

Sustainability Report
2021



Mitsubishi Tanabe Pharma

Contents

Editorial Policies	1	Society	
Message from the CEO	2	Together with Patients and Healthcare Professionals	
Message from the CSO	3	Research & Development	47
Mitsubishi Tanabe Pharma's Sustainability	4	Manufacturing and Supply Chain	49
Materiality	5	Manufacturing Pharmaceuticals that are Secure, Safe, and Convenient to Use	52
Stakeholder Engagement	10	Information Provision	54
Sustainability Initiatives in the COVID-19 Pandemic	11	Drug Safety / Quality Assurance	59
		Solving Issues Related to Improving Access to Healthcare	61
		Together with Employees	
Management		Human Resources Development	63
Code of Conduct	14	Promoting Diversity	66
Respect for Human Rights	15	Workstyle Reforms	71
R&D Ethics	17	Occupational Health and Safety	73
Compliance	18	Together with Business Partners	
Risk Management	21	Promotion of CSR Procurement	79
Promotion of Fair Operating Practices	23	Together with the Local Community	
		Corporate Citizenship Policy	81
Environment		Contributions to Medical Care and Welfare	82
Environmental Management	26	Development of Science and Technology	86
Targets & Initiatives	30	Contributions to the Environment	87
Climate Change Initiatives	34	Promotion of Local Communities	88
Water Resource Initiatives	38	Activities Addressing Social Needs	92
Reduction of Waste, Recycling and Reuse of Resources	40	Other Related Information	
Prevention of Environmental Pollution	42	External Evaluations	95
Biodiversity Initiatives	44	Data	97
Environmental Accounting	46	GRI Standard Comparative Table	108
		Explanation of Terms	113

Editorial Policies

This website is intended to provide the Group's stakeholders, including patients, healthcare professionals, local communities, and employees, with information about major sustainability initiatives implemented by the Group in fiscal 2020. Specific initiatives implemented in accordance with the Company's philosophy are presented in line with management, the environment, and society.

The Sustainability Report 2021 PDF version, which contains the same content as disclosed on this website, can be downloaded from [the Sustainability Report archive page](#).

[Explanations of medical and pharmaceutical terms](#) appearing in this report have been provided to foster a wider understanding of the report's content.

Applied Guidelines	<ul style="list-style-type: none"> • Global Reporting Initiative (GRI) Sustainability Reporting Standard; • Environmental Reporting Guidelines, 2018 version, published by the Ministry of the Environment of Japan
Period covered	<p>April 1, 2020, to March 31, 2021 (The report includes examples of activities from April 2021 and thereafter.)</p>
Issue timing	<p>October 2021 (Previous report: August 2020; next report: September 2022)</p>
Scope of reporting	<p>Mitsubishi Tanabe Pharma and consolidated subsidiaries in Japan and overseas. (The scope of reporting could differ in accordance with the examples being reported.)</p>
Contact information	<p>> Contact Us</p>

Message from the CEO

We Seek to Achieve a Sustainable Society under MISSION and VISION 30



As of April 2021, the Mitsubishi Tanabe Pharma Group has launched a new era by reconceptualizing its corporate philosophy and vision into its new MISSION and VISION 30. MISSION and VISION 30 were developed under the same KAITEKI concept promoted by our parent company, Mitsubishi Chemical Holdings, that aims for a sustainable society and planet. KAITEKI means “the sustainable well-being of people, society and our planet.” The Group will achieve KAITEKI through its contributions to the healthcare field.

As one of the oldest pharmaceutical companies in the world, the Mitsubishi Tanabe Pharma Group has been striving to cure diseases for more than 300 years starting with tuberculosis, hypertension, diabetes, rheumatoid arthritis, Crohn’s disease, cerebral infarction, multiple sclerosis, ALS, and other treatments, and has been creating new drugs and medications.

Looking back at what the Group has achieved so far and what Mitsubishi Tanabe Pharma should be like in the future society, in April 2021, we set for ourselves a new MISSION of “Creating hope for all facing illness” and a vision to “Be a healthcare company that delivers optimal therapy to each individual,” which VISION 30 seeks to achieve by 2030.

Today, the environment around us is dramatically changing. Thanks to digitization, online medical care, and personalized medicine, a new era will come when people facing illness have hopes beyond conventional “medicine.” This future will also open opportunities for us to do even more. We always stand in the patients’ and families’ position and deliver various solutions as well as therapeutic drugs.

To achieve our MISSION and VISION 30 in the future society, there are still things that we must value and new challenges to take on. We must value the tremendous passion and effort made to discover new drugs that has created and delivered medicines that never existed before. The challenge is to perceive society’s needs and provide healthcare solutions that improve the QOL of patients and their families, not only in drug discovery but also in prevention, pre-symptomatic disease care, and prognosis centered on therapeutic drugs. Therefore, we will also take on new collaborative challenges across industries with like-minded external partners.

The Group started Medium-Term Management Plan 21-25 from this fiscal year, and began working on precision medicine, around the pill solutions, and collecting and analyzing healthcare data. We will steadily promote these growth strategies to create hope for those facing illnesses without effective treatment.

With the changing environment and the acceleration of innovation, how will we achieve a society in which no one is left behind? The Mitsubishi Tanabe Pharma Group will conduct its management based on transparency and fairness along with its MISSION and VISION 30 with the trust of patients, their families, medical personnel, and society.

UENO Hiroaki
President & Representative Director
Chief Executive Officer

Message from the CSO

We will grow our business and support a sustainable society by directing our operations at addressing social issues.

As the Mitsubishi Tanabe Pharma Group formulated the Medium-Term Management Plan 21-25 to start in fiscal 2021, we reevaluated the role we want the Group to play and what type of value we can contribute to the society of the future. The result of the reevaluation was that we turned our corporate philosophy into our MISSION of “Creating hope for all facing illness.” The objective of our MISSION is in 2030 to “Be a healthcare company that delivers optimal therapy to each individual,” which is our VISION 30. The new Medium-Term management plan covers the first five years under VISION 30, and was carefully formulated from the perspective of what we should achieve during this period.

As we framed the new MISSION, VISION 30, and Medium-Term Management Plan 21-25, the process of deciding how we can use our business activities to address current and emerging social issues allowed us to reconfirm the elements that are essential for sustainable growth of both our Company and society.

We also linked the MISSION and VISION 30 to the KAITEKI concept of the Mitsubishi Chemical Holdings Corporation (MCHC) Group. As the core company responsible for the MCHC Group’s healthcare business (PHARMACEUTICAL AND HEALTH), Mitsubishi Tanabe Pharma will contribute to the MCHC Group’s Vision “Realizing KAITEKI” by providing “Creating hope for all facing illness.”

While formulating MISSION, VISION 30, and Medium-Term Management Plan 21-25, we also reviewed the material issues that our Company is positioned to actively address, to which we added two new items of materiality.

The first new item is improving access to healthcare. Improving issues related to healthcare access involves making medicine and medical services more readily available to the people who need them, particularly in developing countries. Pharmaceuticals companies can, and are expected to, play a major role in making this happen. Our activities in this item are presented on our corporate website’s sustainability sections, but we have designated them as an item of materiality where we will reexamine issues and step up our activities. With this as a new starting point, we discussed how and in what areas we can contribute most effectively, and positioned intractable and rare diseases and efforts to deal with infectious diseases prevalent in developing countries as priority fields.

The second new item of materiality is promoting environmentally friendly business. Pharmaceuticals is considered to be a low-impact industry, but in adding this new item we are recognizing that as environmental issues become more pressing, we expect ourselves to do more. The MCHC Group has made environmental operations a top priority, and we will actively work with the Group to become an even more environmentally sound organization.

We have raised stakeholder engagement to be an even higher priority material issue. To fulfill the VISION 30 objective of providing new value, we have set advancing precision medicine and around the pill solutions as the two core elements of our medium-term management plan, and stakeholder engagement and active collaboration with our business partners are crucial to the plan’s success. We specifically used the word “engagement” to express our desire to work closely with stakeholders both inside and outside the Company and to reinforce the importance of valuing the connections and relationships and growing together. We will establish monitoring indicators for materiality and release it starting with the fiscal 2021 results so that we can track the progress of these material issues and help those outside the Company to understand our efforts.

This year is a milestone for the Company as we launch the Medium-Term Management Plan 21-25 with our new MISSION and targeting VISION 30. Mitsubishi Tanabe Pharma is rededicated to our belief that contributing through our operations to realizing a sustainable society is essential to our corporate growth.



TANAKA Eiji
Managing Executive Officer
Chief Sustainability Officer

Mitsubishi Tanabe Pharma's Sustainability

Based on a history spanning more than 300 years, and our frontier spirit, the Mitsubishi Tanabe Pharma Group's MISSION — “Creating hope for all facing illness.” — reflects universal values, and the realization of that philosophy is our social mission.

In addition, there is a growing commitment around the world to working toward the resolution of environmental and social issues through worldwide initiatives, such as the SDGs adopted at a United Nations summit, while the pursuit of sustainability is accelerating.

Under the concept of KAITEKI, the Group is pursuing businesses that solve a wide range of environmental and social issues. By providing value to society through our business and contributing to the realization of a sustainable society, we seek to continuously raise our corporate value.

To that end, it is vital that we understand the social issues and demands that change with time and respond to them. The Group has identified the highest priority social issue as a materiality (important issues) that it needs to address. As people engaged in the activities of a pharmaceutical company, all of our officers and employees have a strong sense of mission, a high level of ethical standards, and conduct our business activities with fairness and integrity. Together, we will contribute to achieving our MISSION and a sustainable society.

KAITEKI

Mitsubishi Tanabe Pharma is a member of the Mitsubishi Chemical Holdings Corporation (MCHC) Group, which is working to realize KAITEKI by providing solutions to environmental and social issues and contributing to the sustainable development of society and the planet. KAITEKI means “the sustainable well-being of people, society and our planet Earth.”

The MCHC Group calls the sum total of the value created from the three types of management, (1) management which focuses on capital efficiency, (2) management which strives to create innovation for society, and (3) management aiming to improve sustainability, “KAITEKI Value.” We practice “KAITEKI Management” to provide solutions and improve profitability, starting from environmental and social issues. All MCHC Group activities target enhancement of KAITEKI value. We believe that enhancing KAITEKI value will help the MCHC Group develop together with its stakeholders. We promote our corporate activities to create sustainably, which is the realization of KAITEKI.

For further information about KAITEKI, please see [the MCHC website](#). □

United Nations Global Compact

Since May 2006, MCHC has participated in the United Nations Global Compact, which is being advanced by the United Nations. As a member of the MCHC Group, Mitsubishi Tanabe Pharma respects the 10 principles of the United Nations Global Compact, which address human rights, labor, the environment, and anticorruption, and upholds these principles in its business activities as a responsible corporate citizen in line with its Corporate Behavior Charter.

Materiality

The Mitsubishi Tanabe Pharma Group believes that using our business to provide value to society and contribute to a sustainable society is integral to our corporate survival and growth. To clarify this belief and strengthen our efforts along those lines, in fiscal 2018, following the process outlined below, we identified material issues that our Company is positioned to actively address. Since then, however, the social and environmental issues have become more pressing, and the demands of society have accordingly changed.

Recognizing the changes, we looked back at our achievements and forward to the future of healthcare, and reevaluated the role that Mitsubishi Tanabe Pharma should play in the society of the future. This reevaluation led us to recast our corporate philosophy into our MISSION and our vision into VISION 30. We then formulated the Medium-Term Management Plan 21–25 for executing the steps we need to take in the years 2021–2025 to position us to fulfill the MISSION and VISION 30. When forming the plan and our new objectives, we also thoroughly reviewed our material issues.

As we reviewed our materiality, we discussed what is important to achieve the goals set out in the Medium-Term Management Plan 21–25 in order to contribute to the realization of a sustainable society, and added and revised some of the materiality items identified in 2018 as was necessary.

The outcome was management approving the following eight items as our new material issues.



Eight Material issues



* Changed/added from material issues designated in 2018

Process of Designating Material Issues

Step 1: Identify social issues that need to be considered

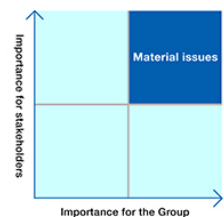
In designating material issues, the Group considered not only international guidelines and GRI standards but also SASB^{*1} pharmaceutical industry evaluation standards, ATM index^{*2} evaluation items, and others. In this way, social issues that need to be considered were identified in a comprehensive manner.

^{*1} Sustainability Accounting Standards Board. An NPO based in the U.S. that sets and discloses sustainability evaluation standards by industry. In 2021, it was integrated with the IIRC to establish the Value Reporting Foundation (VRF).
^{*2} Access to Medicine Index. An index that analyzes and ranks 20 of the world's top pharmaceutical companies on how they make medicines more accessible. Implemented by the Access to Medicine Foundation, an NPO based in the Netherlands.

Step 2: Prioritize social issues

For the social issues identified in step 1, their importance for the Group was evaluated with consideration for such factors as the Group's values and major policies, strategies and specific activity objectives, and risk-related information.

In addition, to evaluate the importance of these issues for stakeholders, we analyzed and organized items that are considered to be important by evaluation institutions that work to promote responsible investing on behalf of external stakeholders. From these two perspectives, we created a materiality map and narrowed down the issues to those with high priority.



Step 3: 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. For the material issues, we organized and confirmed their relevance in regard to major initiatives, the SDGs, the Group's Code of Conduct, and the MOS indices of KAITEKI upheld by the Mitsubishi Chemical Holdings Corporation (MCHC) Group, of which Mitsubishi Tanabe Pharma is a member.

New Materiality and Monitoring Indicators

The Group has established monitoring indicators to track the status of materiality initiatives and bring about further improvements. Following a review of materiality, we have established the monitoring indicators shown below. The results of the new monitoring indicators will be disclosed beginning with the fiscal 2021 results.

Please click the link to see initiative examples.

① Innovative pharmaceuticals and healthcare services



Main Initiatives and Monitoring Indicators		
		Scope of data collection
Creating new drugs, adding indications, changing dosage and administration, adding formulations, and providing around the pill solutions	Number of approvals (Medium-Term Management Plan 21-25, cumulative)	(Global)
	Number of solutions provided to patients (Medium-Term Management Plan 21-25, cumulative)	(Global)
	Number of development pipelines	(Global)
	Awards received for drug discovery (total since 2007 merger)	(Global)
	Number of partnering projects	(Global)
	Medium-Term Management Plan 21-25 new product sales volume by year	(Global)

• Initiative examples:

[Together with Patients and Healthcare Professionals> Research & Development](#)
[Together with Patients and Healthcare Professionals> Manufacturing and Supply Chain Development Pipeline](#)

② Quality assurance and stable supply



Main Initiatives and Monitoring Indicators		
		Scope of data collection
Building systems for the stable supply of reliable pharmaceuticals, and appropriate responses to questions about quality	Number of product recalls (class I, II, and III)	(Japan)
	Customer satisfaction with questions about quality	(Japan)

• Initiative examples:

[Together with Patients and Healthcare Professionals> Drug Safety / Quality Assurance](#)
[Together with Patients and Healthcare Professionals> Manufacturing and Supply Chain](#)

③ Appropriate use of products



Main Initiatives and Monitoring Indicators		
		Scope of data collection
Establishing a drug consultation center, collecting safety information, and providing information related to the appropriate use of products	Number of external presentations on clinical research (papers/academic conferences, etc.)	(Global)
	Instances of safety information collected	(Global)

● Initiative example:

[Together with Patients and Healthcare Professionals> Information Provision](#)

④ Access to healthcare



Main Initiatives and Monitoring Indicators		
		Scope of data collection
Supporting patients, developing therapeutic drugs for intractable and rare diseases, promoting project for infectious diseases that are prevalent in (common to?) developing countries	Number of subsidized patient organizations (cumulative, total)	(Global)
	Number of health support website visitors	(Global)
	Number of pipelines for intractable and rare diseases	(Global)
	Number of approvals for intractable and rare diseases (Medium-Term Management Plan 21-25)	(Global)
	Number and stage of infectious disease treatment projects for developing countries	(Global)
	Number of health support programs in developing countries	(Global)

● Initiative example:

[Together with Patients and Healthcare Professionals> Solving Issues Related to Improving Access to Healthcare Development Pipeline](#)

[Together with Patients and Healthcare Professionals> Information Provision](#)

[Together with the Local Community> Contributions to Medical Care and Welfare](#)

⑤ Stakeholder engagement



Main Initiatives and Monitoring Indicators

		Scope of data collection
Disseminating information and dialoging with stakeholders including customers, the general public, and employees	Employee awareness survey results (Sympathy/understanding of management philosophy, rewarding/motivation)	(Global)
	Customer satisfaction survey results	(Japan)

● Initiative examples:

[Stakeholder Engagement](#)

[Together with the Local Community > Activities Addressing Social Needs](#)

[Together with Employees > Occupational Health and Safety > Employee Survey](#)

⑥ Employee health, diversity and inclusion



Main Initiatives and Monitoring Indicators

		Scope of data collection
Promoting health management and improving work environment where all employees can play an active role	Employee survey results (Wellness item)	(Global)
	Employee survey results (Diversity and respect for individuals)	(Global)
	Diversity of management	(Global)

● Initiative examples:

[Together with Employees > Occupational Health and Safety](#)

[Together with Employees > Promoting Diversity](#)

⑦ Environment-friendly business



Main Initiatives and Monitoring Indicators

		Scope of data collection
Reducing environmental impact in corporate activities and educating employees to raise environmental awareness	GHG emissions	(Global)
	Amount of water withdrawal	(Global)
	Amount of final waste disposed	(Japan)

● Initiative examples:

[Environment > Targets & Initiatives](#)

[Environment > Climate Change Initiatives](#)

[Environment > Water Resource Initiatives](#)

[Environment > Reduction of Waste, Recycling and Reuse of Resources](#)



Main Initiatives and Monitoring Indicators		
		Scope of data collection
Working to cultivate an awareness of compliance issues, establishing and observing a variety of policies, and establishing hotlines	Surveying employee awareness on compliance (Employee awareness survey / 5 points is a perfect score)	(Japan)
	Customer satisfaction survey results (corporate image)	(Japan)

● Initiative examples:

[Management](#)>[Compliance](#)

Previous Material Issues and Major Initiatives

[Table of Previous Material Issues, Major Initiatives / Results, Code of Conduct \[PDF : 198 KB\]](#)







* See [MCHC's website](#) for MOS indicators

Stakeholder Engagement

Basic Approach

The Group's corporate activities are conducted in relationship to a wide range of stakeholders including patients. We will promote better communication and appropriate information disclosure to gain stakeholder trust. We seek to raise corporate value and achieve a sustainable society by reflecting everyone's views and society's needs as issues and goals in our corporate activities.

Below are presented the main methods and opportunities for communicating with stakeholders that we have determined are most important for the Company.

Stakeholders	Main Communication Methods and Opportunities
Patients and Their Families	<ul style="list-style-type: none"> ● Holding various seminars ● Interacting with patient organizations and support groups ● Providing information through the Medical Information Center <p>(Inquiries) https://www.mt-pharma.co.jp/e/inquiry/ </p> <ul style="list-style-type: none"> ● Providing health support information through our website <p>Discussions about diseases (Japanese language only) https://www.mt-pharma.co.jp/general/ </p> <p>Health support website (Japanese language only) https://di.mt-pharma.co.jp/health-support/ </p> <ul style="list-style-type: none"> ● Searchlight Support (provides support to ALS patients of the US) https://www.radicava.com/patient/support/searchlight-support/ 
Healthcare Professionals	<ul style="list-style-type: none"> ● Providing and collecting pharmaceutical information through medical representatives (MRs) ● Holding various seminars and exchanging views with specialists ● Creating website for healthcare professionals https://medical.mt-pharma.co.jp/index.shtml  (Japanese language only) ● Creating OTC medicine distributor website https://cps-net.jp/  (Japanese language only)
Employees	<ul style="list-style-type: none"> ● Various training, career interviews, etc. ● Dialoguing with management ● Providing information utilizing in-house magazine and Company intranet ● Providing labor-management councils ● Internal and external hotlines ● Employee survey
Business Partners	<ul style="list-style-type: none"> ● Interacting through procurement activities ● Dialoguing through CSR procurement (conducting surveys, etc.)
Local Communities	<ul style="list-style-type: none"> ● Conducting visiting lectures at schools ● Accepting company visits ● Holding local events ● Mitsubishi Tanabe Historical Museum ● Volunteering activities in local communities ● Greening and beautification activities around business sites

Sustainability Initiatives in the COVID-19 Pandemic

The spread of COVID-19 has had a tremendous impact on our lives and economic activities. The Group, focusing on the functions required for a stable supply of pharmaceuticals, will maintain its business and fulfill its mission of providing a “stable supply of pharmaceuticals” while ensuring employee safety, revising the BCP to take into account a response to infectious diseases such as corona pneumonia, reviewing the personnel system, improving the network environment, promoting workstyle reforms, and reviewing research, development, and sales style. Moreover, we are pursuing initiatives that leverage Group strengths and providing various support in response to changing circumstances.

[Click the link](#) below to view details of these initiatives.
(Japanese language only)

Stable Supply of Pharmaceuticals

We believe that providing a sustainable supply of reliable pharmaceuticals is our vital mission. While we closely cooperate with affiliates and business partners in the production, procurement, and distribution of pharmaceuticals, we strive to maintain a sustainable supply by taking care to prevent the spread of COVID-19 as a business that must maintain continuity. At this time, the stable supply of our products has not been affected by the COVID-19 pandemic. We will work to maintain a sustainable supply while paying close attention to the COVID-19 situation in Japan and abroad.

Support Activities

Activity Continuity Support for Intractable Disease Patient Organizations and 17 Support Groups

With online access rapidly increasing in many places, patients and families are finding that in-person activities are difficult due to the risk of becoming severely ill by infection, and that anxiety and isolation are further increasing. We helped intractable disease patient organizations and 17 support groups to pay for the purchase of information devices (PCs, tablets, etc.) and peripheral equipment (cameras, speakers, etc.) to conduct business with the aim of enhancing their online environment so they can continue their business activities even in the pandemic. Each of the groups was incredibly pleased and used the tools to promote their online activities.



Conducting an online event using the purchased equipment

Activities to Prevent the Spread of COVID-19

We are making various efforts to prevent the spread of COVID-19 in areas where business is expanding. Below are some examples.

Domestic efforts

- Support activities (donations)

Mitsubishi Tanabe Pharma Corporation, Tianjin Tanabe Seiyaku, and Mitsubishi Tanabe Pharma Development (Beijing) donated one million yuan (approximately 16 million Japanese yen) through the Chinese Red Cross Foundation to support measures against COVID-19 in China. We also collected donations from employees, provided matching gifts in which the company and labor union donated a matching amount, and donated a total of 2.5 million yen through Save the Children Japan.



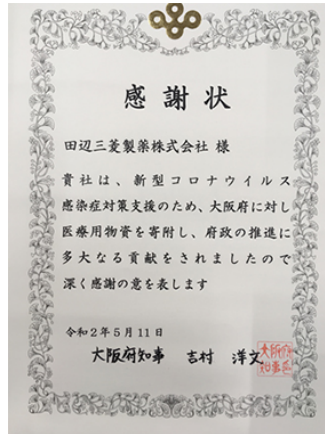
Contribution Commendation Badge
(Chinese Red Cross Society)

● Providing Masks

Given that Osaka Prefecture, the location of our headquarters, is securing medical supplies in preparation for the spread of the virus, we donated 2,000 protective N95 masks from our stockpile, and donated protective N95 masks and surgical masks to the government and various organizations.



Providing masks to the town of Yoshitomi, the site of our Yoshitomi Plant (Fukuoka Prefecture)



Providing masks to Osaka Prefecture

● The Mitsubishi Tanabe Pharma Factory (Onoda Plant)

We donated goods such as masks and hand sanitizer to prevent infection to 337 households nearby. The Onoda Plant manufactures slightly acidic electrolyzed water in the drug substance building and uses it for disinfection. Sanyo Onoda City, where the factory is located, asked that we provide its City Hall with slightly acidic electrolyzed water of about 13,900 L (March to October 2020) for use in disinfection and cleaning by local residents.



Slightly acidic electrolyzed water provided to Sanyo Onoda City Hall (Onoda Plant)

● Initiative to prevent each and every person from spreading the virus

Leveraging the Tenohira (palm of the hand), a symbol of Mitsubishi Tanabe Pharma, we have developed an advertisement to prevent the spread of the virus entitled "What you can do with your hands right now" that calls for straightforward, user-friendly hand washing. The hand illustrations on the company website are designed to be posted in your bathroom at home.



Advertisement to prevent the spread of COVID-19 (Japanese language only)

Overseas Efforts

Our overseas subsidiaries also provide donations, protective clothing, masks, and volunteers to meet each country's needs. Below are some examples.

• Mitsubishi Tanabe Pharma Indonesia

We provided donations, masks, gloves, protective clothing, and infrared thermometers to healthcare professionals and nearby residents, as well as medicines to hospitals upon request.



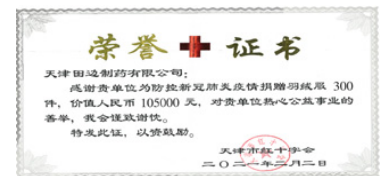
Donation of masks and other items to medical institutions



Donation to a nearby educational facility

• Tianjin Tanabe Seiyaku

During the extremely cold winter, we provided down jackets to healthcare professionals and others engaged in COVID-19 prevention work to protect them against the cold.



• Mitsubishi Tanabe Pharma Europe

We supported the volunteer work of employees who performed administrative support for the UK's National Health Service (NHS).



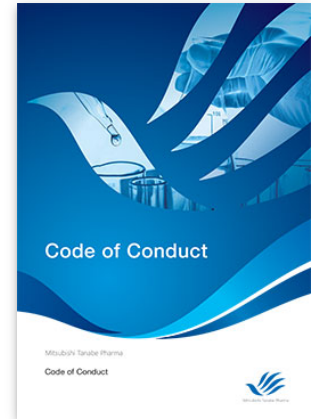
Management

Code of Conduct

Targeting the realization of MISSION and VISION 30, we have formulated the Code of Conduct as a guide to behavior based on the Corporate Behavior Charter and the Declaration of Compliance.

This code demonstrates fundamental approaches and detailed action guidelines for each business activity, and accordingly, in addition to Japanese we have also prepared English and Chinese versions and made them available on the corporate web site.

> [Code of Conduct](#)






Management

Respect for Human Rights

Basic Stance on Human Rights

Mitsubishi Chemical Holdings Corporation (MCHC) has established the [Global Policy on Respecting Human Rights, Employment and Labor](#) [PDF : 140KB]  in accordance with the following international norms.


<International norms to which we comply>

- Universal Declaration of Human Rights
- United Nations Global Compact
- Guiding Principles on Business and Human Rights
- ISO26000, etc.

The Mitsubishi Tanabe Pharma Group has established the Charter of Corporate Behavior and the [Code of Conduct](#) based on this global policy on which it conducts its business activities.

The Group's Code of Conduct stipulates that we support and respect the protection of internationally declared human rights. It also stipulates that we support the abolition of forced labor in all forms and the effective abolition of child labor. We ensure that we are not involved in any human rights violations ourselves. We do not treat people in a discriminatory or unfair manner regarding such matters as gender, age, nationality, race, ideology, religion, social status, educational background, birthplace, health status, disability status, sexual orientation, or gender identity (including LGBT*). The Code of Conduct applies to overseas Group companies as well. In each country, we comply with all laws and regulations concerning wages and labor standards (including the guarantee of at least a minimum wage).

In Japan, the compliance guidebook that we distribute to employees includes such content as respect for human rights, and states that we seek to create a safe and comfortable work environment where each other's human rights are respected.

In addition, we ask suppliers to share "[Developing Cooperative Business Practices with Suppliers and Business Partners – Guidebook](#)," [PDF : 296KB]  and also conduct surveys to deepen their understanding of human rights.

> Establishing a Sustainable Supply Chain

* LGBT is an acronym for sexual minorities based on the words Lesbian, Gay, Bisexual, and Transgender. Recently, LGBT has expanded to include LGBTQ (with Q standing for "Questioning" or "Queer") and LGBTs (with "s" a generic term for sexual minorities not covered by LGBT). In this report, LGBT is one of the acronyms used for social minorities.

Human Rights Awareness Promotion Structure

Based on "Respect for Human Rights" written in our Code of Conduct, we instituted the Regulations for Promoting Awareness of Human Rights to establish a system for promoting human rights awareness activities as well as basic points for human rights training in the domestic Group.

Based on Article 3 of those regulations, we have established the Human Rights Awareness Promotion Committee, chaired by the President, as a deliberative body for the planning and promotion of companywide human rights awareness policies. Furthermore, headquarters committee members, department committee members, and regional committee members play a key role in holding in-house training for officers and employees, and promote awareness of human rights and diversity.



Human Rights Awareness Training

The Human Rights Awareness Promotion Committee Secretariat formulates the annual plan for human rights awareness training, the Chairman of the Human Rights Awareness Promotion Committee and headquarters committee members approve the plan, which is then carried out. In fiscal 2020, we held a lecture on human rights awareness entitled "Considering Majority Privilege" for officers and management given by an outside speaker. We also conducted e-learning courses on "Harassment prevention," "LGBT," "Discrimination," and "Unconscious bias*."

In addition to the above training, "the compliance and risk management check" for officers and employees, which is overseen by the Internal Control Office, also raises issues related to "Harassment prevention" and "LGBT."

Regional members systematically participated in external training courses organized by outside human rights-related organizations of which the Company is a member.

* Unconscious bias is a "distorted or biased way of seeing or perceiving things" that you are not aware of.

Diversity & Human Rights Slogan Contest

In anticipation of Human Rights Week in December each year, the Group encourages employees to submit diversity and human rights slogans. In this way, the Group is working to enhance human rights awareness. In consideration of the globalization of our business activities, from fiscal 2018 we have also encouraged employees at overseas Group companies to submit slogans.

In fiscal 2020, employees at 15 Group companies in North America, Europe, the Middle East, Asia, and Japan submitted 541 slogans. The members of the Human Rights Awareness Promotion Committee, which is chaired by the president, selected Global Best Award slogans from among the Local Best Award slogans chosen by each Group company based on originality, ease of understanding, and educational effects under the theme of “Diversity and Human Rights.”

The award-winning slogan will be used at various MTPC Group-organized events.

Global Best Award-winning slogan: “Diversity plus respect equals freedom and creativity.”

Slogan Thoughts

Innovation must be among the fundamental core values of any company or endeavor that aims towards excellence. And that is only possible if the most important features of people such as different way of thinking and visions of the world we share are deeply prized. I believe that the “diversity plus respect equals freedom and creativity” concept encompasses the previous idea, and it even extends beyond as it is only through acceptance and celebration of diversity that we will soak in freedom and flourish in creativity.

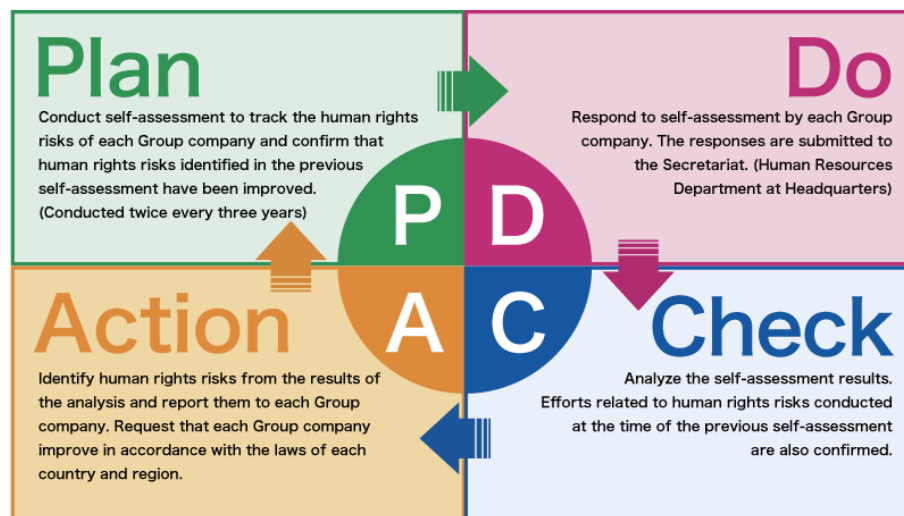
Human Rights Due Diligence*

The Group conducts its business activities in accordance with the laws and regulations of each country and region and Group company rules. In this way, we are working to ensure that we do not engage in or participate in violations of human rights. In the unlikely event that a human rights violation is discovered, we work to quickly resolve the problem.

The Group conducts a self-assessment twice every three years as recommended by the United Nations Global Compact. The purpose of conducting this assessment is to track human rights risks at each Group company and to confirm that the human rights risks identified in the previous self-assessment have been improved. The previous self-assessment was conducted in fiscal 2019. The next one is scheduled for fiscal 2021.

* Human rights due diligence is the process of identifying, preventing, and mitigating adverse impacts related to human rights.

Human Rights Due Diligence Process



Human Rights Considerations in Hiring

In the Group’s employment selection, it has set a basic policy to respect basic human rights and to not accept or reject a person based on nationality, place of birth, gender, family situation, beliefs or other factors that are unrelated to the applicant’s aptitude or ability.

In the selection process, we conduct fair employment screening based on the applicant’s aptitude and ability and do not ask inappropriate questions that may violate one’s human rights. Furthermore, one is not required to indicate gender on the job application form for new graduates or the internship application form for students.



Management

R&D Ethics

Ethical Considerations in Animal Experiments at the Research Stage

In new drug research, at the basic research stage prior to clinical trials, animal experiments are necessary to confirm efficacy and safety as pharmaceuticals. Mitsubishi Tanabe Pharma has formulated “Rules for Proper Conduct of Animal Experiments” and conducts experiments at externally accredited animal testing facilities.

In our planning and conducting of animal experiments, we established the Institutional Animal Care and Use Committee within the Company. The committee evaluates experiment plans from the perspective of the appropriateness and scientific rationale of the plans as well as whether those plans are in accordance with the 4Rs*¹ so that we consider animal welfare.

Since fiscal 2021, “Rules for Proper Conduct of Animal Experiments” and institutional regulations have been posted in “Information Disclosure on Animal Experiments.”

Yokohama Office

This site has been accredited by the animal testing facility accreditation center of the Japan Pharmaceutical Information Center (the business successor of the former Center for Accreditation of Laboratory Animal Care and Use of the Japan Health Sciences Foundation), a third-party assessment organization. The site was examined by AAALAC International*², an international assessment organization, and was fully certified in June 2021.

Shonan Office

We have been using the internationally certified animal testing facilities of AAALAC International since fiscal 2019.

*1 Refers to a program that adds the additional R of “responsibility” on the part of Company researchers to the 3R international standards for animal experiments (“replacement” with alternative testing methods, “reduction” of the number of animals used, and “refinement” of testing, centered on the relief of pain and distress)

*2 AAALAC International: Association for Assessment and Accreditation of Laboratory Animal Care International

Ethics Review Committee Initiatives

Discovery research using samples provided by patients, such as human tissue and cells, as well as information, such as treatment information, is increasingly important in the discovery of more-effective, safe drugs. In implementing this type of research, it is essential to pay careful attention to ethical issues, such as the receipt of appropriate informed consent, reduced burden on research subjects, and the protection of personal information. Mitsubishi Tanabe Pharma has established the Human Tissue Research Ethics Review Committee as an ethics review committee in conformance with the Ethical Guidelines for Life Sciences and Medical and Health Research Involving Human Subjects (Ministry of Education, Culture, Sports, Science and Technology (MEXT); Ministry of Health, Labour and Welfare (MHLW); Ministry of Economy, Trade and Industry (METI)). This committee carefully reviews the ethical appropriateness and scientific rationality of research protocols. To promote objectivity and impartiality in these reviews, outside members are included to ensure that respect is given to a range of opinions and to facilitate appropriate reviews. To ensure full transparency, the Company posts the committee membership list, the rules governing the committee, and summaries of its proceedings on the research ethics committee reporting system established by MHLW.

Human Rights and Bioethical Considerations in Clinical Trials

All Mitsubishi Tanabe Pharma clinical trials are subject to strict standards. The Company follows the guidelines set by the International Council of Harmonization of Technical Requirements for Pharmaceuticals for Human Use/Good Clinical Practices (ICH-GCP), based on the Declaration of Helsinki. It also upholds the laws and regulations of the country in which the studies are conducted, as well as its own standards and clinical trial protocols. All volunteer trial subjects give their informed consent to do so. The Company’s highest priority is to ensure the safety of its trial subjects, protect their human rights, and safeguard and improve their personal welfare.

