

Material Issues

Basic Policy for Sustainability

The Company has established CSR guiding principles and works for the ongoing growth for the Group as a whole and to contribute to society.

As a trusted company, we will increase profitability through sound business practices and fulfill our social responsibilities as a good corporate citizen.

- 1 Supplying High-Quality Pharmaceuticals

 - 1. All employees conduct business with integrity guided by our corporate philosophy.
 - 2. We provide a stable supply of high-quality pharmaceuticals with excellent efficacy and safety.

2 Ensuring Compliance

 - 1. We are thoroughly committed to corporate ethics and to compliance with all laws and regulations.
 - 2. We maintain fair relationships with stakeholders and conduct transactions that are fair, transparent, and based on free competition.
 - 3. Regarding the protection of personal information, we manage the information in compliance with our privacy policy.
- 3 Respecting Human Rights

 - 1. We respect the human rights of all people affected by our business practices.
 - 2. We respect the diversity of our employees and strive to foster a safe and comfortable corporate culture.

4 Contributing to Communities and Society

 - 1. As a good corporate citizen, we communicate with the local community and broader society while striving to contribute to the world.

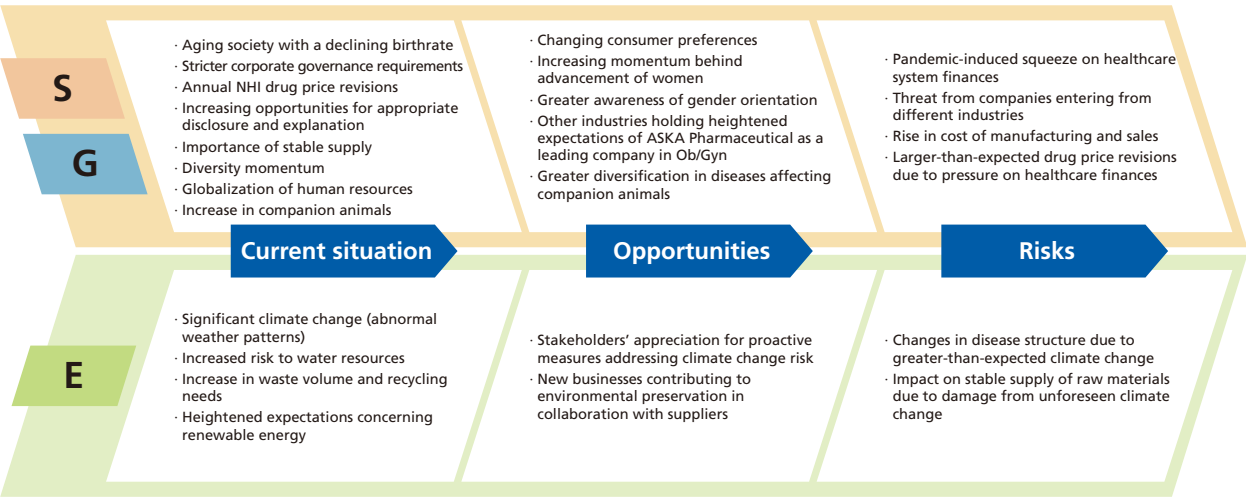
5 Preserving the Environment

 - 1. We participate in the realization of a sustainable society through environmental preservation and by practicing environmental management.

Background to Identification of Material Issues

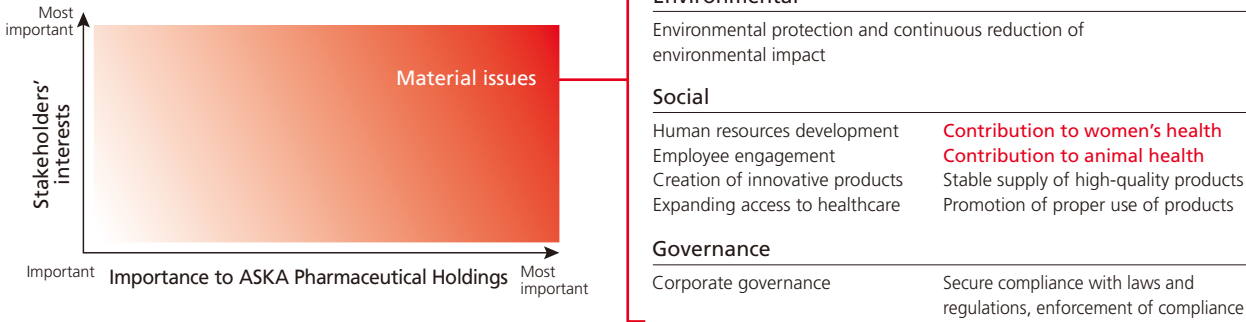
In the belief that sustainable growth for Group companies hinges on accurate assessment of our current situation and the attendant opportunities and risks, ASKA Pharmaceutical Holdings has identified 11 material issues that we believe are particularly important to address on the basis of their relevance to Company businesses and their potential contribution to society.

