

Development of innovative products and healthcare solutions	
Contributing to the development of science	
Targets	
<ul style="list-style-type: none"> <li>Continuous development of pharmaceuticals in areas with high unmet medical needs</li> <li>Development of healthcare solutions to respond to the future healthcare needs centered on areas where synergies with the pharmaceutical business can be expected</li> </ul>	
KPIs	Fiscal 2021 progress
①Progress on main development pipeline <ul style="list-style-type: none"> <li>Targets in Psychiatry &amp; Neurology area               <ul style="list-style-type: none"> <li>ulotaront (SEP-363856): launch in fiscal 2023 (U.S.) ※1</li> <li>SEP-4199: launch in latter half of 2020s</li> </ul> </li> <li>Targets in Oncology area               <ul style="list-style-type: none"> <li>DSP-7888: launch in fiscal 2024 (Japan and U.S.) ※2</li> </ul> </li> <li>Targets in Regenerative Medicine/Cell Therapy field               <ul style="list-style-type: none"> <li>congenital athymia: launch in fiscal 2021 (U.S.) ※3</li> <li>Parkinson's Disease: launch in fiscal 2023 (Japan) ※4</li> <li>age-related macular degeneration: launch in fiscal 2025 (Japan)</li> </ul> </li> <li>Targets for other areas with high unmet medical needs               <ul style="list-style-type: none"> <li>relugolix: Myovant approval for endometriosis in fiscal 2022 (U.S.)</li> <li>rodatristat ethyl: launch in latter half of 2020s (Japan and U.S.)</li> </ul> </li> <li>Targets for Frontier business               <ul style="list-style-type: none"> <li>commercialization of multiple products target: launch in fiscal 2023-2025 (Japan and U.S.)</li> </ul> </li> </ul>	ulotaront (SEP-363856): Continued Phase 3 (U.S.) for schizophrenia Continued Phase 2/3 (Japan and China), target for launch changed to fiscal 2024 (U.S.). SEP-4199: Starting Phase 3 (Japan and U.S.) for Bipolar I depression.  DSP-7888: Stopped Phase 3 for glioblastoma, continued Phase 1/2 for solid tumors.  pediatric congenital athymia: Approved in the U.S. in October 2021, launched in March 2022. Parkinson's disease: Phase 1/2 (investigator-initiated clinical trial), launch target changed to fiscal year 2024 age-related macular degeneration (AMD): Preparing for clinical trials  relugolix: Filed for additional indication of endometriosis in July 2021 (U.S.) rodatristat ethyl: Phase 2 (U.S.)  Promote existing themes and develop new themes (Neurorehabilitation device for hand/fingers, Digital device for relieving BPSD, automated blood collection and stabilization device, VR contents for social anxiety disorder etc.)
②Progress on early-stage development pipeline <ul style="list-style-type: none"> <li>Number of transitions to Phase 2 and Phase 1 in Psychiatry &amp; Neurology area and Oncology area (fiscal 2018-2021 cumulative)</li> </ul>	Psychiatry & neurology area: Phase 2: 1 drug 1 study, Phase 1: 7 drugs 7 studies Oncology area: Phase 2: 1 drug 1 study, Phase 1: 7 drugs 7 studies
③Progress on development of modalities	Oligopeptide MVT-602, gene therapy URO-902, Proteins including antibody drugs (affiliated with JCR Pharma Co., Ltd.), Nucleic acids (affiliated with Luxna Biotech Co., Ltd.), Peptides (affiliated with FunPep Co., Ltd.), Advancement of recombinant protein ALTA-2530, SP-101/102, and multiple vaccine projects.
④Work motivation of research & development staff <ul style="list-style-type: none"> <li>Evaluation score of research &amp; development staff in employee engagement survey*expectation and satisfaction</li> </ul> *Average score out of 5 points in the research & development department	Sense of responsibility and satisfaction for work 4.0/3.7 Sense of contribution to customers and society 3.8/3.5 Acquisition of professional skills 3.9/3.6 Demonstration of individuality and ability 4.1/3.7
Changes to KPI <ul style="list-style-type: none"> <li>※1 ulotaront (SEP-363856): launch in fiscal 2024 (U.S.)</li> <li>※2 (Item to be determined): launch in the late 2020s (Japan and the U.S.)</li> <li>※3 Delete congenital athymia: launch in fiscal 2021 (U.S.)</li> <li>※4 Parkinson's Disease: launch in fiscal 2024 (Japan)</li> </ul>	
Work Style Innovation	
Targets	
<ul style="list-style-type: none"> <li>More sophisticated work styles</li> <li>Virtuous cycle in Work-life balance</li> </ul>	
KPIs	Fiscal 2021 progress
①Employee engagement	Company-wide engagement score: 59.0 Percentage of departments with engagement scores under 55: 23.9% Note: Engagement scores indicate engagement for an organization (as a deviation) and are determined using the Motivation Cloud from Link and Motivation Inc. Other companies' average score is 50.
②Employee Turnover Rate	3-year turnover rate: 1.44% 5-year turnover rate: 1.51% 10-year turnover rate: 1.57%
Diversity & inclusion	
Targets	
<ul style="list-style-type: none"> <li>Promotion of active participation by female employees</li> <li>Promotion of LGBTQ understanding</li> <li>Promotion of active participation by people with disabilities through appropriate placement</li> </ul>	
KPIs	Fiscal 2021 progress
①Percentage of female managers (target for the end of fiscal 2022: maintain at least 10%) Percentage of female senior employees, excluding female managers (target for the end of fiscal 2022: 15%)	Percentage of female managers : 16.0% Percentage of female senior employees, excluding female managers : 12.2%
②Percentage of male employees taking childcare leave (target for the end of fiscal 2022: 100%)	88.2% (5 or more business days)
③Number of participants in e-learning on LGBTQ	2,755
④Number of Ally activities	4
⑤Average length of employment of employees with disabilities ※5	18.9 years
Changes to KPI <ul style="list-style-type: none"> <li>※5 Percentage of employees with disabilities (target: more than the legally specified employment percentage of 2.3%)</li> </ul>	