Mitsubishi Tanabe Pharmas Clinical Trial Protocol Review Committee includes members from outside the Company and medical experts who are well-versed in clinical trial ethics. Before a trial is allowed to begin, the committee investigates the proposed study to confirm its ethical and its scientific validity.

In addition, the Company’s clinical trial management system is used to verify that studies are being properly administered, and we have established a system to ensure that the trial data is reliable.



Management

Compliance

Compliance Promotion Structure

The Mitsubishi Tanabe Pharma Group has in place a groupwide compliance promotion structure overseen by its Compliance Committee, which is chaired by the Chief Compliance Officer. Responsible persons for compliance / persons in charge of compliance (appointed in each unit) meet semiannually (overall/individually). These meetings are held to enhance cooperation with each unit, and share problems and heighten participants' sensitivity to risk associated with compliance and potential scandals, as well as enhance the ability of workplaces to address misconduct and compliance issues.

Message from the Chief Compliance Officer (CCO)

Compliance Initiatives in the COVID-19 Pandemic

OHTAKI Megumi

Executive Officer, CCO

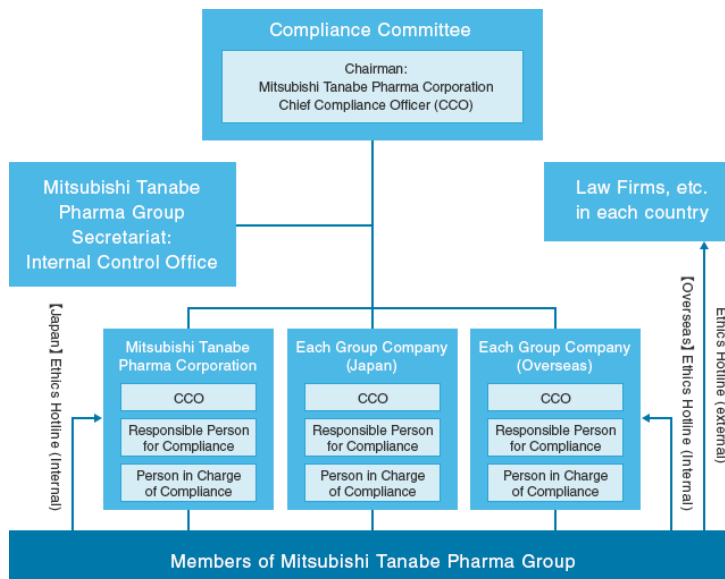
We have established Ethics, Fairness and Integrity as an important management issue and are taking steps to strengthen compliance Companywide.

The global spread of COVID-19 has completely transformed lifestyles and workstyles. The MTPC Group is also pursuing workstyle reforms such as telework, as lifestyles and new workstyles based on COVID-19 are required. The situation is such that we must shift our attention to issues including difficult intra-departmental communication and harassment issues in a work environment that has drastically changed. In fiscal 2020, we took various measures including compliance training and surveys, even under the harsh pandemic conditions, while paying careful attention to the occurrence of new compliance risks due to this kind of remote work environment.

At the meeting with the Responsible Person for Compliance / Person in Charge of Compliance including at Group companies, we share an awareness of problems to heighten our sensitivity to risk by accepting serious human relation and industry violations that have occurred while also embracing various stresses in business continuity and remote environments as our own problems. We also always think and act to determine whether the level of compliance around us and the level required by society are aligned.

From a risk management perspective, in addition to risks identified by each organization within the Group, we have established "priority response risks" to be addressed across the organization and are promoting measures to reduce them. "Priority response risks" include new risks such as information leaks, misconduct, harassment prevention, and the impact of weakened communication on business in remote work environments, and we are improving our management of these.





Declaration of Compliance

1. We conduct our business with high ethical standards and in a professional manner as a global healthcare company.
2. We respect human rights, and promote safe and healthy working environments.
3. We comply with legal requirements and regulations that apply to our businesses and corporate activities.
4. We work actively to protect the global environment and strive to realize the harmonious co-existence of the Company and society.
5. We strive always to trade and transact business in a fair manner.
6. We appropriately manage company information and data, and work to ensure that it is timely and reasonably disclosed.
7. We appropriately manage and efficiently use company assets.

Compliance Training

The domestic Group conducts the following training programs for the purpose of fostering a strong sense of ethics, raising awareness of compliance requirements, and cultivating greater awareness of compliance-related issues among all employees.

- **Groupwide compliance training:**

E-learning for all Group employees is conducted to enhance rigorous compliance, as well as human rights awareness, as the foundation of business operations in order to realize our MISSION · VISION30.

- **Divisional compliance training:**

Divisional training that focuses on specific topics relevant to each division is mainly conducted by compliance implementation personnel, including managers and staff.

- **Compliance and risk management check:**

Through e-learning, we confirm understanding of such matters as laws, regulations, and internal rules. This enables officers and employees to act in accordance with consistent evaluation standards.

List of training sessions held in fiscal 2020

	Times held	Number of participants
Groupwide compliance training	Once a year	4,676
Divisional compliance training	Once a year	4,735
Compliance and risk management check	Twice a year	July 2020: 4,735 February 2021: 4,664

Strengthening of Compliance Structure at Group Companies Outside Japan

The Group has bases in North America, Europe, China, South Korea, Taiwan, ASEAN, and Israel. We are sharing policies that are important in Group management while considering the values of each country, such as the cultures, laws, and business practices. In this way, we are advancing the compliance of Group companies.

To this end, we have appointed Chief Compliance Officers at overseas Group companies. To strengthen compliance systems at Group companies outside Japan, we are pursuing a range of measures including the verification of reporting systems for the speedy sharing of information, and continuing education programs in consultation with each company.

Corporate Behavior Charter Day

After factoring in the gravity of the Medway Issue and the related quality control problems, (a violation of the Pharmaceutical Affairs Act and GMP ministerial ordinance), and recognizing the need to prevent any further incidents of misconduct, the Mitsubishi Tanabe Pharma Group has introduced an annual Corporate Behavior Charter Day, which offers employees the opportunity to review the Group's Charter and reflect on their individual conduct.

In fiscal 2020, the lecture on compliance scheduled for April was postponed until October due to the state of emergency, and instead, a lecture was given on points of note regarding compliance in the era of the new normal from the perspective of legal experts. In our first attempt, we streamed a team's live event to all employees in Japan and more than 1,100 of them participated.

At the annual compliance meetings, which are held every year at all Group worksites in Japan, employees focused on discussions, even at remote work environments, read the Compliance Guidebook, and signed pledges in which they vowed to conduct themselves in accordance with the Corporate Behavior Charter and Declaration of Compliance.

We also held compliance meetings at overseas Group companies by including local content in the corresponding content used in Japan.

Addressing Harassment

In the Declaration of Compliance, the Mitsubishi Tanabe Pharma Group states clearly that the Group "does not tolerate discrimination, harassment or any other behavior (such as sexual harassment and abuse of power) that violates basic human rights or inhibits the capabilities of any individual." As part of the Group's commitment to raising awareness and eliminating harassment in the workplace, this issue is addressed in groupwide compliance training, training for managers, and in training for new employees.

The Harassment Prevention Guidebook published in July 2018 was revised in June 2020 in conformance with the implementation of the law (Labor Measures Comprehensive Promotion Act) that prevents harassment by a supervisor (abuse of power). The content was enhanced by specifying in greater detail the requirements for recognizing, giving specific examples, and preventing harassment by a supervisor (abuse of power).

The Mitsubishi Tanabe Pharma Group believes that eliminating harassment is a key component of creating a comfortable work environment, which will in turn help boost the vitality and performance of the Group.

The Company has established, operates, and manages multiple harassment counseling services, such as internal and external hotlines and an external hotline to address difficulties and interpersonal relationships in the workplace.

Hotlines

The Mitsubishi Tanabe Pharma Group's internal and external hotlines allow employees and managers to obtain consultation and make reports about any actual or possible violation of laws, ordinances, or social conventions. Each hotline accepts anonymous reporting and requests for consultation. In principle, we respond to requests for consultations and reports made by members of the Group (including contract employees and temporary employees) and other relevant parties including business partners. Our policy for responding to matters pertaining to consultations and reporting concerning compliance violations is shown in the Code of Conduct below.

1. Matters reported and consulted on will be responded to fairly and honestly strictly observing personal privacy.
2. People who have consulted, reported or cooperated in surveys will not be treated unfavorably.
3. We will not permit retaliation against anyone who has consulted, reported or cooperated in a survey.

In addition, we established a contact point (whistleblower line) for receiving inquiries about the laws, corporate ethics, and research ethics of the Group, or when employee misconduct or violations of the law occur or are highly likely to occur.

The use of the hotlines leads to the prevention or reduction of scandals, etc., before major problems develop.

In addition, reports on recent trends and issues warranting special mention are included in regular compliance training sessions, which helps promote use of the hotline and prevent recurrence.

Number of hotline consultations handled in fiscal 2020

Workplace environment	Working condition / human resources	Embezzlement / misappropriation	Laws regulations, and rules	Other	Total
13	3	0	3	3	22

Protecting Customer Privacy

Mitsubishi Tanabe Pharma is committed to protecting its customers' personal information. In keeping with its strong sense of responsibility regarding this subject, the Company has released its Policy on Protecting Personal Information to the public. Toward this end, the Company uses only fair and reasonable methods to collect customers' personal information and utilizes this information only to the extent necessary to achieve the permitted purpose. In addition to this fundamental approach, it has taken the following initiatives with regard to the handling of personal information.

- (1) Established defined regulations regarding the protection of personal information
- (2) Issued the Personal Information Leak Prevention Manual
- (3) Built a management system for personal information protection, including the appointment of division managers and personnel in charge of protecting personal information
- (4) Educated and trained employees; supervised and audited subcontractors
- (5) Implemented robust data encryption and security measures on company computers



Management

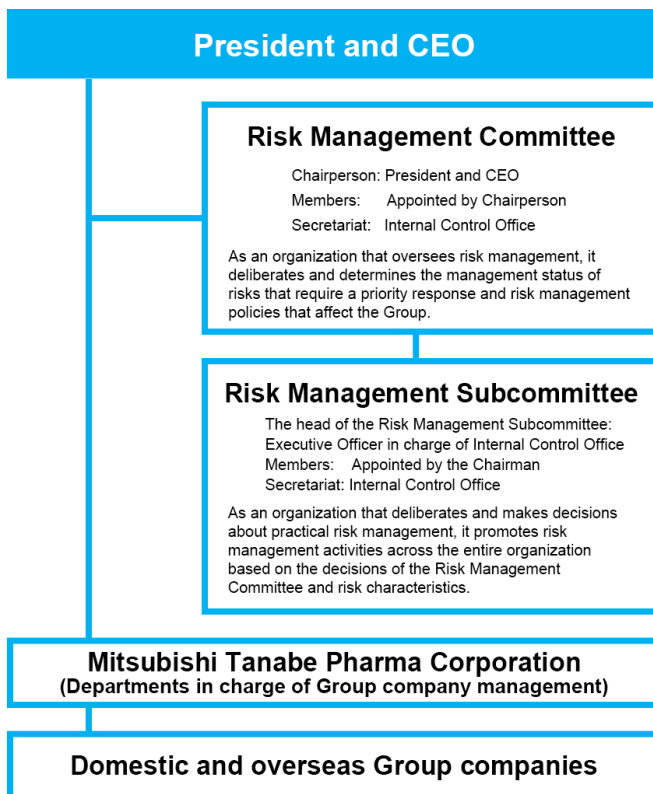
Risk Management

Risk Management Associated with Business Activities

Based on our Risk Management Rules, which stipulate basic matters related to risk management, we have established a Risk Management Structure to recognize and evaluate risks in the business activities of the entire Group and prevent their occurrence, and to minimize human, social, and economic losses in the event that such risks occur.

The operational status of risk management is reported on a regular basis to the Company's Board of Directors and Mitsubishi Chemical Holdings' Chief Risk Management Officer.

Mitsubishi Tanabe Pharma Group's Risk Management Structure



Risk Management Based on Risk Characteristics

Strategic risk
 (risk whose impact on business performance increases or decreases due to the Company's decision-making or business judgement)
The Corporate Strategy Department oversees all of it
 Examples: Portfolio, development and marketing strategies, M&A, overseas expansion, and other risks

Business operational risk
 (imperfect internal controls and unavoidable factors)
Internal Control Office oversees all of it
 Examples: Non-compliance, intellectual property infringement, deficiencies in quality and safety, accidents/pollution, cyber-attacks, natural disasters, pandemics, war/terrorism, etc.

Crisis Management

The Mitsubishi Tanabe Pharma Group has conducted a review of its Business Continuity Plan (BCP) and systems to ensure the continued stable supply of pharmaceuticals to patients in case of a major earthquake such as a Nankai Trough earthquake or a Tokyo inland earthquake predicted to strike in the future.

We are improving our practical skills by conducting IT-Business Continuity Plan training and safety confirmation drills. We are also advancing countermeasures in case of a disaster, including one that affects the supply chain, by examining the countermeasures of our business partners.

> [Click here to view our COVID-19 countermeasures](#)

Information Security

We have established an information security secretariat with the officer in charge of general affairs acting as head of the information management system. Furthermore, in response to overseas business expansion and the increasing complexity of IT infrastructure, the Group will implement measures to ensure the safe and stable use of information and data communications technologies by establishing rules at overseas bases, and enhancing security checks when using network security and cloud services. We are also taking steps to improve security, including that of our supply chain, by checking our business partner's security.

In preparation for damage mitigation and early recovery in the event of an incident, we are examining our response system and flow in conformity with the above incident prevention measures.

| Leakage of personal information

The leakage of personal information not only harms third parties but could also seriously damage the credibility of the Company and cause irreparable loss.

The Group will comply with GDPR* and other personal information-related laws and regulations and re-examine its rules to strictly manage information in line with the overseas expansion of the Group.

* The EU's general Data Protection Regulation (GDPR). A new personal information protection framework instituted by the European Parliament, European Council and European Commission.

| Telework support

For telework, which we are implementing as a COVID-19 countermeasure, we are distributing PC terminals and installing more phone lines to create an environment that can sustain our business while ensuring security.

[Protecting customer privacy](#)



Management

Promotion of Fair Operating Practices

Initiatives for Fair Business Practices

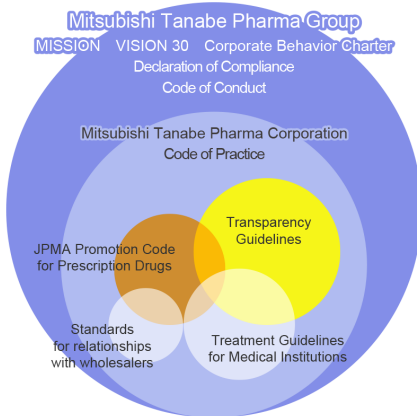
The Corporate Behavior Charter of the Group states that we will strive to maintain high ethical standards and place priority on fairness and integrity in all activities. In addition, the Declaration of Compliance expresses our commitment to conducting transactions in a fair manner based on open competition in the market, giving consideration in transaction relationships not only to laws and regulations but also to social standards, and to maintaining healthy and proper relationships with government and administrative entities while strictly refusing any relationships with antisocial forces. Specifically, based on the [Code of Conduct](#), we formulated the Mitsubishi Tanabe Pharma Corporation Code of Practice, which is described in the following section, and each activity is conducted in strict observance of the following independent standards.

- Promotion Code
- Transparency Guidelines
- Global Policy for the Prevention of Bribery and Corruption
- Treatment Guidelines for Medical Institutions

Code of Practice

The Japan Pharmaceutical Manufacturers Association (JPMA), of which Mitsubishi Tanabe Pharma is a member company, put the JPMA Code of Practice into effect in 2013. This establishes behavioral standards that must be observed by the executives and employees of the member companies in their interactions with researchers, healthcare professionals, patient organizations, wholesalers, etc. In response, the Company established and put into effect the Mitsubishi Tanabe Pharma Corporation Code of Practice. All executives and employees of the Company and Group companies in Japan are required to follow this code not only in promotion endeavors designed for healthcare professionals, medical institutions, and others, but also in all other corporate activities, including testing and R&D, information provision activities, cooperation with patient organizations, and relationships with wholesalers. Overseas Group companies comply with the codes of each country based on the International Federation of Pharmaceutical Manufacturers and Associations' Code of Practice (IFPMA Code).

Positioning of the Code of Practice



- Applicable to all Company executives and employees
- Officers and employees of Group companies must also comply with this code
- Must be followed in promotion activities and all other corporate activities
- Must respond to issues dealing with the Fair Competition Code of the Ethical Pharmaceutical Drugs Marketing Industry

Appropriate Promotion Activities Initiatives

Definition of Promotion

In the Japan Pharmaceutical Manufacturers Association's Code of Practice (JPMA Code), for a pharmaceutical company, the word "promotion" as it is used here does not refer to "sales promotion." Rather, it means "to engage with healthcare professionals in the provision, collection, and communication of drug information and promote the proper use and adoption of prescription drugs on the basis of those interactions."

Pursuing Promotional Activities

The Promotion Code for Prescription Drugs, which is a part of the JPMA code of practice, describes details of promotions conducted by member companies. In accordance with the intent of the Promotion Code, we established the Mitsubishi Tanabe Pharma Promotion Code for Prescription Drugs to promote the appropriate use and dissemination of prescription drugs.

Following the application of the Guidelines for Provision of Sales Information on Prescription Drugs, which sets forth a standard for appropriate sales information provision activities for ethical drugs by the Ministry of Health, Labour and Welfare, we added an advisory function to the Appropriate Supervisory Committee, which until now had been an advisory body for creating promotional materials, for sales information provision activities to promote the proper use of ethical pharmaceutical drugs.

Ensuring Transparency

The aim of the Japan Fair Trade Council of the Medical Devices Industry is to restrict unjustifiable premiums, such as money, goods, services, etc., provided as an inducement to engage in transactions to ensure fair competition among businesses. The council has its legal basis in the Act against Unjustifiable Premiums and Misleading Representations.

Accordingly, we have established Treatment Guidelines for Medical Institutions to prevent the distortion of proper prescription drugs use and unjustifiable customer inducements and increase the transparency of transactions by restricting the provision of unjustifiable premiums.

Audit System

In January 2021, we established the Promotion Audit Department to strengthen our initiatives aimed at proper promotion activities.

Initiatives Related to Transparency with Medical Institutions and Patient Organizations

Initiatives Related to Medical Institutions

To support not only the discovery of innovative drugs but also the provision and collection of information for the purpose of appropriate drug usage, collaboration and alliances among pharmaceutical companies, universities, and medical institutions are indispensable. However, as these alliance activities become more common, there are increasing opportunities for medical institutions and healthcare professionals to be significantly involved with specific companies or products, and there could be concerns about the extent to which the judgment of both is influenced by this situation.

Formulation of guidelines

In July 2011, the Company formulated its guidelines for transparency in relationships with medical institutions. The purpose of these initiatives is to secure a broad understanding from society regarding the contribution made by the Company's business activities to progress in medicine, pharmacology, and the other life sciences as well as the Company's high ethical standards in its business activities.

Information disclosure

The record of payments to medical institutions by the Group has been disclosed on the Company's website since fiscal 2012. From fiscal 2019, information will be disclosed in compliance with the Clinical Trials Act.

Regarding the provision of compensation or funds to doctors or to healthcare related institutions or organizations in Europe or the U.S., we are conducting information disclosure in an appropriate manner in accordance with guidelines and laws formulated in Europe and the U.S.

Management structure

In August 2014, the Company formulated guidelines for managing conflicts of interest with medical and research institutions. We have established principles for avoiding problems with conflicts of interest and a system for managing conflicts of interest, and we are working to operate this system in an appropriate manner.

Other initiatives

Regarding scholarships and donations to domestic universities and research institutions, the Company started a system of publicly inviting applications on the Internet in April 2016 to ensure transparency. Funding is provided after screening is conducted by a third-party committee.

Initiatives Related to Patient Organizations

First, it is important for corporate activities to be based on a high level of ethical standards and mutual understanding with respect for the independence of patient organizations. On that basis, to secure a broad understanding from society regarding our contribution to the activities and development of patient organizations, in April 2013, we formulated our guidelines for transparency in relationships with patient organizations. Since fiscal 2013, information regarding the funds and labor provided to these patient organizations is disclosed on the Company's website.

Initiatives to Prevent Bribery and Corruption

Bribery and corruption in business not only hinder proper commercial transactions, they can also have harmful effects, such as serving as the source of funding for anti-social forces. Recently, regulations for bribery and corrupt practices are being reinforced in countries around the world.

The Group has established the "Mitsubishi Tanabe Pharma Group Global Anti-Bribery and Corruption Policy," which applies to all Group companies, with the aim of further strengthening its approach toward prevention of bribery and corrupt practices.

The Group declared in the Policy that it will take a "zero-tolerance approach" to bribery and corrupt practices, and promised that it will not engage in bribery or corrupt practices. The Group also stated it will establish and operate an in-house system to eradicate bribery and corrupt practices.

Moreover, to further clarify the content of this policy, we formulated relevant guidelines in Japan, China, South Korea, Taiwan, Indonesia, Thailand, and Singapore, and we are implementing appropriate responses in line with the laws, regulations, and business practices of each country.

Dealing with Antisocial Forces

In accordance with rules for the elimination of crime syndicates, the Group's basic policies regarding corporate extortionists, crime syndicates, and other antisocial forces are to not fear them, to not provide any funds to them, and to shun all contact with them. Therefore, we have taken the initiative to constantly gather information on antisocial forces and verify our business partners in cooperation with specialized external institutions such as the police. In the face of unreasonable demands, the Group will respond with a resolute stance that is unyielding and uncompromising. Moreover, officers and employees in their day-to-day business activities, must consistently avoid relationships with antisocial forces, adhere strictly to relevant laws and ordinances, and act in accordance with social ethics.

Protection of Intellectual Property Rights

Under its philosophy of contributing to the healthier lives of people around the world through the creation of pharmaceuticals, the Group has established an intellectual property policy as a basis for providing new medical opportunities and to protect and make effective use of its globally competitive intellectual properties.

In addition to filing, acquiring, and maintaining intellectual property rights including patents and trademarks, we promote an intellectual property strategy that is integrated with our business and R&D strategies, and work to ensure our rights not only at the initial research stage, but also at the appropriate time tailored to the product lifecycle. As a result, the Group held 989 registered patents as of March 31, 2021.

Furthermore, the Company respects third-party valid intellectual property rights by managing intellectual property risks through investigation into the rights of third parties. At the same time, we are working to create a system to protect and utilize our intellectual property by taking legal action and other measures, depending on the situation, in case a third party infringes upon our intellectual property rights.

In principle, the Group does not enforce its patent rights in the Least Developed Countries (LDCs) stipulated by the United Nations in order to contribute to healthcare access in economically deprived areas around the world.



Environment

Environmental Management

Basic Approach to Environment & Safety Management

The Group has formulated [the Code of Conduct](#) and [Environment & Safety Policy](#), which indicate basic approaches and action guidelines based on [the Corporate Behavior Charter](#) and [the Declaration of Compliance](#).

We promote activities that consider the environment, safety, and health in line with these guidelines and policies and constantly strive to reduce our environmental impact. In addition, we proactively disclose environmental information to society and promote communication through dialogue with stakeholders.

Code of Conduct for the Environment and Safety

In conformity with the overriding principle that safety is paramount, we strive to prevent accidents occurring at workplaces and to implement adequate precautions and preparations against all contingencies, including occupational accidents and disasters. We also take continuing steps to reduce the impact of our corporate activities on the natural environment and we are fully committed to community environmental conservation activities.

Environment & Safety Policy

Mitsubishi Tanabe Pharma Corporation and its group companies ("MTPC Group") aim to be global research-driven pharmaceutical companies that are trusted by society, and actively strive to protect the 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 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 raise each and every employee's awareness of the environment and safety.
6. We proactively disclose information relating to environment and safety so that we can deepen communication with society.
7. By proactively participating in and cooperating with environmental management and disaster reduction activities organized by local communities, we prepare against unforeseen contingencies such as accidents and disasters, to minimize their impact.

Environmental Compliance

The Group has declared that "We work actively to protect the global environment and strive to realize the Company's harmonious co-existence with society" and these compliance activities need to be implemented by all officers and employees.

Specifically, in every aspect of our business activities, we will strive to reduce greenhouse gas emissions, promote energy conservation, resource conservation and resource recycling, reduce waste, and participate in and cooperate with local communities in environmental and disaster prevention activities. We will work to achieve a sustainable society by transitioning to a carbon-neutral society and a circular economy as well as protecting the global environment.

We will continue to reduce our environmental impact by creating a companywide environment and occupational safety management system, establishing and sharing goals and targets for environment and safety management, and formulating, implementing, and reviewing plans at all offices.

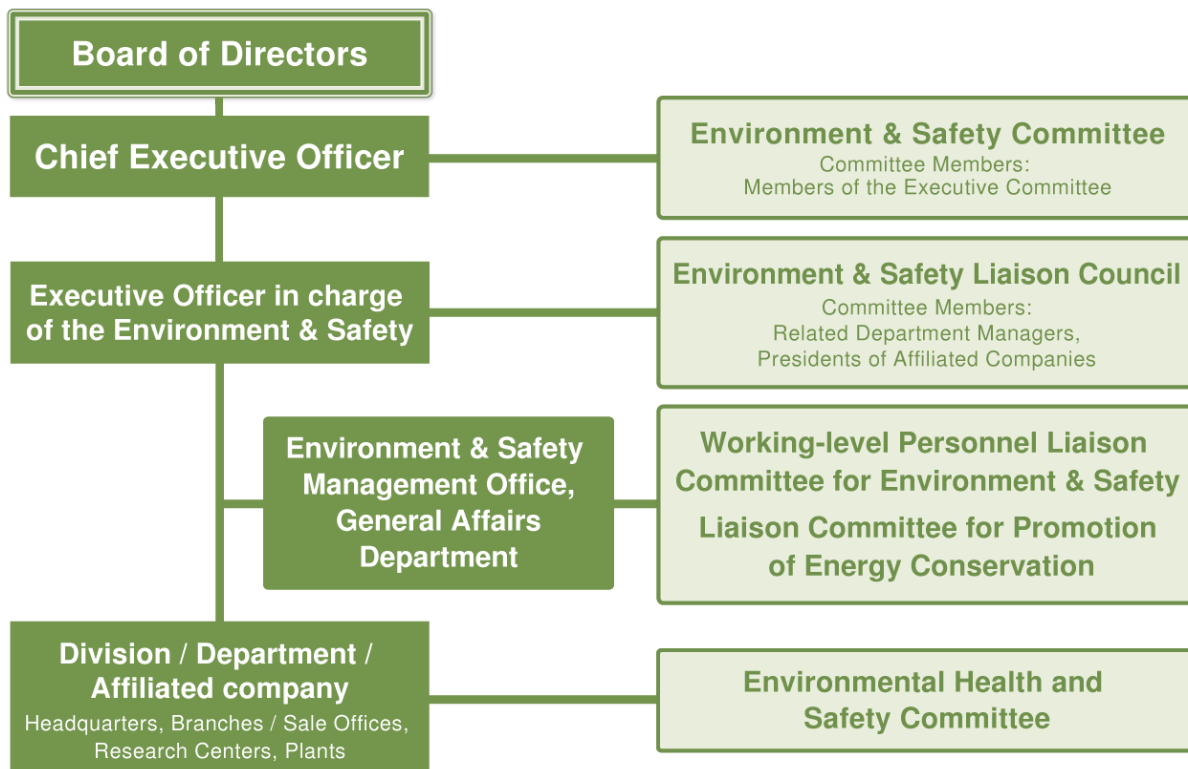
Environmental Management Promotion System

Mitsubishi Tanabe Pharma has established an environment and occupational safety management system, overseen by the President and CEO, and promotes environmental management.

We regularly hold meetings of the Environment & Safety Committee, which is composed of members of the Executive Committee, with the President and CEO in charge. The committee discusses and decides important matters related to the environment and safety, medium- to long-term and annual policies, activity targets, and reports the details of its discussions to the Board of Directors.

In addition, the Environment & Safety Liaison Council, which consists of heads of each division and presidents of domestic and overseas Group affiliated companies, and is overseen by the Executive Officer in charge of the Environment & Safety, is held regularly. The Council thoroughly discusses and reviews activities related to the environment and safety as well as execution plans and submits important matters and issues related to policy decisions to the Environment & Safety Committee.

Furthermore, we established the Environment & Safety Management Office of the General Affairs Department in the corporate organization as a department that oversees environment and safety matters for the Group as a whole. Through close ties with management and frontline workers, the office supports stronger frontline capabilities and the development of a safety culture. In this way, the office works to prevent the occurrence or recurrence of accidents related to the environment and safety.



ISO 14001 Certifications

Of the Group's seven production bases in Japan and overseas, five bases have obtained ISO 14001 certification. At production and research bases that have not obtained ISO 14001, we are building our own environment management systems in accordance with ISO 14001 and are managing these appropriately.

Plants with ISO 14001 certification

Company name	Name of base	Year certification first obtained
Mitsubishi Tanabe Pharma Factory	Onoda Plant	1998
	Yoshitomi Plant	2001
Mitsubishi Tanabe Pharma Indonesia	Bandung Plant	2004
Tianjin Tanabe Seiyaku	Head Office Plant	2010
Mitsubishi Tanabe Pharma Korea	Hyangnam Plant	2014

Environmental Audits

The environment management department periodically conducts environmental audits at production and research bases in Japan and overseas to confirm matters such as the status of environmental management and compliance, and that its environmental conservation activities are conducted legally and appropriately.

In these audits, we use check sheets of company regulations to check the status of compliance with internal rules, and the management status of environment-related facilities (waste storage facilities, wastewater treatment facilities, exhaust gas generation facilities, etc.). We ask that they submit an improvement plan and report to address the matters identified in the audit and confirm their response at the next audit. We ensure the effectiveness of environmental audits at our overseas bases by periodically conducting EHS compliance audits by external specialists who are familiar with the laws and regulations of the countries and regions in which they are located.

In fiscal 2020, environmental audits were conducted at five domestic bases (Yokohama Office, Kashima Office, Shonan Office, Onoda Plant, and Yoshitomi Plant). Overseas, audits were conducted at three bases (Tianjin Tanabe Seiyaku, Taiwan Tanabe Seiyaku, and Mitsubishi Tanabe Pharma Korea).

With the spread of COVID-19, priority was given to avoiding contact between the auditor and auditee. In principle, remote audits were conducted at four domestic bases and two overseas bases using a Web conferencing system (Yoshitomi Plant and Taiwan Tanabe Seiyaku conducted onsite auditor verification).

As a result of the audits, minor points at both domestic and overseas bases were found, but no points that could lead to serious legal violations or environmental risks were found. Furthermore, the status of compliance to the matters pointed out in the previous audit were suitably improved at all domestic bases. Improvements at overseas bases were largely confirmed, but some confirmation will continue at the next audit.

Priority items checked in domestic audits

- Confirmation of regulations and bases' environmental guidelines
- Improvement status of fluorocarbon equipment management
- Environmental impact reduction plan for bases



Environmental audit at Mitsubishi Tanabe Pharma Factory (Yoshitomi Plant)
(February 2021)

Environmental Education

Aiming for rigorous environmental compliance, the Group plans and implements environmental education and training in accordance with their level of connection with the environment.

We conduct training on environmental laws and regulations twice a year for employees in charge of environmental management at each base. We also conduct environmental training once a year for new employees. In addition, employees in charge of environmental management, work to maintain and improve specialized skills and knowledge about environmental management by proactively obtaining qualifications and taking outside training courses.

Major training conducted in fiscal 2020

<p>Environmental Laws and Regulations Training</p>	<ul style="list-style-type: none"> • Participants People responsible for environmental management of domestic Group bases • Date of implementation September 2020 • Description Overview and trends of environmental laws and regulations
<p>Environmental Seminar</p>	<ul style="list-style-type: none"> • Participants People responsible for environmental management of domestic production bases • Date of implementation November 2020 • Description External trends in climate change, water, and plastics
<p>Training for People Responsible for Waste Management</p>	<ul style="list-style-type: none"> • Participants People responsible for waste management at domestic Group bases • Date of implementation December 2020 • Description Regulation of the Waste Management and Public Cleansing Law and the waste management business

Status of Environmental Accidents/Violations of Environmental Laws and Regulations

The table below shows environmental accidents and major violations of environmental laws and regulations. For the fourth consecutive year, the Group had no environmental accidents and no major violations of environmental-related laws and regulations.

