Eisai Environmental Report 2021

Ongoing Efforts to Ensure Coexistence with the Global Environment

The Eisai Group conducts business operations while emphasizing protection of the global environment based on the Eisai Network Companies (ENW) Environmental Protection Policy. By quantitatively assessing resource input and environmental impact of our operations, we strive to reduce our burden on the environment and promote environmental protection activities worldwide.

Further Strengthening Activities for Assuring the Sustainability of the Global Environment That Serves as the Foundation of Our Business Activities

Today, global warming is advancing at an accelerating rate along with the growing concentration of greenhouse gases in the atmosphere. Natural disasters associated with abnormal weather are occurring frequently throughout world and are becoming major risk factors surrounding our society and economy such as water shortages, forest fires, and the adverse effects on ecosystems. The Eisai Group recognizes that timely and appropriate responses to these environmental issues are essential for the sustainability of society and in May 2019 set SBT (Science Based Targets: targets for reducing greenhouse gas (GHG) emissions based on scientific grounds) and has strengthened initiatives for achieving these targets.

There is global demand for realizing a carbon-free society as a means to solve climate change issues. In fiscal 2020, the Eisai Group switched more than 50% of its electricity consumption to renewable energy sources in its business activities, mainly at its overseas plants and research laboratories. Through these efforts, the Eisai Group was able to reduce greenhouse gas emissions by 39.4% in fiscal 2020 compared to the base year of fiscal 2016, achieving its goal of reducing emissions by 30% from the base year by 2030 ahead of schedule. Looking ahead, we will steadily promote the introduction of renewable energy and switch all of the electricity used in our business activities to renewable energy by fiscal 2030. Furthermore, we will ambitiously incorporate cutting-edge science and technology to reduce the use of fossil fuels as quickly as possible and achieve carbon neutrality by 2040.

The Eisai Group delivers pharmaceutical products and solutions to “The People,” who include not only patients but also ordinary people, and aims to relieve their concerns. In order to continuously contribute to “The People,” we will work to achieve carbon neutrality in order to further strengthen our activities aimed to ensure the sustainability of the global environment, which is the foundation of our business activities.

Eisai Network Companies (ENW) Environmental Protection Policy

Basic Policy

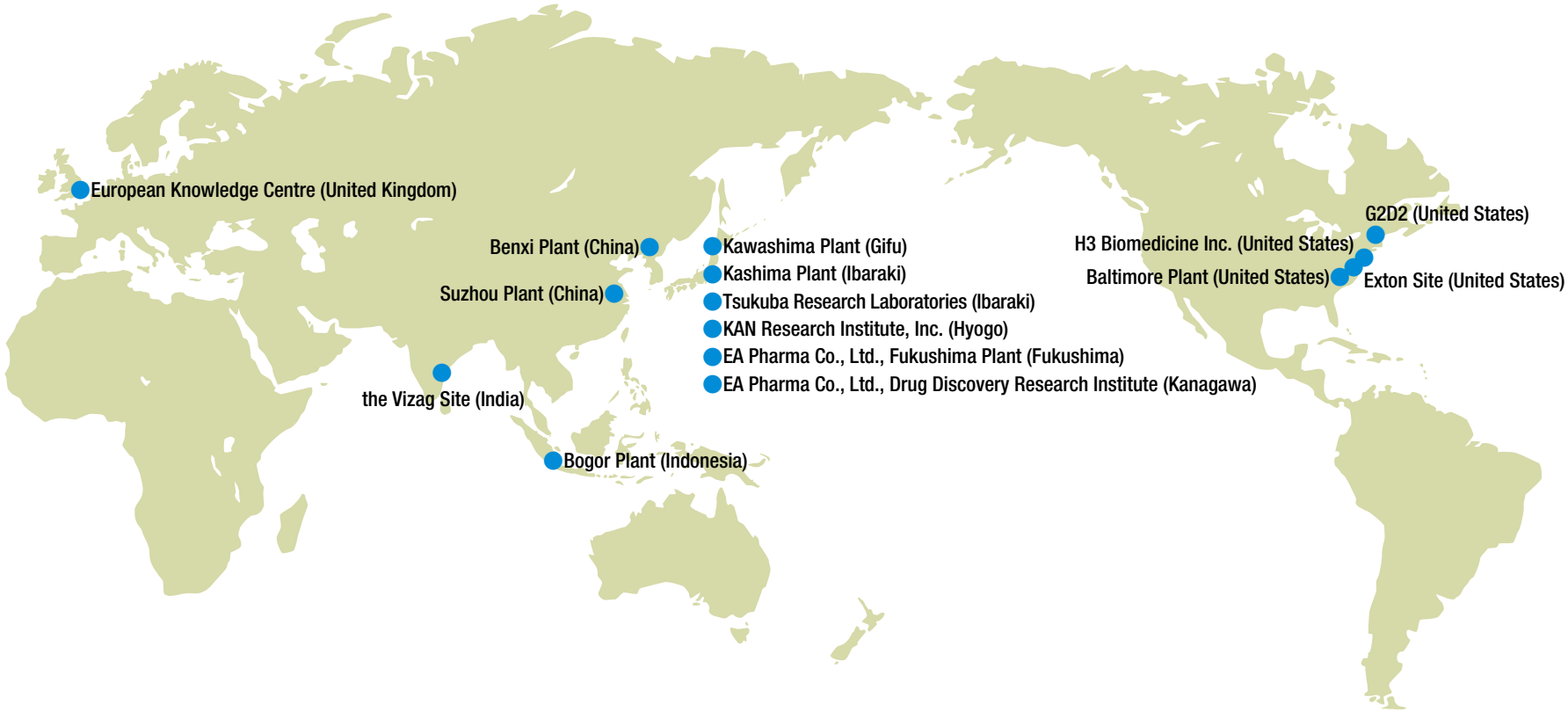
Eisai Co., Ltd. and its group companies (“ENW”) contribute to the health and welfare of people around the world and the realization of a sustainable society by developing business activities that emphasize harmony with the global environment.