Training and development of employees	
Targets <ul style="list-style-type: none"> <li>Fostering of leaders and training of globally-minded human resources</li> <li>Fostering a corporate culture that encourages self-disciplined and independent career development</li> </ul>	
KPIs	Fiscal 2021 progress
①Number of participants in selective training	SMP Academy trainees: 85
②Number of employees with overseas work experience	25 (individuals who started working overseas in fiscal 2021)
③Number of participants in programs to enhance English proficiency	e-learning (goFLUENT program) Participants e-learning: 1,201 Private instruction program: 159
④Number of cases and applicants utilizing internal job posting system	Internal posts: 6 (13 people) Applicants: 55 people
⑤Number of career consultations	Self-career dock consultations: About 200
Patient support and advocacy	
Targets <ul style="list-style-type: none"> <li>Improving disease-related literacy for patients, their families, and society</li> </ul>	
KPIs	Fiscal 2021 progress
①Activities from patient perspective through healthcare professionals	<p><b>【Diabetes】</b></p> <ul style="list-style-type: none"> <li>Held training on bringing attention to stigmatizing language (all Branch Senior Directors and Sales Office Directors)</li> <li>Distributed material for patients made by the Japan Association for Diabetes Education and Care</li> </ul> <p><b>【Psychiatry Area】</b></p> <ul style="list-style-type: none"> <li>Promoted schizophrenia patient awareness through the use of materials</li> <li>Promoted employment support for schizophrenia patients and increased disease awareness and diagnosis rate of bipolar disorder through the use of disease awareness website, "Kokoro Share,"-related materials</li> </ul> <p><b>【Neurology Area】</b></p> <ul style="list-style-type: none"> <li>Promoted disease awareness on Parkinson's disease and on dementia with Lewy bodies by providing information using VR content (daily life experiences for patients and caregivers)</li> <li>Provided Parkinson's disease patient education materials: rehabilitation logbooks, "Rehabili Kitchen," etc.</li> </ul>
②Level of understanding and satisfaction of participants in public lectures	Understanding: 94.2%, Satisfaction: 90.7%
③Number of support activities through donations and cooperation with patients' associations	Donated to 9 organizations Supported 1 organization's activity
④Dissemination to raise awareness of diseases through our website	New contents: 23
Local community contribution	
Targets <ul style="list-style-type: none"> <li>Fulfilling responsibilities and contributing as a member of the community with awareness of harmony with society</li> </ul>	
KPIs	Fiscal 2021 progress
①Number of activities to support the development of the next generation and level of understanding and satisfaction of participants	Schools visited: 7, Participating students: 551 Lecturers from the Company: 13 Understanding: 95.3%, Satisfaction: 98.1%
②Number of donations for social contribution that lead to resolution of social issues (disasters, people with disabilities, the environment, biodiversity, etc.)	19
③Number of charitable activities in local communities	2
Contribution to global health	
Targets <ul style="list-style-type: none"> <li>Development of drugs to treat malaria and antimicrobial-resistant (AMR) bacterial infections</li> <li>Strengthening of public-private collaboration on countermeasures against AMR and appropriate use of antibiotics</li> <li>Promotion of public awareness-raising activities for health, hygiene, and nutrition</li> </ul>	
KPIs	Fiscal 2021 progress
①Progress of development in infectious diseases area <ul style="list-style-type: none"> <li>Number of projects</li> <li>Number of products (number of products launched)</li> </ul>	6 projects 0 products
②Number of policy recommendations in infectious diseases area	8 recommendations
③Number of doctors and pharmacists who participated in the AMR countermeasure support program	31
④Number of local residents assisted by maternal and child health programs in developing countries	Cooking class participants: 691 Home visits: 1,061
Initiatives to improve access to medicines	
Targets <ul style="list-style-type: none"> <li>Promotion of public awareness-raising activities with the aim of improving medicine-related literacy</li> <li>Response to requests for the development of unapproved and off-label drugs</li> <li>Acceleration of provision of drugs at fair prices</li> </ul>	
KPIs	Fiscal 2021 progress
①Number of programs aiming to improve medicine-related literacy	4 programs
②Number of responses to requests for unapproved and off-label drugs	2 products
③Number of policy recommendations by the Company on access to medicines	11 recommendations

Improvement of healthcare infrastructure in developing countries	
Targets	
<ul style="list-style-type: none"> <li>• Support for capacity building of healthcare professionals, development of healthcare networks, etc.</li> <li>• Support for development of pharmaceutical regulations and supply chains in collaboration with local governments and international organizations</li> </ul>	
KPIs	Fiscal 2021 progress
①Number of community care volunteers trained through maternal and child health programs in developing countries	62
②Number of partnerships working to improve healthcare infrastructure in developing countries	5 partnerships
Measures to address falsified medicines	
Targets	
<ul style="list-style-type: none"> <li>• Prevention of falsified medicines and illicit distribution</li> </ul>	
KPIs	Fiscal 2021 progress
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