Occurrence of environmental accidents and major violations of environment-related laws and regulations

Fiscal Year	No. of incidents	Description
2015	1	Wastewater standard deviation due to outflow of cooking oil from cafeteria
2016	1	Inappropriate use of genetically modified organisms
2017	0	-
2018	0	-
2019	0	-
2020	0	-



Environment

Targets & Initiatives

Achievement Status of Medium-Term Environmental Action Plan 16-20

	Targets	Principal Initiatives and Results in Fiscal 2020	Achievement Status
Energy conservation and global warming mitigation	<ul style="list-style-type: none"> ✦ Reduce CO₂ emissions (production and research bases, offices) for fiscal 2020 <ul style="list-style-type: none"> ● Japan: by at least 40% compared to fiscal 2010 ● Global: by at least 35% compared to fiscal 2010 	<ul style="list-style-type: none"> ✦ CO₂ emissions <ul style="list-style-type: none"> ● Japan: 55% reduction (vs. fiscal 2010) ● Global: 46% reduction (vs. fiscal 2010) 	<p style="text-align: center;">◎</p> <p style="text-align: center;">◎</p>
	<ul style="list-style-type: none"> ✦ Track supply chain CO₂ discharge 	<ul style="list-style-type: none"> ✦ Scope 3 emissions in categories 1, 2, 3, 4, 5, 6, 7, and 12 were tracked, calculated, and disclosed in the CSR Activities Report 	<p style="text-align: center;">○</p>
	<ul style="list-style-type: none"> ✦ Appropriately manage fluorocarbons 	<ul style="list-style-type: none"> ✦ Changed the management system based on legal revisions in 2020 ✦ Conducted simple regular inspections ✦ Amount of fluorocarbon recovered and destroyed: 1,416 kg; amount of leakage: 67 kg (117t-CO₂eq), and since both are small amounts, government reporting is not required 	<p style="text-align: center;">○</p>
Reduction of waste, effective use of water resources	<ul style="list-style-type: none"> ✦ Japan: Reduce amount of waste generated ✦ Japan: Maintain zero emissions (final waste disposal rate of less than 0.5%) 	<ul style="list-style-type: none"> ✦ Japan: Amount of waste generated by 13% reduction (vs. fiscal 2015) ✦ Zero emissions achieved, final waste disposal rate for Japan: 0.26% 	<p style="text-align: center;">○</p> <p style="text-align: center;">○</p>
	<ul style="list-style-type: none"> ✦ Fulfill the responsibility of a waste discharging enterprise for handling waste correctly and ensuring proper treatment by contractors 	<ul style="list-style-type: none"> ✦ Completed manifest digitalization ✦ Conducted internal evaluation of waste processing contractors On-site verification of some disposal companies has been postponed due to the spread of COVID-19 	<p style="text-align: center;">○</p>
	<ul style="list-style-type: none"> ✦ 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 	<ul style="list-style-type: none"> ✦ Amount of water used <ul style="list-style-type: none"> ● Japan: 41% reduction (vs. fiscal 2010) ● Global: 43% reduction (vs. fiscal 2010) 	<p style="text-align: center;">◎</p>
Chemical substance emissions reductions	<ul style="list-style-type: none"> ✦ Properly manage chemical substances and continually reduce their discharge into the environment 	<ul style="list-style-type: none"> ✦ Chemical substance environmental emissions (air and public waters) in Japan <ul style="list-style-type: none"> ● PRTR substances: 2% increase (vs. previous fiscal year) ● VOC (excluding PRTR substances): 7% increase (vs. previous fiscal year) 	<p style="text-align: center;">×</p>

	Targets	Principal Initiatives and Results in Fiscal 2020	Achievement Status
	<ul style="list-style-type: none"> Reduce the discharge of toluene by more than 30% by fiscal 2020 in comparison with fiscal 2010 	<ul style="list-style-type: none"> Emissions of toluene to the environment: Decrease of 65% (vs. fiscal 2010) 	⊙
Preservation of biodiversity	<ul style="list-style-type: none"> Understand the relationship between business activities and biodiversity and promote initiatives to conserve biodiversity 	<ul style="list-style-type: none"> Mapped the relationship between business activities and biodiversity Some of the biodiversity conservation activities were suspended due to the spread of COVID-19 	○
Enhancement of environmental management	<ul style="list-style-type: none"> Enforced strict environmental compliance and improved environmental risk management 	<ul style="list-style-type: none"> Implemented environmental audits by environment-related departments Subject: 5 domestic production and research bases, and 3 overseas production bases Conducted environmental education and training mainly for people in charge at each base and production base employees 	○
	<ul style="list-style-type: none"> Maintain zero environmental accidents 	<ul style="list-style-type: none"> No environmental accidents and a record of zero accidents maintained 	○

[Achievement Status]

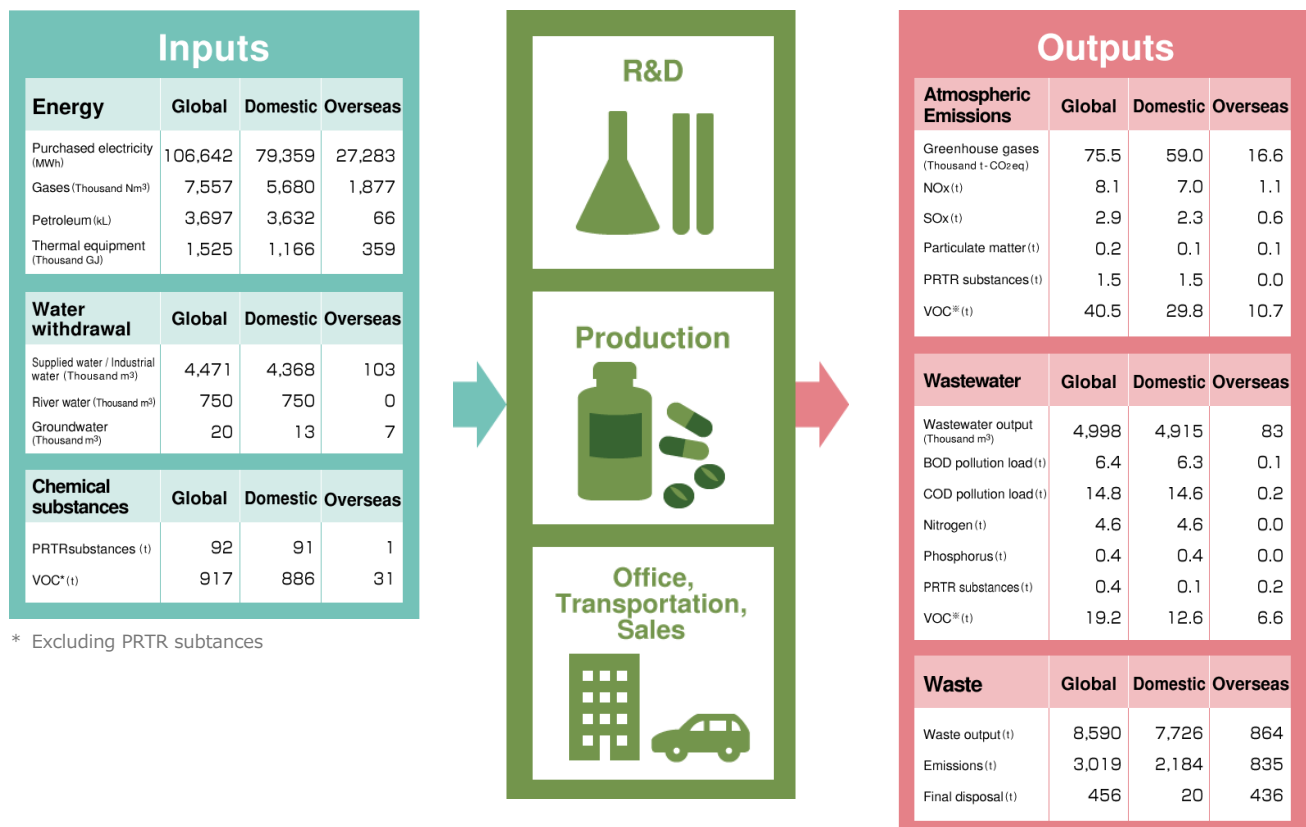
⊙: Target exceeded

○: Target achieved

×: Target not achieved, some progress

Material Balance

The figures below show the amount of resources (inputs) directly consumed and the environmental impact (outputs) discharged by our business activities in fiscal 2020.



Calculation Standards for Environmental Performance Indicators








[PDF : 92.0KB]

Medium-Term Environmental Action Plan 21-25 and Medium- to Long-Term Greenhouse Gas Emissions Reduction Target

The Group views environmental measures as an important management issue and has newly identified “environment-friendly business promotion” as a [materiality](#) that contributes to the SDGs.

Six environmental themes, including monitoring indicators for materiality, were established as priority items, and the Medium-Term Environmental Action Plan 21-25, which starts in 2021, was newly formulated.

Medium-Term Environmental Action Plan Targets 21-25

MTPC Group Environmental Activities (Principal Initiatives)	Environmental SDGs
<p>Energy conservation and global warming mitigation</p> <ul style="list-style-type: none"> Reduce GHG emissions by 25% by 2025 compared to fiscal 2019 (Global: Scope 1 + 2) Reduce GHG emissions in the supply chain Promote proper management of fluorocarbons 	<p> Goal 7</p> <p> Goal 13</p>
<p>Reduction of waste / Recycling and reuse of resources</p> <ul style="list-style-type: none"> Reduce amount of waste generated by 30% by 2025 compared to fiscal 2019 (domestic) Reduce amount of final waste disposed by 50% by 2025 compared to fiscal 2019 (domestic) Reduce amount of plastic used and promote recycling of waste 	<p> Goal 12</p>
<p>Effective use of water resources</p> <ul style="list-style-type: none"> Reduce amount of water used by 15% by 2025 compared to fiscal 2019 (global) Maintain current level of COD emissions compared to fiscal 2019 (domestic) 	<p> Goal 6</p>
<p>Prevention of environmental pollution</p> <ul style="list-style-type: none"> Prevent air pollution and water pollution Reduce emissions of PRTR substances 	<p> Goal 6</p> <p> Goal 12</p>
<p>Preservation of biodiversity</p> <ul style="list-style-type: none"> Promote understanding and reduce environmental impact on biodiversity Promote biodiversity preservation efforts 	<p> Goal 15</p>
<p>Improvement of environmental management</p> <ul style="list-style-type: none"> Strengthen environmental risk management, promote compliance and prevent environmental accidents Maintain zero environmental accidents and legal violations 	

We have formulated medium- to long-term reduction targets for greenhouse gas emissions (GHG) for fiscal 2030 and 2050.

Greenhouse gas emissions reduction targets (scope 1 + 2) (including all domestic and overseas group companies)

FY2030 Target	45% reduction (compared to FY2019)
FY2050 Target	Zero emissions

Participation in Initiatives and Industry Group Activities

The Group participates in the following initiatives and industry group activities to solve social issues related to the environment and continue to be a company that is trusted by society.

Participation in the Climate Change Initiative (JCI)

In January 2021, the Group joined the Climate Change Initiative (JCI) * to actively address climate change issues. In addition, the Group endorsed the message requesting that greenhouse gas emission reduction targets and renewable energy power targets for 2030 be raised from JCI to the Government of Japan.

* The Japan Climate Initiative (JCI) is a network comprised of various entities besides the national government that includes companies, municipalities, and NGOs, aiming to achieve a carbon-free society. Companies that are actively working on climate change measures are joining in support of the JCI Declaration which states, "Joining the front line of global trend for decarbonization from Japan."

Endorsement of Parent Company's Task Force on Climate-related Financial Disclosure (TCFD)

Mitsubishi Chemical Holdings, our parent company, has endorsed the proposal for a Task Force on Climate-Related Financial Disclosure (TCFD*). Based on this proposal, the Group will identify the risks and opportunities that climate change poses to our business and promote appropriate information disclosure.

* TCFD is a task force established by the Financial Stability Board (FSB) at the request of the G20 to develop a set of climate-related information disclosures and study financial institutions' responses. In June 2017, TCFD released the final recommendations report on how information should be disclosed to encourage companies to voluntarily disclose the effects of climate change-related risks and opportunities on corporate finances.

Participation in the Environmental Measures Expert Committee of the Osaka Prefectural Manufacturing & Industrial Association

MTPC participates as a member of the Environmental Measures Expert Committee of the Osaka Prefectural Manufacturing & Industrial Association*. Through environmental seminars and plant tours, we have contributed to the development of human resources related to environmental measures and the promotion of exchanges between companies.

* The Osaka Prefectural Manufacturing & Industrial Association was established in 1949 to help promote and develop industries in Osaka Prefecture. Since 2012, it has been implementing business and industry promotion measures in Osaka Prefecture as an incorporated public interest association.

Participation in the Environmental Committee of the Federation of Pharmaceutical Manufacturers' Associations of Japan

MTPC participates as a member of the Environmental Measures Expert Committee of The Federation of Pharmaceutical Manufacturers' Associations of Japan and contributes to formulating guidelines and action plans for the industry. We also participate in the low carbon society action plan working group of the federation and are working to achieve the carbon dioxide emissions reduction target based on Japan Business Federation's (Keidanren's) request.



Environment

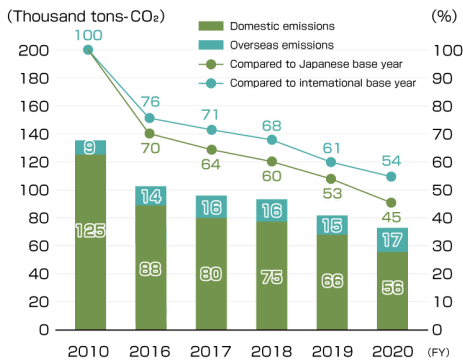
Climate Change Initiatives

Climate change is an environmental problem that has a significant effect on the continued existence of life, including human beings, and efforts to prevent it are now a major challenge for the global community. The Group has positioned climate change initiatives as an important management theme and will promote measures to mitigate climate change by reducing greenhouse gas emissions, and to adapt to the effects of climate change.

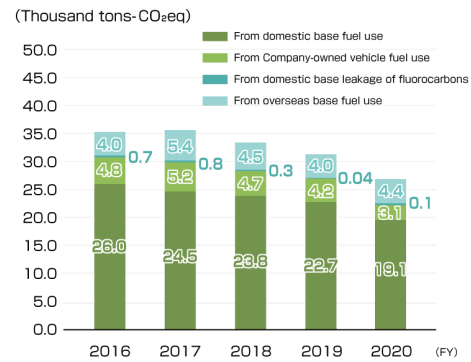
Reduction of Greenhouse Gas Emissions

To mitigate climate change, the Group is reducing its energy consumption and greenhouse gas emissions by preventing the leakage of fluorocarbons. In fiscal 2020, we achieved the CO₂ emission reduction targets set in the Medium-Term Environmental Action Plan 16-20.

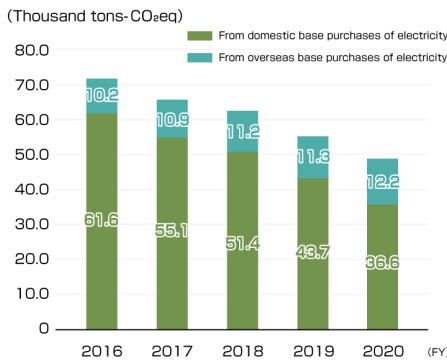
CO₂ emissions (derived from base energy)



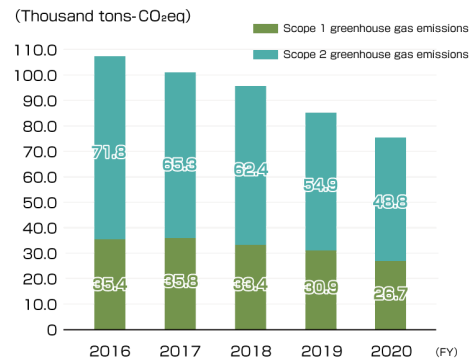
Scope 1 greenhouse gas emissions



Scope 2 greenhouse gas emissions



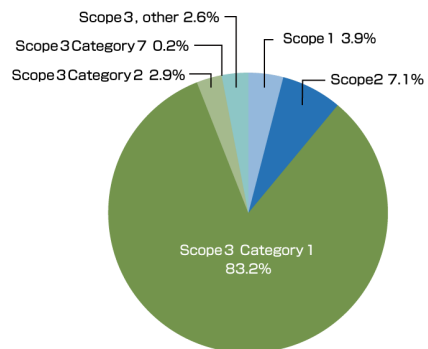
Greenhouse gas emissions (scope 1 + 2)



Supply Chain Greenhouse Gas Emissions Reduction Overview

Scope 3 emissions in category 1 accounted for 83.2% of all supply chain greenhouse gas emissions in fiscal 2020. Category 7 (employee commuting) decreased by 39% in FY2020 due to the spread of telework.

Supply chain greenhouse gas emissions rate



Scope 3 greenhouse gas emissions

Category		GHG emissions (Thousand t-CO ₂ eq)	Calculation method
1	Purchased goods and services	571.9	Calculated from the purchase prices of raw materials and products in Japan, which are multiplied by the emissions unit values* from the Ministry of the Environment database
2	Capital goods	20.2	Calculated from acquisition amounts of property, plant and equipment, not only for domestic companies but also for overseas companies in the scope of consolidation, which are multiplied by the emissions unit values* from Ministry of the Environment database
3	Fuel- and energy-related activities not included in Scope 1 or 2	13.0	Calculated from amount of energy used at domestic and overseas Group offices, which is multiplied by emissions unit values* from Ministry of the Environment database or the emissions unit values from the LCI database (IDEAv2.3)
4	Transport and delivery (upstream)	1.9	Calculated from domestic transportation ton-kilometers for shipments from plants to distribution centers, shipments from distribution centers to wholesalers, and shipments from sales-promotion item warehouses to branches, sales offices, etc., using the ton-kilometer method in the greenhouse gas emission calculation and reporting manual from Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry Calculated from electricity used for storage management at outsourced distribution centers and sales-promotion item warehouses, multiplied by the actual emissions factor indicated in the emissions factors for electric power enterprises announced by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on January 7, 2021
5	Waste generated in operations	2.1	Calculated from the amounts of waste, by type, from domestic Group offices (production and research bases, headquarters/Tokyo Head Office, distribution centers), which are multiplied by emissions unit value* from Ministry of the Environment database
6	Business travel	0.88	Calculated from number of domestic and overseas employees, which is multiplied by the emissions unit value* from Ministry of the Environment database
7	Employee commuting	1.3	Calculated by multiplying the amount of transportation costs paid by domestic and overseas transportation districts by the attendance rate under the COVID-19 infection prevention measures, and by multiplying the emissions unit values* from Ministry of the Environment database
12	End-of-life treatment of sold products	0.35	Calculated from amount of recycling obligation based on the Containers and Packaging Recycling Law in Japan, which is multiplied by the emissions unit value* from Ministry of the Environment database
Total		611.5	

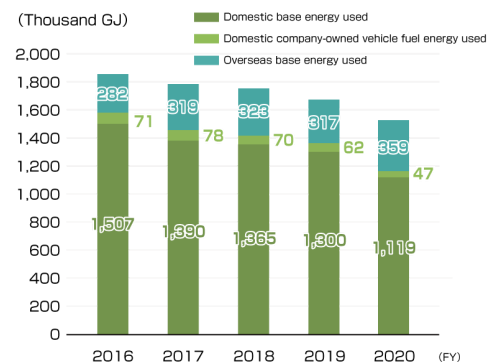
* Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain (Ver.3.1)

Reduction of Energy Used

The domestic group holds regular energy liaison committee meetings for energy conservation to review changes in energy consumption and energy conservation measures as needed. We are also promoting energy conservation throughout the Group by creating an energy management system for the entire group.

In 2020, energy used (thermal equivalent) was reduced due to various energy saving activities at each base, as well as lower electricity consumption due to the suspension of air conditioning usage at some research and production bases, and a reduction stemming from the reorganization of research bases (closed Toda office).

Energy used



Initiatives to Reduce Greenhouse Gas Emissions

Energy-Saving Initiatives at Bases

The Group is actively promoting energy conservation activities.

At our domestic and overseas bases, we are continuously replacing lights with LED lighting, controlling the blinking of lights with sensors, and performing maintenance on air conditioning equipment. In the new research building at the Onoda Plant, we are conserving energy by adopting high-heat shielded and high-heat insulated Low-E glass, high-efficiency air cooling heat pump module chillers, utilizing geothermal heat (pit), and adopting external air conditioners cooled by outside air. We also conduct daily energy-conserving activities such as energy-saving campaigns at all bases to educate employees and recommend turning off lights and equipment power when not in use. The Kashima Office has been certified as an "Excellent Ecological Commuter Office" by the Ministry of Land, Infrastructure, Transport and Tourism, and the Tokai branch has been certified as an "Eco Office." In addition, the headquarters and Kashima Office are registered under the "Kansai Eco Office Declaration."

We are also participating in NEDO's "[Strategic Innovation Program for Energy Conservation Technologies](#)." [Click here for details.](#) (Japanese language only)

Introduction of Hybrid Vehicles

The Group is introducing hybrid vehicles and eco-driving to reduce greenhouse gas emissions from company-owned vehicles.

As of the end of fiscal 2020, there were 1,741 company-owned vehicles (up 1.9% year on year) within the domestic Group, of which 1,118 (65%) were hybrid vehicles. Furthermore, in fiscal 2020, CO₂ emissions from company-owned vehicle fuel usage were 3,100 tons-CO₂ (down 25% year on year).

Renewable Energy Use

Use of renewable energy that does not emit greenhouse gases is an effective measure to contribute to climate change mitigation.

The Group has installed solar power panels on the rooftops of the Kashima Office buildings and the Tokyo Head Office. The amount of power generated in fiscal 2020 was 161MWh at the Kashima Office and 2MWh at the Tokyo Head Office.



Solar power panels on a rooftop of the Kashima Office building

Controlling Fluorocarbons Emissions

The Group is working to prevent leaks of fluorocarbons, which add to the effects of ozone layer depletion and greenhouse gases. Equipment containing fluorocarbons installed in domestic bases is properly managed with a ledger in accordance with the Law Concerning the Discharge and Control of Fluorocarbons revised in 2020. In addition, we comply with installation standards and conduct regular equipment inspections and when disposing of the equipment, we recover and destroy the fluorocarbons and maintain a record of this for three years. Furthermore, when installing equipment containing fluorocarbons, we select a model that takes into account global warming potential and energy-saving performance.

In fiscal 2020, at the Group's domestic production and research bases, the volume of fluorocarbons recovered and destroyed was 1,416 kg, and the leakage volume was 67 kg (117 tons-CO₂eq). The CO₂-equivalent leakage volumes for domestic Group companies were below the threshold for reporting to the national government for all years since 2015 when the leakage reporting system was established.

Analysis and Evaluation of Climate Change Risks and Opportunities

It is important to understand the impact of meteorological disasters caused by climate change and the transition to a low-carbon society on our business.

The Group uses two types of climate change prediction tools, A-PLAT WebGIS*¹ and NK-ClimVault*², to understand the risks of domestic and overseas production and research bases using typical concentration pathway scenarios (RCP2.6: 2°C scenario, RCP8.5: 4°C scenario)*³. The Group is also assessing the impact of climate change on its business from the perspectives of both risk and opportunity.

We will continue our risk assessments and promote necessary measures.

*1 1 A tool for evaluating the impact of climate change developed by the Climate Change Adaptation Information Platform (A-PLAT)

*2 A tool for evaluating the impact of climate change developed and released by Nippon Koei Co., Ltd.

*3 Prediction of future changes in temperature and precipitation by inputting future predictions of greenhouse gas concentrations in the atmosphere (emission scenarios) into a climate model. The tool is commonly used internationally, such as in the IPCC Fifth Assessment Report.

Risks and opportunities for climate change

Classification	Content	Management method
Physical risk	Increasing natural disasters due to abnormal weather resulting in product supply delays and equipment restoration costs caused by damage to production facilities	Evaluate climate change risk of production bases Prepare BCP manual, take disaster prevention measures, secure emergency power supply
	Crop failure of vegetable-based raw materials due to bad weather or disruption of the supply chain caused by natural disaster hinders the procurement of raw materials	Evaluate climate change risk of suppliers Conduct supplier surveys Consider alternative purchasing methods
	Increasing maintenance and management costs for research and production facilities due to rising average temperatures	Augment air conditioning equipment, etc.
Transition risk to a carbon-free society	Stricter regulations on greenhouse gas emission and introduction of the carbon tax increases operating costs including capital investment	Use renewable energy Fuel conversion Replace with low CO ₂ emission equipment
	Carbon border adjustment mechanism affects product imports and exports	Track and analyze international trends
	Demand for electricity from renewable energy exceeds market supply, hindering its procurement, or else its price will rise sharply	Planned procurement
Reputation risk	Worsening stakeholder evaluations of Company's climate change response causes sales to decrease	Actively promote mitigation and adaptation measures for climate change Appropriately disclose information about initiatives
Opportunities (Products/Services)	Expansion of medical needs in areas such as infectious diseases due to climate change effects	Analyze medical needs Strengthen vaccine business, research and develop drugs to treat malaria and neglected tropical diseases (NTDs)

TOPICS

Approach to Neglected Tropical Diseases (NTDs)

As climate change progresses, the number of arthropod-borne infections is expected to increase.

Together with the Drug for Neglected Diseases Initiative (DNDi), an international organization that deals with non-profit drug development with funding from the Global Health Innovative Technology Fund (GHIT Fund), we began drug discovery research for lead compounds targeting Chagas disease and leishmaniasis in April 2021.

Click here for details. (Japanese language only)

https://www.mt-pharma.co.jp/news/2021/MTPC210331_3.html



Environment

Water Resource Initiatives

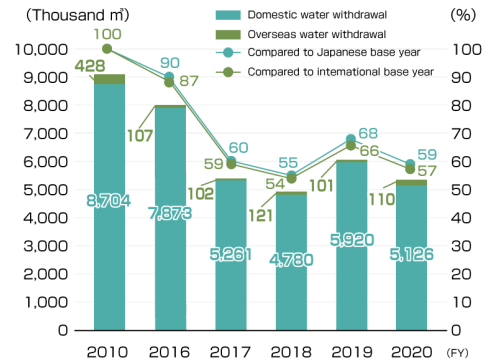
Effective Use of Water Resources

Water is an essential resource for organisms and securing good quality water is extremely important for pharmaceutical research and manufacturing. The Group manages the amount of water withdrawal and wastewater in its business activities, saves water to reduce its water withdrawal, and makes effective use of its limited water resources.

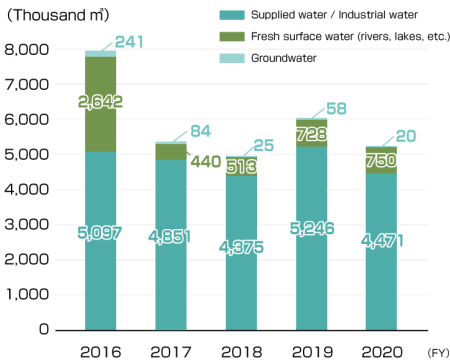
The amount of water withdrawal in FY2020, both domestically and globally, exceeded the target reduction rate of 15% (benchmark year: FY2010; production/research bases) established in the Medium-Term Environmental Action Plan 16-20, and achieved the target. In addition, the water withdrawal of all bases globally was 5,236 thousand m³, down 13% year on year. As a result of lower office attendance rates due to the spread of COVID-19, the amount of water withdrawal decreased at domestic research and manufacturing bases and offices, except the Shonan Office, where the number of employees sharply increased year on year.

Water-saving initiatives at offices included the reviewing of contracts for the appropriate amount of industrial water withdrawal at the Onoda Plant. We will continue to save water through the secondary use of recycled water at the Yokohama Office, the use of rainwater for watering at the headquarters and Tokyo Head Office, and the recycling of the water resources of the ecological pond at Taiwan Tanabe Seiyaku's Hsinchu Plant.

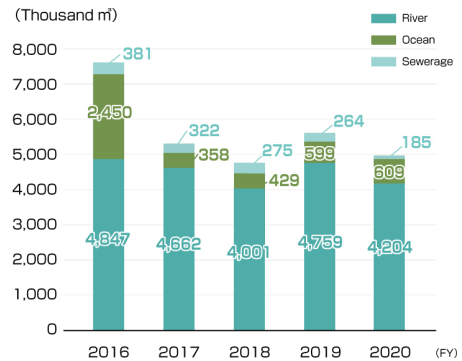
Amount of water withdrawal at domestic and global production and research bases



Amount of water withdrawal at global bases (production and research bases, offices)



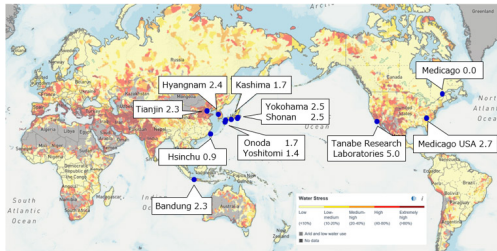
Amount of wastewater at global bases (production and research bases, offices)



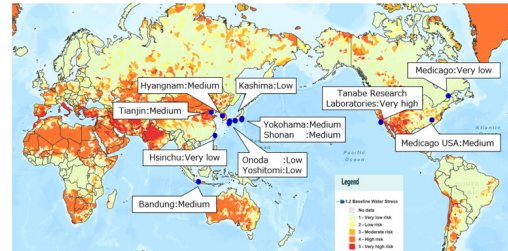
Analysis of Water Risk

In recent years, the effects of climate change have increased the risk of water resource depletion and water-related disasters. To evaluate water risk at production and research bases in Japan and overseas, the Group uses WRI Aqueduct*¹ and WWF Water Risk Filter*². In addition to environmental audits, we also hold hearings with each site to confirm risks. As a result, we believe that the current risks for production bases in Japan and overseas are relatively low. On the other hand, Tanabe Research Laboratories, an overseas research center, judged the risks to be high. We will investigate the functions of the research centers and the actual conditions of water usage and take whatever measures are necessary. We try to understand the supply chain's water risks through surveys.

Water stress*³ evaluation using Aqueduct



Water stress evaluation using Water Risk Filter



*1 A tool for evaluating water risk developed by the World Resources Institute (WRI)

*2 A tool for evaluating water risk developed by the World Wildlife Fund (WWF)

*3 An indicator that shows the tightness of water supply and demand

In addition, based on these analyses and evaluation results, we are assessing the impact of water risk on our business from the viewpoint of both risk and opportunity. We will continue to analyze and evaluate the measures and take countermeasures.

Water risks and opportunities

Classification	Description	Management method
Physical risk	Hindrance of production activities and stable supply of products due to drought.	Risk assessment Enhance water conservation efforts and secure water sources
	Hindrance of production activities due to deteriorating water quality of water withdrawal	Strengthen water quality data collection and analysis Invest in purification equipment
	Hindrance of production activities due to river floods and high tides	Risk assessment Strengthen flood countermeasures
	Suppliers are hit by water shortages or floods, causing material procurement delays	Supplier engagement Secure alternative supply routes
Regulatory risk	Stricter water withdrawal regulations hinder production activities	Conserve water sources Secure water resources and maintain relationships with the community
	Equipment needs to be upgraded due to stronger wastewater standards	Proper management of wastewater facilities Capital investment
Reputation and Market Risk	Environmental accidents related to wastewater occur and the Company's social reputation declines	Reliable wastewater management
	The cost of addressing water risk at suppliers is added to raw material costs, thus increasing production costs	Promote supplier management



Environment

Reduction of Waste, Recycling and Reuse of Resources

The recycling and effective reuse of limited resources help prevent environmental destruction and reduce waste, and is an important challenge for social and economic sustainability.

Under the Medium-Term Environmental Action Plan 16-20, the Group has set the goal of reducing the volume of waste generated and the amount of final waste disposed, to this end, we are advancing the “3Rs (Reduce, Reuse, Recycle) + Renewable” from the standpoint of correct handling and effective resource use with the aim of realizing a circular economy.

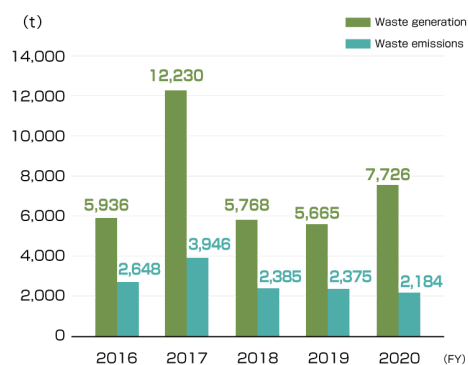
Proper Management and Reduction of Waste

As a waste-discharging enterprise, the Group properly implements and manages the conclusion of agreements with contractors for waste collection, conveyance and processing, the management of electronic manifests, and on-site confirmation of disposal contractors. Above all, we select waste disposal contractors that proactively recycle resources, conduct on-site confirmation before concluding the contract, and evaluate whether disposal consignment is possible.

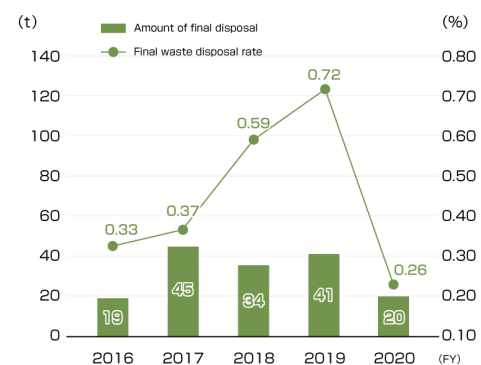
The final waste disposal rate for industrial waste at our domestic bases in fiscal 2020 was 0.26%, achieving the domestic zero emissions (the final waste disposal rate of industrial waste was less than 0.5%) target set in the Medium-Term Environmental Action Plan 16-20. In recent years, waste such as equipment and fixtures has been generated temporarily due to the integration of domestic bases, a variable factor for the amount of final waste disposed.

In addition, the Group promotes paperless operations. In fiscal 2020, teleworking was widely used due to the spread of COVID-19, and we reduced the output from printers and multifunction devices at our domestic bases by 32% year on year, leading to a reduction in paper used in office machines. Telework will continue as a workstyle, even after COVID-19, so we will continue our effort to go paperless.

Amount of waste generation and emissions (domestic)



Amount of final waste disposed (domestic)



Reduction of Plastic Consumption

In recent years, environmental pollution caused by the discharge and long-term accumulation of plastic waste in the ocean has become a major global problem. The disposal of fossil-based plastics increases greenhouse gas emissions. As one of our initiatives to reduce plastic waste, the Group has begun to consider the use of bioplastic in pharmaceutical product packaging.

We are also assessing the impact of plastic use on the Group’s business from the perspectives of both risk and opportunity.

Risks and opportunities for plastic resource recycling

Classification	Risks	Opportunities
Physical	Waste plastic is discharged into the environment, adversely affecting the ecosystem	Providing pharmaceuticals that help prevent waste plastic discharge and reduce greenhouse gas emissions
Regulatory	Adverse effects on natural capital such as the ocean due to waste plastic discharged into the environment Risk of regulations on manufacturing, sales, use, consumption and disposal, and tax changes	Costs reduced by improving resource energy efficiency Reducing risks associated with fossil resource utilization and greenhouse gas emissions
Technological	Quality-related technical issues in the use of recycled materials in pharmaceutical packaging Decline in competitiveness due to delays in developing new materials and technologies such as alternative materials and bioplastics	Strengthening competitiveness by developing products that use new environment-friendly materials such as alternative plastics and bioplastics Synergies within the Mitsubishi Chemical Holdings Group
Market	Delays in responding to the growing consumer need for environment-friendly products Increased costs for the manufacture and sale of environment-friendly products	Market expansion through sales of environment-friendly products
Reputational	Improper use of plastic and environmental pollution damages the corporate image	Corporate branding through research, manufacturing, and sales of environment-friendly products



Environment

Prevention of Environmental Pollution

The Group works to prevent air, water, soil, noise, vibration, and odor pollution and each base sets stricter voluntary standards than the legal emissions standards for pollutants and applies them daily.

We also work to prevent the external leakage of PRTR substances, VOCs, PCBs, and other substances, which are regulated by laws, and reduce the amount we handle.

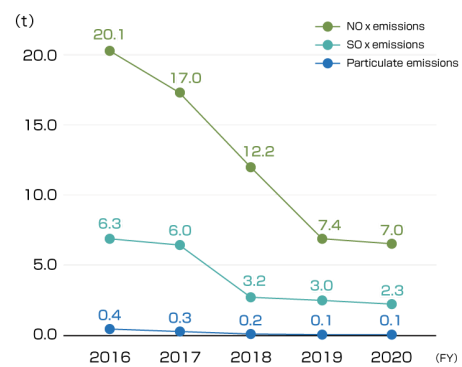
Prevention of Air Pollution

The Group controls the generation of soot and smoke by reducing the operating time of fuel-driven boilers, water heaters and coolers, and power generators.

At domestic bases, we reduce the concentration of air pollutants in soot and smoke by mainly converting the fuel for these soot and smoke generating devices from oil to gas.

We have also enhanced measures to prevent environmental pollution in soot and smoke generating devices at our overseas bases by addressing the increasingly strict regulations of each country and improving and updating the devices as needed.

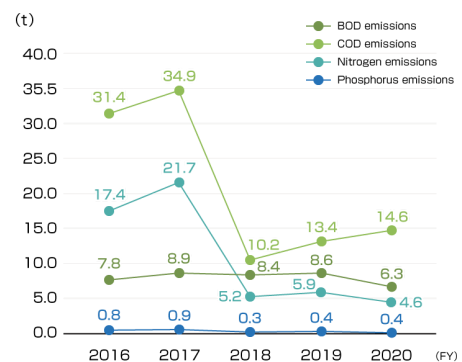
Emissions of air pollutants by domestic bases



Prevention of Water Pollution

Harmful substances discharged from the Group's production and research bases are treated as waste as much as possible to prevent contamination from wastewater. Also, we adjust the pH of wastewater and purify it before discharge to comply with emission standards. Especially at the Onoda, Yoshitomi, and Mitsubishi Tanabe Pharma Indonesia Bandung plants, where wastewater is discharged into public water bodies, wastewater undergoes activated sludge treatment, and we comply with emission standards for public water bodies that are stricter than that for sewage discharge. At two domestic plants, we constantly measure the pH, COD, nitrogen, and phosphorus of the wastewater, and when we detect an abnormality, we immediately stop its discharge and store it in a reserve tank.

Environmental impact on public water bodies (domestic)



Prevention of Soil and Groundwater Pollution

The Group conducts land use history surveys of domestic bases where it owns land to identify soil contamination risk. If the survey finds that the soil or groundwater is contaminated, we notify the authorities and take appropriate action.

Soil and groundwater pollution survey conducted in fiscal 2020

Base	Implemented content
Yoshitomi Plant	The plant continues to purify and monitor groundwater contamination found in fiscal 2013 by pumping up the groundwater
Taiwan Tanabe Seiyaku's Hsinchu Plant	The plant continues to purify groundwater pollution found in 2019 based on the plan accepted by authorities

Prevention of Noise, Vibration, and Odor

At our domestic bases, we monitor noise, vibration, and odor in accordance with related laws and regulations and confirm that they are within the established standards.

PRTR Substances and VOCs

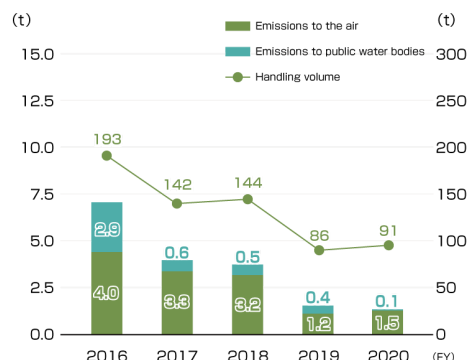
Based on the Law concerning Pollutant Release and Transfer Register/PRTR Law, we manage the amount of PRTR substances handled at our facilities and the emissions to the environment, and properly notify the prefectures where we are located.