Action Guideline

1. Establish an environmental management system and strive to reduce the environmental impact of all aspects of our business activities.
2. Promote environmental protection activities in compliance with environmental laws, regulations, and agreements.
3. Contribute to the mitigation of climate change by reducing greenhouse gas emissions and promoting energy conservation.
4. Contribute to the formation of a recycling-oriented society by promoting the sustainable use of resources, including water, along with waste reduction and recycling.
5. Prevent environmental pollution by promoting proper management of chemical substances and reducing their use.
6. Contribute to the realization of a society in harmony with nature by developing business activities that take into consideration the conservation of biodiversity.
7. Systematically provide education and enlightenment on environmental protection to raise awareness of environmental issues among all employees.
8. Strive to improve our credibility with society through proactive disclosure of environmental information and communication with local communities.
9. Promote environmental protection in our supply chain in cooperation with our business partners.

Note: The Eisai Network Companies (ENW) Environmental Policy was revised on April 22, 2021.

Manufacturing and Drug Discovery Research Sites Worldwide



Editorial Policy

This report describes the Eisai Group's approach toward environmental protection and provides details of environmental activities undertaken during fiscal 2020. The report has been developed in reference to the *Environmental Reporting Guidelines* (2018 Version) issued by Japan's Ministry of the Environment and includes Eisai's efforts both in and outside Japan.

Scope of Reporting

The scope of data aggregation in this report primarily covers Eisai Co., Ltd. and its Group companies in Japan (hereafter, Eisai Group in Japan) as well as its production sites and research laboratories outside Japan. The scope of individual data is specified as needed.

Period Covered

The data has been aggregated based on the results achieved from April 1, 2020 to March 31, 2021.

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Glossary and CO_2 Emissions Coefficient

Glossary

Term	Description
ISO 14001	An international standard for environmental management issued by the International Organization for Standardization
EA21	EcoAction 21: An environmental management system certification for small- and medium-sized enterprises issued by Japan's Ministry of the Environment
Zero emissions	The Eisai Group uses this term as a target of emission management. It indicates a ratio of waste sent to landfill to total waste of less than 1.0%
PRTR	Pollutant Release and Transfer Register: A system for understanding, collecting and publicly disclosing information on the extent to which chemical substances involving environmental risk are either released into the environment or are contained in waste matter and transferred from operational sites
Act on Controlling Emissions of Fluorocarbons	The abbreviated title of the Act on Rational Use and Proper Management of Fluorocarbons. The purpose of the act is to prevent the leakage of fluorocarbons that cause depletion of the ozone layer or global warming at each stage from production to disposal
SOx	Sulfur oxides
NOx	Nitrogen oxides
BOD	Biochemical Oxygen Demand: A measure used to evaluate the quality of river water and factory wastewater
Scope 1	Energy-derived direct greenhouse gas (GHG) emissions. GHG emissions released directly into the atmosphere through the use of fuels
Scope 2	Energy-derived indirect GHG emissions. GHG emissions associated with the use of purchased energy (electricity and heat)
Scope 3	Other indirect GHG emissions. GHG emissions that result from business activities in the supply chain and are not contained within either Scope 1 or Scope 2
VOCs	Volatile Organic Compounds: Organic compounds that are volatile at ordinary temperatures and cause air pollution through the generation of photochemical oxidants

