Kyowa Kirin’s initiatives for realizing a sustainable society and its business
This document contains certain forward-looking statements relating to such items as the company’s (including its domestic and overseas subsidiaries) forecasts, targets and plans. These forward-looking statements are based upon information available to the company at the present time and upon reasonable assumptions made by the company in making its forecasts, but the actual results in practice may differ substantially due to uncertain factors.

These uncertain factors include, but are not limited to, potential risks of the business activities in the pharmaceutical industry in Japan and overseas, intellectual property risks, risk of side effects, regulatory risks, product defect risks, risks of changes to the prices for raw materials, risks of changes to market prices, as well as risks of changes to foreign exchange rates and financial markets.

This document is used only for the purpose of providing the information to investors. Though it may contain the information concerning pharmaceutical products (including products under development), it is not for the purpose of promotion, advertising, or medical advice.
## Agenda

### Kyowa Kirin’s value creation story

- **Masashi Miyamoto, Ph.D.**
  - Representative Director of the Board, President and CEO

### Kyowa Kirin’s Materiality

- **Yasuo Fujii**
  - Managing Executive Officer, Vice President, Head of Strategy Division, CSO
- **Wataru Murata**
  - Senior Managing Executive Officer, CPO
- **Yasuo Fujii**
  - Managing Executive Officer, Vice President, Head of Strategy Division, CSO

#### Feature: Aiming for people and organizations that lead to value creation

- **Koichiro Ishimaru**
  - Executive Officer, Director, Corporate Social Responsibility Management Dept
- **Wataru Murata**
  - Senior Managing Executive Officer, CPO
- **Masashi Miyamoto, Ph.D.**
  - Representative Director of the Board, President and CEO
- **Takashi Oyamada, MBA**
  - Outside Director of the Board

### Topics for value creation
- Patient Centricity in R&D

### Topics for value enhancement
- A thriving global environment for future generations
- Cooperation and collaboration with business partners
- Sound governance system

### Q&A

- **All the above**
Kyowa Kirin’s initiatives for realizing a sustainable society and its business

Kyowa Kirin’s value creation story
Our Philosophy and Core Values

**OUR PHILOSOPHY**

The Kyowa Kirin Group companies strive to contribute to the health and wellbeing of people around the world by creating new value through the pursuit of advances in life sciences and technologies.

**Integrity**

Do the right things. Be sincere and ethical consistently. Make a better world through good business practices.

**Commitment to Life**

Work for the most precious presence on this planet. Create value for patients, caregivers, healthcare professionals, and customer.

**Innovation**

Transform lives with passion and excitement. Challenge the status quo in all of our work.

**Teamwork/Wa**

One for all, all for one. Work in diverse teams and respect each other. Go beyond boundaries and collaborate with stakeholders.
Our Vision toward 2030

Kyowa Kirin will realize the successful creation and delivery of life-changing value* that ultimately makes people smile, as a Japan-based Global Specialty Pharmaceutical company built on the diverse team of experts with shared passion for innovation.

Provide pharmaceuticals for unmet medical needs
We are focused on developing medicines for diseases where there is a clear patient need for new options. We make full use of multiple therapeutic modalities, including biotechnology such as antibody technology, and beyond, building on our Kyowa Kirin established strengths.

Address patient-centric healthcare needs
We will meet the needs of patients and society by providing value across the entire patient care pathway, delivering cutting-edge science and technology, grounded in our in-depth pharmaceutical knowledge and expertise.

Retain the trust of society
We pursue world-class product quality and operational excellence to grow our business in ways which build long-term trust with our stakeholders.

* Make patients smile through dramatic improvements in quality of life by identifying the unmet medical needs of people battling with medical conditions and by creating and supplying new drugs or services that help them overcome those challenges.
Kyowa Kirin’s value creation story

**Value Creation Story**

**Sources of our competitiveness**

**Human capital**
- Employees who share Kyowa Kirin’s vision and values
- A strong, diverse team
- KABEGOE* corporate culture

**Intellectual capital**
- Advances in antibody technology and incorporation of various modalities
- Breakthroughs and expertise in disease science
- Integration of internal and external innovations

* Reforms to the Group’s corporate culture launched in 2019

**CSV Management**

- Value creation in the process of delivering medicines to patients
- Value creation in products, quality and distribution
- Value creation to meet UMIN through R&D

**Output**

**Social value**
- Continuously create and provide life-changing value
- Provide new and better treatment options that meet patient expectations
- Deliver essential medicines to more patients
- Ensure stable supplies of pharmaceuticals

**Economic value**
- Revenue
- Revenue growth rate
- Core operating profit
- Core operating profit ratio
- ROE

**Management Philosophy / Core Values**

**Patient Centricity**

- Achieving our 2030 Vision will make people facing illness smile and make our employees smile as well.