All organic waste solvents containing PRTR substances discharged from the research centers are treated as industrial waste to minimize the discharge to public water areas. We are also studying the manufacturing processes and reducing the amount of target organic solvents such as toluene used.

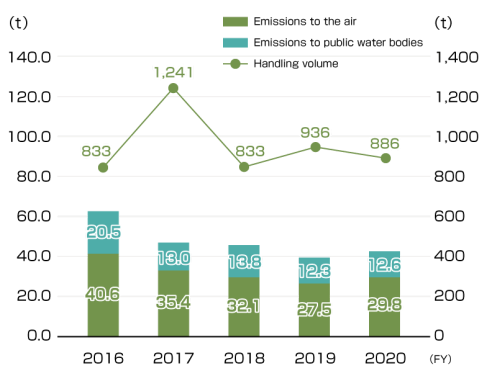
We are reducing VOC emissions by managing emissions and the amount handled, and by setting up collection facilities.

In 2020, PRTR substances and VOC emissions rose slightly from the previous year due to increased activity. Environmental emissions of toluene decreased by 65% from fiscal 2010, exceeding the target reduction rate of 30% set in the Medium-Term Environmental Action Plan 16-20 and achieved the target.

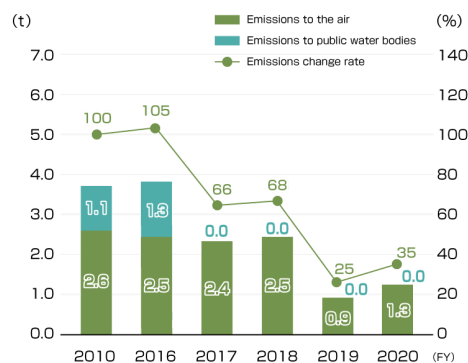
Emission of PRTR substances (Domestic)



Emission of VOC (excluding PRTR substances) (Domestic)



Emission of toluene (Domestic)



PCB Disposal

We disposed of high-concentration PCB (polychlorinated biphenyl) ballasts owned by the Group's domestic bases by the disposal deadline of March 31, 2021.

Furthermore, we completed a PCB content survey for transformers and capacitors and plan to dispose of low concentration PCB equipment by March 31, 2027, the disposal deadline.

Asbestos

In fiscal 2020, we educated environmental personnel on the legal revisions that will be enforced from April 2021, such as the expansion of regulated building materials.

Genetically Modified Organisms, Pathogens, etc.

The Group is engaged in drug discovery research aimed at various modalities, and opportunities to handle various research materials and samples are increasing. In the use of genetically modified organisms, we have established in-house regulations based on relevant government and ministerial ordinances, such as the "Law Concerning the Conservation and Sustainable Use of Biological Diversity through Regulations on the Use of Living Modified Organisms (Cartagena Act)," which we comply with. Moreover, the in-house Ethics Review Committee prevents the spread of living modified organisms by receiving preliminary reviews of measures to prevent the spread of these organisms into the environment.

In addition, regarding the use of pathogens and research materials and samples that may contain them, we have established internal regulations based on laws and regulations including the "Act on the Prevention of Infectious Diseases and Medical Care for Patients with Infectious Diseases (the Infectious Diseases Control Law)" and prevent the leakage of pathogens.



Environment

Biodiversity Initiatives

Basic Approach

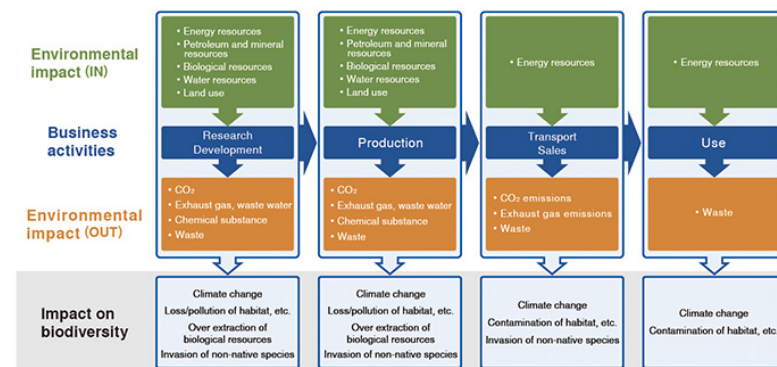
The Group understands that it reaps many benefits from ecosystem services and recognizes that the healthy maintenance and preservation of biodiversity is vital for sustaining its business. For this reason, the Group contributes to the maintenance and preservation of biodiversity through a wide range of activities such as reducing its environmental impact, promoting appropriate usage of inherited resources, fostering harmonious coexistence with nature and society, and raising awareness within the Group.

Relationship between Business Activities and Biodiversity

It is important to understand the relationship between business activities and biodiversity and work to preserve it. To that end, the Group strives to understand its environmental impact in the value chain in terms of both its use of resources (IN) and its discharge of waste and by-products (OUT). We are deepening our understanding of our impact and dependence on the biodiversity of business. In addition, we classify waste and by-product emissions as air environmental impact, water environmental impact, and soil environmental impact, and each is quantified using the MOS (Management of Sustainability) index* and continuously assessed.

* This index is composed of items that are highly important for the Group and can contribute to sustainability from the following three perspectives: Sustainability [Green] (environment/resources), Health, and Comfort, which are the criteria for judging the activities of the Mitsubishi Chemical Holdings (MCHC) Group. The items include reduction of environmental impact and energy consumption, sustainable use of resources, promotion of people's health, and contribution to a more comfortable life.
<https://www.mitsubishichem-hd.co.jp/english/sustainability/management.html>

Map of relationship between our business and biodiversity



* Created by referencing the map of relationship between companies and biodiversity of the Japan Business Initiative for Biodiversity (JBIB)

Activities to Preserve Biodiversity and the Natural Environment

To understand the importance of biodiversity and the natural environment and preserve them, the Group has participated in Tokyo Greenship Action*¹ and the Ikoma Mountain Range "Folding Screen of Flowers" Project*² and has continued its involvement in these activities. However, in fiscal 2020, prioritizing the prevention of COVID-19, the Group suspended its participation in these activities.

*¹ Activities to conserve the natural environment conducted by the Tokyo Metropolitan Government in collaboration with companies and the NPO Shizen Kankyo Academy in a woodland conservation area. We have been participating in these activities since 2006.

*² Environmental event held by Osaka Prefecture that we have been participating in since 2009.

Campaign to Promote Environmental Conservation Activities

To further promote biodiversity conservation activities, we have conducted a campaign to promote environmental conservation activities since fiscal 2017. In this campaign, we distributed the Company's original towel scarf on which is printed "For the Environment" to participants and all employees who worked together to promote environmental conservation activities. Through clean-up activities, we are working to beautify the town and prevent environmental pollution by removing plastics and other waste from the ocean.

● 41st clean operation (Yoshitomi Plant)

As part of its contribution to the local community, the Yoshitomi Plant continues to conduct "clean operation" every year. In fiscal 2020, 93 people wore masks to prevent COVID-19 infections and cleaned up the area around the plant, collecting 30 kg of combustibles including plastic bottles, other bottles, and glass.



● **Osaka City team clean-up operation (Kashima Office/Headquarters)**

We are continuing clean-up activities throughout Osaka City as a way of welcoming people who visit the city to see the Osaka Marathon every year in a clean city. In 2020, the Osaka Marathon was canceled due to the spread of COVID-19, but the Kashima Office and the headquarters conducted this activity for a clean Osaka City and to reduce the discharge of plastic waste into the ocean.



Group photo (top)
Distributed towel (bottom)

> [Click here to view other activities.](#)



Environment

Environmental Accounting

The Group promotes effective and efficient environmental management by monitoring and analyzing the costs and effects of environmental conservation activities (reduction of impact and economic effect).

Environmental conservation costs

Item	Invested (millions of yen)	Expended (millions of yen)
Pollution prevention	10	272
Global environmental protection	—	10
Recycling and reuse of resources	—	137
Upstream and downstream activities	—	5
Administrative activities	—	176
Research and development	—	—
Community activities	—	—
Environmental damage compensation	—	7
Total	10	607

Environmental conservation effects

Initiatives	Name of base	Invested (millions of yen)	Item reduced	Reasons for reduction	Quantity reduced (t-CO ₂ /year)	Economic effect (millions of yen/year)
Increase in heat source equipment (chillers)	Yokohama Office	52	City gas used	Curb the operation of existing heat source equipment that use city gas to enable efficient operation	157	4
Upgrade of air diffuser pipes for wastewater treatment equipment	Yoshitomi Plant	8	Electricity used	Increase wastewater treatment capacity and reduce the equipment load by upgrading the diffuser pipes	11	1
Change of the piping route of turbo chillers	Onoda Plant	3	Electricity used	Improve cooling efficiency by changing the cooling water route	14	3



Research & Development

Basic Approach to Discovery Research

As one of the world's oldest pharmaceutical companies, Mitsubishi Tanabe Pharma has delivered a multitude of unprecedented treatment options. Our history is one of not only eliminating incurability, but also offering treatment options. We will continually create new drugs for the world in response to our new MISSION of "Creating hope for all facing illness."

Disease Areas

Our focus is on the two priority disease areas of the central nervous system and immuno-inflammation. At the same time, we are addressing new areas and new modalities* for a better future and will identify areas and technologies that will become the pillars that support our future.

* Modality refers to a treatment method, such as small molecule compounds, protein drugs, including peptide drugs and therapeutic antibodies, as well as nucleic acid drugs.

Drug Discovery Activities

In order to increase opportunities for establishing drug discovery targets and acquiring new technologies, as part of our drug discovery activities, we are creating an environment that makes it easier to generate new synergies, such as Shonan Health Innovation Park (Shonan iPark), and aggressively promoting open shared business in collaboration with industry, academia, and government, and we are also using external drug discovery resources. In addition, we will pursue synergies within the MCHC Group to realize a sustainable society by quickly creating "precision medicines that provide appropriate medical care to appropriate patients at appropriate timing," which increases the treatment satisfaction of patients and contributes to social security.

Intractable Disease Initiatives

We have created treatment options for intractable diseases such as inflammatory bowel disease and multiple sclerosis.

Development and provision of therapeutic drugs

Edaravone was developed as a treatment for amyotrophic lateral sclerosis (ALS), which causes progressive muscular atrophy and muscle weakness as its principal symptoms. Based on the results of clinical trials in Japan, we obtained approval in Japan, followed by South Korea, the United States, Canada, Switzerland, and China. We are working to expand the number of countries in which it is approved so that even more patients can use it.

We are also developing edaravone oral suspension to lessen the burden on patients and providing around the pill solutions that help improve the QOL of patients and their families.

In the United States, we launched Riluzole oral film as a new treatment option.

New initiatives

Dersimelagon is being developed as a new treatment option for erythropoietic protoporphyria and X-Linked protoporphyria, which cause painful skin symptoms when exposed to sunlight. The drug has also begun clinical development as a treatment for systemic sclerosis, which is characterized by hardening of the skin and internal organs, a rare disease.

We will continue to conduct research and development to achieve our MISSION and contribute to the realization of a healthy and sustainable society by creating hope for many patients and their families around the world who are fighting intractable diseases.

Advancing Open Innovation

The environment for the discovery of new drugs is significantly changing, and the difficulty of discovery has increased year after year. In this environment, we are aggressively advancing open innovation to continuously create and provide new drugs that have value for patients and on the medical front lines.

Initiatives of strategic R&D base Shonan iPark

We established a strategic R&D base in Shonan Health Innovation Park (Shonan iPark) in Kanagawa Prefecture in May 2019. We are expanding opportunities to collaborate by forming human networks with resident companies including pharmaceutical companies, drug discovery ventures, drug discovery support services, research equipment and medical equipment, as well as AI and IoT companies. Shonan iPark was established by Takeda Pharmaceutical Company Ltd. with the opening of its research institute, and in January 2021, we established a framework for sharing some of our internal assessment data with Takeda Pharmaceutical. We seek to improve the productivity and efficiency of drug discovery activities by sharing and using initial assessment data obtained in-house for known compounds.

As indicated in the Medium-Term Management Plan 21-25, Shonan iPark is engaged in drug discovery from disease genes identified for intractable neurological diseases and drug discovery from targeted phenotypic screening by analyzing clinical specimens and patient information on autoimmune diseases.

Opened U.S. satellite research base

In April 2021, the NeuroDiscovery Lab (Boston Lab), a satellite research base, was opened inside the Smart Lab, which is home to about 40 companies, mainly pharmaceutical R&D companies in the Boston area in the U.S. and has started searching for new drug discovery targets for the central nervous system including ALS. We seek to achieve precision medicine in the central nervous system area by exploring seeds for early drug discovery research in the Boston ecosystem and gaining opportunities to collaborate.

We will continue to play a unique role in addressing global health issues and create synergies with MCHC Group companies. Utilizing MP Healthcare Venture Management, an investment subsidiary, and overseas research bases including Boston Lab and Tanabe Research Laboratories U.S.A., we will conduct a detailed analysis of diseases for which unmet medical needs remain, reform the drug discovery process, and increase open innovation to realize precision medicine so that we provide highly effective treatment to specific patient groups and increase patient satisfaction.

Main Alliance Partners (fiscal 2020)

Date announced	Alliance details	Alliance partner
January 2021	<u>Created a framework for sharing internal assessment data to accelerate data-driven drug discovery.</u> PDF	Takeda Pharmaceutical Company Limited
January 2021	<u>Entered into an exclusive license agreement for worldwide development and commercialization of development candidate antibodies created through collaborative research on autoimmune diseases.</u> PDF	Pharma Foods International Co., Ltd.
February 2021	<u>Concluded a collaborative research agreement on neutralizing antibodies applicable to the treatment of COVID-19(Japanese language only).</u> PDF	Keio University School of Medicine
March 2021	<u>Conducted drug discovery research on lead compounds for Chagas disease and leishmaniasis (started in April 2021).</u> PDF	Global Health Innovative Technology Fund (GHIT Fund) and Drugs for Neglected Diseases initiative (DNDi)



Manufacturing and Supply Chain

Stable Supply of Pharmaceuticals

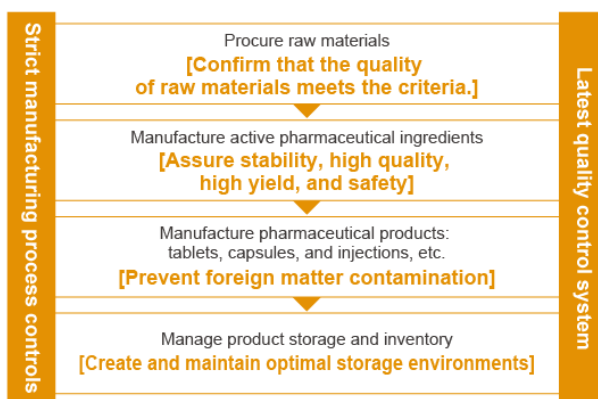
The Mitsubishi Tanabe Pharma Group manufactures and supplies high-quality pharmaceuticals and strictly controls product quality from acceptance testing of raw materials procured in Japan and overseas to the manufacture of GMP-compliant active pharmaceutical ingredients and drug products as well as testing and inspection, thus supplying premium quality products which patients and healthcare professionals can use safely and with peace of mind. As a global research-driven pharmaceutical company, we manufacture pharmaceuticals based on a wide range of technologies and proprietary knowhow developed over many years.

To further ensure quality, the Production Technology & Supply Chain Management Division and the Global Quality Assurance Department collaborate with the Group's manufacturing plants to develop production technologies to enhance quality, stabilize supply, and reduce costs from the early development stages of new pharmaceutical products. In addition, the Group's manufacturing plants (two in Japan and four overseas) together with manufacturing subcontractors are creating a global production system that delivers a stable supply of our products to many people around the world.

In June 2016, we built a new domestic manufacturing facility within the Yoshitomi Plant for solid dosage formulations. This highly productive facility can supply pharmaceuticals in accordance with global quality standards, while further contributing to both the improvement of manufacturing technologies and the reduction of manufacturing costs.

In addition, BIKEN Co., Ltd., a joint venture with the BIKEN Foundation's vaccine manufacturing business, began operation in September 2017. By integrating BIKEN Foundation's vaccine manufacturing technologies together with Mitsubishi Tanabe Pharma's pharmaceutical manufacturing systems and management methods, we can strengthen our platform in vaccine production, with the aim of contributing to an even more stable supply of vaccines.

Pharmaceutical manufacturing process



Manufacturing Systems in Asia Other than Japan

In Asia, we have manufacturing/sales bases in China, South Korea, Taiwan, and Indonesia, and we provide products that meet the quality standards and market needs in each country.

In Asian markets, especially the Chinese and ASEAN pharmaceutical markets, growth is expected, and to meet this growing demand, we increased production capacity at Tianjin Tanabe Seiyaku (produces oral agents for domestic use) and Mitsubishi Tanabe Pharma Indonesia (produces oral agents for domestic and ASEAN countries), and in 2015, built a new building to manufacture drug preparations with the aim of accommodating new versions of GMP (China) and PIC/S GMP (Indonesia).*

Mitsubishi Tanabe Pharma Korea, a local subsidiary in South Korea, manufactures high quality injections and other pharmaceuticals as a PIC/S GMP level manufacturing facility, and supplies South Korea, as well as Europe, Japan and China. In addition, Taiwan Tanabe Seiyaku, a local subsidiary in Taiwan, has cleared PIC/S GMP certification and manufactures high-quality oral and external preparations. Among these, sugar-coated tablets are also exported to Japan.

In the future, we will continue to expand business in Asia, a growth market. By providing a stable supply of high-quality products, we will contribute to people around the world who want to live a healthy and prosperous life and fulfill our corporate social responsibility.

* PIC/S: Abbreviation for Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme



Hyangnam Plant,
Mitsubishi Tanabe Pharma Korea



Hsinchu Plant,
Taiwan Tanabe Seiyaku



New pharmaceutical production building, Tianjin
Tanabe Seiyaku



Exterior view of new pharmaceutical production
building, Mitsubishi Tanabe Pharma Indonesia

Managing Distribution to Ensure Stable Supplies

As a pharmaceutical company, Mitsubishi Tanabe Pharma steadily and reliably provides high-quality pharmaceuticals, when they are needed and to the patients who need them. We have built a supply system that can provide a stable supply of drugs to patients, even in the event of a disaster or other unexpected situation.

Initiatives at the Distribution Center

Supply system

We ship drugs to customers through a dual-base supply system comprising the New East Japan Distribution Center (Kuki City, Saitama Prefecture) and the New West Japan Distribution Center (Kobe City, Hyogo Prefecture). To reduce a variety of risks that could adversely affect a stable supply, both centers have earthquake isolation systems, in-house power generators, and redundant installations of important equipment. In this way, they are designed to be able to maintain a supply of drugs, even during major disasters and pandemics. For example, even if one distribution center becomes inoperable at any time, the other distribution center will be able to provide a continued supply of pharmaceuticals to customers. Even if the system server is hit by a disaster, maintaining a stable supply is our top priority, so we have built a system that instantly shifts to an alternate server at another location.

Incoming/Outgoing shipments and inventory control procedures

The distribution centers employ an inventory control system that accurately and carefully monitors incoming and outgoing shipments and inventory control procedures in lot units. The introduction of the inventory control system enables the Company to appropriately store and control pharmaceuticals in a variety of categories, such as by pharmaceutical characteristics and storage temperatures. In addition, in response to data received from higher level systems, we can rapidly conduct operations without mistakes.

Training

We periodically conduct training for the employees who use the distribution center facilities and systems. In this way, we seek to enhance the skills of each employee and to reduce human error. At the same time, by heightening awareness of pharmaceutical distribution extending all the way to the patient, we are working to build a system that can maintain a secure, safe, and stable supply of drugs.

Quality Control in the Distribution Process

Mitsubishi Tanabe Pharma distribution centers take a rigorous approach to quality control in the distribution process. This attention to detail helps ensure that pharmaceuticals are as high in quality when they reach patients as they are when manufactured under the strict GMP of the Company's production plants.

Meeting GDP

The Company complies with the structural facility requirements under the Pharmaceuticals and Medical Devices Law (The Law on Securing Quality, Efficacy and Safety of Products including Pharmaceuticals and Medical Devices) of Japan and other relevant regulations as well as various operational requirements. In addition, it has started a system that meets the Japanese version of Good Distribution Practice (GDP) guidelines. In light of the characteristics of the pharmaceuticals that we handle, we have developed distribution policies, procedure manuals, and facilities for "quality assurance (especially temperature control)," "proper control of the distribution process," and "preventing contamination by counterfeit medicines and their distribution," which are shown in the guidelines. We strictly observe these policies and manuals in the conduct of our business in order to maintain distribution quality in term of both the physical and operational aspects.

Handling of cold storage products

In particular, for cold storage products, which require rigorous temperature control, in addition to periodic temperature validation and thermometer calibration in cold warehouses, the Company has emergency response measures in place, including a process that provides information when abnormal or emergency conditions are detected and in-house power generators that can be used when electricity is interrupted. In this way, the Company has designed a system that can maintain appropriate temperature management, 24 hours a day, seven days a week.

Creating a transportation system

Mitsubishi Tanabe Pharma designed its entire transportation system with the focus on supplying high-quality pharmaceuticals. Pharmaceutical products are shipped from the distribution centers via contracted transport companies that comply with pre-determined qualifications. With an understanding of the characteristics and importance of the pharmaceuticals that they are carrying, these companies strictly supervise the transport of this cargo, utilizing facilities and vehicles specifically designed for loading and unloading pharmaceuticals. The Company works to maintain quality during the distribution process by carrying out regular inspections of its subcontracting transport companies, as well as using a comprehensive distribution method with precise temperature control monitoring and special insulated boxes for packing the products.

Preventing contamination by counterfeit medicines and their distribution

Counterfeit medicines could cause damage to the health of many random patients, which is a major health and hygiene issue. To deliver quality medicines to patients, the distribution center has created a system to prevent contamination by counterfeit medicines and the distribution of medicines of questionable quality, including counterfeit medicines.

We regularly verify and record that all customers have received proper authorization to buy medicines (shipped to customers).

To strictly manage medicines, we restrict the people who can enter the storeroom of the distribution center and prescribe the method of entering. In addition, when storing pharmaceuticals, we confirm that the received medicines are correct and have no visible damage.

If counterfeit medicines or medicines of questionable quality are found, we have created a system to immediately suspend sales and transport, and to segregate, and report them to government agencies.



Society > Together with Patients and Healthcare Professionals

Manufacturing Pharmaceuticals that are Secure, Safe, and Convenient to Use

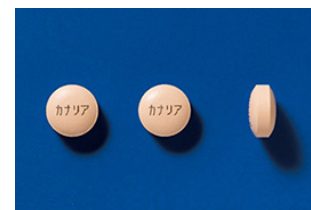
The Company provides pharmaceuticals that can be used in a secure, safe, and convenient manner by patients, healthcare professionals, and others.

This section introduces certain initiatives implemented by the Company to improve drug printing and packaging as well as convenience of use and medication compliance. Moving forward, we will continue working to steadily increase the scope of pharmaceuticals that are subject to these initiatives and to facilitate the provision of pharmaceuticals that are easy to use for patients and healthcare professionals.

Measures to Prevent Medical Errors

Printing the Product Name on Both Sides of Tablets

As one measure to prevent medical errors, we print the product name in Japanese on both sides of tablets for such combination drugs as the Selective DPP-4 Inhibitor and SGLT2 Inhibitor, which are treatment agents for type 2 diabetes mellitus. This measure, which replaces the identification code, is expected to help prevent mistakes with tablets during the medicine picking process and to increase efficiency in drug dispensing, as well as to help prevent administration errors by patients.



Product name printed on the tablet

Labeling of Packaging Sheets (Press-through-Package (PTP) Sheets)

In order to help prevent medication errors, some of the Company's products include the product name and ingredients on every pocket of the packaging sheet (PTP sheet). This enables patients to confirm the product name and content, even when single pockets are removed from the rest of the sheet when the drugs are dispensed. We are also striving to further increase visibility. To that end, we are taking steps to implement designs that are easy to see, such as increasing the size of characters and enhancing color schemes.



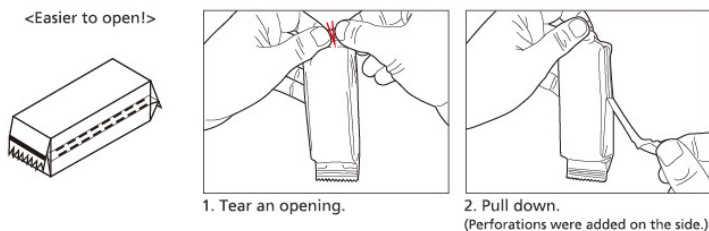
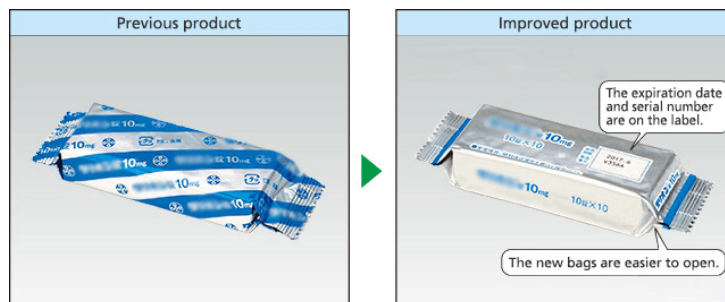
Example of the product name and content displayed on each pocket

Measures to Make Drugs Easier to Use

Initiatives with Aluminum Bags (Easier to Open and Easier to Take Out the Product)

We are also working actively to improve the ease of use of pharmaceuticals. Medical institutions provided feedback that the aluminum bags containing the pharmaceutical packaging sheets (PTP sheets) were difficult to open and it was not easy to take out the product. In response, we worked in cooperation with the material manufacturer to develop aluminum bags that are easy to open and make it easy to take out the product. These improved aluminum bags received the Pharmaceutical and Medical Packaging Award at the Japan Packaging Contest 2016 (sponsored by the Japan Packaging Institute).

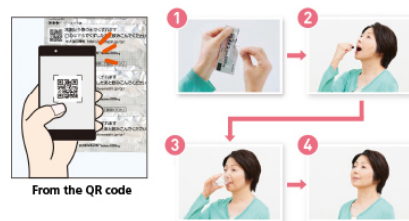
Aluminum bags that are easy to open and make it easy to remove the product



Using Packaging Initiatives to Provide Explanations of How to Take Medicines

Some drugs are difficult to take because of the dosage form. To help patients to take their drugs correctly, we print a QR code on the drug packaging and make it simple for them to view a video that explains in an easy-to-understand manner the basic way to take the drug and necessary precautions. The video is played if a smartphone or other devices are used to read the QR code* printed on the packaging. The objective of this initiative, which is an industry first, is to be useful in such situations as when patients receive compliance instruction at pharmacies and when patients take their drugs.

* "QR Code" is a trademark of Denso Wave Incorporated.



When the QR code is read, a movie is played that explains how to take the quick-disintegrating tablet for chronic renal failure.

The quick-disintegrating tablet does not increase medication volume due to its unique formulation technology and quickly disintegrates with a small amount of water and reduces diffusion into the oral cavity. It is therefore expected to improve the medication compliance of patients who have difficulty taking capsules and fine granules.

Devising Formulations (Reducing the Burden of Taking Medicine)

In February 2021, we obtained approval to manufacture the first OD tablet of the selective "DPP-4 inhibitor" for the treatment of type 2 diabetes and launched it in June. By adding a formulation of OD tablets (orally disintegrating tablets*), we provide "new options" for the treatment of type 2 diabetes, which is expected to provide greater convenience and medication compliance and adherence for elderly patients and patients with impaired swallowing function.

In addition, to ensure identification, the product name is printed in Japanese on both sides of the OD tablet, just like regular tablets.

* Because orally disintegrating tablets disintegrate in tens of seconds due to saliva or a small amount of water on the tongue, they are also useful for the average person as well as the elderly who cannot swallow tablets easily and those with water intake restrictions.

Source: Pharmaceuticals and Medical Devices Agency

<https://www.pmda.go.jp/safety/consultation-for-patients/on-drugs/qa/0002.html> □



Information Provision

Pharmaceutical companies must reliably and continuously provide, collect, and communicate all information regarding the quality, efficacy, and safety required for the use of their products to healthcare professionals. Moreover, the information provision activities of pharmaceutical companies are expanding due to the rapid evolution and spread of digital technology. The Mitsubishi Tanabe Pharma Group contributes to healthcare to meet diversifying medical needs. At the same time, we provide appropriate treatment proposals in response to each patient's condition, and conduct information provision activities for the proper use and dissemination of pharmaceuticals.

MR's Responsibility: Collecting Data and Providing Information to Medical Institutions

The Mitsubishi Tanabe Pharma Group employs about 1,500 medical representatives (MRs) in Japan. Through the provision of information to healthcare professionals nationwide, MRs are working to deliver optimal drugs to patients.

In addition to the conventional MR activity of visiting medical institutions, as new sales activities in the era of COVID-19, we have also developed hybrid MR activities that make full use of digital channels with online interviews and web content that meet doctors' needs.

The Important Role of MRs

- Communication of safety information and scientifically based academic information on the proper use of ethical drugs
- Collection of information on drug efficacy and safety that could not be gleaned at the R&D stage, and reporting evaluations based on those results

We have assigned MRs who are specialists in specific disease areas to be responsible for drugs that require a higher level of expertise.

Providing Comprehensive Information through Seminars

By holding disease awareness seminars and events, we provide information to help patients and society deepen their understanding of diseases and lead a better life.

In 2020, with the spread of COVID-19, we held an online event to raise disease awareness in participants not only in Japan but also from overseas.

Nikkei Health Seminar 21

With the cooperation of Mitsubishi Tanabe Pharma, Nikkei Health Seminar 21 was held in November 2020 under the title "Having Chronic Kidney Disease (CKD) in the COVID-19 era." (Sponsored by Nikkei Inc. with support from the Japan Kidney Association).

The seminar was divided into two parts: a lecture given by specialists and a panel discussion. The lecture covered Japan, where more than 10 million people are now said to be afflicted with CKD, and the importance of early detection of CKD and continuing consultation and treatment were presented in an easy-to-understand way. The panel discussion, while giving feedback from medical viewpoints to the questions from participants, provided valuable information on dietary and exercise points to be aware of in the COVID-19 pandemic, the importance of continuing treatment, and advice about how to read CKD test results.

The content of the seminar, in which about 800 people participated, was later published in the Nihon Keizai Shimbun's evening edition.



Nikkei Health Seminar 21

Providing Information for Self-Medication

Self-medication means to be “responsible for one’s own health and self-treatment for minor ailments” (WHO definition). In Japan, the importance of self-medication has spread due to sharply rising national medical costs associated with increasing life expectancy.

In the area of dermatology, Mitsubishi Tanabe Pharma conducts a variety of educational programs through TV commercials and websites to help people suffering from dermatological problems to obtain accurate information and find a treatment as quickly as possible. Of these, the Hifu No Koto site provides information based on the opinions of experts, such as doctors and pharmacists.

In January 2021, we upgraded the site to make it more user-friendly, such as updating its structure and design. In fiscal 2020, more than 17 million people viewed the site.

In addition, when we launched the anti-allergy agent Talion AR in December 2020, we held an online public lecture (February 2021) on hay fever to educate people about it.

In the gastrointestinal area, we have presented the symptoms of irritable bowel syndrome (IBS), a disease that causes diarrhea and constipation accompanied by abdominal pain due to stress, in an easy-to-understand manga (comic strip) format on our [healthcare product site \(Japanese language only\)](https://hc.mt-pharma.co.jp/hifunokoto/). We are also educating people on lifestyle improvement through self-medication.



* Reference: Hifu no Koto site
Number of users: 17.9 million (as of FY2020)
URL: <https://hc.mt-pharma.co.jp/hifunokoto/>

Overseas Sales Activities

The Mitsubishi Tanabe Pharma Group has about 590 MRs overseas who provide appropriate usage information through local overseas subsidiaries in order to support the appropriate use of the Company’s pharmaceuticals. In addition to the U.S., these subsidiaries are located in Europe (U.K., Germany, Austria, and Switzerland) and in Asia (China, South Korea, Taiwan, Singapore, Indonesia, Thailand, and Malaysia). MRs involved in drug information provision activities visit medical institutions and doctors, participate in related academic conferences, exchange opinions with specialists, and provide the latest academic information. In this way, MRs are working each day to be able to contribute to the diagnosis and treatment activities of healthcare professionals.

Activities in the United States

Edaravone was approved as a treatment agent for ALS in the U.S. in May 2017 and launched in August. It is marketed by Mitsubishi Tanabe Pharma America. [The Searchlight Support initiative](#) was established to provide support to patients who have been prescribed edaravone. In line with the needs of each prescribed patient, the programs provided through Searchlight Support will include treatment management and insurance reimbursement support. In these ways, we are supporting ALS patients.

We assist young people whose families have been diagnosed with ALS, by conducting [the ALSO US](#) program, which widely shares their experiences through art including photographs, graphics, and poetry. We also extensively support the activities of organizations by sponsoring and participating in charity events such as the ALS Walk.

Activities in Asia

In the ASEAN region, we obtained approval for the selective DPP-4 inhibitor teneligliptin for the treatment of type 2 diabetes in Thailand in April 2020. Mitsubishi Tanabe Pharma Thailand, our local subsidiary, started sales in September, and is working to get this drug to patients as quickly as possible. In the same month, we obtained approval for the SGLT2 inhibitor canagliflozin for the treatment of type 2 diabetes in Indonesia. Mitsubishi Tanabe Pharma Indonesia, an Indonesian subsidiary that has been selling numerous pharmaceutical products for 50 years, will leverage its business base to help the many patients with type 2 diabetes.

In Taiwan, in February 2021, Tai Tien Pharmaceuticals, our local subsidiary, obtained approval for a new indication for diabetic nephropathy for canagliflozin.

We will continue to provide patients in Asia who are fighting various diseases including diabetes with promising treatment options.

Providing Information through Websites

Mitsubishi Tanabe Pharma has set up the following health support websites in Japan and around the world.

On these websites, we provide useful information in an easy-to-understand format with illustrations about the symptoms, diagnoses, and treatment of these diseases that helps many people gain a proper understanding of disease, the importance of treatment, and supports the daily lives of patients and their families. We have also prepared leaflets that summarize the information on the health support websites so that healthcare professionals including doctors and pharmacists can present them to patients and their families.

In fiscal 2020, the contents of the following sites were updated.

- **Rheumatoid arthritis**

The content in "What is rheumatoid arthritis?" that explains the disease has been updated and the latest information posted at "Rheumatoid arthritis 21.info."

- **Crohn's disease and ulcerative colitis**

Information about how to live in the COVID-19 pandemic and medical diagnosis and treatment was added at the "Shittoku Café" site.

- **ALS**

Began posting "Dysphagia Diet Recipes," a series for ALS patients and their families, at "ALS Station."

- **Spinocerebellar degeneration/Multiple system atrophy**

Updated the contents of "Intractable Disease Medical Expenses Subsidy Program" and "Counseling Q&A" at "scd-msa.net"

- **Vaccine**

Our vaccine newspaper (paper medium, published bimonthly) which presents the latest vaccine news is posted online at "wakuchin.net"

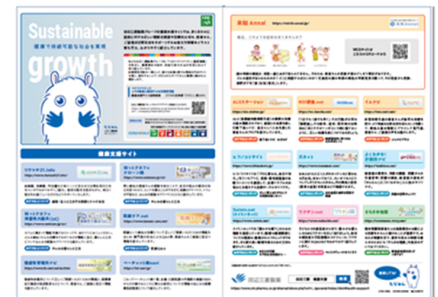
- **Eczema/Dermatitis**

Posted 23 timely articles such as on mask rash and alcohol disinfectant rash that have increased due to COVID-19 at the hifunokoto site. The site was significantly updated at the end of January to be smartphone-based instead of PC-based.

In fiscal 2020, about 25.79 million people visited these health support websites.

- | | | |
|---|--|-----------------------|
| ● Rheumatoid arthritis | ● Crohn's disease | ● Ulcerative colitis |
| ● Psoriasis | ● Ankylosing spondylitis | ● Behcet's disease |
| ● <u>Amyotrophic lateral sclerosis (ALS)</u> , <input type="checkbox"/> *Launched in Japan and the U.S. | ● Brain and nerve diseases | ● Cerebral infarction |
| ● Multiple sclerosis | ● Spinocerebellar degeneration and multiple system atrophy | ● Liver failure |
| ● Chronic kidney disease | ● Sleep disorders | ● Vaccines |
| ● Eczema and dermatitis | | |

Information for patients and their families



Health Support Websites' Introductory Leaflets (Created in December 2019)

Providing Comprehensive Information through the Medical Information Center

Mitsubishi Tanabe Pharma has established its own Medical Information Center to respond directly to inquiries from patients and healthcare professionals (physicians, pharmacists, wholesalers, and others).

