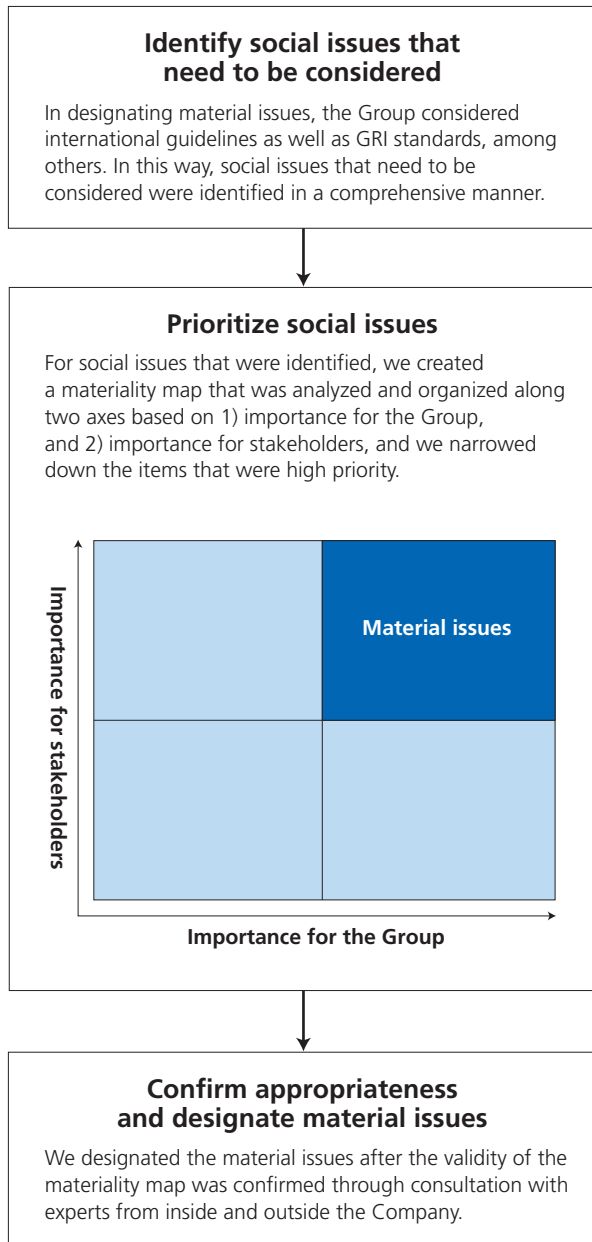


# Materiality

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



## Material issues / Major initiatives / Monitoring indicators

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

## WEB

Please refer to URL below for information about KAITEKI.  
[https://www.mitsubishichem-hd.co.jp/english/kaiteki\\_management/kaiteki/](https://www.mitsubishichem-hd.co.jp/english/kaiteki_management/kaiteki/)



	Monitoring indicators	Fiscal 2018 results (scope of calculation)	Related SDGs	Related KAITEKI MOS indicators <sup>1</sup>
	<ul style="list-style-type: none"> <li>Number of approvals (last 5 years)</li> <li>Number of product improvements (last 5 years)</li> <li>Awards received for drug discovery (total since 2007 merger)</li> <li>Number of vaccines shipped</li> <li>Number of patients using orphan drugs<sup>2</sup> provided by MTPC</li> </ul>	<p>23 (Global)</p> <p>13 (Global)</p> <p>18 (Global)</p> <p>17 million (Japan)</p> <p>100,000 (Global)</p>	 	<p>H-1 Contribute to medical treatment</p> <p>H-2 Contribute to the prevention and early detection of diseases</p>
	<ul style="list-style-type: none"> <li>The rate of complaints attributed to manufacturing process at group manufacturing plants</li> <li>Satisfaction rating of responses to customer complaints</li> </ul>	<p>1ppm<sup>3</sup> (Global)</p> <p>92.4% (Japan)</p>	 	<p>C-1 Endeavor to earn greater recognition of corporate trust from society</p>
	<ul style="list-style-type: none"> <li>Number of external presentations on clinical research (papers / academic conferences, etc.)</li> <li>Instances of safety information collected by MRs</li> </ul>	<p>56 (Global)</p> <p>7,419 (Japan)</p>	 	<p>C-1 Endeavor to earn greater recognition of corporate trust from society</p>
	<ul style="list-style-type: none"> <li>Compliance training participation rate</li> <li>Employee compliance awareness (Perfect score: 5 points)</li> </ul>	<p>97.7% (Japan)</p> <p>4.34 points (Japan)</p>	 	<p>C-1 Endeavor to earn greater recognition of corporate trust from society</p>
	<ul style="list-style-type: none"> <li>Number of briefings and interviews of investors</li> <li>Employee understanding of management (Perfect score: 5 points)</li> <li>Number of next-generation educational support activities (visiting lectures, company visits, etc.)</li> </ul>	<p>198 (Global)</p> <p>3.68 points (Japan)</p> <p>10 (Japan)</p>		<p>C-2 Promote communication and work in concert with stakeholders</p>
	<ul style="list-style-type: none"> <li>Total working hours (per employee, per month)</li> <li>Usage rate of paid vacation days</li> <li>Smoking rate</li> <li>Employee awareness of diversity (Perfect score: 5 points)</li> <li>Percentage of women in managerial positions</li> <li>Number of employee nationalities</li> </ul>	<p>153.9 hours (Japan)</p> <p>68% (Japan)</p> <p>19.8% (Japan)</p> <p>3.72 points (Japan)</p> <p>20.2% (Global)</p> <p>29 (Global)</p>	  	<p>C-2 Promote communication and work in concert with stakeholders</p>
	<ul style="list-style-type: none"> <li>Number of visitors to health support websites</li> <li>Rate of employee participation in social contribution activities</li> <li>Number of organizations supported by Tenohira Partnership Program (total since start of grant in FY2013)</li> <li>Number of supports provided by health contributing programs in developing countries</li> </ul>	<p>7.29 million (Global)</p> <p>42.3% (Japan)</p> <p>91 (Japan)</p> <p>12,236 meals (Japan) vaccine 14,500 doses (Japan)</p>	  	<p>C-2 Promote communication and work in concert with stakeholders</p>

1. MOS indicator: Management of Sustainability (MOS) A management method unique to Mitsubishi Chemical Holdings

2. 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

3. 1ppm=0.0001%