**Outcome**

Achieving our vision for 2030

Provide pharmaceuticals for unmet medical needs

Address patient-centric healthcare needs

Retain the trust of society

Achieving our 2030 Vision will make people facing illness smile and make our employees smile as well.
Kyowa Kirin’s initiatives for realizing a sustainable society and its business

Kyowa Kirin’s Materiality
Kyowa Kirin has selected materiality (key management issues) to realize its vision for 2030. As we move into 2023, the mid-point of our Medium Term Business Plan, we have reviewed the Group’s materiality in light of changes in the external environment, creating a clearer link between our vision and business strategy. Going forward, the whole Group will continue to work as one to achieve our vision for 2030.

### Topics for value creation

<table>
<thead>
<tr>
<th>Core strategies</th>
<th>Materiality</th>
<th>Related SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide pharmaceuticals for unmet medical needs</td>
<td>Creation of innovative drugs</td>
<td>3</td>
</tr>
<tr>
<td>Address patient-centric healthcare needs</td>
<td>Maximize product value</td>
<td>5</td>
</tr>
<tr>
<td>Strengthen human resources and infrastructure to realize life-changing value</td>
<td>Pipeline expansion</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Patient advocacy</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Access to medicine</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>DE&amp;I</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Talent portfolio</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corporate culture</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Digital transformation</td>
<td></td>
</tr>
</tbody>
</table>

### Topics for value enhancement

<table>
<thead>
<tr>
<th>Core strategies</th>
<th>Materiality</th>
<th>Related SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retain the trust of society</td>
<td>Quality assurance and a stable supply of products</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Reducing environmental impact</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Strengthen human resources and infrastructure to realize life-changing value</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Corporate governance</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Ethics and transparency</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Reinforce risk management</td>
<td>16</td>
</tr>
</tbody>
</table>
Co-creating Value with Stakeholders

We create both social and economic value to realize Kyowa Kirin’s Vision. An essential part of this process is cooperating and collaborating with stakeholders in the value chain. We are committed to deepening relationships and co-creating value with stakeholders by engaging with them in various ways.

**Today’s agenda**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Topics for value creation</th>
<th>Topics for value enhancement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Aiming for people and organizations that lead to value creation</td>
<td>Patient Centricity in R&amp;D</td>
</tr>
<tr>
<td>2</td>
<td>A thriving global environment for future generations</td>
<td>Cooperation and collaboration with business partners</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>Sound governance system</td>
</tr>
</tbody>
</table>

1. **People battling with medical conditions**
   - **Patients, caregivers, patient communities**
   - **Healthcare professionals**
   - Life-changing value
   - Patient-centric

2. **Local communities, the environment**
   - **Local communities**
   - **Future generations**
   - Coexisting with local communities
   - Reducing environmental impact

3. **Policy makers, industry associations**
   - **Industry associations**
   - **Central and local governments**
   - **Regulators / payers**
   - Improving QOL of patients by providing appropriate medicines
   - Maintain and improve the public health care system

4. **Business partners**
   - **Partners (suppliers, pharmaceutical wholesalers, etc.)**
   - **Joint R&D partners**
   - Equitable business transactions
   - Co-creation of life-changing value

5. **Capital providers**
   - **Shareholders / investors**
   - Increase corporate value
   - Shareholder returns

6. **Employees**
   - **Employees**
   - Work engagement
   - Skills development

7. **Future generations**
   - **Employees**
   - Work engagement
   - Skills development

8. **Central and local governments**
   - **Regulators / payers**
   - Coexisting with local communities
   - Reducing environmental impact

9. **Local communities**
   - **Coexisting with local communities**
   - Reducing environmental impact

10. **Policy makers, industry associations**
    - **Improving QOL of patients by providing appropriate medicines**
    - Maintain and improve the public health care system