In November 2020, we opened a call center for patients and their families who are taking our ethical drugs. In the past, we used the same call center as that used to accept calls from healthcare professionals, but we have made it clear that it is an open corporate call center that is now easier to consult. For patients, this is the only company information center. With a motto of “reliable, accurate, and prompt,” the center provides information that is easy to understand while at the same time making certain not to dispense the type of medical advice that should only come from a physician.

We are working each day to improve our skills so that we identify the true needs behind the inquiries and respond in a way that increases the satisfaction of the people who call.

The Medical Information Center receives more than 45,000 inquiries (FY2020 results) a year on a wide range of subjects. It also provides information on the appropriate use of the Company's products while utilizing basic pharmaceutical information and the in-house Q&A system.

Valuable information that the center receives from customers about safety, such as drug side effects, and quality is shared internally. In this way, the center helps improve products, enhance reliability and discover future new drugs.

In recent years, the diversification of information sources for patients and healthcare professionals and the development of digital technology has caused a decrease in the number of telephone inquiries, even in the pharmaceutical industry. On the other hand, the amount of information provided by unmanned information channels has increased. We are enhancing the quality and quantity of the product Q&A on our website while providing information that can better meet customer needs.

Moving forward, the center will respond flexibly to changes in the times and provide appropriate usage information for pharmaceuticals in a reliable, accurate, and prompt manner. In this way, we will work to contribute to improved health for patients.

Launched AI Chatbot “Tanamin med” for Product Information Inquiries

In February 2020, we launched the AI chatbot “Tanamin med” on our website for healthcare professionals for better convenience.

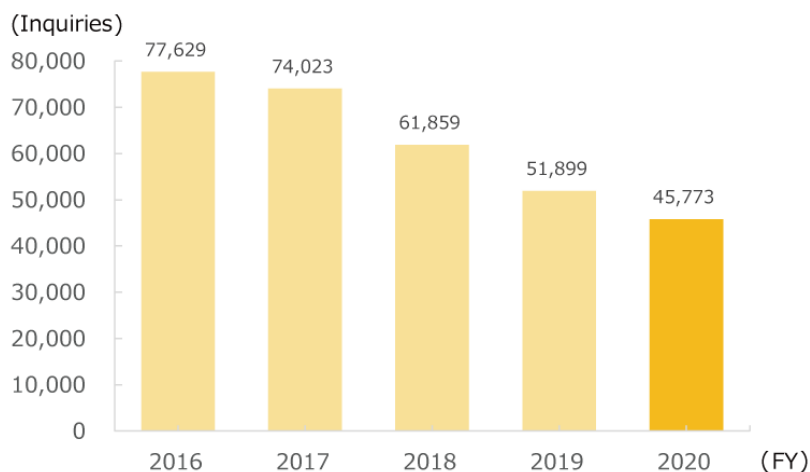
When a healthcare professional types a question, the chatbot's artificial intelligence recognizes the meaning, leads them to the relevant product information from among our approximately 160 products, and displays the answer. This allows them easy and quick around-the-clock access to drug information.

AI chatbot “Tanamin med”
(Press release issued on February 12, 2020)

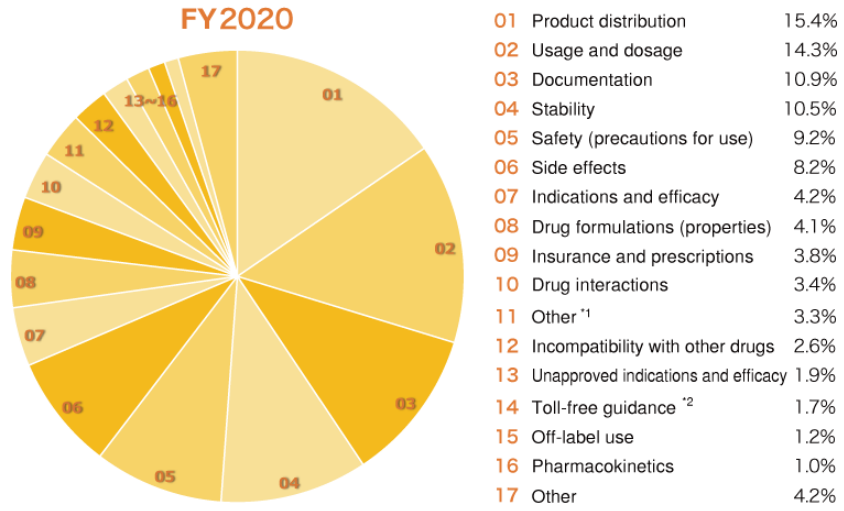


The purpose of Tanamin med is to promote the proper use of ethical drugs among healthcare professionals in Japan.

Number of inquiries received by the Medical Information Center



Note: The number of inquiries decreased due to the spread of COVID-19. Users are increasingly accessing our website.



*1 Inquiries on MR calls, lectures, seminars, doping, and other matters

*2 Toll-free guidance to redirect consumers by providing correct contact information



Drug Safety / Quality Assurance

Quality Assurance System of Drugs

In April 2020, we established the Quality & Vigilance (QV) Division to function as the global head of quality and safety management for products. The QV Division has the following functions.

Primary Functions of the QV Division

- Creation of a mechanism and system for the stable supply of high-quality products
- Audits to ensure the reliability of each operation from research and development to post-marketing
- Collection and analysis of safety information of products and products under development, and the reporting and dissemination of that information
- Formulation and promotion of safety information surveillance policies for post-market products

To ensure that our pharmaceuticals can be used by healthcare professionals and patients with peace of mind, the Quality Assurance Department strives to maintain and improve our system of reliability assurance by complying not only with “The Law on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices,” but also various laws and regulations including GLP, GCP, GMP, GQP, GDP, GVP, and GPSP.

In May 2017, we obtained approval for edaravone as a treatment agent for amyotrophic lateral sclerosis (ALS) in the U.S. Subsequently, we also obtained approval in Switzerland, Canada, and other countries, and have accelerated product rollout in regions where we have not established our own sales system*. More than ever, we are providing products that comply with the regulations of each country while collaborating with the quality and safety departments in each country. Always mindful of differences in medical environments, we provide patients around the world with products that they can use with peace of mind.

The Group will continue to ensure the quality, effectiveness, and safety of pharmaceutical products by complying with laws and regulations and maintaining and improving its quality assurance system.

* A system of direct sales as well as sales by licensed overseas companies. The establishment of a direct-sales system enables independent operation as a pharmaceutical company.

System to assure the reliability of drugs



* GLP (Good Laboratory Practice)
Standards for conducting preclinical trials on pharmaceutical safety

* GMP (Good Manufacturing Practice)
Standards for manufacturing and quality control of pharmaceutical and quasi-pharmaceuticals

* GVP (Good Vigilance Practice)
Standards for pharmaceutical post-manufacturing and marketing safety management

* GCP (Good Clinical Practice)
Standards for conducting clinical trials of pharmaceuticals

* GQP (Good Quality Practice)
Standards for quality control of pharmaceuticals, quasi-pharmaceuticals, cosmetics, and medical devices

* GPSP (Good Post-marketing Study Practice)
Standards for conducting post-marketing surveillance and studies of pharmaceuticals.

New Drug Safety Management

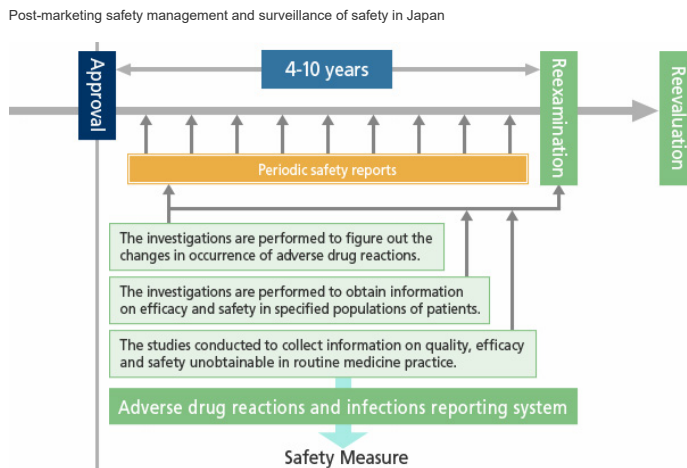
After the launch of a new drug, adverse drug reactions that were not discovered in clinical trials are sometimes reported. We quickly collect that information, analyze it, and provide feedback to the medical front lines. We are moving forward with proactive safety management activities that incorporate new safety measures. We believe that these activities help prevent the expansion of adverse drug reactions from new drugs and promote appropriate usage on the medical front lines.

Edaravone, which was discovered by the Company, was approved in Japan in 2001 as a treatment agent for the acute stage of cerebral infarction and has been in use for more than 20 years. Subsequently, edaravone acquired an additional indication in Japan for amyotrophic lateral sclerosis (ALS) in 2015, and it was approved as an ALS treatment agent in South Korea in December 2015 and in the U.S. in May 2017. After the U.S. approval, we will continue its rollout in other countries. When used overseas, it is used in a different medical environment from that in Japan, and it will therefore be necessary to exercise caution in safety management. Based on the abundant safety information that we have accumulated, we have valuable experience in promoting its appropriate use. Making full use of that experience and taking into account the overseas regulatory and medical environments, we will work to collect and provide safety information to foster proper use and to contribute to improvement in the quality of life of ALS patients.

Post-Marketing Surveillance in Japan

After the regulatory authority approves the manufacturing and marketing of a drug based on the results of nonclinical and clinical studies, we begin selling the drug. Clinical studies are conducted with the number of subjects that are required to scientifically verify the efficacy and safety of the new drugs. However, the conditions for participation in clinical studies (age, medical history, concomitant medications, etc.) are not necessarily the same as the post-marketing conditions of use.

Therefore, the Company starts to collect safety information under actual conditions of use at medical sites as soon as drugs are launched, and we also conduct various post-marketing surveillance. Through the surveillance, we aggregate safety information regarding the drugs that have been actually prescribed to patients, we monitor the safety and efficacy of drugs, and the information that is obtained in the surveillance is quickly and accurately provided to the regulatory authorities and healthcare professionals. In this way, we are working to support the proper use of drugs.



Quality of Products

Our policy is to contribute to the health and well-being of people around the world through the stable supply of high quality, reliable products which are manufactured under a world-class quality system. On that basis, we are strictly observing the ministerial ordinance on GMP (regulations regarding pharmaceutical manufacturing control and quality control) and on GQP (regulations regarding pharmaceutical quality control). Patient safety is the first priority of every employee, and we are implementing initiatives targeting quality assurance with a focus not only on results but also on processes. Through management, supervision, and guidance of manufacturing sites in Japan and overseas, we are working to improve the quality of the products that we provide to the market.

Furthermore, we are working to ensure the quality of pharmaceuticals in accordance with a division notification from the Ministry of Health, Labour and Welfare dated June 1, 2016, regarding the carrying out of production based on the certificate of approval for manufacture and sales.

Above all, to ensure patient safety and prevent disadvantage, any problems found in the safety, effectiveness, quality, labeling, and other aspects of a product should be promptly reported to the regulatory agency and information provided to the medical institution, and a system should be in place to recall the product.

In fiscal 2020, we conducted four voluntary recalls in Japan, but no related health problems were reported.

In addition to the quality of pharmaceuticals that can be used with peace of mind by patients, one of our important missions is to supply pharmaceuticals when patients need them. Therefore, from fiscal 2021, we will set the number of product recalls as a monitoring index of our materiality and ensure a stable supply of pharmaceuticals.

Quality assurance initiatives

- Strengthen collaboration with manufacturing plants and reinforce checking systems, and regularly confirm actual manufacturing practices and the certificate of approval
- Enforce measures to prevent recurrence by rectifying and improving any defects based on our own checks and investigations at manufacturing plants

Pharmaceutical Safety Training

We are working to accumulate and pass on knowledge, and raise awareness related to pharmaceutical safety for all employees, including directors, executive officers, and the presidents of Group companies.

In fiscal 2020, our primary themes of pharmaceutical safety training were cases of drug-induced suffering and drug safety management. As people of pharmaceutical companies, the training improved the risk sensitivity of each and every one of us, so that we always act with high ethical standards with the patient's health and safety as our highest priority.



Solving Issues Related to Improving Access to Healthcare

Efforts to Solve Issues Related to Improving Access to Healthcare

There are many intractable diseases in the world for which no cure has been found, as well as many difficult-to-cure diseases. Notably, research and development of therapeutic agents for infectious diseases such as malaria, tuberculosis, and NTDs, which are prevalent in developing countries, is not progressing due to unpromising marketability. Furthermore, inadequate medical systems, poverty, and disasters in developing countries prevent them from receiving needed medicines and medical services.

To address these issues of access to healthcare, the Group will leverage its strengths in drug discovery, and work in partnership with NPOs/NGOs, industry groups, and others based on our MISSION of “Creating hope for all facing illness.”

Development of Therapeutic Agents for Intractable and Rare Diseases

Providing new options for diseases for which there has been no cure is our MISSION itself. We seek to realize [precision medicine](#) for diseases for which unmet medical needs remain, especially in the central nervous system and immunoinflammatory areas. In addition, we will contribute to improving the quality of life of patients and their families by providing solutions based on therapeutic medicine from prevention to prognosis.

> R&D

> Development Pipeline

Our local subsidiary in the United States not only provides ALS treatment, but also personalized patient support.

Supporting ALS Patients with the Establishment of Searchlight Support

Edaravone was approved as a treatment agent for amyotrophic lateral sclerosis (ALS) in the U.S. in May 2017. It has been marketed by Mitsubishi Tanabe Pharma America since August of that year. [Searchlight Support](#) was established to support ALS patients who have been prescribed edaravone. It supports patients by providing programs including treatment management tailored to each patient and insurance reimbursement support.

Initiatives in Developing Countries

Controlling infectious diseases that are prevalent in developing countries leads to improved living conditions for people and the overcoming of poverty, creating a virtuous cycle not only in developing countries but throughout the world. As a drug discovery company, we believe that leveraging our strengths in drug discovery is the best way to contribute, and we are conducting research on therapeutic drugs for infectious diseases through the GHIT Fund. We also provide various support by giving attention to intellectual property in developing countries and donating to NPOs and NGOs.

Participation in the Global Health Innovative Technology Fund

The Global Health Innovative Technology Fund (GHIT Fund), is Japan's first public-private partnership to promote the creation of innovative treatment agents for infectious diseases that affect people in developing countries, such as malaria, tuberculosis, and neglected tropical diseases (NTDs). We support the GHIT Fund's objective of contributing to global health, and financially support the fund.

Meanwhile, with funding from the GHIT Foundation, we are researching with our partners infectious disease treatments that are widespread in developing countries.

In particular, the eradication of malaria and NTDs presented below is listed as one of the 169 targets linked to the 17 goals of the United Nations' Sustainable Development Goals (SDGs). Improving medical access is also a materiality for our company, so we will continue to actively promote it.

Joint research with Medicines for Malaria Venture (MMV)

The Company provided its pharmaceutical compound library (50,000 compounds) to Medicines for Malaria Venture (MMV), a research institution that focuses on the discovery of new anti-malaria drugs. Three types of promising hit compounds that have the potential to become pharmaceutical products have been identified. In addition, we promoted joint research and from one of these compounds, we acquired two lead compounds as new anti-malaria drug candidates. In April 2019, we will move to the next phase and continue conducting research in collaboration with MMV to create candidate compounds.

Joint research with Drugs for Neglected Diseases initiative (DNDi)

Together with the Drugs for Neglected Diseases initiative (“DNDi”), an international organization involved in non-profit drug development, we began drug discovery research for lead compounds targeting Chagas disease and leishmaniasis in April 2021. MTPC and DNDi have been conducting compound discovery screening for these diseases since September 2019 and succeeded in acquiring nine types of hit compounds. Since the acquired hit compounds fulfilled the criteria for advancing to the lead compound search, the next step in drug discovery, we have set the acquisition of compounds that meet the lead stage criteria as the final goal of the two-year project.

Patents in Countries Where Access to Healthcare Is Difficult

Mitsubishi Tanabe Pharma Group has established a policy on intellectual property that forms the basis for providing new healthcare opportunities in order to appropriately protect and make effective use of its globally competitive intellectual property. On the other hand, in countries where serious economic problems make access to healthcare difficult, we need to consider enforcing our patent rights. The Group contributes to healthcare access in economically deprived areas around the world. Therefore, as a general rule, we do not enforce our patent rights in the Least Developed Countries (LDCs) stipulated by the United Nations.

Please see "[Protection of Intellectual Property Rights](#)" for details.

Other Support

Support provided	Description of initiatives	Countries targeted
Providing vaccines and school meals to children in developing countries	Group employees have participated in vaccine support activities for children in developing countries, which are conducted by the NPO Japan Committee, Vaccines for the World's Children (JCV). This is an international contribution activity wherein donated used books and other items are sold and that amount is donated to JCV and used to deliver vaccines to children in developing countries. Furthermore, at the employee cafeterias, we participate in TABLE FOR TWO (TFT), in which one meal is provided to a child in a developing country for each meal ordered by an employee from our healthy menu. This is a support program conducted by the NPO TABLE FOR TWO International. School meals that are provided through donations are expected not only to help solve hunger among children but also lead to gains in the children's fundamental strength and help prevent disease. We are actively promoting these initiatives to help raise employee awareness.	Myanmar, Laos, Uganda, Rwanda, etc.
Child palliative care in developing countries	In the hope of providing palliative care services equally to all children, Mitsubishi Tanabe Pharma Indonesia donates and provides pharmaceuticals to the NGO Rachel House, a pioneer in palliative care in Indonesia. Through this activity, we help children suffering from serious illnesses in areas outside Jakarta where medical care is unavailable.	Indonesia

Please see "[Contributions to Medical Care and Welfare](#)" for details about these initiatives.

Support for the Kenya Research Station (Nairobi), Institute of Tropical Medicine, Nagasaki University

In developing countries, where medical institutions are not well established, many infants die from the exacerbation of infectious diseases. Through Nagasaki University's Institute of Tropical Medicine, which conducts collaborative research on rotavirus gastroenteritis, we donated lab equipment to the institute's Nairobi Research Station laboratory. Further, as part of our development of next-generation human resources, we hired as research interns young Kenyans who aspire to be researchers and engaged them in the work of collecting samples and data at the medical facility and conducting experiments in the lab.

The Nairobi Research Station is located on the premises of the Kenya Medical Research Institute, and is a P2/P3 level facility with molecular biology and pest laboratories. A total of seven administrative teams and 50 staff members including collaborators are on the research team and are active in area fields where epidemiological research is conducted. Although the joint research with MTPC was completed in March 2021, the Nairobi Research Station will continue to study tropical infectious diseases and public health peculiar to Africa to address various medical issues not only in Kenya but also in Sub-Saharan Africa. Moreover, we are developing entry-level human resources through the African Business Education for Youth and the JICA Project for Infectious Disease Control Human Resources Development together with Japan International Cooperation Agency (JICA).



Nairobi Research Station laboratory



Junior researchers working on experiments using the lab equipment and supplies donated by MTPC



Human Resources Development

Basic Human Resources Policy

The Mitsubishi Tanabe Pharma Group is working to further enhance its competitiveness by focusing on its people as a management resource and giving individual employees an opportunity to demonstrate their full potential. To further enhance its competitiveness and achieve sustained growth, the Company operates the Comprehensive Management System for Human Resources.

To create innovation, we are focusing on three initiatives for reforming the organization and its personnel in the Medium-Term Management Plan 21-25. We will foster an organizational culture that encourages trial and error and takes on new challenges.

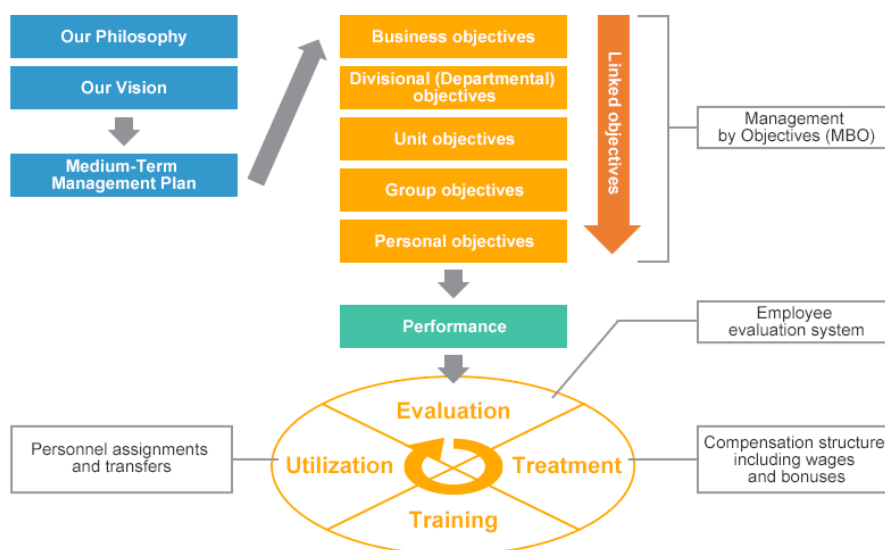
- Acquire and Train Highly Specialized Talent
- Realize a Highly Diverse Workforce
- Digitally Transform the Organization

We are implementing a range of human resources development initiatives that address the ongoing globalization of our business. To that end, we are implementing not only on-the-job training (OJT) but also various off-the-job training (Off-JT) to help employees learn about foreign cultures and develop business English skills. These measures include a variety of group training and language study programs. In fiscal 2017, we began to recruit volunteers for overseas training and to assign them to work at overseas bases, and by fiscal 2019, we assigned a total of nine employees. In fiscal 2019, we began to integrate this into our existing career challenge program and continue to provide opportunities to file requests for transfer to overseas bases. In fiscal 2020, we did not accept the transfer of overseas employees to work in Japan due to the COVID-19 pandemic.

Comprehensive management system for human resources

Basic approach

This system is a tool for the achievement of management objectives, and the Company thinks it is important to link the system to objective management, evaluation, treatment, training, and utilization.



Number of employees

	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021
Consolidated	7,280	7,187	7,228	6,987	6,728
Non-consolidated	4,239	4,222	4,111	3,764	3,383
Men	3,263	3,232	3,107	2,840	2,593
Women	976	990	1,004	924	790

Enhancing Personnel Training

To strengthen our corporate vitality and competitiveness, we must work to enhance the capabilities of our human resources, who are the source of that vitality and competitiveness. To develop people with desired key attributes, the Group supports employees so that they can develop and exercise their capabilities through the smooth coordination of the four frameworks listed below. We enhance individual capabilities of employees through in-house training programs as well as daily on-the-job training. In addition to these initiatives, through the assignment of the right person to the right place, we strive to maximize each person's ability.

Framework for developing the ideal human resources

- Employment of diverse human resources
- On-the-job/Off-the-job training through management by objectives (MBO)
- Transfers and rotations
- Fair evaluations

The Company is also providing support for autonomous employee career management and individual skill development and to develop next-generation leaders and global human resources. To ensure training opportunities even during the pandemic, all previous programs were implemented via the Internet.

Career design program

We maintain the program style so that each person can flexibly participate according to each person's career stage and lifestyle. To expand employees' views and encourage their self-development, we conduct voluntary training inside and outside the company and online business skill training with other companies in different industries.

- Career counseling is provided to all participants at a certain rank to further deepen their awareness of training in their careers.
- In fiscal 2020, we conducted a new management training for all employees in response to telework and other changes in the work environment.

Training in Japan was held after switching from group to online training to prevent the spread of COVID-19 and the average amount of time spent annually on in-house training in Japan was 2.7 hours per person in fiscal 2020.

Development of global human resources

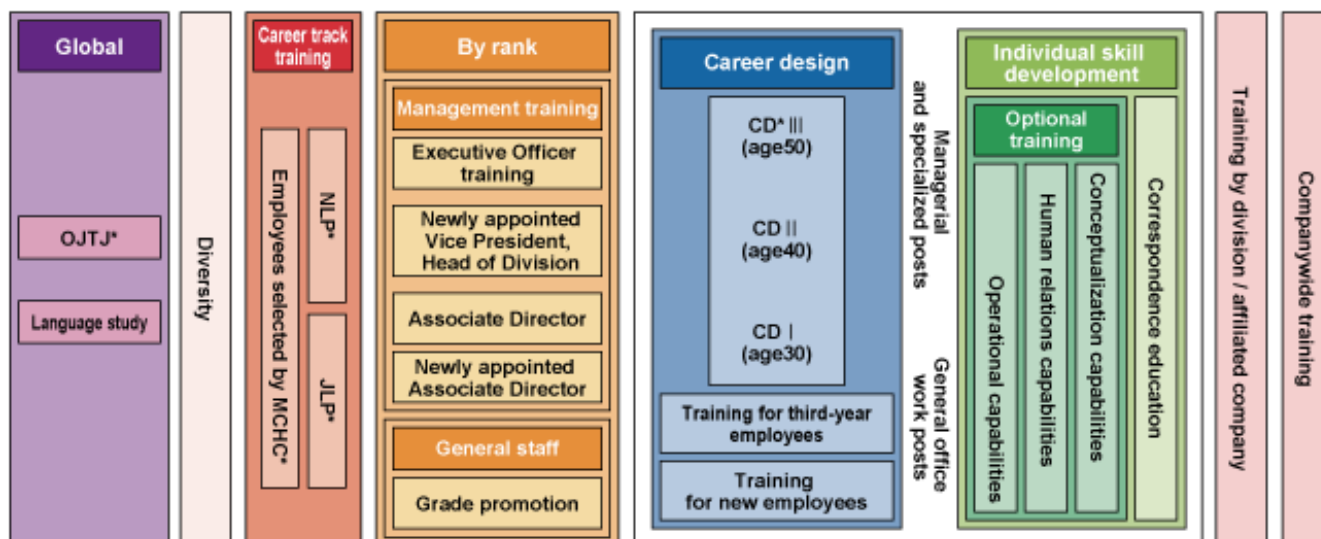
- We continuously develop global human resources with our career challenge system that enables transferring to a wide range of work assignments including those overseas.

In fiscal 2020, three of the four trainees that were continuously dispatched overseas for training have returned to work and have started new initiatives in departments where their overseas experience can be utilized. Of the dispatched employees, one continues to gain overseas experience as an expat. New trainees have not been dispatched through the career challenge system in fiscal 2020 due to the impact of COVID-19.

Next-generation leader development

- We continuously conducted MT-VIVID, a management early development program.

Training program structure (fiscal 2020)



* OJTJ: On the Job Training in Japan
 * NLP: NEXT LEADER Program (NEXT leader)
 * JLP: Junior LEADER Program (Jr. leader)
 * CD: Career design

Support for Employees Nearing Retirement Age

The Company re-employs those who wish to remain employed after retirement. To provide a place of employment, we are creating an environment that permits diverse work styles including work sharing, and we are enhancing our re-employment system and working to utilize their skills and knowhow even after retirement.

Moreover, we conduct career design training for employees in their early 50s who are considering future careers with a view to retirement. We have actively provided and expanded the environment so that all employees can continue working with high motivation regardless of age.



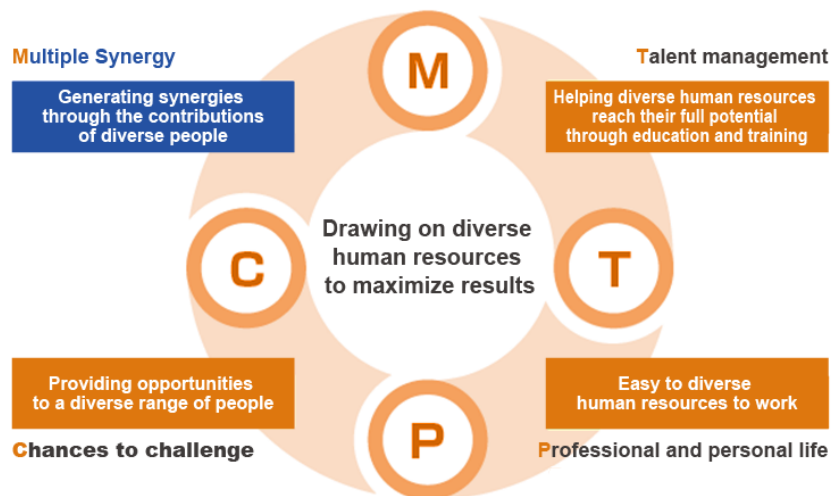
Promoting Diversity

Actively Utilizing Diverse Human Resources

Basic Approach

The Group has positioned its approach to diversity and inclusion as one of its management strategies. We have organized that approach into the Diversity Promotion Circle, and we are advancing initiatives on that basis.

Diversity Promotion Circle



In regard to diversity, we take into account both visible diversity (gender, sexual orientation and gender identity (including LGBT^{*}), age, career background, nationality, disability status, time restrictions due to childcare, nursing care, etc.) and non-visible diversity (knowledge, skills, experiences, values, ways of thinking, etc.). By appreciating these differences and leveraging them, we seek to maximize our results.

* LGBT is an acronym for L: lesbian, G: gay, B: bisexual, T: transgender, and is a generic term for a sexual minority.

Recently, LGBT has expanded to include LGBTQ (with Q standing for "Questioning" or "Queer") and LGBTs (with "s" a generic term for sexual minorities not covered by LGBT). In this report, LGBT is one of the acronyms used for social minorities.

Diversity Initiatives

In fiscal 2020, we implemented the following initiatives.

Diversity training

The training is conducted for Group company management (Department Manager and Section Manager level) in Japan through e-learning. With the goal of getting management to practice appropriate diversity management, the training imparts knowledge of labor management, the Group's system, and the knowledge and behavior required of an Ikuboss*.

* An Ikuboss is a boss who produces results and enjoys his/her work and personal life while considering the work-life balance of his/her staff and supporting their careers and lives.

Holding of the Ikuboss Award

As a measure to encourage subordinates to fulfill both work and personal matters, we seek to foster diversity awareness among managers by commending the company's best practices and introducing them in the company newsletter.

LGBT initiatives

We revised our existing rules of employment by adding harassment-related behavior toward LGBTs and made it subject to disciplinary action. In fiscal 2020, we revised the following two items in our system.

- Same-sex partners were included in the scope of nursing care leave and nursing care holidays.
- Same-sex partners in a common-law marriage can register as a family and are treated the same as spouses under our system of vacations, allowances, and housing.

We will continue to distribute Ally stickers, which show our understanding of and support for LGBT people. As for hiring, we have eliminated the gender entry column from the hiring entry sheet in consideration of gender and LGBTs.

We continue to implement nursing care seminars and www training (www: an abbreviation for Win-Win-Woman), which considers the careers of women who have not yet experienced such life events as marriage and childbirth.



An Ally sticker utilizing Tanamin, the Company's original character

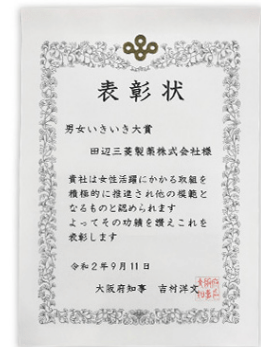
Social recognition



Received the 2020 Gold Prize in the PRIDE INDEX, an evaluation index for LGBT initiatives in the workplace by "work with Pride," a private organization



Received the "Danjo Ikiiki Award" under the "Osaka Prefecture's Danjo Ikiiki Business Commendation" in 2020



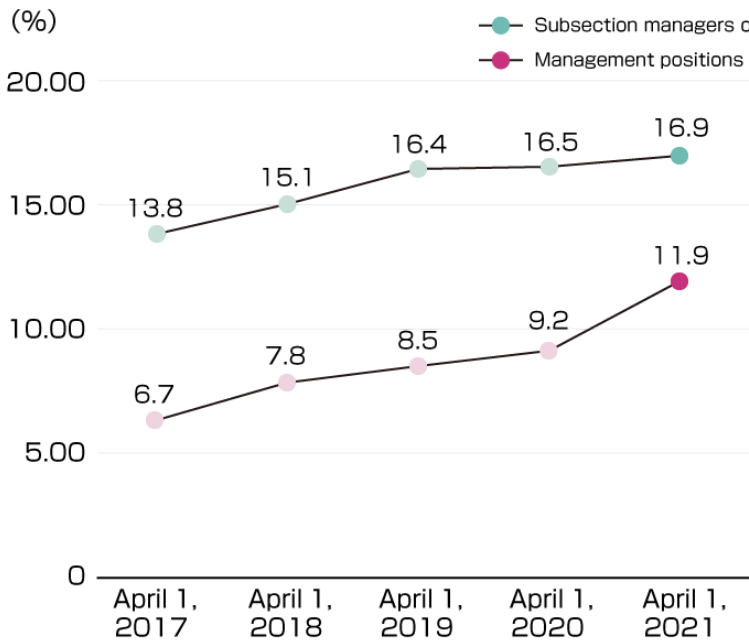
Received highest ranking under "Eruboshi" company certification system based on the Act on Promotion of Women's Participation and Advancement in the Workplace in 2016

女性が輝く
先進企業
2020



Received the Cabinet Office's "Minister of State Award for Special Missions (Gender Equality)" at the "Awards for Women Empowering Companies" in 2020

Percentage of female employees with subsection managers or higher or in management positions



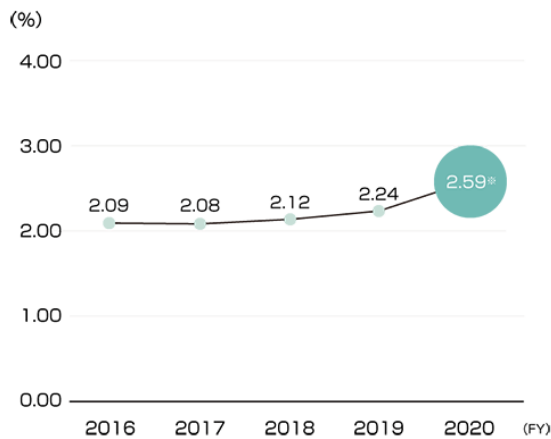
Supporting Active Careers for People with Disabilities

Promoting Employment of People with Disabilities

The Group has actively worked to promote the employment of people with disabilities, and at the same time, has expanded the range of duties in many occupations throughout the Group. In fiscal 2020, we set up a massage room for employees at the headquarters where visually impaired persons who are government licensed shiatsu massage professionals can apply their skills. As a result of actively hiring people with disabilities, the Group's employment rate as of March 31, 2021 was 2.59%, a substantial improvement from 2.24% at the end of the previous fiscal year.

At the East Japan Operations Division of Tanabe Palm Service, a special subsidiary company, began hiring people with disabilities at its Tokyo Head Office in November 2020. We also plan to open a base at the Yokohama Office to begin operation in January 2021 and hire people with disabilities in fiscal 2021. The Group will continue to proactively hire people with disabilities and create an environment where they can actively participate.

Employment rate of people with disabilities



* Rate of employment of people with disabilities for the Group. Fiscal 2016 is on a non-consolidated basis.

Creating Environments that are Easy to Work in

The Group seeks to achieve an inclusive workplace where people with and without physical and mental health challenges work together in the same place. We will create an environment where people with disabilities can make the most of their strengths and continue to make our workplaces even more comfortable to work at in the future.

Tanabe Palm Service Co. Ltd., a special subsidiary

Although there are less than 100 people with disabilities working throughout the Group, the Group's Tanabe Palm Service, a special subsidiary, provides a variety of office services, and has over 30 people primarily with intellectual, mental, and developmental disabilities working there. (As of April 2021)

Tanabe Palm Service seeks to grow with the Company while providing a place where people with disabilities can work with peace of mind by maintaining a comfortable work environment and a system that supports growth. Specifically, we openly communicate by sharing our experiences at morning and end-of-day meetings, reviewing our work, discussing difficulties including issues in our daily lives through regular discussions and daily chats with staff. As a business that proactively employs persons with disabilities and provides employment support to them, it was registered as an Osaka Prefecture Excellent Company that Supports Persons with Disabilities in January 2021.



Digitization of paper documents. Digitization contributes to greater operational efficiency within the Group.



