promoting environmental management on a Groupwide basis in Japan and overseas.

In recent years, climate change has become more apparent and there are growing calls around the world for measures to address climate change risk. In addition, water risk, such as water depletion, flooding, and water pollution, is susceptible to the influence of climate change. Moving forward, the Group will track and analyze the relationship between its business activities and climate risk and water risk. We will organize information regarding risks that affect operations and other aspects of management as well as available opportunities and move forward with initiatives.

Greenhouse Gas Emissions in the Supply Chain

We are working to track greenhouse gas emissions from business activities in the supply chain and to expand the data that is disclosed.

Greenhouse Gas Emissions Calculation in Fiscal 2017 (tons-CO₂)

<table>
<thead>
<tr>
<th>Scope 1</th>
<th>Direct emissions of greenhouse gases from the business itself</th>
<th>35,777</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 2</td>
<td>Indirect emissions from the consumption of electricity supplied by other companies</td>
<td>65,343</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Indirect emissions other than those covered in scope 2</td>
<td>517,342</td>
</tr>
<tr>
<td></td>
<td>Purchased goods and services</td>
<td>17,504</td>
</tr>
<tr>
<td></td>
<td>Capital goods</td>
<td>102,733</td>
</tr>
<tr>
<td></td>
<td>Fuel- and energy-related activities not included in Scope 1 and 2</td>
<td>3,330</td>
</tr>
<tr>
<td></td>
<td>Transportation and distribution (upstream)</td>
<td>3,289</td>
</tr>
<tr>
<td></td>
<td>Waste generated from operations</td>
<td>934</td>
</tr>
<tr>
<td></td>
<td>Business travel</td>
<td>1,166</td>
</tr>
<tr>
<td></td>
<td>Employee commuting</td>
<td>439</td>
</tr>
</tbody>
</table>

For further information about environmental activities, please use the following URL: In regard to major environmental performance indicators, we obtain third-party assurance with the objective of increasing the reliability of the information disclosed to stakeholders.


CO₂ Emissions

Thousands of tons-CO₂

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂ Emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>'10</td>
<td>16 thousands of tons-CO₂</td>
</tr>
<tr>
<td>'13</td>
<td>80 thousands of tons-CO₂</td>
</tr>
</tbody>
</table>

Note: The amount of fuel used in sales vehicles is not included in the total.

Amount of Final Waste Disposed / Final Waste Disposal Rate (Domestic)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount Disposed</th>
<th>Disposal Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>'13</td>
<td>45 tons</td>
<td>0.37%</td>
</tr>
<tr>
<td>'15</td>
<td></td>
<td>0.4%</td>
</tr>
<tr>
<td>'17</td>
<td></td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Note: From fiscal 2017, the Head Office and Tokyo Head Office are included in the scope.

Water Usage

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>'10</td>
<td>Domestic (production and research bases) 102 thousand m³</td>
</tr>
<tr>
<td>'13</td>
<td>Overseas (production and research bases) 5,261 thousand m³</td>
</tr>
<tr>
<td>'15</td>
<td>'16</td>
</tr>
<tr>
<td>'17</td>
<td>'16</td>
</tr>
</tbody>
</table>

WEB
Initiatives for the Preservation of Biodiversity

In accordance with the concept that a variety of environmental initiatives are connected with biodiversity, the Group is advancing biodiversity initiatives through a wide range of environmental activities. These include environmental burden reductions, appropriate usage of inherited resources, harmonious coexistence with nature and society, and increased awareness within the Group.

Over the entire life-cycle, from research and development to production, distribution, sales, use, and disposal, we will work to track the connections between our business activities and biodiversity, understand our influence and dependence on biodiversity, and enhance our understanding.

Environmental Conservation Activities in Local Communities

As environmental conservation activities that support biodiversity conservation, Group employees and their family members continue to participate each year in woodland conservation activities with Tokyo Greenship Action (Tokyo Prefecture) and planting activities with the Ikoma Mountain Range “Folding Screen of Flowers” Project (Osaka Prefecture).

In addition, as one part of its corporate citizenship initiatives, the Group is supporting regional environmental events through the provision of Aspara Drink.

Promoting Environmental Communications

Participation in Environmental Information Disclosure Program

In evaluating companies, the importance of ESG (Environment, Society, Governance) information is increasing. In this setting, the Ministry of the Environment is implementing an environmental information disclosure program with the aim of establishing a society in which companies that aggressively implement environmental activities receive appropriate evaluations from investors, etc., as well as appropriate funding.

The Company has continually participated in this program since fiscal 2014. In fiscal 2017, we updated our environmental information and engaged in dialogue with investors using the systems and tools that are provided.

Receipt of Award Under Kansai Eco-Office Encouragement Awards Program

The Company's Head Office won the Fiscal 2017 Kansai Eco-Office Award under the Kansai Eco-Office Encouragement Awards program. The Kansai Eco-Office Award is sponsored by the Union of Kansai Governments, which comprises multiple prefectures and ordinance-designated cities in the Kansai region. Under this award system, worksites that are conducting superior environmentally friendly activities are selected from among worksites that are participating in the Kansai Eco Office Declaration movement.

We received high evaluations for the achievement of CO2 emissions volume reductions through the introduction of advanced energy-saving facilities in the Head Office building and the greening of the grounds and rooftop, as well as for aggressive CSR activities that contribute to the prevention of global warming through planting activities in the suburbs.

Receipt of Excellence Award in the Environmental Report Section of the Environmental Communication Awards

The Company's Corporate Report 2017 and CSR Activities Report 2017 received the Excellence Award in the Environmental Report Section of the 21st Environmental Communication Awards, which are sponsored by the Ministry of the Environment and the Global Environmental Forum.

The Company provides an overview of its major environmentally friendly initiatives in Corporate Report 2017. In addition, in CSR Activities Report 2017 we provide detailed disclosure of the results of our environmental management system and our activities targeting the achievement of the objectives in the Medium-Term Environmental Action Plan. We have also worked to ensure reliability by acquiring third-party assurance in regard to principal environmental performance indicators. These initiatives were highly evaluated, and as a result we received this award.