11. **Business partners**
    - **Equitable business transactions**
    - Co-creation of life-changing value
Feature

Aiming for people and organizations that lead to value creation
Aiming for people and organizations that lead to value creation

—Unified team brimming with diversity—

- Talent = Source of Innovation
- We aim to realize people and organizations that lead to value creation by promoting initiatives based on HR strategy across regions/functions for the respective materiality of "DE&I," “Talent portfolio,” and “Corporate culture.”
HR strategy Overview

- Roll out HR strategy and initiatives globally in line with the Philosophy, Vision, Core Values, and Business Strategy of the Kyowa Kirin Group
- By maximizing variety of personality and abilities of diverse talents across the organization, we aim to create a new corporate culture in which employees take on challenges autonomously for KABEGOE.

Cores of Human Resources Strategy

1. Deliver health and well-being
2. Talent management
3. Develop environment for diverse talents
4. Reinforce organization management
5. Promote corporate culture transformation

HR measures

- Engagement
- Well-being
- Work style reform
- DE&I
- Human rights
- Workforce plan
- Talent development
- Succession plan
- Evaluation
- Compensation
- Career development
- Analytics
- DX
- OPEX
- Organization development
- Reinforcement of HR functions

Foundation/platform

- Definition of Positions / Jobs / Global grading / Leadership Principles
- HRIS (Basic HR data and process definition)
- DE&I Statement / Corporate culture transformation / Hybrid working model
DE&I Initiatives

- Each region has set its own priorities and promotes initiatives to achieve the ideal of "one team in which diverse talent can play an active role."
- Messages are issued internally and externally at major DE&I-related events to ensure that DE&I is our foundation.
- To achieve steady increase of female leaders under the One Kyowa Kirin structure, set a global quantitative goal of the female leader’s ratio aiming to increase from 29% (as of end of 2022) to 40% by 2030.
- Mandate to nominate diversified candidates in the succession plan as one of the immediate initiatives.

<table>
<thead>
<tr>
<th>Diversity Overall</th>
<th>Unconscious bias training/Recognize diverse racial and religious groups and establish new company holidays/Support for childcare, nursing care, and work/Mental health awareness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women’s Empowerment</td>
<td>Mentoring/Training/Employee Resource Groups activities/Roundtable and Panel discussion</td>
</tr>
<tr>
<td>LGBTQ+</td>
<td>Educational activities and event participation in PRIDE month/Conduct panel discussion and Seminars</td>
</tr>
<tr>
<td>Workers with Disabilities</td>
<td>Improve in-house accessibility/Join related associations/Participate awareness activities</td>
</tr>
</tbody>
</table>
Enrich Talent Portfolio —Drive global talent management—

- Promote the discovery, training, and selection of next-generation leader candidates on a global basis in order to develop talent that realize J-GSP.
- Formulate “Kyowa Kirin's Leadership Principles” based on Core Values for all group employees as leadership principles for creating value that leads to making people smile.
- Apply the principle as the global principles in recruitment, training, and succession planning.

Global talent pool reinforcement
- Formulation of global succession plan
- Visualization of next-generation leader candidates and formulation of individual development plans
- Global Exchange Program
- OKK Academy

Development of HR foundation
- Identify global key positions and their talent requirements
- Implementation of global grading
- Formulation of leadership principles
- Introduction of global human resource system (HRIS)
- Introduction of new HR system based on positions (Japan/Managers)

Kyowa Kirin’s Leadership Principles

<table>
<thead>
<tr>
<th>Core Values</th>
<th>Leadership Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Build our unique strengths for tomorrow with Innovation</td>
<td></td>
</tr>
<tr>
<td>Empower the collective energy with Teamwork/Wa</td>
<td></td>
</tr>
<tr>
<td>Take the initiative to shape the world with Integrity</td>
<td></td>
</tr>
<tr>
<td>Passionately own the impact with Commitment to Life</td>
<td></td>
</tr>
</tbody>
</table>
“KABEGOE” - Fostering corporate culture as basis of Vision achievement

- We organized workshops for top management, town hall meetings and Meet-Up events which are direct conversations between the management and employees frequently, and the whole Group shares the understanding that “KABEGOE” is the mindset all Kyowa Kirin members should have to get over challenges for achieving the Vision.
- We steadily conduct PDCA cycles of performing periodic surveys, identify issues based on the results, and implement measures.
- To make people smile, we strive to realize the corporate culture where each employee try “KABEGOE” on their own initiative.