Making business cards for MTPC Group employees. The cards are printed on a large paper sheet and cut to business card size.

Support for Diverse Working Styles

In Japan, the Group supports diverse human resources that participate actively in diverse working styles through an enhanced system that helps establish a balance between personal life and work, and the introduction of a flexible work system.

Flexible Work Systems

The Group has taken steps to enhance systems that contribute to flexible working styles and enhanced productivity for employees, such as a flex-time system with no core time, a flexible work system for employees in planning areas and specialist areas, and a telecommuting system.

To support a balance between work and medical treatment, such as in the case of cancer survivors and infertility treatment, in fiscal 2018, we introduced shorter workdays and treatment leave that employees who need treatment can use. In addition to these systems, we introduced a new infertility treatment leave system in April 2020. Employees who have been treated for infertility but have difficulty with the treatment due to physical distance between them and their spouse, can take a temporary leave of absence under this system. The system was expanded in January 2021 and employees who live with their spouses but are receiving infertility treatment by advanced reproductive medicine, which requires many hospital visits, are eligible under this system.

Consideration for employees who support business continuity

From an early stage of domestic coronavirus infections, the Group recommended and continued staggered work shifts and telework to prevent a commuter rush as part of our COVID-19 infection prevention measures.

Under the issuance of the first declaration of a state of emergency, all employees have shifted to "principle telework" except for the minimum of functional maintenance work, such as our responsibility for drug supply, and safety and quality control as a pharmaceutical company. During the "Principle Telework" period, every Friday we conduct an employee survey called the Friday Survey to understand the feelings of every employee and promote growth across the organization using employee feedback as seeds for reform with the aim of significantly changing our conventional workstyle. We named the seven items that received the most feedback in the survey the "Workstyle Reform Declaration" and began a Companywide effort to establish a telework environment, review meetings, do away with personal seals, reduce paperwork, and use satellite offices.

At present, we have set restriction levels on attendance for each office in line with government requests and the local COVID-19 situation. Employees who cannot work as usual because they need to provide childcare at home due to the closure of elementary schools or because their children are not attending online classes or nursery school, were provided with special paid leave or full pay for working less than normal working hours, which helped ensure the work-life balance of employees.

Systems to Support a Balance Between Life Events and Work

The Group has established childcare and nursing care support systems that significantly surpass legal requirements. We have created an environment that enables employees to work with peace of mind and balance work and life events, such as pregnancy, childbirth, childcare, and nursing care. We continue to take steps to establish environments that facilitate active participation by fathers in child-rearing.

We will continue to create a work environment where each employee can fully exercise his/her ability and work energetically.

Initiatives to get men to participate in childcare

- Special leave for husbands that can be taken during the period from pregnancy to childbirth (pre-paternity leave)
- Make the first five days of childcare leave as paid leave (for both men and women)
- Promote the taking of childcare leave for men (paternity leave)
- Initiatives to increase the number of Ikubosses who can take the lead in promoting diverse working styles and manage diverse staff

Social recognition

For the sixth consecutive year since 2007, we were certified as a “general business owner conforming to standards” (Kurumin mark) based on the Next Generation Nurturing Support Measures Promotion Law. In July 2019, we were certified “Platinum Kurumin”* in recognition of our childcare support and working style initiatives.

* The “Platinum Kurumin” certification system recognizes companies that have already been “Kurumin” certified by the Ministry of Health, Labour and Welfare as companies that support childcare and that have taken steps to achieve a higher standard.

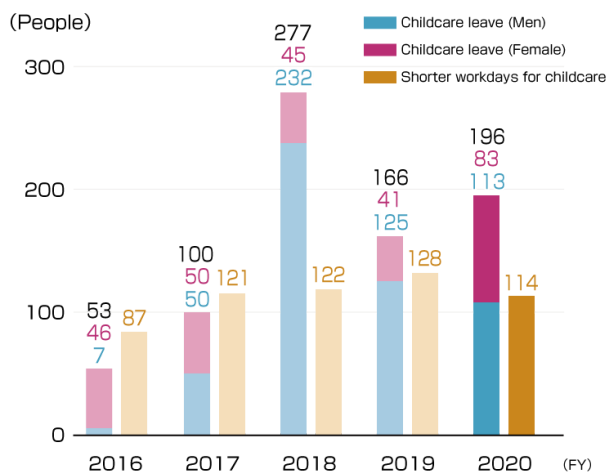


Kurumin certification mark



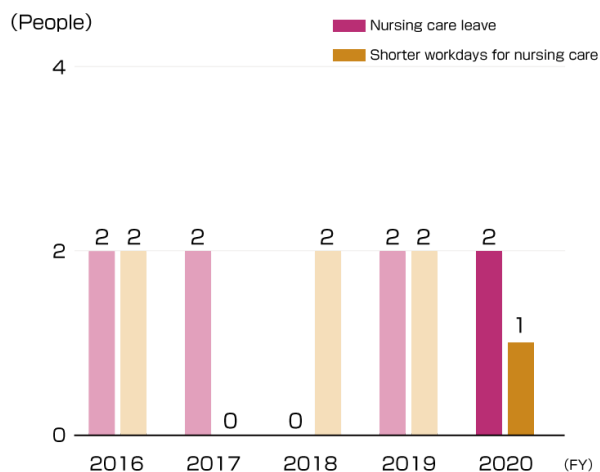
Platinum Kurumin certification mark

Utilization of leave and shorter workdays for childcare



* The Group domestic
 * Results in the utilization of childcare leave show the number of people who commenced childcare leave during the fiscal year

Utilization of leave and shorter workdays for nursing care



* The Group domestic

Building Sound Labor-Management Relations

The Group respects the rights of its employees, including the freedom to form a union and the right to collective bargaining. The labor agreement that Mitsubishi Tanabe Pharma has entered with the Mitsubishi Tanabe Pharma Labor Union guarantees the working conditions and rights of union members. As of the end of March 2021, the labor union membership rate was 73.9%. Group management and the union regularly hold management meetings where the Company communicates its management policy and the two parties exchange information on workplace conditions, seeking to more fully understand each other. Members of the Management Council and various labor-management committees, etc., also contribute their views on separate issues, such as reevaluation of various working conditions and human resource systems, in order to realize an environment in which it is easier to work.

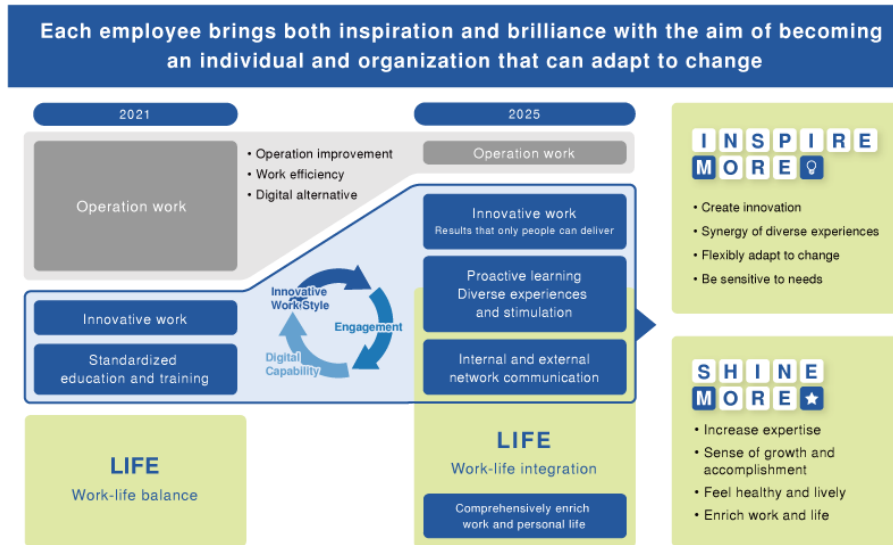


Society > Together with Employees

Workstyle Reforms

Initiatives to Promote Innovative Workstyles

To achieve the Group’s mission of “Creating hope for all facing illness,” MTPC is seeking to realize new and diverse workstyles so that each employee can deal with the changes while deepening their independent learning, to constantly innovate, achieve a feeling of growth and attainment, and be healthy, lively, and meaningful individuals and organizations.



Promotion System

The Innovative Work Style Promotion Office established in April 2021 develops various measures for work-style reforms centered on the three axes of “Evolution of Digital Capability,” “Achieving Innovative Workstyles,” and “Deepening Engagement.” At the same time, the office strives to continuously track issues visually and accelerate reforms companywide through surveys that capture employee needs, and cooperation with the Innovative Workstyle Promotion Committee members from all division.

Achievement Efforts

Evolution of Digital Capability

We will support “time creation” for growth and creative work by strengthening our development of digital tools and supporting their use by individuals.

Purpose of digital tool use

- Improvement of work efficiency
- High-quality communication that transcends place and time
- Evidence-based judgment
- Visualization, analysis, and improvement of workstyles

Moreover, we seek dramatic changes in workstyles through the further application of RPA* that has been so far deployed. To that end, we will further explore operations that can be RPA-enabled, train more advanced RPA developers, and install RPA in each department.

Through these efforts, our goal is to create conditions where each employee is digitally savvy, actively uses it during the course of work and has the most productive workstyle.

Current Group status of RPA (as of June 2021)



* RPA (Robotic Process Automation) is a technology that automates work processes and tasks performed on a computer on behalf of humans.

Achieving Innovative Workstyles

We will support employees' growth by renewing the "time" created utilizing digital technology and turning it into time for independent learning, internal and external communication, and innovative time to achieve a workstyle in which each employee can perform at their best.

Specific initiatives

- Developing human resource measures based on the changing times
- Selecting workstyles that allow each person to perform at their best, such as office reforms
- Supporting each person's independent learning and experience gaining new stimulation

Deepening Engagement

We seek a state of high engagement wherein employees understand the Group's vision and work together to achieve it. To this end, we will create a "relationship" in which employees are healthy and motivated, and work with the company to contribute to growth. Specifically, we will provide broad-ranging value that makes it appealing to work in the MTPC Group, such as by revitalizing the in-house community, interacting with the Mitsubishi Chemical Holdings (MCHC) Group, and increasing external access.



Occupational Health and Safety

Occupational Health and Safety Management

To prevent occupational accidents in the workplace, and promote employee health and a comfortable work environment, the Group operates management systems in accordance with Guidelines on Occupational Safety and Health Management Systems (OSHMS) presented by the Ministry of Health, Labour and Welfare.

We have created a plan for achieving health and safety goals at each office and we identify potential risks in the workplace through health and safety activities (hazard prediction training), Hiyari-Hatto [near-miss training], workplace inspection, etc.) and risk assessments, and implement risk reduction measures accordingly. We also invite outside instructors to give lectures and hold exercise classes to promote employee health.

In 2020, workstyles changed significantly due to the impact of COVID-19, teleworking arrangements increased, and in general, the inadequacy of communication was noted. However, the Group continued to ensure employee safety and manage their mental and physical health by leveraging online tools and recommending proactive communication with one's superiors and colleagues.

Occupational Health and Safety Promotion System

At Group offices, we have established the Health and Safety Committee, which meets once a month, as a structure for ensuring employee safety and health and creating a comfortable work environment. The committee consists of general health and safety managers (office managers and plant managers), safety managers, health supervisors, occupational physicians, and members selected by the Company and labor union.



The committee reports on health and safety activities and discusses important policies for preventing occupational accidents and health disorders of employees, and health promotion. The matters reported and discussed by the committee are communicated to all employees through the health and safety meetings held by each division.

Occupational Health and Safety Initiatives

Aiming to contribute to protecting the global environment and realizing workplaces where employees can work in a healthy, enthusiastic, safe, and comfortable manner, the Group is strengthening its initiatives in the areas of Environment, Health, and Safety (EHS).

In particular, securing the safety of employees in business activities is our highest priority. To prevent occupational accidents, it is important to continually strengthen Environmental and Safety management and raise everyone's risk awareness regarding operations in the workplace, and we are working to strengthen our front-line capabilities (autonomous solutions capabilities).

In fiscal 2020, we worked on a range of measures to reduce the lost time injury frequency rate at all domestic Group offices to 0.30 or less. As a result, there was one accident requiring absence from an office in Japan and two at overseas plants. The lost time injury frequency rate at all domestic Group offices was 0.12. As there were many accidents from falls last year, we will work to strengthen the safety awareness of employees including awareness of preventing falls. Domestic contractors also manage the status of occupational accidents, and in fiscal 2020, the lost time injury frequency rate at our domestic contractors was 0.00.

To eliminate workplace accidents, we will continue to implement highly effective training and activities to reduce risks related to facilities and operations. We will work to realize KAITEKI, which is being advanced by the entire Mitsubishi Chemical Holdings Group.

Major initiatives

Safety training initiatives

Conducted via remote online training due to the impact of COVID-19

- Legal and worker compliance obligation classes
- Health and safety training
- Hazard prediction training
- Human error countermeasure seminars
- Experience-based training
- Classes on static electricity
- Sharing of information regarding such issues as occupational accidents and Hiyari-Hatto (near misses), and measures to prevent recurrence at offices in Japan and overseas

Initiatives to prevent recurrence of work-related injuries

- Published and disseminated internally the Telework Workstyle Handbook
- Disseminated internally safety information (including past in-house cases) connected to national events
- Rolled out countermeasures for vehicular accidents in the sales unit
- Shared cases and measures to prevent accidents from falls occurring in offices or while employees are on business trips or commuting

Reference: Table of Contents	
Introduction	P.3
Chapter I Type of Telework	P.4
Chapter II Occupational Health in Telework	P.5
1. work environment control	P.6
1) Room size, ventilation, lighting, room temperature, humidity	
2) When working at a desk and chair at home	
3) When working at a law table	
4) Guidelines for Occupational Health Management and tips for reviewing	
2. work control	P.11
1) working time	
2) working posture	
3) self-management	
3. Health Management	P.14
1) self-care	
2) Mental Care	
3) Exercise and try relaxation techniques	
4) Does not disturb rhythm of life	
5) Ensure connections with people	
Chapter III Safety Measures for Telecommuting	P.20
1. Fall	P.21
1) abandoned items and electrical cords on the floor	
2) small step	
3) staircase	
4) dark place	
5) Clothing	
2. Fire	P.27
1) outlet, cord	
2) gas stove	
3) heating appliance	
3. Earthquake	P.31
1) Points at the time of earthquake	
2) Safe furniture placement	
Chapter IV When an accident occurs	P.36
APPENDIX: SPECIFIC EXAMPLE	P.37
1) What I am careful about in Telework	
2) What I felt a danger in Telework	

Telework Workstyle Handbook: The handbook was created to ensure the safety of employees and maintain their physical and mental health even while performing telework.

Chemical Substance Safety Management

As a company that handles many chemical substances, including pharmaceuticals, the Group has established internal regulations related to chemical substances including its Chemical Substance Handling Guidelines, which sets forth the proper handling of those substances.

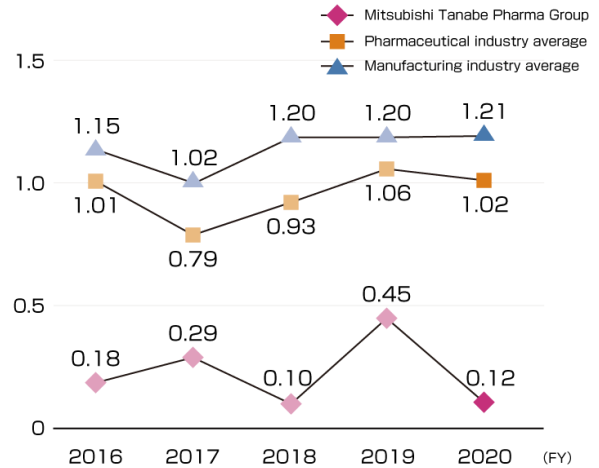
Accordingly, potential risks are now evaluated in advance (risk evaluation of chemical substances) from the perspectives of both “dangerous and hazardous” and “exposure of people and the environment.” We are taking steps to prevent accidents and disasters related to chemical substances by systematically implementing risk management and mitigation measures from the acquisition of chemical substances to their storage, transport, use and disposal. The Chemical Substances Handling Guidelines also specify measures to prevent or mitigate environmental pollution, accidents, damage to health, fire and explosions caused by hazardous materials. All employees at all offices continue to spread and establish these as guidelines in their ongoing safety, health, and disaster prevention efforts.

Furthermore, we will comply with laws and regulations, and strive to ensure the proper management of chemical substances by conducting education and training on them as well as safety audits.

Safety and Accident Prevention

The Group is working to prevent safety-related accidents at each office. After extracting and identifying risks, prioritizing them, and examining measures for their removal or reduction, they are reflected in the capital investment plan for the next fiscal year to improve unsafe facilities and equipment.

Lost time injury frequency rate



* Lost time injury frequency rate:

Number of casualties due to accidents that require time off from work up to one million actual working hours (excluding commuting injuries).

* Calculation period:

For the Group, April to March the next year; for pharmaceutical industry averages and manufacturing industry averages, January to December.

* Scope: All domestic Group offices

* Total working hours:

For fiscal 2016, for plants and research facilities, scope includes permanent employees, contract employees, temporary employees, and part-time employees. For employees working in plants, principally calculated as actual work hours. (For certain bases, calculated as work hours per day x number of business days x number of employees + overtime hours). For employees working in research facilities, calculated as work hours per day x number of business days x number of employees. For the headquarters, branches, and sales offices, which were added to the scope from fiscal 2016, includes permanent employees, contract employees, and temporary employees. Calculated as actual work hours.

For fiscal 2017 and 2018, scope includes permanent employees, contract employees, and temporary employees. Excluding certain bases, for permanent employees and contract employees, calculated as actual work hours; for temporary employees dispatched by personnel agencies, calculated as work hours per day x number of business days x number of employees. For certain bases, calculated as work hours per day x number of business days x number of employees + overtime hours.

Since fiscal 2019, scope has included permanent employees, contract employees (including some part-time employees), and temporary employees. For permanent employees and contract employees calculated as actual work hours; for temporary employees calculated as work hours per day x number of business days x number of employees.

Employee Health Management

Health and Productivity Management Initiatives

In April 2016, the Group established the MTPC* Group Health Policy. We effectively and appropriately promote activities concerning employee health in accordance with this policy.

The Group has been promoting an internal ban on smoking since fiscal 2017 and has imposed an internal ban on smoking during all working hours and on Company premises and has also specified in the rules of employment the agreement about smoking during working hours. In fiscal 2020, the Company has worked to reduce the smoking rate by sending messages promoting the smoking ban from the senior management of each organization and developing financial incentives for non-smokers (including ex-smokers). In addition, through the i2 Healthcare Support Program, a health support program utilizing ICT that was introduced in 2017, we will further promote health management to support health promotion and maintenance for each and every employee, raise health awareness, and foster a healthy workplace culture.

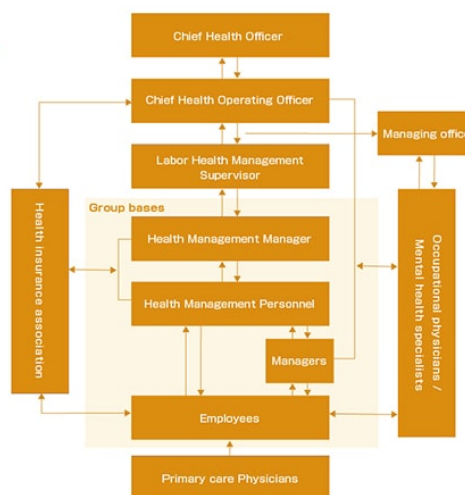
* Abbreviation of Mitsubishi Tanabe Pharma Corporation

MTPC Group Health Policy

1. We will strive to maintain our own health so that we can contribute to the health of people around the world.
2. We will leverage our own capabilities and advance the establishment of an environment in which we can work energetically.

Employee health management

Chief Health Officer Officer in charge of human resources
Chief Health Operating Officer Vice President, Head of human resources department
Labor Health Management Supervisor Divisions / Affiliated companies → Managers in the human resources department Aside from the above → Manager of the Human resources group, Human resources department
Health Management Manager In some cases, the manager of the department that controls health management or the Labor Health Management Supervisor in each bases' organization may serve concurrently as the Health Management Manager
Health Management Personnel Nursing staff or healthcare support staff at each base
Managing office Human resources department



Social Recognition

In fiscal 2020, we were certified by the Ministry of Economy, Trade and Industry's "Outstanding Enterprise in Health and Productivity Management - White 500" (large enterprise category) for the fifth consecutive year. The Group received the highest evaluation in all industries in the four areas of "Management philosophy/Policy (Clearly stated/Internally disseminated)," "Systems/Policy implementation (Measures and policies limited to risk holders)," "Systems/Policy implementation (Measures and policies not limited to risk holders)," and "Evaluation/Improvement (Results of various measures/Verification of effectiveness)," and received the top for all industries for "Measures/Policy implementation (Measures and policies limited to risk holders)."



Achieving a Work-Life Balance for Employees

To maintain the mental and physical health of our employees and live a fulfilling life with a good work-life balance, the Company views the prevention of excessively long work hours and the taking of sufficient paid time off as important issues for the realization of health and productivity management.

The health of employees is an important asset for the company, and even in an era of changing workstyles, we believe that having each employee live a healthy life full of vitality every day helps bring about new ideas, higher motivation, and greater engagement. Therefore, we will continue to implement the TM Campaign throughout MTPC's domestic Group in fiscal 2021.

* MTPC's domestic Group, including management supervisors

Each employee shall make the best use of their limited time to achieve a work-life balance.

- (1) Reduce long working hours (Time Management)**
- (2) Ensure proper rest (Time Making)**
- (3) Promote a flexible working style (Telework Mixed)**

By achieving the 3 TMs

- ✓ **Lead a healthy life every day**
- ✓ **Enjoy spending time and sharing hobbies with your family**
- ✓ **Create time for self-study**



Increase motivation for work and create new ideas

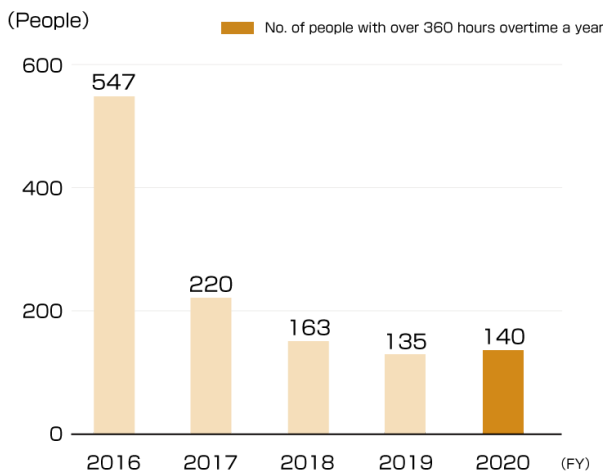
In fiscal 2021, we will roll out each initiative with the final goal of reducing the total annual working hours per person by 3% by achieving the “3 TMs.”

- (1) Reduce overtime work (Time Management)**
We seek to reduce the number of workers performing overtime work of more than 360 hours a year by 15% from the previous year by prohibiting, in principle, working and the sending of e-mails at night, early in the morning and on holidays, , and by setting a fixed time and day once a week for every employee to leave work (Friday is recommended). We will follow up individually with those who put in long working hours and check overtime working conditions with labor and management at each site.
- (2) Ensure proper rest (Time Making)**
In order to promote the taking of paid time off of 70% (15 days) or more, we are encouraging managers to set an example and take the 15 days off themselves. The system will also establish annual paid time off taken simultaneously by all employees (two days a year), set aside a day to encourage the taking of paid time off (five days a year), and individually follow-up with employees who have not taken paid time off. Further, in terms of maintaining employee health, we will rigorously comply with the work-shift intervals system and aim for fewer than 2% of those who have not secured intervals without exclusion criteria. At the same time, we will continue to educate employees about securing intervals at the time of exclusion criteria (meetings with those overseas, etc.)
- (3) Promote a flexible working style (Telework Mixed)**
With the aim of routinely using telework, even after returning to normal from COVID-19, we have set a target of 30% telework to support diverse and flexible workstyles and effectively use office space.

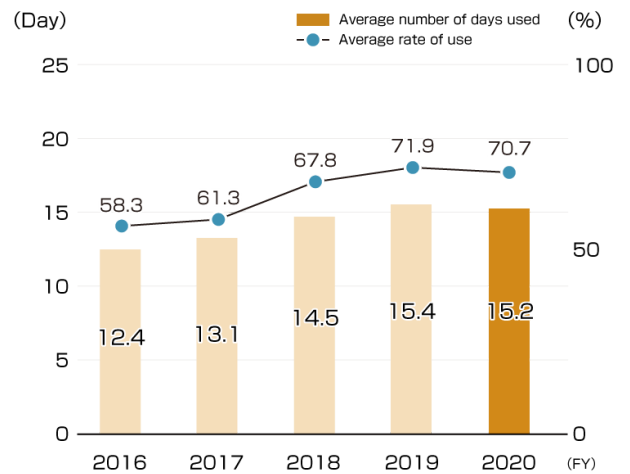
Fiscal 2020 TM Campaign Results

The number of overtime workers with more than 360 hours a year (including supervisors) decreased significantly (about 74%) compared with fiscal 2016, despite increasing slightly compared with the previous year. Also, the rate of taking paid time off reached the target of 70% or more (70.7%). The telework implementation rate has drastically changed due to the impact of COVID-19, and the average annual implementation rate for the Group was 52.9%, which greatly exceeded our initial target of 10%.

No. of people with over 360 hours overtime a year



Average usage rate of paid time off



Strengthening Measures to Address Mental Health

We are working to support the prevention and early discovery of mental health issues. For self-care initiatives, we conduct e-learning for all Group employees in Japan and promote an awareness of stress and how to cope with it. In the mental health training for new employees, we recommend that they try to gain some basic knowledge about stress and let them know about the counseling services available inside and outside the company so they can quickly take advantage of the services should they succumb to stress themselves. Line Care* conducts training with a focus on newly appointed managers and improving management's understanding. In addition, to create workplaces in which employees can work with enthusiasm, we are trying to understand the essential issues by verifying the stress analysis results by conducting multifaceted analyses of the stress check organizational analysis results against various survey results. In addition, these issues are fed back to the human resource departments in each division and to domestic affiliated companies, and by sharing our ideas with each other, we are able to strengthen the initiatives in each workplace.

* Line Care is care provided by managers and supervisors, which includes monitoring and improving the daily work environment and counseling of their staffs.

Strengthening Measures to Prevent Lifestyle-Related Diseases

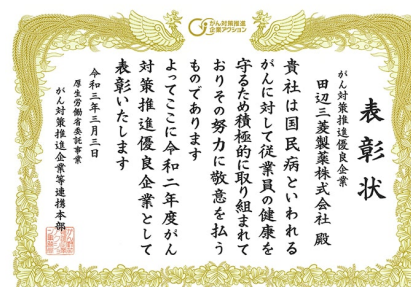
As one part of health management initiatives, in 2017, we introduced the "i2 Healthcare Support Program," a health support program utilizing ICT, and we are distributing wearable devices to employees (including outside Japan) who request them. The wearable devices collect and accumulate a variety of data, such as number of steps, distance, calories consumed, heart rate, and sleep quality that helps employees visually capture their activity and manage their health. In cooperation with the health insurance association, we have held a walking campaign that utilizes wearable devices, and conducted online seminars and events to improve inadequate physical exercise caused by workstyle changes brought on by telework. In addition, we called for an increase in the cancer screening rate and recommended using the comprehensive medical exam as a regular health check. We also introduced a system to support a balance between medical treatment and one's work in fiscal 2018 so that employees with cancer can continue to work with peace of mind without having to leave the Company, thus creating an environment where employees can securely balance medical treatment with their work lives.

Social recognition

For the second consecutive year, Mitsubishi Tanabe Pharma has been certified as a "Sports Yell Company" (Japan Sports Agency), which recognizes companies that support and promote the sporting activities of their employees.



We were selected under the Action Plan for the Promotion of Cancer Control, a project commissioned by the Ministry of Health, Labour and Welfare, for recognition and commendation as a "2020 Cancer Control Promotion Excellent Company" for our cancer prevention efforts on behalf of our employees.



New Initiative (Opened a Massage Room)

In September 2020, we opened a massage room at the headquarters as part of our health management initiative and employment of people with disabilities. Visually impaired employees who are government licensed Shiatsu massage professionals can perform treatment. It has been very well received by employees based on their comments which include, "After the massage, I felt refreshed and could dedicate myself to work," and "I'm really glad I could get a massage at work without having to wait."



Massage room treatment

Employee Survey

Since fiscal 2011, the Mitsubishi Tanabe Pharma Group has implemented employee surveys at domestic Group companies to provide a comprehensive understanding of employee attitudes toward their jobs and of the Company's workplace environments in order to improve management initiatives. In fiscal 2019, we established "sustainable engagement" as an indicator for understanding employees' feelings and expanded its scope to overseas Group companies. As a result, we maintained a good work environment and employee vitality, indicating high "sustainable engagement." Based on some of the issues that have been found to increase engagement, we are promoting dialogue between management and employees, and career-building measures focusing on professionals. We plan to conduct the next survey in fiscal 2021.

Strengthening Measures to Prevent Infectious Diseases

With telework spreading, as a COVID-19-related measure, we have created a "Telework Workstyle Handbook" that shows specific examples of work environment management, work management, health management, and safety measures. We have informed all employees about the handbook, which has helped strengthen occupational safety and health. In addition, to prevent the spread of COVID-19, we have established a BCP for pandemics in relevant departments, restricted office attendance rates, distributed masks, installed partitions, provided thermometers, and improved the telework environment.

As for COVID-19 prevention measures, we are conducting e-learning so that employees can gain a proper knowledge about infectious disease prevention, work with a sense of security and confidence, and strictly follow our internal rules for dealing with COVID-19. We are also cooperating with the government to take additional measures against rubella and encourage those who have received coupons to get tested in the hope of improving the take-up rate of antibody tests.



Installation of individual booths



Acrylic sheets placed on desks to control communicable disease



Promotion of CSR Procurement

To fulfill our corporate social responsibilities throughout the entire supply chain, including our suppliers, we are conducting a range of initiatives while formulating action principles for procurement departments, as described below.

Action Principles

In accordance with the Mitsubishi Chemical Holdings (MCHC) Group Charter of Corporate Behavior, we are working to contribute to the realization of KAITEKI.

Employees involved in procurement operations are working to implement CSR procurement in accordance with various rules and internal regulations, such as [the Procurement Policy](#), established by the Group based on this concept, (Groupwide in scope) and the Procurement Compliance Code of Conduct (for all domestic affiliates).

Procurement Policy

1. Fair and equitable selection of suppliers
2. Open opportunity for transactions
3. Establishment of relationships of trust
4. Compliance with laws and regulations, as well as social norms
5. Moderate action

Selecting and Reevaluating Suppliers

In selecting and reevaluating suppliers, we confirm that they do not have any relationship with anti-social forces. In addition, suppliers involved in the manufacturing of pharmaceuticals are evaluated focusing on the following five criteria based on our supplier selection standards. The Company is also responsible for the procurement functions of its domestic Group companies and selects and reevaluates suppliers based on the same standards for raw materials procured by subsidiaries.

To ensure and maintain business continuity, even in an emergency, we request in advance that our major suppliers (determined based on annual transaction value, inability to find alternative supply, and other factors) keep a certain quantity of pharmaceutical raw materials on hand for continuous supply.

Evaluation Points

- Quality assurance level
- Technical capabilities
- Continuity and stability of supply
- Price and business conditions
- Corporate attitude (CSR initiatives include compliance with laws and regulations, environmental protection, working environment, and respect for human rights)

Establishing a Sustainable Supply Chain

To build and strengthen a sustainable supply chain, we are sharing MCHC's "[Developing Cooperative Business Practices with Suppliers and Business Partners \(Guidebook\)](#)" with our business partners. Also, in line with the purpose of this guidebook, we have conducted a survey to check the status of CSR initiatives such as ensuring environmental conservation, respect for human rights, and occupational safety and health. In fiscal 2019, 50 companies responded. The total value of transactions with these 50 companies accounts for 99% of our total direct material purchases. We are encouraging improvement by feeding back the aggregate results of responses to each question to our business partners and confirming their relative CSR level.

We will continue to conduct this survey in order to get business partners to confirm the items they should prioritize and effectively promote their CSR activities.

Survey Flow

1. Each supplier responds to the survey
(Self-assessed at three grades (1 to 3 points) for each item)
2. We calculate the average score for each item
3. We feedback the score to each company

[Click here for information on maintaining the supply chain under COVID-19](#)

Training on Laws and Regulations

The Company's procurement departments regularly conduct training on the laws and regulations related to procurement. In this way, we have worked to ensure rigorous compliance awareness.

Applicable main laws and regulations

- Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices (Pharmaceuticals and Medical Devices Act)
- Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. (Chemical Substance Control Law)
- Industrial Safety and Health Act
- Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (Subcontracting Act)
- Foreign Exchange and Foreign Trade Act (Foreign Exchange Act)
- Other laws and regulations concerning import and export

Consideration for Human Rights

We have established procurement rules in line with our procurement policy that stipulate that we conduct our procurement activities by giving full consideration for human rights. We share MCHC's "Developing Cooperative Business Practices with Suppliers and Business Partners (Guidebook)" with business partners and conduct a survey to check the status of their efforts to respect human rights.



Corporate Citizenship Policy

Corporate Citizenship Policy

The Mitsubishi Tanabe Pharma Group aims to contribute to society through its business, and as a good corporate citizen, we will also work to achieve harmonious co-existence with communities and to contribute to their development.

In accordance with the Mitsubishi Tanabe Pharma Group Corporate Citizenship Policy, Group employees will share the same future direction, and the Group will actively implement corporate citizenship activities in regions around the world.

The Mitsubishi Tanabe Pharma Group Corporate Citizenship Policy

We at the Mitsubishi Tanabe Pharma Group (hereinafter the “Group”) conduct business with due respect and consideration afforded to the cultural practices and customs that prevail in the countries and regions where we operate. We engage in corporate citizenship activities with a view to realizing a sustainable society in which people from all age groups and walks of life can lead active lives through their physical and mental fulfillment as well as active involvement in social activities.

1. Basic principles

1. We will pursue corporate citizenship activities in accordance with local circumstances and social norms mainly in the countries and regions where we conduct business.
2. We will make effective use of the Group’s resources and its knowledge as a research-driven pharmaceutical company.
3. We will seek collaboration with relevant bodies such as public interest corporations, NPOs, NGOs, local communities, and seek to earn their trust.
4. We will establish a work environment where employees are encouraged to become involved in volunteer activities.
5. We will strive to enhance the Group’s social value by supporting harmonious coexistence with society.

2. Activity areas

The Group will pursue its corporate citizenship activities primarily in the following four areas.

1. Contributions to medical care and welfare
2. Development of science and technology
3. Conservation of and contributions to the environment
4. Promotion of local communities

In addition to the above areas, we will also work on specific initiatives as the need arises, including the provision of humanitarian support and the fostering of the next generation.

3. Promotion system

We will develop and implement an internal system and rules for promoting corporate citizenship activities and strive to increase awareness of such activities among employees.



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Contributions to Medical Care and Welfare

As a healthcare company, in addition to our business activities, we are engaged in a wide range of medical and welfare-related initiatives that seek to achieve a vigorous life for patients, their families, and others.

Support for Patients with Intractable Diseases and Their Families

The Mitsubishi Tanabe Pharma Tenohira Partner Program

The Company believes in the importance of developing new drugs for intractable diseases and providing support for patients with diseases and their families. Accordingly, in 2012 we established the Mitsubishi Tanabe Pharma Tenohira Partner Program. This program provides aid for the activities of organizations 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 2020, we provided aid to 15 of these organizations.

At a meeting held online on October 22, 2020 to report on the fiscal 2019 activities of organizations receiving assistance under the Mitsubishi Tanabe Pharma Tenohira Partner Program (11 organizations), participants engaged in a lively exchange of views on the issues faced by each organization and the various initiatives for those with intractable diseases to live independently. The daily lives of patients and their families are irreplaceable and should not simply be spent fighting disease. The Tenohira Partner Program strives to support people fighting disease, to assist them in finding more joy and satisfaction in their lives, and to help them realize their dreams and hopes for the future. On that basis, we will continue to offer support. In fiscal 2021, we will provide aid to 13 organizations that support people fighting diseases.