In particular, we believe that contribution to women’s health and contribution to animal health are two material issues that are characteristic of our business and in which we can demonstrate our strengths. By tackling these material issues as a Group, we believe we can also contribute to achievement of the SDGs (sustainable development goals).



Materiality Map

Mapping of Material Issues



Company-wide Action Plan and KPIs for Material Issues

ESG	Material Issues	Company-wide Action Plan	KPIs
E	Environmental protection and continuous reduction of environmental impact	Environmental protection, continuous reduction of environmental impact, and promotion of environmental management	1. Reduction of CO ₂ emissions: Reduction of 46% from FY2013 (FY2030) 2. Reduction of total waste 3. Improvement in recycling rates 4. Promotion of environmental measures 5. Environmentally conscious business operations 6. Reduction of the use of natural resources 7. Reduction of emissions of environmentally harmful substances (reduction of the impact of nitrogen on the environment by promoting low-protein feed)
	Human resources development	Development of human resources to realize growth strategies	1. Number of in-house recruitment system and interdepartmental transfers (number of career challenges) 2. Number of elective training courses taken: Next-generation leader training Number of selective training courses taken: Training to promote the advancement of women (career development of female employees)/other selective training as a measure to support the autonomous learning of employees Expenditures per employee (for education) 3. Promote the implementation of internal and external hierarchical training/selective training (career development of female employees)
	Employee engagement	Creation of an environment that promotes understanding of the organization, sympathy, and motivation to take action, and achievement of work-life balance that respects the health and diversity of our employees	1. Optimization of working hours: Promotion of the use of annual paid leave as planned, guidance for promotion of the use of annual leave, provision of annual leave (taken hourly), etc. 2. Health management initiatives 3. Promotion of various working styles: telecommuting, telework, flextime, short-time work, etc. 4. Implementation of regular stress checks and surveys for engagement 5. Promotion of women's advancement in active roles (FY2024 target): Percentage of female managers (15%) Percentage of female medical representatives (20%) 6. Promotion of active roles for diverse human resources 7. Measures to support development of the next generation: Maternity leave (utilization rate 100%)/Childcare leave for male employees (utilization rate 100%) 8. Support for medical representatives to take maternity leave and childcare leave (implementation of reintegration programs, networking events, etc.)
S	Creation of innovative products	Expansion of pipeline through open innovation	1. Promotion of in-house research themes 2. Reinforcement of alliance activities
	Expanding access to healthcare	Contributions to specialty areas by taking advantage of our own strengths	1. Provision of comprehensive information on specialty areas (Ob/Gyn, thyroid) 2. Promotion of accurate information and raising disease awareness 3. Early identification of diseases through activities to promote testing and diagnostics 4. Early detection of disease through non-invasive measurement kit
	Contribution to women's health	Total support for women's health	1. Contribution to women's healthcare by providing products for each of women's life stages 2. New initiatives for women's healthcare 3. Promotion of the advancement of women through activities to raise awareness on health and diseases 4. Sexual education initiatives for younger generation 5. Activities to raise awareness among families and partners about women's health issues
	Contribution to animal health	Contribution to creation of a society where people and animals can coexist	1. Promotion of animal welfare 2. Development and provision of products useful for maintaining the health of companion animals 3. Development and provision of non-invasive measurement kit products using body hair 4. Promotion of biodiversity
	Stable supply of high-quality products	Ensuring product quality and stable procurement and supply	1. Reinforcement of supply chain management 2. Implementation of appropriate GMP ¹ audits 3. Implementation of appropriate GQP ² (ensuring that a quality assurance system is in place)
G	Promotion of proper use of products	Ensuring safety and providing information on proper use	1. Implementation of appropriate clinical trials (GCP ³ compliance) 2. Adequate implementation of GVP ⁴ and RMP ⁵ 3. Compliance with GVP and guidelines for activities for provision of sales information 4. Dissemination of materials and knowledge to promote proper use, and strengthening product education for medical representatives, etc. 5. Prompt provision of latest information through website
	Corporate governance	Establishment of corporate system for continuous growth	1. Fostering corporate culture and climate that respect healthy business ethics 2. Ensuring real equality of shareholders 3. Social contribution activities that lead to solving social issues 4. Constructive dialogue with stakeholders 5. Appropriate disclosure and explanation of management strategy, performance, financial condition, capital policy, etc.
	Secure compliance with laws and regulations, enforcement of compliance	Thorough maintenance of compliance and fostering an organizational climate that emphasizes reliability	1. Compliance system mainly promoted by Group Compliance Promotion Committee 2. Continuous implementation of preventive measures against serious incidents

For initiatives of key material issues in FY2023, please visit the Sustainability – Materiality page on our website.

<https://www.aska-pharma-hd.co.jp/english/csr/sustainability/relationship.html>

1. GMP: Good Manufacturing Practice 2. GQP: Good Quality Practice 3. GCP: Good Clinical Practice

4. GVP: Good Pharmacovigilance Practice 5. RMP: Risk Management Plan