Piling up many-sided activities steadily allows us to expand the understanding of importance of Corporate Culture Reform gradually

<table>
<thead>
<tr>
<th>OKK Culture Workshop</th>
<th>Meet Up (Management-employee conversation)</th>
<th>Town Hall meeting</th>
<th>Commitment to Life Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>33 OKK leadership members incl. CEO participated</td>
<td>Held 36 times with 469 participants in total (as of Aug 2023)</td>
<td>Direct conversation with CEO: held 8 times /year (4 Regions x 2 times)</td>
<td>Commitment to life Award: 2 prizes</td>
</tr>
</tbody>
</table>

GEMS (Global Engagement and Motivation Survey)*

- Employee Engagement: 1pt improved from the previous year
- Issues identified: “Work, Structure & Process” “Resources”

Periodic survey

- Domestic: 2 times/year (12 questions) conducted 9 times since 2020
- Global: 1 time/year (3 questions) conducted 2 times since 2022

Commitment to Life Award

- KABEGOE Award: 2 prizes
- CSV Award: 2 prizes

* Result of survey in Sep. 2022
Initiatives in Japan region to be a unified team brimming with diversity

- In 2023 spring, implemented "Smile Walk," a donation based on participation rate and number of steps taken. Participation rate was 85.7%.
- Selected as the Health & Productivity Stock Selection for two consecutive years.
- Aim to have 18% or more management positions held by women by the end of 2025 (14.7% as of Apr, 2023)
- Disclosed wage differentials between male and female to promote gender equality.
- Conducted mentoring program for women in management position (2022) and roundtable (2023).
- Established in-house nursery schools (Mishima in 2022, Takasaki in 2023)
- Conducted a survey of all employees on the status of nursing care→Results to be reflected in the new manager training in 2023
- Received Gold rating in PRIDE Index. In 2023, the company & union co-sponsored a booth at Tokyo Rainbow Pride for the first time.
- Conducted initiatives such as Transformation Leader (80 people in total) and "Seminar on People Facing Disease Today" (2,911 people in total participated).
Kyowa Kirin’s initiatives for realizing a sustainable society and its business

Topics for value creation
Patient Centricity in R&D
Healthcare Café — patient perspectives in drug discovery —

Value Creation Story with Patient Centricity: Approach to "Value creation to meet UMN through R&D"

Patient Centricity in R&D

Value creation in the process of delivering medicines to patients

Value creation in products, quality and distribution

Value creation to meet UMN through R&D

© Kyowa Kirin Co., Ltd.
Direct dialogue and interaction between patients living with diseases/disabilities and R&D employees in pharmaceutical companies

Initiatives by several pharmaceutical companies having the same vision

Utilizing real patients' voice in drug discovery

Various approaches utilizing the strengths of each pharmaceutical company
## Healthcare Café Event Outline

<table>
<thead>
<tr>
<th>Host Company</th>
<th>Year/Month</th>
<th>Theme/Area</th>
<th>Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Takeda Pharmaceutical Company Limited</td>
<td>2022.9</td>
<td>Hearing impairment</td>
<td>● Lecture/Speech by physicians and Patients/Families</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Preliminary dialogue sessions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Panel discussion</td>
</tr>
<tr>
<td>DAIICHI SANKYO COMPANY, LIMITED</td>
<td>2022.12</td>
<td>Cancer</td>
<td>● Speech by cancer patients</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Visualization with Graphic Facilitation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Workshop to put in a position of various stakeholders</td>
</tr>
<tr>
<td>Santen Pharmaceutical Co., Ltd.</td>
<td>2023.1</td>
<td>Visual impairment</td>
<td>● Speeches by people with visual impairments</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Blindness Experience Event</td>
</tr>
<tr>
<td>Kyowa Kirin</td>
<td>2023.6</td>
<td>Pediatric Care Rare Disease</td>
<td>● Home visit and Preliminary dialogue sessions</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Lecture by a physician</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Speeches by caregivers of children with special medical care</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>● Panel discussion</td>
</tr>
</tbody>
</table>
What was the aim in 4th Healthcare Café (Hosted by Kyowa Kirin)

- Build trust via several interactions between 4 patients/families living with diseases/disabilities and 16 R&D employees in pharmaceutical companies in order to deepen mutual understanding.
- Provide opportunities for all R&D employees to acquire insights through open seminar and impression-sharing session.