Meeting to report on support operations (held online)

For details about grant recipients and other information, please see the [Mitsubishi Tanabe Pharma Tenohira Partner Program website \(Japanese language only\)](#).

Click here for [information on business continuity support during the COVID-19 pandemic for intractable disease patient organizations and support groups](#)

Support for ALS Patients and Their Families (US)

Mitsubishi Tanabe Pharma America (MTPA) has been supporting patients and their families to fight intractable diseases through various initiatives.

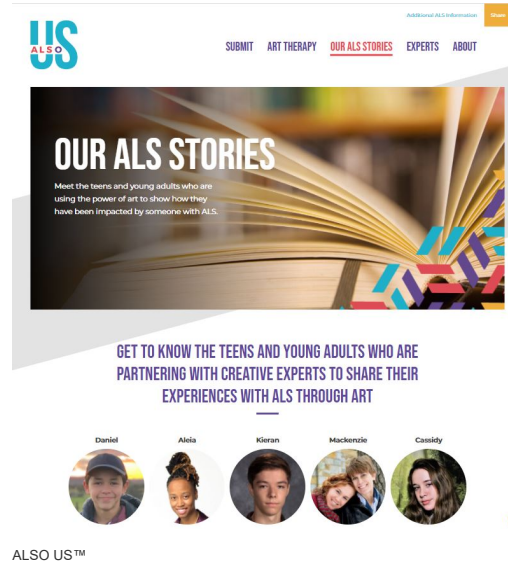
Sponsorship and participation in charity and walking events

Mitsubishi Tanabe Pharma America (MTPA) co-sponsors and participates in various charity and walking events to raise awareness and recognition of amyotrophic lateral sclerosis (ALS). In fiscal 2020, we co-sponsored and participated in 16 events. Although many of the events were held online due to COVID-19, it was a chance to reach an even wider audience than a live, in-person event.

Support for educational activities

MTPA cooperates with The ALS Association to raise awareness of ALS, and support ALS patients and their families/caregivers and provides various educational support (support for ALS educational symposia, caregivers' programs, support for healthcare professionals and healthcare services). Through this support, we are raising awareness of ALS to patients and caregivers and creating an environment that alleviates the burden on the lives of ALS patients and their families. In fiscal 2020, we conducted an online educational program on telemedicine and home treatment to address the epidemic of COVID-19 infections.

From fiscal 2019, we launched “ALSO US™,” a new program for teens and young adults impacted by ALS to widely share their experiences through art including videos, paintings, and poetry (<https://www.alsousart.com/>). Five participants have thus far created artwork under this program and contributed to ALS awareness by displaying their work at ALS patient group events.



Donating Over-the-Counter Medicines to Children’s Land

In June, 2020, as a part of our corporate citizenship activities, we donated OTC medicines and other items to Kodomo-no-kuni (Children’s Land) in Yokohama City. Kodomo-no-kuni is a natural amusement park that utilizes a thickly wooded area of approximately 100 hectares in the Tama Hills area of Yokohama City. It was opened in 1965 in commemoration of the marriage of His Imperial Highness (now Emperor Emeritus) in 1959. Since 1971, for 49 consecutive years, the Company has contributed OTC medicines and made other contributions to Kodomo-no-kuni. The annual presentation ceremony was canceled due to COVID-19, but after we sent them 2,000 masks along with OTC medicines, we were happy to hear them say, “At a time like this, we are very grateful to receive the gift of medicinal supplies such as masks and other hygiene materials.”



Donation of OTC medicines

To commemorate the 50th anniversary of the founding of Kodomo-no-Kuni, the Company donated the home of bird characters Juru and Chichi, which has become a favorite spot for visitors to take commemorative photographs.



"Juru & Chichi's House," donated by our company, has become a popular photo spot

Blood Donation

According to the Japanese Red Cross, about 3,000 patients in Japan receive blood transfusions each day. Because the blood that is used cannot be artificially produced or stored for long periods of time, in order to secure the blood that is needed for transfusions, there is said to be a need for approximately 13,000 people to donate blood each day. Blood is important to save the precious lives of patients who need blood transfusions due to a disease or accident.

Amidst a tremendous shortage of blood due to the impact of COVID-19, the Group conducted a blood donation drive at its headquarters and other offices with the hope of providing whatever help it can. Participants wore masks and used disinfectant and strengthened its measures, such as adjusting the waiting time so that it would not become crowded inside the blood donation vehicle.



Blood donated while strictly following COVID-19 prevention measures (Yoshitomi Plant)

Contributing to Developing Countries

Participation in the Global Health Innovative Technology Fund (GHIT Fund)

The Global Health Innovation Technology Fund (GHIT Fund) [□](#) was established as Japan's first public-private partnership to discover new drugs for infectious diseases that affect people in the developing world, such as malaria, tuberculosis, and neglected tropical diseases. We endorse the GHIT Funds objective of contributing to global health, and following the provision of financial support for the GHIT Fund first phase activities (fiscal 2013 - fiscal 2017), the Company is also providing financial support to the GHIT Fund for second phase activities (fiscal 2018 - fiscal 2022). Through the GHIT Fund, the Company provided its pharmaceutical compound library to research institutions to conduct joint research on drug exploration for malaria and neglected tropical diseases.

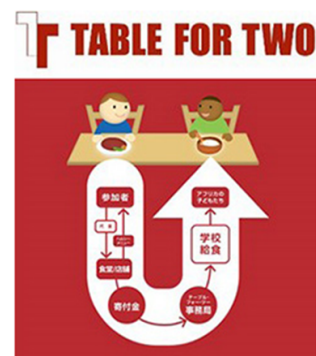
Moving forward, we will continue working to contribute to the health of people around the world, including contributions to the treatment of infectious diseases in the developing world.

TABLE FOR TWO (TFT)

TFT is a social contribution activity that originated in Japan. It 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 yen of the price is allocated to the cost of school meals in developing countries, such as countries in Africa. Twenty yen is the amount of money needed to provide one meal in a developing country.

In 2014, we introduced the TFT Program at the employee cafeterias at the headquarters and Kashima Office. Also, at offices, we have installed TFT vending machines, and a portion of the sales of drinks purchased from these machines is used to provide meals for children in developing countries. Employees have given high evaluations to this initiative, in which they can readily participate, and which enables children in developing countries and employees to improve their health at the same time. In fiscal 2020, 172,938 yen was donated, and the cumulative total donated since the start of the activity reached 1,100,000 yen. The school meals that are provided through donations are expected not only to help solve hunger among children but also to increase school attendance rates and grades, lead to gains in the children's fundamental strength, and help prevent disease. In this way, these meals are playing an important role in helping to eliminate poverty. Moving forward, we will continue this initiative to help solve hunger and poverty among children in developing countries.

* TFT <https://www.tablefor2.org/> [□](#)



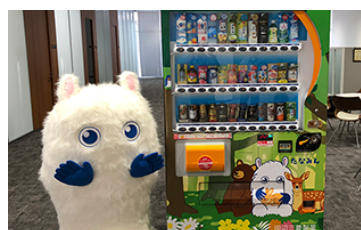
TFT framework

FY2020 meals contributed through participation in the TABLE FOR TWO program (Converted at 20 yen per meal)

Contributions from the TFT menu	Contributions from TFT vending machines	Total
44,920 yen (2,246 meals)	128,018 yen (6,401 meals)	172,938 yen (8,647 meals)



Healthy TFT menu



Support also provided by TFT vending machines

Participating in Vaccine Support Activities

The Group has been participating in vaccine support activities for children in developing countries since 2014. Through this program, unneeded books, CDs, and DVDs are donated and the proceeds from their sale are donated to Authorized NPO Japan Committee Vaccines for the World's Children. Through this international contribution activity, those donations are used to deliver vaccines to children in developing countries, such as vaccines for six major infectious diseases. The price of a polio vaccine is only 20 yen per person. One book that is sitting on a shelf can protect two children from polio.

In fiscal 2020, a total of 264,192 yen, equivalent to polio vaccines for 13,210 children, was raised from employee donations and matching gifts from the Company. Since the start of these activities, total donations were about 1.6 million yen, equivalent to about 80,000 polio vaccines. As part of our support for access to healthcare, we will continue these activities as we aim for a future in which children in developing countries live healthy and happy lives.



Participation in vaccine support activities

Fiscal 2020 contributions resulting from participation in vaccine support activities for children in developing countries

FY2020	Amount of contributions	Polio vaccine (estimate)
Employees	132,096 yen	6,605 doses
Company matching	132,096 yen	6,605 doses
Total	264,192 yen	13,210 doses

Collecting PET Bottle Caps

At each office, we are collecting PET bottle caps as one aspect of in-house eco-activities. The funds generated by selling the collected caps are used for administration expenses at social welfare facilities and for vaccines for children in developing countries.





Development of Science and Technology

Support for Research Foundations

Mitsubishi Tanabe Pharma provides financial assistance to the SENSHIN Medical Research Foundation and the Japan Foundation for Applied Enzymology as a means of funding research in a broad range of fields including medicine, pharmaceuticals, agriculture, and the physical sciences. By providing support for the activities of both foundations, the Company works to promote research and provide information that benefits medical treatment and public health.

SENSIN Medical Research Foundation

This foundation was established in 1968 with support from the former YOSHITOMI PHARMACEUTICAL INDUSTRIES, LTD. The foundation aims to contribute to the medical treatment and health of consumers. To that end, the foundation promotes advanced research in the fields of medicine and pharmacology, providing grants, commendations, etc., for pharmacopsychiatry research, hematological research, and circulatory research.

In fiscal 2020, the foundation provided 106 grants worth a total amount of 137 million yen. For further information about the supported research and grant recipients, please refer to the foundation's website. (<https://www.smr.or.jp>) (Japanese language only)

Japan Foundation for Applied Enzymology

This foundation was established in 1964 with support from the former Tanabe Seiyaku Co., Ltd. The foundation aims to contribute to the development of various fields in the life sciences in Japan by supporting research in a wide range of academic fields, from fundamental analysis of molecules affecting the regulation and maintenance of biological functions, such as enzymes, to applied research. To that end, the foundation provides support for enzyme research and grants for young researchers in four fields.

In fiscal 2020, the foundation provided 148 grants worth a total amount of 74.3 million yen. For further information about the supported research and grant recipients, please refer to the foundation's website. (<https://www.jfae.or.jp>) (Japanese language only)



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Contributions to the Environment

Greening of Office Surroundings

The Group is aggressively working on greening and beautification activities at each domestic and overseas office. Employees clean office surroundings and actively participate in other neighborhood cleaning activities. In these ways, we are working to contribute to environmental conservation and to foster harmonious coexistence with local communities.

Fiscal 2020 greening and beautification activities

Worksite	Program name
Headquarters	<ul style="list-style-type: none"> Osaka City team clean-up operation (office surroundings)
Kashima Office	<ul style="list-style-type: none"> Osaka City team clean-up operation (office surroundings)
Yokohama Office	<ul style="list-style-type: none"> Hama-Road Supporter (office surroundings)
Onoda Plant	<ul style="list-style-type: none"> Seto Inland Sea clean-up operation (office surroundings)
Yoshitomi Plant	<ul style="list-style-type: none"> Marine Day seashore cleaning (sponsored by Yoshitomi Town) Clean Operation (office surroundings)
Hokkaido Branch	<ul style="list-style-type: none"> Safety and cleaning event sponsored by neighborhood association of offices at Kita-Ichijo Street
Taiwan Tanabe Seiyaku	<ul style="list-style-type: none"> Greening and beautification activities around the plant
Mitsubishi Tanabe Pharma Korea	<ul style="list-style-type: none"> Cleaning activities at the plant and surrounding area on Environment Day

Click [here](#) for biodiversity conservation initiatives



Osaka City team clean-up operation (Headquarters)



Osaka City team clean-up operation (Kashima Office)



Marine Day seashore cleaning (Yoshitomi Plant)



Seto Inland Sea clean-up operation (Onoda Plant)



Safety and cleaning event sponsored by neighborhood association of offices at Kita-Ichijo Street (Hokkaido Branch)



Cleaning activities at the plant and surrounding area on Environment Day (Mitsubishi Tanabe Pharma Korea)



Greening and beautification activities around the plant (Taiwan Tanabe Seiyaku)




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Promotion of Local Communities

The Group values its connections with people in the communities where it does business. As a member of local communities, we are deepening exchanges with local communities through the sponsorship of regional events and other initiatives, and we are taking steps to contribute to the development of regional society, such as historical and cultural activities and regional activation initiatives.

Mitsubishi Tanabe Pharma Historical Museum

In May 2015, the Company opened the Mitsubishi Tanabe Pharma Historical Museum on the second floor of its headquarters in Doshomachi, Osaka, which is known as the “pharmaceutical district.” Visitors can learn about the history of the Company, which was founded in 1678, and the history and culture of Doshomachi. In addition, using 3D images and touch panels, visitors can learn about such topics as the structure of the human body and how pharmaceuticals work. In the six years since its opening, about 34,000 people have visited the museum.

In February 2021, we released the “Virtual Tour” videos which introduce certain exhibits using audio guides on this historical museum’s website. (<https://www.mtpc-shiryokan.jp/vtour/> ) (Japanese language only)

This historical museum is not only cooperating by providing exhibition materials, it is also cooperating with local events and contributing to the development of the next generation, such as with off-campus school learning activities.



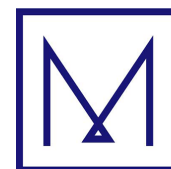
Mitsubishi Tanabe Pharma Historical Museum
Website : <https://www.mtpc-shiryokan.jp/en/>



Certified by “This is MECENAT 2021,” the Certification System of the Association for Corporate Support of the Arts.

In July 2021, the operation of this museum was certified under the “This is MECENAT 2021” certification system for MECENAT activities (promoting social creativity through arts and culture) implemented by corporations and corporate foundations under the Association for Corporate Support of the Arts. This certification follows the one earned in 2020.

* “This is MECENAT” is a system for promoting social creativity through arts and culture by certifying various MECENAT activities and shining light on each of them.



**THIS IS
MECENAT
2021**

Regional Activation Initiatives in Pharmaceutical District / Doshomachi

The Company is contributing to regional activation through the Historical Museum and the sponsorship of events in cooperation with regional organizations.

Operation and Implementation of the Shinno Festival

In Doshomachi, where the Company has its headquarters, the Shinno Festival (a pharmaceutical festival) is held each year on November 22 and 23. The festival is operated and implemented by YAKUSOKO, a Doshomachi organization mainly established by pharmaceutical companies. The Company has contributed to the festival as a core member of YAKUSOKO for many years.

Sponsored “Doshomachi Tanamin Theater”

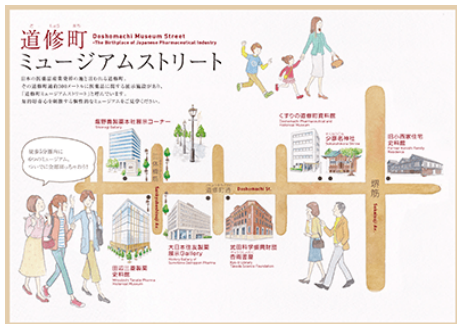
Since fiscal 2017, we have sponsored the semi-annual Doshomachi Tanamin Theater, which uses the name of the Company’s original character Tanamin. Through rakugo, which is a traditional form of entertainment that is highly popular in Osaka, and lectures about the lifestyles of the time, we are providing opportunities for people to become familiar with the history and culture of Osaka, and these initiatives have been well received. In 2020, following the spread of COVID-19, the theater has changed its mode of operation to on-demand streaming over the Internet. Rakugo and historical lectures about the Tenjin Festival and Shinno Festival, which are traditional Osaka festivals that involve prayer to ward-off plagues and epidemics, were streamed nationwide.

(Doshomachi Tanamin Theater <https://www.tanamin-yose.net/> □) (Japanese language only)

Doshomachi Museum Street

As an everyday initiative, in cooperation with other Doshomachi exhibition facilities related to pharmaceuticals, we are rolling out a publicity activity under the name Doshomachi Museum Street □ (Japanese language only). The community will work to provide information to encourage large numbers of people to visit Doshomachi, which is the birthplace of Japan’s pharmaceutical industry.

The Company will continue to contribute more and more to local communities.



Doshomachi Museum Street

Held Yoshitomi Fireworks Display

The Yoshitomi Plant (Fukuoka Prefecture) hosts the Yoshitomi Summer Festival on the grounds of the plant every year, but the festival was canceled in 2020 due to COVID-19. Hoping to give the people of Yoshitomi Town a chance to cheer them up, we launched fireworks from two locations, the grounds of the Yoshitomi Plant and the nearby riverbed, in cooperation with Yoshitomi Town. Plant employees were allowed access to the employee parking lot and viewed the fireworks from inside their cars while town residents watched from their homes. We hope to hold a magnificent summer festival in 2021.



Stunning fireworks exploding in the night sky

Collaborating with Regional Organizations

Doshomachi Development Association

In September 2015, a Doshomachi development association □ (Japanese language only) known as the Doshomachi Club was established. The Company serves as the executive office of the association. The objectives of this organization are to maintain and develop the cityscape, centered on the Doshomachi Street, to conduct activities to foster trust and mutual cooperation among the people who live and work in the area, and to build a dynamic community that brings together people who are interested in health. On that basis, the organization seeks to link the history and traditions of the Doshomachi pharmaceutical district to the future.

Doshomachi Street Revitalization Project

The Doshomachi Street Revitalization Project seeks to create attractive and people-friendly towns through public-private partnerships, and is working on a utility pole removal and road maintenance project in an area of Doshomachi that meets the demands of local landowners and relevant parties. After preparing for the relocation of underground electric cables, sidewalk and road construction began in the summer of 2020, and earth-colored sidewalks and lighting were installed in some areas, so at night, you can see a different landscape than before. In addressing the “Local Landscape Agreement” system of Osaka City, with the support of roadside landowners we have discussed the formulation of rules to make Doshomachi more attractive.



Road Maintenance from the Doshomachi Street Revitalization Project

Other Initiatives

As a part of our efforts to conduct activities that foster trust and mutual cooperation among the people who live and work in the area, the rooftop greening and winemaking project based on potted grape cultivation, which is also an environmental measure, produced more wines than in the previous year. Recently, with restrictions being placed on normal activities, we have also focused on communicating information on Doshomachi by launching pages on social networks and updating our website.

We will continue to cooperate in activities to create dynamic towns that meet local needs.

Also, in the area where the headquarters is located, we joined the Senba Club, the Sankyubashisuji Trade Association, and other organizations, and participated and cooperated in various local revitalization activities.

In the Senba area, various industries including pharmaceuticals in Doshomachi, finance in Kitahama, and textiles in Honmachi have prospered from long ago, and there are historic buildings.

As an introduction to the area, the Senba navi archives site was set up in April 2021 with historical photographs owned and provided by each company on the “Senba Club” website where you can view many photos of buildings and scenery.

<https://semba-navi.com/semba-archives/> □ (Japanese language only)

In addition, The Living Architecture Museum Festival Osaka, in which Mitsubishi Tanabe Pharma also participates, displays modern architecture mainly in Osaka City. At the October 2020 event, virtual reality (VR) and photo browsing were enabled, making it easier to navigate. Every March, at the Senba Expo’s “Senba Dolls Festival,” the headquarters entrance is decorated with dolls from Senba merchants.

3rd KJPA Volunteer Event – Kimchi-making volunteers (South Korea)

On November 14, 2020, five employees of Mitsubishi Tanabe Pharma Korea participated in “Kimchi-making volunteers” sponsored by the Korea Japanese Pharmaceutical Association (KJPA). In this volunteer activity, Japanese expats and their families experience Korea’s traditional kimchi-making culture and provide the kimchi they’ve made (2,100 kg) to 470 households with elderly and socially vulnerable people who live alone in the area. Kimchi-making was a good opportunity for Japanese expats and their families to understand Korea’s traditional culture and deepen exchanges with local people.



Kimchi-making was fun.

Participated in Health Support Activities for Children (Thailand)

In October 2020, Mitsubishi Tanabe Pharma Thailand (MTTH), considered how it could contribute as a healthcare company to the community and decided to conduct health support activities for children who are Thailand's future. In Thailand, which is said to be the world's most disparate society, there is a rush to build skyscrapers, yet some children grow up in poor families and cannot get an adequate education.

In this activity, all MTTH employees participated and worked with children of poor families from the outskirts of Bangkok to grow mushrooms, which is said to boost immunity. By growing mushrooms in the home, children can work toward food sustainability.

Furthermore, the company provided schools with masks and disinfectants to help promote health management as part of measures to fight COVID-19.

MTTH helped children to maintain their health and focus on their studies through these activities. At the same time, it was a good opportunity for MTTH employees to be aware of their community contribution activities, which helped to further deepen the bonds among employees.



Cultivating mushrooms with children



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Activities Addressing Social Needs

Developing the Next Generation

As a measure to develop the next generation, the Group offers visiting lectures and company visits at domestic and overseas offices, which are used as venues for pharmaceutical-related lectures and comprehensive learning initiatives that leverage the knowledge of a pharmaceutical company.

Visiting Lectures at Schools

Each office provides visiting lectures for students at schools. These visiting lectures are talks on such topics as the pharmaceutical industry, the business of pharmaceutical companies, and new drug R&D.

Employee lecturer feedback

I told the students how satisfying it is to contribute to the health of patients and people. I also introduced the pharmaceutical industry, the Company as well as my own background, and the work of MRs. The teacher thanked me and said this was a good opportunity for the students to think about the future. The day's lecture made me realize that I want to continue communicating how appealing the pharmaceutical industry is to those who will lead our next generation.



Company Visits

Each of the Company's offices is taking steps to promote harmonious coexistence with local communities, such as offering tours for regional organizations and comprehensive learning initiatives for nearby schools and school excursions. The goal is to introduce our business, the services of our pharmaceutical company, and employees' careers, and to help students develop careers through dialogue.

In fiscal 2020, we accepted company visits after taking measures to prevent COVID-19, such as wearing masks, limiting the number of people, and using conference rooms with plenty of space. In addition, at the Onoda Plant, we conducted a new trial by holding an interactive class connecting the plant and a university online.

Student feedback

- I learned that teamwork is vital as various people are involved in drug discovery.
- Someday I'd like to create medicines that make many people healthy and happy.
- I'd like to look at this lecture as an opportunity to think about the future and be ready to take on any challenge.



Teacher feedback

The lecturer explained the history of Doshomachi and the work of pharmaceutical companies in an easy-to-understand way. Through the tour of the historical museum, children discovered new things about their own town, realized how difficult it is to deliver medicine to the world, and learned things they couldn't learn in school alone. It was an extremely valuable experience.



Employee feedback

Taiwan Tanabe Seiyaku accepts pharmaceutical student visits to its plant during the summer vacation. Learning through hands-on training and work experience is a good opportunity for students to gain specialized knowledge. The visits have been very well received based on student comments such as, "I hope Mitsubishi Tanabe Pharma will continue to offer these plant visits and learning experiences every year."



Yamaguchi Prefecture GMP College Held - An interactive class connecting a plant and university online -

GMP College, a joint project of the Yamaguchi Prefecture government and the Yamaguchi Pharmaceutical Manufacturers Association, seeks to train GMP personnel through cooperation among industry, academia, and government with the aim of further enhancing the pharmaceutical industry, a strength of Yamaguchi Prefecture. On this occasion, GMP College held a class that connected Sanyo-Onoda City University and Mitsubishi Tanabe Pharma Factory's Onoda Plant online.

While it is difficult to tour the plant due to COVID-19, an interactive class was created by live broadcasting the manufacturing area using Smart Glass* to show a close-up view of the work room and manufacturing equipment while also answering student requests. The students showed great interest and asked many questions, so it was a very satisfying experience for the participants.

This new kind of tour developed as a result of COVID-19, made me realize again that coordination and cooperation with the local community are vital to overcoming these times that we are in.

* Smart Glass is a glasses-like wearable device



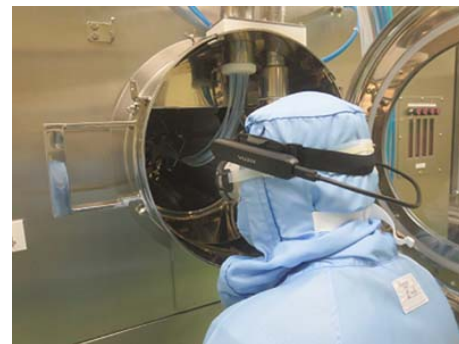
Students listening to a lecture and viewing the manufacturing site remotely



A company employee answering a student's question



Taking a video of the worksite using Smart Glass



Taking a video of the coating machine interior

Participation in the Saturday Study Support Group

In 2021, we endorsed the Saturday Study Support Group promoted by the Ministry of Education, Culture, Sports, Science and Technology, and started offering educational programs through visiting lectures and tours of our historical museum. Please use it as an aid to enrich the learning of children.

[Programs provided] (Japanese language only)

- > [Visiting lecture] Career education by a pharmaceutical company (online access is also available)
- > [Visiting lecture] Learn about medicine (online access is also available)
- > [Visit the historical museum] Learn about the history and culture of Doshomachi, the "pharmaceutical district" of Osaka!

As part of our support for next-generation education, we co-sponsored the supplementary material for career education for children, elementary and junior high school students, "Job Yearbook 2021" (published by The Asahi Shimbun Company), which focuses on the work of companies and organizations. As the job of a pharmaceutical company is to contribute to people's health through drug discovery, we explain our role and the development of therapeutic agents focusing on bile.



健康なうちんは どうして黄色いの？

研究・開発の仕事 | 薬をつくる仕事 | 動物に関わる仕事

みな、今度も健康なうちんをしていますか？ うちんの色は健康を度すバロメーターでも、どうしてあんな色なんだろう？ 由辺三製薬に聞いてみました。

A 健康なうちんの色は、食べ物の消化を助けるために分泌される「胆汁」の色だよ。

食べ物がらうちんになる道のり

食べたものの消化を助ける胆汁は、胃・十二指腸・小腸・大腸・肛門の順に流れます。胆汁は消化を助けるために分泌される胆汁の役割が大きいです。胆汁は消化を助けるために分泌される胆汁の役割が大きいです。

胆汁の役割

胆汁は消化を助けるために分泌される胆汁の役割が大きいです。胆汁は消化を助けるために分泌される胆汁の役割が大きいです。

最先端を生み出す科学技術の会社

青胆汁薬「ウルソ」ができるまで

由辺三製薬のウルソは、世界的に有名な薬師の研究成果から生まれました。動物の胆汁から取り出された「ウルソサシロール」という成分が、胆汁の不足を補って消化を助けます。ウルソの開発は、死なな天から命を救う新薬の開発の歴史から始まりました。

1954年、動物の胆汁から取り出されたウルソサシロールが、胆汁の不足を補って消化を助ける成分として発見されました。

1957年、動物の胆汁から取り出されたウルソサシロールが、胆汁の不足を補って消化を助ける成分として発見されました。

1961年、動物の胆汁から取り出されたウルソサシロールが、胆汁の不足を補って消化を助ける成分として発見されました。

50周年 記念

昔ながらの治療薬が、新しい薬につながることも

由辺三製薬株式会社 グローバルPV部 石崎 薫さん

昔から、人々の命の維持や救済の力を助けて、薬の研製に力を注ぎました。薬の研製に力を注ぎました。薬の研製に力を注ぎました。

> Why are healthy stools yellow? [PDF: 4.81MB]

Disaster Reconstruction Aid

The Group closely monitors the needs of disaster-stricken areas and provides emergency and reconstruction support in the event of a disaster in Japan or abroad.

Held Sales Event to Support Reconstruction of Disaster-Stricken Areas

Each year, each business office holds product sales events to get to know and provide support to disaster-stricken areas. In fiscal 2020, with the sales event canceled due to the corona virus pandemic, the Yokohama Office, as part of its Tohoku reconstruction support, accepted applications to buy Yonezaki apples in Rikuzentakata City, Iwate Prefecture. Every year, an in-person product sales event is held by locals, but a new sales format that can be used even during the pandemic is planned. With a feeling that they will not forget the disaster, employees bought apples and enjoyed their taste. The Group will continue to support these disaster-stricken areas.



Yonezaki apples are popular every year (Yokohama Office)

External Evaluations

Sustainability Evaluations

Acquired accreditation mark based on the Act on Advancement of Measures to Support Raising Next-Generation Children

The Act on Advancement of Measures to Support Raising Next-Generation Children came into effect in 2005. In accordance with this law, companies that formulate action plans to support child-rearing by employees, achieve planned targets, and meet certain standards are eligible for certification by the Ministry of Health, Labour and Welfare. The Company has been certified for six consecutive years since 2007. Among companies that had already been “Kurumin” certified, Mitsubishi Tanabe Pharma was “Platinum Kurumin” certified in July 2019.



Acquired “Eruboshi” Certification Mark

In accordance with the Act on Promotion of Women’s Participation and Advancement in the Workplace, which came into effect in 2016, companies that formulate action plans to promote active careers for female employees and achieve excellent results with related initiatives are eligible for certification by the Ministry of Health, Labour and Welfare. The Eruboshi mark demonstrates that a company has received this certification. In 2016, we received “Eruboshi,” the highest level of certification, which is based on the Act on Promotion of Women’s Participation and Advancement in the Workplace.



Selected as “Outstanding Enterprise in Health and Productivity Management - White 500”

The “Outstanding Enterprise in Health and Productivity Management Certification System,” which was established by the Ministry of Economy, Trade and Industry (METI) in 2016, is a system for recognizing companies and groups that are implementing especially strong health and productivity management. The top 500 corporations among “Outstanding Enterprises in Health and Productivity Management Certification System” (Large Corporation category) have been recognized as White 500. Mitsubishi Tanabe Pharma has been selected for five consecutive years since 2017.



Received the “Danjo Ikiiki Award” under the “3rd Osaka Prefecture’s Danjo Ikiiki Business Commendation”

Osaka Prefecture’s “Danjo Ikiiki Business Commendation” recognizes businesses that have a particularly outstanding record in promoting the active participation of women and work to serve as a model for other businesses. We received the “Danjo Ikiiki Award” under the “3rd Osaka Prefecture’s Danjo Ikiiki Business Commendation.”



Awarded the Gold Prize in the PRIDE INDEX for LGBT Issues

The PRIDE INDEX, established by “work with Pride,” a private organization, is Japan’s first index that evaluates the initiatives of companies and organizations related to sexual minorities such as LGBTs. MTPC was awarded the GOLD Prize in the PRIDE INDEX 2020.



Recognized as a “2020 Cancer Control Promotion Excellent Company”

We were selected under the Action Plan for the Promotion of Cancer Control, a project commissioned by the Ministry of Health, Labour and Welfare, for recognition and commendation as a “2020 Cancer Control Promotion Excellent Company” for our cancer prevention efforts on behalf of employees.



Received the Cabinet Office’s “Minister of State Award for Special Missions (Gender Equality)” at the “Awards for Women Empowering Companies” in 2020

The Cabinet Office’s “Awards for Women Empowering Companies” is a commendation of companies that have made remarkable achievements in their policies, initiatives, and track record in promoting women to executive and management positions, as well as in information disclosure, in order to develop a work environment where women can play an active role.

We received the “Minister of State Award for Special Missions (Gender Equality)” at the “Awards for Women Empowering Companies” in 2020.



Recognized as a “Sports Yell Company” by the Japan Sports Agency

The Japan Sports Agency recognizes companies that actively promote sporting activities to improve the health of their employees as a “Sports Yell Company.” This marks the second consecutive years since fiscal 2020 that we have been so recognized.



Recognized 3.5 Stars in Nikkei SDGs Management Survey 2020

Mitsubishi Tanabe Pharma received 3.5 stars in the 2nd Nikkei SDGs Management Survey. The Nikkei SDGs Management Survey has been conducted by Nikkei Inc. since 2019, and targets listed companies and leading unlisted companies nationwide. In the four areas of corporate “SDGs strategy & economic value,” “Social value,” “Environmental value,” and “Governance,” efforts that lead to contributions through business and improvement of corporate value are defined as “SDGs management.” Companies with a deviation value of 50 or more are rated on a scale of 5 to 3 stars.



Product and Technology Evaluations

Received the Award for Hangover Antidote at the 32nd “Hit Product Award/Topic Product Award (in the Pharmaceuticals/Designated Quasi-drug Category)”

In June 2020, the over-the-counter drug “Urusoukon” received the Award for Hangover Antidote at the 32nd Hit Product Award/Topic Product Award in the Pharmaceuticals/Designated Quasi-drug Category (sponsored by Drugmagazine Co., Ltd. and Yachiyokai). Since the 29th Hit Product Award/Topic Product Award, this marks the fourth consecutive year that Tanabe Mitsubishi Pharma has won this award.



