

Compliance

Basic Principles

We have established a department to promote and support compliance within each Group company and developed the necessary internal systems, and rules and regulations. The structure we have created facilitates the prompt handling of cases, the formulation of measures to prevent violations and other measures. This means that Board Members and employees can engage in corporate activities with peace of mind. To increase awareness of compliance among employees of the Group, we are conducting ongoing training for all employees and training for each job level while working to grasp the level of employee awareness through questionnaire surveys and to identify points for improvement. In FY2024, we worked to further ensure compliance by conducting training and problem-solving programs based on actual situations (based on our understanding of the current situation) and by identifying problems from the results of the compliance awareness survey.

Whistleblower System

As a system to reflect the voices of employees in compliance practice, we have established a whistleblower office (the ASKA Pharmaceutical Holdings' compliance consulting desk) and have promoted awareness of the desk through education and training programs.

In addition to the existing internal and external contact points, we have established a new contact point staffed by ASKA Pharmaceutical Holdings' Audit & Supervisory Board members (the Audit & Supervisory Board member consulting desk) for consultation and reporting of compliance-related matters involving Board Members of the Group (in connection with the enforcement of the revised Whistleblower Protection Act on June 1, 2022). This contact point, which is independent from senior management, is intended to lower the psychological hurdle for Board Members and employees for consultation and reporting of compliance-related matters involving senior management, and to ensure that investigations and corrective measures are carried out in a timely and appropriate manner. Reporting can be also done anonymously, and all cases are handled appropriately.

In addition, we have enhanced the whistleblower system by securing two people to be in charge of the external contact point (corporate lawyer's office). In accordance with the spirit of the Whistleblower Protection Act, we operate this system to protect whistleblowers as well as to ensure that compliance-

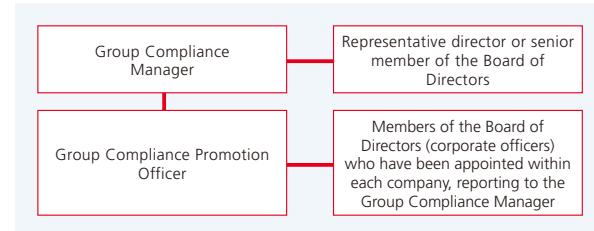
Initiatives of the Group in Regard to Industry-related Norms

Cognizant of the fact that ASKA's corporate activities related to prescription pharmaceuticals are conducted under the public medical insurance system, we fulfill our accountability to society by ensuring transparency in the provision of funds to medical professionals, medical institutions, patient groups, and others. In accordance with the *Transparency Guideline for the Relationship between Corporate Activities and Medical Institutions and the Transparency Guideline for the Relationship between Corporate Activities and Patient Groups*, in FY2025 we will continue with disclosure of information on FY2024's provision of funds to medical professionals, medical institutions, and patient groups.

In addition, the *Guidelines for Provision of Sales Information*

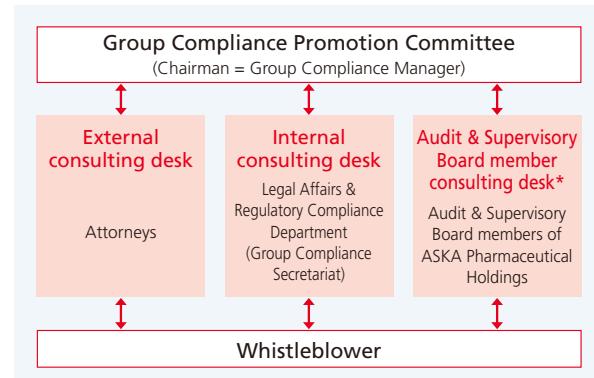
The Group Compliance Promotion Committee has been established to supervise the Group's efforts toward recognizing and responding to risks that could have a significant impact on Group management and to maintain a compliance system that thoroughly complies with laws and corporate ethics.

• Group Compliance Promotion Structure



related matters are reported, investigated, and corrected in a timely and appropriate manner.

• ASKA Pharmaceutical Holdings Structure of the Compliance Consulting Desks



* Contact point for consultation and reporting of compliance-related matters involving Board members of the Group

• Number of Whistleblowing Reports Received

| FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|
| 14 | 11 | 10 | 6 | 5 |

on *Prescription Drugs* (the "Guidelines") were established by the Ministry of Health, Labour and Welfare to promote the proper use of prescription pharmaceuticals. They are aimed at preventing inappropriate promotional activities (such as recommending off-label use, slandering other companies, and providing misleading information on efficacy and safety). In addition, from 2019 the Guidelines made it the responsibility of management to establish the internal systems necessary for appropriate sales information provision activities and to educate employees. In FY2025, the department supervising sales information provision activities, as the lead department, reviewed materials used by medical representatives (MRs) to ensure that they are properly prepared, and also checked the