Towards Drug Discovery

Patient Centricity in R&D

Interaction 1 (Self-introduction)

Interaction 2 (Direct dialogues)
- Observe daily life

Interaction 3 (Home visit)

Open Seminar
- Lecture by a physician
- Speeches by caregivers of children with special medical care
- Introduction of preliminary interaction sessions

Impressions Sharing Session
- Sharing of thoughts from researchers, physicians, patient families, and patient advocacy group
- Exchange of opinions
- Create “Thankyou card”

Building trust with Patients/Families

Researcher’s Learnings (Knowing, Understanding, and Considering what we can do)
- Insights from the interactions among multiple pharmaceutical company researchers -
Patient Centricity in R&D

Healthcare Café —patient perspectives in drug discovery—

- from “For Patients” to “With Patients”
- "Value creation to meet UMN through R&D" by co-creating value with stakeholders

Value creation in the process of delivering medicines to patients
Value creation in products, quality and distribution
Value creation to meet UMN through R&D

Patient Centricity

To be

Meet UMN

Contribution towards drug discovery

Partnership

Deliver values as patients/families' experiences via direct dialogues
Address drug discovery with patients' perspectives via direct dialogues

HCPs

Pharma Company

Patients/Families
Kyowa Kirin’s initiatives for realizing a sustainable society and its business

Topics for value enhancement
A thriving global environment for future generation

- Business activities are conducted in accordance with the Kyowa Kirin Group Basic Environmental Policy.
- Aiming to realize a decarbonized society and promote the protection of the global environment for future generations.
- Aligned with the Kirin Group Environmental Vision 2050 and collaborated with Kirin Holdings.

Overall picture of environmental activities

**Climate Change Mitigation and Adaptation**
- Reduction of CO₂ Emissions
- Climate Change Risk Assessment and Response
- Disclosure of information

**Water Resources Management**

**Waste Governance**

**Biodiversity**
- Prevention of Environmental Accidents, Violation of Laws/Regulations
- Other

Enhancing corporate value by balancing "Creation of Social Value" and "Economic Sustainability"

Recognizing "Climate Change Mitigation and Adaptation" and "Water Resources Management" as core environmental material issues.
Climate Change: Initiatives and Performances to Reduce CO\textsubscript{2} Emissions (Scope 1 and 2)

- Climate change measures tailored to business characteristics
- CO\textsubscript{2} emissions reduction:
  - Save Energy x Expand Renewable Energy x Convert Energy Sources

### 2030 Target

**Reduce CO\textsubscript{2} emission by 55% from 2019 level**

- **Efforts**
  - Reduce CO\textsubscript{2} emissions by saving energy (including capex) and expanding the use of renewable energy

### 2040 Target

Achieve 100% renewable energy for electricity use (RE100)

### 2050 Target

Net zero CO\textsubscript{2} emissions for the entire value chain

- **Efforts**
  - Switch to new energy sources while continuing to save energy and expand renewable energy

---

**Progress toward achieving CO\textsubscript{2} emissions (Scope 1 and 2) reduction targets**

<table>
<thead>
<tr>
<th>Year</th>
<th>CO\textsubscript{2} (t)</th>
<th>Reduction Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>50,000</td>
<td>55%</td>
</tr>
<tr>
<td>2021</td>
<td>45,000</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>35,000</td>
<td></td>
</tr>
</tbody>
</table>

**Ratio of CO\textsubscript{2} emissions by energy type and CO\textsubscript{2} emission reduction effect from introducing renewable energy (all plants and research laboratories in Japan and overseas)**

- Natural gas: 1%
- Steam: 1%
- Kerosene: 6%
- City gas: 26%
- Electricity: 66%
- Other: 1%

Approx. 53% reduction

---

A thriving global environment for future generation
Examples of initiatives to reduce CO₂ emissions (Scope 1 and 2)

Ube Plant

- PPA (Power Purchase Agreement) model large-scale solar power generation facility in operation: Mar. 2023–
- Acquisition of ZEB (Net Zero Energy Building) certification for new office building (Kyowa Kirin Group/ Kirin Group's first)