Data



Management

Item	Data		
	FY2020	FY2019	FY2018
Respect for Human Rights >			
Basic Stance on Human Rights			
Initiatives to raise human rights awareness			
↳ Number of entries in diversity & human rights slogan contest	541	521	608
↳ Human Rights Awareness Promotion Committee			
↳ Number of headquarters committee members	12	11	10
↳ By department / region	17	18	18
Compliance >			
Compliance Promotion Structure			
Number of responsible persons for compliance / persons in charge of compliance	157	143	139
Number of meetings of responsible persons for compliance / persons in charge of compliance	Semiannually	Semiannually	Semiannually
Compliance Training			
List of training sessions			
↳ Groupwide sessions			
↳ Times held	Once a year	Once a year	Once a year
↳ Number of participants	4,676	5,003	5,376
↳ Divisional sessions			
↳ Times held	Once a year	Once a year	Once a year
↳ Number of participants	4,735	4,889	5,385
↳ Top management seminars			
↳ Times held	Once a year	Once a year	Once a year
↳ Number of participants	13	15	14
↳ New employee training			
↳ Times held	Twice a year	Twice a year	Twice a year
↳ Number of participants	April: 16 August: 3 (MRs only)	April: 29 August: 15 (MRs only)	April: 70 August: 35 (MRs only)
↳ Compliance and risk management check			
↳ Times held	Twice a year	Twice a year	Twice a year
↳ Number of participants	July: 4,735 February: 4,664	July: 5,049 February: 4,876	July: 5,300 February: 5,137

Hotlines			
Number of hotline consultations			
↳ Workplace environment	13	17	9
↳ Working condition / human resources	3	4	2
↳ Embezzlement / misappropriation	0	1	0
↳ Laws, regulations, rules	3	10	4
↳ Other	3	5	7
↳ Total	22	37	22

Risk Management >			
Risk Management Associated with Business Activities			
Number of meetings of Risk Management Committee	Once a year	Twice a year	Twice a year

Environment

Item	Data		
	FY2020	FY2019	FY2018
Environmental Management >			
ISO 14001 Certifications			
Number of sites with ISO 14001 certification			
↳ Domestic	2	2	2
↳ Overseas	3	3	3
Goals & Initiatives >			
Achievement Status of Medium-Term Environmental Action Plan 16-20			
Rate of reduction in CO₂ emissions in comparison with benchmark year (vs. fiscal 2010)			
↳ Domestic	55%	47%	40%
↳ Overseas	46%	40%	32%
Fluorocarbons			
↳ Amount of fluorocarbon destroyed (Domestic)	1,416kg	1,989kg	417kg
↳ Amount of leakage (Domestic)	67kg (117 t-CO ₂ eq)	22kg (40 t-CO ₂ eq)	118kg (350 t-CO ₂ eq)
Rate of reduction in amount of waste generated in comparison with the previous fiscal year (Domestic)	-36%	1.6%	53%
Final waste disposal rate (Domestic)	0.26%	0.72%	0.59%
Rate of reduction in water usage in comparison with benchmark year (vs. fiscal 2010)			
↳ Domestic	41%	32%	45%
↳ Overseas	43%	34%	46%
Rate of reduction in chemical substance emissions (air and public waters)			
↳ PRTR substances (vs. previous fiscal year)	-2%	57%	5%
↳ VOCs (excluding PRTR substances) (vs. previous fiscal year)	-7%	13%	4%
Rate of reduction in toluene emissions (vs. fiscal 2010)	65%	76%	32%
Number of group worksites for which environmental audits were conducted			
↳ Domestic	5	5	6
↳ Overseas	3	1	3
Number of environmental accidents	0	0	0

Environment-related accidents/problems, and status of environment-related legal and regulatory compliance			
Number of environmental accidents	0	0	0
Amount of environmental misconduct fines	0 yen	0 yen	0 yen
Material Balance			
Input			
Energy			
└ Domestic	79,359 MWh	90,566 MWh	95,230 MWh
└ Overseas	27,283 MWh	24,007 MWh	23,413 MWh
└ Global	106,642 MWh	114,573 MWh	118,643 MWh
Gases			
└ Domestic	5,680,000 m ³	7,230,000 m ³	7,522,000 m ³
└ Overseas	1,877,000 m ³	1,721,000 m ³	2,047,000 m ³
└ Global	7,557,000 m ³	8,951,000 m ³	9,569,000 m ³
Petroleum			
└ Domestic	3,632 kL	4,096 kL	4,522 kL
└ Overseas	66 kL	57 kL	62 kL
└ Global	3,697 kL	4,153 kL	4,584 kL
Thermal equivalent			
└ Domestic	1,166,000 GJ	1,361,000 GJ	1,436,000 GJ
└ Overseas	359,000 GJ	319,000 GJ	323,000 GJ
└ Global	1,525,000 GJ	1,680,000 GJ	1,759,000 GJ
Water			
Supplied water / Industrial water			
└ Domestic	4,368,000 m ³	5,157,000 m ³	4,269,000 m ³
└ Overseas	103,000 m ³	89,000 m ³	106,000 m ³
└ Global	4,471,000 m ³	5,246,000 m ³	4,375,000 m ³
River water			
└ Domestic	750,000 m ³	728,000 m ³	513,000 m ³
└ Overseas	0 m ³	0 m ³	0 m ³
└ Global	750,000 m ³	728,000 m ³	513,000 m ³
Groundwater			
└ Domestic	13,000 m ³	46,000 m ³	10,000 m ³
└ Overseas	7,000 m ³	12,000 m ³	15,000 m ³
└ Global	20,000 m ³	58,000 m ³	25,000 m ³
Chemical Substances			
PRTR substances			
└ Domestic	91 tons	86 tons	144 tons
└ Overseas	1 ton	1 ton	1 ton
└ Global	92 tons	87 tons	145 tons
VOCs (excluding PRTR substances)			
└ Domestic	886 tons	936 tons	833 tons
└ Overseas	31 tons	20 tons	23 tons
└ Global	917 tons	956 tons	856 tons

Output

Atmospheric Emissions			
Greenhouse gases			
↳ Domestic	59,000 tons-CO ₂ eq	71,000 tons-CO ₂ eq	80,000 tons-CO ₂ eq
↳ Overseas	17,000 tons-CO ₂ eq	15,000 tons-CO ₂ eq	16,000 tons-CO ₂ eq
↳ Global	76,000 tons-CO ₂ eq	85,000 tons-CO ₂ eq	96,000 tons-CO ₂ eq
NOx			
↳ Domestic	7.0 tons	7.4 tons	12.2 tons
↳ Overseas	1.1 tons	1.5 tons	2.1 tons
↳ Global	8.1 tons	8.9 tons	14.3 tons
SOx			
↳ Domestic	2.3 tons	3.0 tons	3.2 tons
↳ Overseas	0.6 tons	0.3 tons	0.3 tons
↳ Global	2.9 tons	3.3 tons	3.5 tons
Particulate matter			
↳ Domestic	0.1 tons	0.1 tons	0.2 tons
↳ Overseas	0.1 tons	0.0 tons	0.0 tons
↳ Global	0.2 tons	0.1 tons	0.2 tons
PRTR substances			
↳ Domestic	1.5 tons	1.2 tons	3.2 tons
↳ Overseas	0.0 tons	0.0 tons	0.0 tons
↳ Global	1.5 tons	1.2 tons	3.2 tons
VOCs (excluding PRTR substances)			
↳ Domestic	29.8 tons	27.5 tons	32.1 tons
↳ Overseas	10.7 tons	15.7 tons	7.5 tons
↳ Global	40.5 tons	43.2 tons	39.6 tons
Wastewater			
Wastewater output			
↳ Domestic	4,915,000 m ³	5,555,000 m ³	4,637,000 m ³
↳ Overseas	83,000 m ³	67,000 m ³	68,000 m ³
↳ Global	4,998,000 m ³	5,622,000 m ³	4,705,000 m ³
BOD pollution load			
↳ Domestic	6.3 tons	8.6 tons	8.4 tons
↳ Overseas	0.1 tons	0.1 tons	0.0 tons
↳ Global	6.4 tons	8.6 tons	8.4 tons
COD pollution load			
↳ Domestic	14.6 tons	13.4 tons	10.2 tons
↳ Overseas	0.2 tons	0.2 tons	0.1 tons
↳ Global	14.8 tons	13.6 tons	10.3 tons
Nitrogen			
↳ Domestic	4.6 tons	5.9 tons	5.2 tons
↳ Overseas	0.0 tons	0.0 tons	0.0 tons
↳ Global	4.6 tons	5.9 tons	5.2 tons
Phosphorus			
↳ Domestic	0.4 tons	0.4 tons	0.3 tons
↳ Overseas	0.0 tons	0.0 tons	0.0 tons
↳ Global	0.4 tons	0.4 tons	0.3 tons

PRTR substances			
↳ Domestic	0.1 tons	0.4 tons	0.5 tons
↳ Overseas	0.2 tons	0.2 tons	0.0 tons
↳ Global	0.4 tons	0.6 tons	0.5 tons
VOCs (excluding PRTR substances)			
↳ Domestic	12.6 tons	12.3 tons	13.8 tons
↳ Overseas	6.6 tons	0.7 tons	7.9 tons
↳ Global	19.2 tons	12.9 tons	21.7 tons
Waste			
Waste generated			
↳ Domestic	7,726 tons	5,665 tons	5,768 tons
↳ Overseas	864 tons	842 tons	783 tons
↳ Global	8,590 tons	6,506 tons	6,551 tons
Emissions			
↳ Domestic	2,184 tons	2,375 tons	2,385 tons
↳ Overseas	835 tons	815 tons	764 tons
↳ Global	3,019 tons	3,190 tons	3,149 tons
Final disposal			
↳ Domestic	20 tons	41 tons	34 tons
↳ Overseas	436 tons	361 tons	350 tons
↳ Global	456 tons	402 tons	384 tons

Climate Change Initiatives >

Reduction of Greenhouse Gas Emissions

Greenhouse gas emissions (energy from offices, Company-owned vehicles, and leaked fluorocarbons)

↳ Domestic	59,000 tons-CO ₂ eq	71,000 tons-CO ₂ eq	80,000 tons-CO ₂ eq
↳ Overseas	17,000 tons-CO ₂ eq	15,000 tons-CO ₂ eq	16,000 tons-CO ₂ eq
↳ Global	76,000 tons-CO ₂ eq	85,000 tons-CO ₂ eq	96,000 tons-CO ₂ eq

Unit value of greenhouse gas emissions (energy from bases, Company-owned vehicle fuel, and leaked fluorocarbons)

↳ Global	200 tons-CO ₂ eq /1 billion yen	226 tons-CO ₂ eq /1 billion yen	226 tons-CO ₂ eq /1 billion yen
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CO₂ emissions (energy from bases)

↳ Domestic	56,000 tons-CO ₂	66,000 tons-CO ₂	75,000 tons-CO ₂
↳ Overseas	17,000 tons-CO ₂	15,000 tons-CO ₂	16,000 tons-CO ₂
↳ Global	72,000 tons-CO ₂	81,000 tons-CO ₂	91,000 tons-CO ₂

Rate of reduction in CO₂ emissions (energy from bases) (vs. fiscal 2010)

↳ Domestic	55%	47%	40%
↳ Global	46%	40%	32%

Rate of reduction in energy used (energy from bases) (vs. previous fiscal year)

↳ Domestic	13.9%	4.8%	1.8%
↳ Overseas	-13.1%	1.2%	-5.3%
↳ Global	9.2%	4.1%	0.5%

Supply chain greenhouse gas emissions rate

↳ Scope 1	3.9%	4.4%	5.3%
↳ Scope 2	7.1%	7.8%	9.9%
↳ Scope 3, category 1	83.2%	76.5%	78.3%
↳ Scope 3, category 2	2.9%	8.1%	3.9%
↳ Scope 3, other	2.8%	3.2%	2.8%

Scope 1 Greenhouse gas emissions			
↳ From domestic base fuel use	19,100 tons-CO ₂ eq	22,700 tons-CO ₂ eq	23,800 tons-CO ₂ eq
↳ From Company-owned vehicle fuel use	3,100 tons-CO ₂ eq	4,200 tons-CO ₂ eq	4,700 tons-CO ₂ eq
↳ From domestic base leakage of fluorocarbons	100 tons-CO ₂ eq	40 tons-CO ₂ eq	300 tons-CO ₂ eq
↳ From overseas base fuel use	4,400 tons-CO ₂ eq	4,000 tons-CO ₂ eq	4,500 tons-CO ₂ eq
↳ Total	26,700 tons-CO ₂ eq	30,900 tons-CO ₂ eq	33,400 tons-CO ₂ eq
Scope 2 Greenhouse gas emissions			
↳ From domestic base purchases of electricity	36,600 tons-CO ₂ eq	43,700 tons-CO ₂ eq	51,400 tons-CO ₂ eq
↳ From overseas base purchases of electricity	12,200 tons-CO ₂ eq	11,300 tons-CO ₂ eq	11,200 tons-CO ₂ eq
↳ Total	48,800 tons-CO ₂ eq	55,000 tons-CO ₂ eq	62,600 tons-CO ₂ eq
Scope 3 Greenhouse gas emissions			
↳ Category 1 (Purchased goods and services)	571,910 tons-CO ₂ eq	540,640 tons-CO ₂ eq	495,570 tons-CO ₂ eq
↳ Category 2 (Capital goods)	20,210 tons-CO ₂ eq	57,350 tons-CO ₂ eq	24,430 tons-CO ₂ eq
↳ Category 3 (Fuel and energy related activities not included in Scope 1 or 2)	12,980 tons-CO ₂ eq	14,490 tons-CO ₂ eq	10,060 tons-CO ₂ eq
↳ Category 4 (Transport and delivery (upstream))	1,870 tons-CO ₂ eq	2,390 tons-CO ₂ eq	2,560 tons-CO ₂ eq
↳ Category 5 (Waste generated in operations)	2,070 tons-CO ₂ eq	2,070 tons-CO ₂ eq	2,500 tons-CO ₂ eq
↳ Category 6 (Business travel)	880 tons-CO ₂ eq	910 tons-CO ₂ eq	940 tons-CO ₂ eq
↳ Category 7 (Employee commuting)	1,300 tons-CO ₂ eq	2,120 tons-CO ₂ eq	980 tons-CO ₂ eq
↳ Category 12 (End-of-life treatment of sold products)	350 tons-CO ₂ eq	390 tons-CO ₂ eq	410 tons-CO ₂ eq
Reduction of Energy Consumption			
Domestic base energy used	1,119 thousand GJ	1,229 thousand GJ	1,365 thousand GJ
Domestic Company-owned vehicle fuel energy used	47 thousand GJ	62 thousand GJ	70 thousand GJ
Overseas base energy used	359 thousand GJ	319 thousand GJ	323 thousand GJ
Company-Owned Vehicle Operation			
Number of Company-owned vehicles	1,741	1,709	1,831
↳ Hybrid vehicles	1,118	1,145	1,288
↳ CO ₂ emissions from the fuel of Company-owned vehicles	3,131 tons-CO ₂	4,165 tons-CO ₂	4,724 tons-CO ₂
↳ Rate of reduction in CO ₂ emissions from the fuel of Company-owned vehicles (vs. previous fiscal year)	25%	12%	9%

Water Resources Initiatives >

Effective Use of Water Resources			
Amount of water withdrawal (production/research bases)			
↳ Domestic	5,126,000 m ³	5,920,000 m ³	4,780,000 m ³
↳ Global	110,000 m ³	101,000 m ³	121,000 m ³
↳ Global (excluding offices)	5,236,000 m ³	6,021,000 m ³	4,902,000 m ³
↳ Rate of change of domestic water withdrawal (vs FY2010)	59%	68%	55%
↳ Rate of change of overseas water withdrawal (vs FY2010)	26%	24%	28%
↳ Rate of change of global water withdrawal (vs. FY2010)	57%	66%	54%
Amount of water withdrawal (global)			
↳ City water/Industrial water	4,471	5,246	4,375
↳ Fresh surface water (lakes, rivers, etc.)	750	728	513
↳ Groundwater	20	58	25
↳ Total	5,242	6,032	4,913

Amount of wastewater (global)				
↳ Rivers		4,204,000 m ³	4,759,000 m ³	4,001,000 m ³
↳ Ocean		609,000 m ³	599,000 m ³	429,000 m ³
↳ Sewer system		185,000 m ³	264,000 m ³	275,000 m ³
↳ Total		4,998,000 m ³	5,622,000 m ³	4,705,000 m ³

Reduction of Waste, Recycling and Reuse of Resources >

Reduction of Waste and Proper Management

Amount of waste generation and emissions (Domestic)

↳ Waste generation		7,726 tons	5,665 tons	5,768 tons
↳ Waste emissions		2,184 tons	2,375 tons	2,385 tons

Amount of final waste disposed (Domestic)

↳ Amount of final disposal		20 tons	41 tons	34 tons
↳ Final waste disposal rate		0.26%	0.72%	0.59%
↳ Disposal rate target		0.5%	0.5%	0.5%

Prevention of Environmental Pollution >

Prevention of Air Pollution

Air pollutant emissions (Domestic)

↳ Nox		7.0 tons	7.4 tons	12.2 tons
↳ Sox		2.3 tons	3.0 tons	3.2 tons
↳ Particulate matter		0.1 tons	0.1 tons	0.2 tons

Prevention of Water Pollution

Environmental impact on public water bodies (Domestic)

↳ BOD		6.3 tons	8.6 tons	8.4 tons
↳ COD		14.6 tons	13.4 tons	10.2 tons
↳ Nitrogen		4.6 tons	5.9 tons	5.2 tons
↳ Phosphorus		0.4 tons	0.4 tons	0.3 tons

PRTR Substances and VOC

Emission of PRTR (Domestic)

↳ Amount of PRTR Class I designated chemical substances handled		91	86 tons	144 tons
↳ Air emissions of PRTR Class I designated chemical substances		1.5 tons	1.2 tons	3.2 tons
↳ Public water emissions of PRTR Class I designated chemical substances		0.1 tons	0.4 tons	0.5 tons

Emission of VOC (excluding PRTR) (Domestic)

↳ Amount of VOCs (Excluding PRTR regulated substances) handled		886 tons	936 tons	833 tons
↳ Air emissions of VOCs (Excluding PRTR regulated substances)		29.8 tons	27.5 tons	32 tons
↳ Public water emissions of VOCs (Excluding PRTR regulated substances)		12.6 tons	12.3 tons	14 tons

Emission of Toluene (Domestic)

↳ Emissions to the air		1.3 tons	0.9 tons	2.5 tons
↳ Emissions to public water bodies		0.0 tons	0.0 tons	0.0 tons
↳ Emissions change rate (vs. FY2010)		35%	25%	68%
↳ Change rate target value		70%	70%	70%

Environmental Accounting >

Environmental Accounting			
Environmental conservation costs			
Invested			
↳ Pollution prevention	10 million yen	106 million yen	32 million yen
↳ Global environmental protection	0 million yen	2 million yen	0 million yen
↳ Recycling and reuse of resources	0 million yen	0 million yen	0 million yen
↳ Upstream and downstream activities	0 million yen	0 million yen	0 million yen
↳ Administrative activities	0 million yen	0 million yen	0 million yen
↳ Research and development	0 million yen	0 million yen	0 million yen
↳ Community activities	0 million yen	0 million yen	0 million yen
↳ Environmental damage compensation	0 million yen	0 million yen	1 million yen
↳ Total	10 million yen	108 million yen	33 million yen
Expended			
↳ Pollution prevention	272 million yen	293 million yen	307 million yen
↳ Global environmental protection	10 million yen	10 million yen	66 million yen
↳ Recycling and reuse of resources	137 million yen	153 million yen	166 million yen
↳ Upstream and downstream activities	5 million yen	0 million yen	5 million yen
↳ Administrative activities	176 million yen	162 million yen	160 million yen
↳ Research and development	0 million yen	0 million yen	0 million yen
↳ Community activities	0 million yen	5 million yen	0 million yen
↳ Environmental damage compensation	7 million yen	10 million yen	9 million yen
↳ Total	607 million yen	629 million yen	713 million yen
Environmental Conservation Effects			
Global environmental protection			
↳ Greenhouse gas emission reduction	182t-CO ₂ eq	367t-CO ₂ eq	557t-CO ₂ eq
↳ Increase in heat source equipment (chillers) (Yokohama Office)			
↳ Invested	52 million yen	–	–
↳ Quantity reduced (Item reduced: City gas)	157t-CO ₂ eq	–	–
↳ Economic effect	4 million yen	–	–
↳ Upgrade of air diffuser pipes for wastewater treatment equipment (Yoshitomi Plant)			
↳ Invested	8 million yen	–	–
↳ Quantity reduced (Item reduced: Electricity)	11t-CO ₂ eq	–	–
↳ Economic effect	1 million yen	–	–
↳ Change of the piping route of turbo chillers (Onoda Plant)			
↳ Invested	3 million yen	–	–
↳ Quantity reduced (Item reduced: Electricity)	14t-CO ₂ eq	–	–
↳ Economic effect	3 million yen	–	–

Together with Patients and Healthcare Professionals

Item	Data		
	FY2020	FY2019	FY2018
Manufacturing and Supply Chain >			
Stable Supply of Pharmaceuticals			
Mitsubishi Tanabe Pharma Group's manufacturing plants			
↳ Domestic	2	2	2
↳ Overseas	4	4	4
Information Provision >			
MR's Responsibility: Collecting Data and Providing Information to Medical Institutions			
Number of general and specialized medical representatives (MRs) (Domestic Group)	Approx. 1,500	Approx. 1,500	Approx. 1,500
Number of general and specialized medical representatives (MRs) (Overseas Group)	Approx. 590	Approx. 580	Approx. 600
Providing Information through Websites			
Number of health support site visitors	25.79 million	10.36 million	9.16 million
Providing Comprehensive Information through the Medical Information Center			
Number of inquiries to the Medical Information Center*	45,773	51,899	61,859

* The number of inquiries decreased since the sales of some products were relegated to other companies in fiscal 2018. The Company Q&A website is receiving an increasing number of hits.

Drug Safety / Quality Assurance >			
Pharmaceutical Safety Training			
Pharmaceutical safety training (All employees, including executive officers)	Once a year	Once a year	Once a year
Solving Issues Related to Improving Access to Healthcare >			
Promotion of R&D			
Participation in the Global Health Innovative Technology Fund	○	○	○

Together with Employees

Item	Data		
	FY2020	FY2019	FY2018
Human Resources Development >			
Basic Human Resources Policy			
Number of employees (as of March 31)			
↳ Consolidated	6,728	6,987	7,228
↳ Non-consolidated	3,383	3,764	4,111
↳ Men	2,593	2,840	3,107
↳ Women	790	924	1,004
Number of new graduates hired *Entering company on April 1 of following year			
↳ Men	8	7	15
↳ Women	12	7	14

Number of mid-career employees hired	40	19	27
↳ Men	31	13	21
↳ Women	9	6	6
Number of temporary employees *Group (Domestic)	150	132	133
Average age of employees	45.3	46.0	45.9
Average years of continuous service for employees	19.7	21.8	20.7
Employee turnover rate (voluntary turnover only) *Group (Domestic)	1.98%	3.63%	1.79%
Enhancing Personnel Training			
In-house group training average time per year (Domestic)	2.7	2.7	3.4

Promoting Diversity >

Actively Utilizing Diverse Human Resources			
Number of employees by region			
↳ Japan	4,529	4,769	5,112
↳ North America	775	763	687
↳ EMEA (Europe, Middle East, Africa)	213	216	217
↳ Asia / Oceania	1,211	1,239	1,212
Percentage of female employees with subsection managers or higher or in management positions *As of April 1			
↳ Subsection managers or higher	16.9%	16.5%	16.4%
↳ Management positions	11.9%	9.2%	8.5%
Percentage of female employees	23.4%	23.2%	32.3%
Supporting Active Careers for People with Disabilities			
Employment rate of people with disabilities *Group (Domestic)	2.59%	2.24%	2.12%
Supporting Diverse Working Styles			
Utilization of leave and shorter workdays for childcare *Group (Domestic)			
↳ Childcare leave	196	166	277
↳ Men	113	125	232
↳ Women	83	41	45
↳ Shorter workdays for childcare	114	128	122
Utilization of leave and shorter workdays for nursing care *Group (Domestic)			
↳ Nursing-care leave	2	2	0
↳ Shorter workdays for nursing care	1	2	2
Building Sound Labor-Management Relations			
Percentage of employees with right to collective bargaining (as of March 31) *Group (Domestic)	73.9%	73.5%	72.3%

Occupational Health and Safety >

Occupational Health and Safety Initiatives			
Lost time injury frequency rate (LTIFR) (Domestic)			
↳ Mitsubishi Tanabe Pharma Group	0.12	0.45	0.10
↳ (Reference) Pharmaceutical industry average	1.02	1.06	0.93
↳ (Reference) Manufacturing industry average	1.21	1.20	1.20
↳ Contractor	0.00	0.00	0.00
Industrial accident severity rate ^{*1}	0.006465	0.012028	0.000085
Number of deaths due to industrial accidents	0	0	0

Employee Health Management			
Overtime work (number of people with over 360 hours overtime a year) *Group (Domestic)	140%	135%	163%
Rate of taking paid time off *Group (Domestic)			
↳ Average number of days used	15.2	15.4	14.5
↳ Average rate of use	70.7%	71.9%	67.8%
Telework implementation rate	52.9%	—	—
Percentage receiving health examinations	99.9%	99.3%	99.1%
Percentage receiving stress checks	97.6%	96.2%	96.6%
Employee Survey			
Frequency of conducting survey	Not conducted	Once a year	Once a year
↳ Number of responses	—	4,845	5,121
↳ Response rate	—	96.60%	95.30%

*1 Industrial accident severity rate: Indicator that shows the degree of seriousness of industrial accidents by using the number of working days lost due to industrial accidents per 1,000 hours worked (higher numbers indicate more severe accidents)

Together with the Local Community

Item	Data		
	FY2020	FY2019	FY2018
Contributions to Medical Care and Welfare >			
Support for Patients with Intractable Diseases and their Families			
Support for intractable disease patient organizations: The Mitsubishi Tanabe Pharma Tenohira Partner Program	15	19	21
Amount of monetary support	10 million yen	10 million yen	10 million yen
Contributing to Developing Countries			
TABLE FOR TWO (TFT)			
↳ Number of meals contributed from the TFT menu	2,246 meals	5,226 meals	5,643 meals
↳ Number of meals contributed from TFT vending machines	6,401 meals	9,775 meals	6,593 meals
Participating in vaccine support activities			
↳ Amount of contributions *Matching donations from Company included from FY2017	264,192 yen	187,222 yen	289,982 yen
↳ Polio vaccine (estimate)	13,210 doses	9,361 doses	14,500 doses
Development of Science and Technology >			
Support for Research Foundations			
Grants of the SENSHIN Medical Research Foundation			
Number of research grants	106	100	102
Amount of monetary support	13.7 million yen	13.3 million yen	13.5 million yen
Grants of the Japan Foundation for Applied Enzymology			
Number of research grants	148	135	132
Amount of monetary support	74.3 million yen	73.8 million yen	73.0 million yen
Promotion of Local Communities >			
Number of visitors to the historical museum *Including viewers of the "Virtual Tour" video in FY2020	841	6,152	6,322
Number of visitors to the Yoshitomi Summer Festival	Not held	910	2,211
Others			
Amount of donations related to social contribution	918 million yen	1,063 million yen	1,058 million yen
Number of people taking days off for volunteer activities	17	20	15

GRI Standard Comparative Table

General Disclosures

1. Organizational profile

	Disclosure		Page
GRI 102 : General Disclosures 2016	102-1	Name of the organization	> Corporate Profile
	102-2	Activities, brands, products, and services	> Corporate Profile
	102-3	Location of headquarters	> Corporate Profile
	102-4	Location of operations	> Network
			> Group Companies
	102-5	Ownership and legal form	> Corporate Profile
	102-7	Scale of the organization	> About Us
	102-8	Information on employees and other workers	> Data (Together with Employees)
	102-11	Precautionary Principle or approach	> Risk Management
			> Drug Safety / Quality Assurance
> Environmental Management			
> Targets & Initiatives			
> Climate Change Initiatives			
102-12	External initiatives	> United Nations Global Compact	
		> Targets & Initiatives (Participation in Initiatives and Industry Group Activities)	
102-13	Membership of associations	Japan Business Federation (Keidanren), The Federation of Pharmaceutical Manufacturers' Association of JAPAN (F P M A J), The Japan Pharmaceutical Manufacturers Association (JPMA), etc.	

2. Strategy

GRI 102 : General Disclosures 2016	102-14	Statement from senior decision-maker	> Message from the CEO
			> Message from the CSO
	102-15	Key impacts, risks, and opportunities	> Risk Management
			> Materiality
			> Climate Change Initiatives (Analysis and Evaluation of Climate Change Risks and Opportunities)

3. Ethics and integrity

GRI 102 : General Disclosures 2016	102-16	Values, principles, standards, and norms of behavior	> About Us (MISSION, VISION 30, Corporate Behavior Charter)
			> Code of Conduct
	102-17	Mechanisms for advice and concerns about ethics	> Establishment of Internal System to Address Improper Use of Public Research Expenses and Improper Research (Japanese language only)
			> Compliance
			> Respect for Human Rights

4. Governance

GRI 102 : General Disclosures 2016	102-18	Governance structure	> About Us (Organization Chart)
	102-19	Delegating authority	> Environmental Management (Environment & Safety Management Promotion Structure)
			> Risk Management (Risk Management Structure)
	102-20	Executive-level responsibility for economic, environmental, and social topics	> About Us (Management)
	102-29	Identifying and managing economic, environmental, and social impacts	> Risk Management
			> Environmental Management
	102-30	Effectiveness of risk management processes	> Risk Management
> Environmental Management			
102-31	Review of economic, environmental, and social topics	> Risk Management	
102-33	Communicating critical concerns	> Risk Management	
		> Environmental Management	

5. Stakeholder engagement

GRI 102 : General Disclosures 2016	102-40	List of stakeholder groups	> Stakeholder Engagement
	102-41	Collective bargaining agreements	> Promoting Diversity (Building Sound Labor-Management Relations)
			> Data (Together with Employees)
	102-42	Identifying and selecting stakeholders	> Stakeholder Engagement
	102-43	Approach to stakeholder engagement	> Stakeholder Engagement
			> Targets & Initiatives (Participation in Initiatives and Industry Group Activities)
			> Together with the Local Community (Contributions to the Environment)
> Promotion of CSR Procurement			
102-44	Key topics and concerns raised	> Promoting Diversity (Building Sound Labor-Management Relations)	
		> Occupational Health and Safety (Employee Survey)	
		> Information Provision	

6. Reporting practice

GRI 102 : General Disclosures 2016	102-46	Defining report content and topic Boundaries	> Editorial Policies
	102-47	List of material topics	> Materiality
			> Targets & Initiatives
	102-50	Reporting period	> Editorial Policies
	102-51	Date of most recent report	> Editorial Policies
	102-52	Reporting cycle	> Editorial Policies
	102-53	Contact point for questions regarding the report	> Editorial Policies
	102-55	GRI content index	This GRI Standard Comparative Table

Material topics

Management Approach

	Disclosure		Page
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	> Materiality
	103-2	The management approach and its components	> Materiality
	103-3	Evaluation of the management approach	> Management
			> Environment
			> Together with Patients and Healthcare Professionals
			> Together with Employees
		> Together with Business Partners	
		> Together with the Local Community	

Economic

Economic Performance

	Disclosure		Page
GRI 201 : Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	> Climate Change Initiatives
			> Water Resource Initiatives (Analysis of Water Risk)

Indirect Economic Impacts

GRI 203 : Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	> Solving Issues Related to Improving Access to Healthcare
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Anti-corruption

GRI 205 : Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	> Promotion of Fair Operating Practices (Initiatives to Prevent Bribery and Corruption)
	205-2	Communication and training about anti-corruption policies and procedures	> Promotion of Fair Operating Practices (Initiatives to Prevent Bribery and Corruption)
> Compliance			
GRI207: Tax 2019	207-1	Approach to tax	MCHC Group Global Tax Policy [PDF : 248KB] PDF
	207-2	Tax governance, control, and risk management	MCHC Group Global Tax Policy [PDF : 248KB] PDF
	207-3	Stakeholder engagement and management of concerns related to tax	MCHC Group Global Tax Policy [PDF : 248KB] PDF

Environmental

Energy

	Disclosure		Page
GRI 302 : Energy 2016	302-1	Energy consumption within the organization	> Targets & Initiatives (Material balance)
			> Climate Change Initiatives
	302-2	Energy consumption outside of the organization	> Climate Change Initiatives (Supply Chain Greenhouse Gas Emissions Reduction Overview)
	302-3	Energy intensity	> Climate Change Initiatives (Reduction of Greenhouse Gas Emissions)
	302-4	Reduction of energy consumption	> Climate Change Initiatives

Water

GRI 303 : Water and Effluents 2018	303-1	Interactions with water as a shared resource	> Targets & Initiatives (Material balance)
			> Water Resource Initiatives (Effective Use of Water Resources)
	303-2	Management of water discharge-related impacts	> Prevention of Environmental Pollution (Water Pollution, Prevention of Soil and Groundwater)
	303-3	Water withdrawal	> Targets & Initiatives (Material balance)
> Water Resource Initiatives (Effective Use of Water Resources, Analysis of Water Risk)			
	303-5	Water consumption	> Water Resource Initiatives (Effective Use of Water Resources, Analysis of Water Risk)

Biodiversity

GRI 304 : Biodiversity 2016	304-3	Habitats protected or restored	> Biodiversity Initiatives
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Emissions

GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	> Targets & Initiatives (Material balance)
			> Climate Change Initiatives (Supply Chain Greenhouse Gas Emissions Reduction Overview)
	305-2	Energy indirect (Scope 2) GHG emissions	> Targets & Initiatives (Material balance)
			> Climate Change Initiatives (Supply Chain Greenhouse Gas Emissions Reduction Overview)
	305-3	Other indirect (Scope 3) GHG emissions	> Climate Change Initiatives (Supply Chain Greenhouse Gas Emissions Reduction Overview)
	305-5	Reduction of GHG emissions	> Climate Change Initiatives (Supply Chain Greenhouse Gas Emissions Reduction Overview)
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	> Targets & Initiatives (Material balance)
			> Prevention of Environmental Pollution (Air Pollutant Emissions)

Waste

GRI 306 : Waste 2020	306-1	Waste generation and significant waste-related impacts	> Targets & Initiatives (Material balance)
			> Reduction of Waste, Recycling and Reuse of Resources
	306-2	Management of significant waste-related impacts	> Targets & Initiatives (Material balance)
			> Reduction of Waste, Recycling and Reuse of Resources
306-3	Waste generated	> Targets & Initiatives (Material balance)	
		> Reduction of Waste, Recycling and Reuse of Resources	
	306-5	Waste directed to disposal	> Targets & Initiatives (Material balance)
			> Reduction of Waste, Recycling and Reuse of Resources

Environmental Compliance

GRI 307 : Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	> Environmental Management (Status of Environmental Accidents/ Violations of Environmental Laws and Regulations)
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Social

Employment

	Disclosure		Page
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	> Data (Together with Employees)
	401-3	Parental leave	> Promoting Diversity (Support for Diverse Working Styles)
			> Data (Together with Employees)

Occupational Health and Safety

GRI 403 : Occupational Health and Safety 2018	403-1	Occupational health and safety management system	> Occupational Health and Safety
	403-2	Hazard identification, risk assessment, and incident investigation	> Occupational Health and Safety
	403-3	Occupational health services	> Occupational Health and Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	> Occupational Health and Safety
	403-5	Worker training on occupational health and safety	> Occupational Health and Safety
	403-6	Promotion of worker health	> Occupational Health and Safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	> Occupational Health and Safety
	403-8	Workers covered by an occupational health and safety management system	> Data (Occupational Health and Safety)
	403-9	Work-related injuries	> Occupational Health and Safety
			> Data (Occupational Health and Safety)
403-10	Work-related ill health	> Occupational Health and Safety	

Training and Education

GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	> Human Resources Development
	404-2	Programs for upgrading employee skills and transition assistance programs	> Human Resources Development

Diversity and Equal Opportunity

GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	> Data (Together with Employees)
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Human Rights Assessment

GRI 412 : Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	> Respect for Human Rights
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Local Communities

GRI 413 : Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	> Promotion of Local Communities (Historical Museum, Doshomachi Museum Street, The Doshomachi Club, etc.)
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Customer Health and Safety

GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	> Manufacturing and Supply Chain
			> Drug Safety / Quality Assurance

Marketing and Labeling

GRI 417 : Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	> Information Provision
			> Manufacturing and Supply Chain
			> Promotion of Fair Operating Practices

Explanation of Terms

- **Appropriate use of pharmaceuticals**

Prescribing and preparing pharmaceuticals in their optimum form in regards to ingredient selection, formulation, and appropriate administration and dosage, based on a precise diagnosis. Also, encouraging patients to understand the prescribed drug, evaluating the efficacy and negative side effects, and reflecting the results in subsequent prescriptions. Appropriate use refers to this entire cycle.

- **Clinical trials**

Tests in which pharmaceuticals believed to have medical value are administered to patients as well as healthy subjects in order to determine their efficacy and side effects.

- **Pharmaceuticals and Medical Devices Law**

This is an abbreviated name for the Law on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical devices. On November 25, 2014, the name was changed from the Pharmaceutical Affairs Law to the current name.

- **E-learning**

A learning system conducted by means of electronic media including the PC and Internet.

- **Good Clinical Practice (GCP)**

Standards that govern how clinical trials for drugs should be conducted.

- **General Data Protection Regulation (GDPR)**

A new personal information protection framework instituted by the European Parliament, European Council and European Commission.

- **Good Laboratory Practice (GLP)**

Standards related to safety governing how non-clinical trials for drugs should be conducted.

- **Good Manufacturing Practice (GMP)**

Standards governing the production and quality of pharmaceutical and quasi-drug products.

- **Good Post-marketing Study Practice (GPSP)**

Standards for conducting post-marketing surveys and tests for pharmaceuticals.

- **Good Quality Practice (GQP)**

Standards for controlling the quality of pharmaceuticals, quasi-drug products, cosmetics, and medical equipment.

- **Good Vigilance Practice (GVP)**

Standards governing safety vigilance of pharmaceuticals after production and marketing.

- **Good X Practice (GXP)**

A generic term meaning various good practice standards, where "X" is a variable and could be replaced by C for GCP (good clinical practice), L for GLP (good laboratory practice), M for GMP (good manufacturing practice), etc. These standards are set by the government or other public agencies to guarantee product safety and reliability during manufacturing, maintenance, storage, and distribution of any product, but most often used for products in the pharmaceutical industry.

- **ICH-GCP**

International good clinical practice (GCP) guidelines for pharmaceuticals related to tests and clinical trials, agreed to at the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH).

- **Informed consent**

A process in which the doctor provides the patient with adequate information on medical care and obtains agreement from said patient.

- **Medical representative (MR)**

A pharmaceutical company's employee in charge of sales and providing medical information. An MR visits medical institutions, sells pharmaceuticals, and exchanges information regarding the quality, efficacy, safety, etc., of pharmaceuticals so as to ensure their proper use.

- **Modality**

Treatment methods, such as small molecule compounds, protein drugs, including peptide drugs and therapeutic antibodies, and nucleic acid drugs.

- **Proof of Concept (POC)**

Confirmation of efficacy and safety of a candidate substance for a new drug based on trials made on humans during the research stage.

- **Quality of Life (QOL)**

Criteria used to evaluate medical treatment to consider, in addition to simply judging the cure of a disease, whether a person is living his or her daily life with a sense of fulfillment and contentment, without a decline in either following the patient's treatment.

- **Self-medication**

Medicating oneself without the supervision of trained health professionals in order to mitigate health problems. This is done at one's own risk using products, information, and knowledge related to health and medical care available in one's own surroundings. This includes the use of over-the-counter (OTC) drugs to prevent or alleviate mild symptoms.

- **Unmet medical needs**

Medical needs that are not addressed adequately by existing therapies. The lack of effective therapies for these needs urgently requires the development of pharmaceuticals since little or no progress is being made.