Takasaki Plant

- Q-TOWER construction completed: Dec. 2022
  - Introduction of Japan’s most advanced biopharmaceutical analysis facilities and automation/labor-saving equipment
  - Reduction of environmental impact through adoption of Precast-Prestressed Concrete construction method

Kyowa Kirin China Pharmaceutical Co., Ltd. (Shanghai)

- Installed solar power generation facilities in new warehouse building

Ube Plant, Takasaki Plant, Fuji Site, HQ

Achieved zero CO₂ emissions for all purchased electricity (RE100 compliant)
(Tokyo Research Park to be achieved: 2024)
Cooperation and collaboration with business partners
Strengthen the supply chain through cooperation and collaboration with business partners

Our Approach

Kyowa Kirin will continuously create and deliver "Life-changing value" by cooperating and collaborating with business partners in all processes of value creation.

Our Vision toward 2030

Kyowa Kirin will realize the successful creation and delivery of life-changing value* that ultimately makes people smile, as a Japan-based Global Specialty Pharmaceutical company built on the diverse team of experts with shared passion for innovation.

Patient Centricity

Value creation in the process of delivering medicines to patients

Value creation in products, quality and distribution

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We are focused on developing medicines for diseases where there is a clear patient need for new options. We make full use of multiple therapeutic modalities, including biotechnology such as antibody technology, and beyond, building on our Kyowa Kirin established strengths.

Address patient-centric healthcare needs

We will meet the needs of patients and society by providing value across the entire patient care pathway, delivering cutting-edge science and technology, grounded in our in-depth pharmaceutical knowledge and expertise.

Retain the trust of society

We pursue world-class product quality and operational excellence to grow our business in ways which build long-term trust with our stakeholders.

Today, we will introduce our environmental and human rights initiatives
Measures for Scope 3

Kyowa Kirin's vision is to continuously create and deliver the life-changing value, and to make people smile. We have set "Reducing the Impact on the Global Environment" as one of the materialities to realize this vision, and based on our commitment to the environment, we are actively working to realize a decarbonized society in cooperation with all our stakeholders.

Develop initial hypothesis and roadmap (initial draft) for reduction measures

Future actions

- Mid-and long-term target setting
- Identify emissions throughout the supply chain and develop measures to reduce emissions
  - Briefings for suppliers
  - Request for cooperation in initiatives
  - Identification and analysis of current status, identification of issues, and feedback
  - Development of reduction measures

---

Scope 3 Emissions by Category

<table>
<thead>
<tr>
<th>Year</th>
<th>Category 1</th>
<th>Category 2</th>
<th>Other Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>17,164 t-CO₂</td>
<td>6,288 t-CO₂</td>
<td>568 t-CO₂</td>
</tr>
<tr>
<td>2020</td>
<td>14,703 t-CO₂</td>
<td>61,065 t-CO₂</td>
<td>568 t-CO₂</td>
</tr>
<tr>
<td>2021</td>
<td>14,818 t-CO₂</td>
<td>63,738 t-CO₂</td>
<td>740 t-CO₂</td>
</tr>
<tr>
<td>2022</td>
<td>14,161 t-CO₂</td>
<td>73,914 t-CO₂</td>
<td>83,818 t-CO₂</td>
</tr>
</tbody>
</table>
In order to fulfill the "responsibility for respect for human rights" required of companies by the Guiding Principles on Business and Human Rights (United Nations Human Rights Council), the initiatives shown in the chart below will be appropriately promoted with transparency by the internal working team with the cooperation of the Caux Round Table – Japan (CRT – Japan), a third-party organization.

**Major items that enterprises should do under the Guiding Principles on Business and Human Rights (UN Approval 2011)**

1. Formulation of human rights policies (Guiding Principles ⑯)
   - Assessment of human rights risks in business and supply chain
     - Risk Assessment: To Human Rights in the Company and its Supply Chain
     - Identify potential involvement (implemented in 2022)
   - Report (Report)
     - Regularly disclose information
     - Status of responses to adverse human rights impacts and reporting of response results

2. Human rights due diligence (Guiding Principles ⑰)
   - By turning PDCA
     - Continuous improvement
   - Assessment of human rights risks in business and supply chain
     - Risk Assessment: Presence or absence of risk and its severity
     - Evaluation from the viewpoint of scale, range, and difficulty of correction
   - Actions to reduce risks
     - Incorporate the results of human rights impact assessments into the response process and respond appropriately
   - Track actions and results
     - Conduct a follow-up study to determine if the plan is being implemented and if the response to date is appropriate

3. Establishment of Corrective Action/Complaint Handling Mechanism (Guiding Principles ㉒)
   - Stakeholder Engagement

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Cooperation and collaboration with business partners

Kyowa Kirin's Business and Human Rights Initiatives

1. Formulated the company’s basic human rights policy as a pharmaceutical company (December 2022)

1. Policy commitment

- **Compliance with the United Nations Guiding Principles on Business and Human Rights.**

- **As a pharmaceutical company, we expressed our intention to respect the "Helsinki Declaration" in the same manner as other international norms.**

- **Describes the basic philosophy on human rights, the commitment to respect human rights based on internal policies and regulations, and support for various international norms.**

- **Describes the scope and responsibilities of the policy, dialogue and internal education for human rights due diligence, and remedies.**

- **The scope of application covers all directors, employees and all business associates of our group.**

- **Approved by the Board of Directors and signed by Representative Director.**
Kyowa Kirin's Business and Human Rights Initiatives ②

2 Human rights due diligence

- Holding cross-divisional workshops to identify human rights issues that are prerequisites for human rights due diligence
- Understanding and analyzing the status of human rights issues identified at the workshops and implementing responses

Specific to Kyowa Kirin
Human rights issues

Public interest
*Considering the views of CRT – Japan

Employment and working environment of foreign technical intern trainees at suppliers in Japan

- Conducted questionnaire surveys of major suppliers
- Interview with the manager of the supplier employing foreign technical intern trainees and confirm that there is no negative impact on human rights.
Further Business and Human Rights Initiatives at Kyowa Kirin

Establishment of a Correction and Complaint Processing Mechanism

- Planning to join Business and Human Rights Dialogue and Relief Organization (JaCER) in collaboration with Kirin Holdings to establish a remediation mechanism.
- JaCER is targeted at all stakeholders, including those working in the supply chain and in local communities, who are adversely affected by, or may be adversely affected by, human rights concerns.
- By accepting complaints via third parties, we will endeavor to ensure fairness and transparency in the processing of complaints, and respond appropriately to complaints and reports. In this way, we will endeavor to resolve essential issues in human rights. The anonymity of the whistleblower and the confidentiality of the content of the whistleblowing report are ensured at the reporting reception.
- Reports via JaCER are disclosed anonymously on JaCER website regularly.
Sound governance system
Governance Structure – Ensure sounder transparency –

- Independent director ratio of the Board: 56% (5/9 persons)
- Independent officer ratio of Nomination and Remuneration Consultative Committee: 70% (7/10 persons)
Decent governance system as a listed subsidiary

Ensuring independence

- “Securing management independence” and “Reasonable cooperation to maintain listing”
  -> Clearly stated in the Strategic Alliance Agreement

- Important Decision-making such as M&A
  -> To be made on our own (No need for prior endorsement)

- Fund lending to Kirin Holdings
  -> Loan term: One month in principle / Loan rate: market rate plus a little extra (Safe and liquid “surplus fund management”)

Important transaction with controlling shareholder

- Directors from Kirin, who have special interest, do not participate in deliberations and resolutions

- If less than a majority of independent directors are appointed, the "Supervisory Committee for Conflict of Interests in Transactions between Group Companies," shall be established as an advisory body in accordance with the CG Policy.

Protecting minority shareholders
Enhancing Board effectiveness and Executive Structure

**Sound governance system**

- Majority of external directors (5/9 persons)
- Delegation of authority to execution
- Enhancement of strategic discussions (through agenda reform, etc.)

**Board**

**Executive Structure**

- Expansion of CxO Positions
- Establishment of CMO and CPO

**CxO structure**

- Chief Executive Officer (CEO)
  - Masashi Miyamoto
- Chief Compliance Officer (CCO)
  - Yutaka Osawa
- Chief Financial Officer (CFO)
  - Motohiko Kawaguchi
- Chief People Officer (CPO)
  - Wataru Murata
- Chief Medical Officer (CMO)
  - Takeyoshi Yamashita
- Chief Executive Officer (CFO)
  - Masashi Miyamoto
- Chief International Business Officer (CIBO)
  - Abdul Mullick
- Chief Strategy Officer (CSO)
  - Yasuo Fujii