Energy Consumption and CO_2 Emissions Coefficients Used in Emissions Calculations

Energy type	Calorific value per unit	CO_2 emissions coefficient	
	FY2020	FY2018～	FY2013～2017
Electric power	9.97 (GJ/MWh)	＊1	
LPG	50.1 (GJ/tons)	3.01 (tons/tons)	3.01 (tons/tons)
LNG	54.7 (GJ/tons)	2.78 (tons/tons) ＊2	2.78 (tons/tons)
Natural gas	39.3 (GJ/1,000 Nm^3)	2.00 (tons/1,000 Nm^3)	2.04 (tons/1,000 Nm^3)
Processed natural gas	40.0 (GJ/1,000 Nm^3)	2.04 (tons/1,000 Nm^3)	2.09 (tons/1,000 Nm^3)
Kerosene	36.5 (GJ/kl)	2.50 (tons/kl)	2.50 (tons/kl)
Light oil	38.0 (GJ/kl)	2.62 (tons/kl)	2.62 (tons/kl)
Fuel oil A	38.9 (GJ/kl)	2.76 (tons/kl)	2.76 (tons/kl)
Gasoline	33.3 (GJ/kl)	2.28 (tons/kl)	2.28 (tons/kl)
Industrial steam	1.02 (GJ/GJ)	＊3	
Hot water and cold water	1.36 (GJ/GJ)	0.057 (tons/GJ)	0.057 (tons/GJ)

＊1 Emissions coefficients reported by suppliers are used in the calculation for the Eisai Group in Japan. To calculate emissions outside Japan, coefficients provided by local representatives are mainly used.
＊2 We reviewed and revised the figures listed in the Eisai Environmental Report 2020.
＊3 Emissions coefficients provided by suppliers are used for calculation.

1 Environmental Protection Initiatives and Results

Fiscal 2020 Environmental Protection Initiatives and Results of the Eisai Group in Japan

Theme	Targets	Results	Evaluation	Pages
Enhancement of environmental management	Enhancement and smooth operation of management systems	• Proper application of the PDCA cycle • ISO 14001 regular and recertification inspection (Kawashima Plant, Kashima Plant, Drug Discovery Research Institute and Fukushima Plant of EA Pharma Co., Ltd. • Interim and renewal inspections of EA21 certification (Eisai Distribution Co., Ltd.)	○	P7
	Planning and implementation of environmental education	Internal training sessions: 176, external training sessions: 3	○	P7
	Implementation of environmental communication	• Publication of the Environmental Report 2020 • Local community meetings*1 (Kawashima Plant) • Administrative committee meetings not held (Kashima Plant) • Information exchange meetings not held (Fukushima Plant of EA Pharma Co., Ltd.)	△	P8
Energy conservation and combating climate change	Reduction of CO_2 emissions by 23% from fiscal 2005 level by fiscal 2020	CO_2 emissions*2: 65,846 tons (28.1% decrease from fiscal 2005) CO_2 emissions*3: 54,967 tons (40.0% decrease from fiscal 2005)	○	P11
	Promotion of the replacement of commercial vehicles with hybrid vehicles (Eisai Co., Ltd.)	Adoption rate for commercial vehicles: 73.7% (0.1% increase from fiscal 2019) Adoption rate for company-owned vehicles: 71.4% (3.8% decrease from fiscal 2019) Adoption rate for employee-owned vehicles: 77.2% (5.3% increase from fiscal 2019)	△	P11
	Purchase of wind- and biomass-generated green power	Purchase of 1,000,000 kWh from Japan Natural Energy Co., Ltd.	○	—
	Proper management of fluorocarbons	Implement legally required inspections based on the Act on Rational Use and Proper Management of Fluorocarbons and systematically change to hydrofluorocarbons and non-fluorocarbons. There was no report submitted because the total calculated amount of CO_2 equivalent leakage was 1,000t or less	○	P15
Waste reduction	• Reduction of waste generated • Reduction of waste sent to landfill • Increase in recycled waste	• Amount of waste generated: 4,053 tons (increase of 712 tons from fiscal 2019) • Amount of waste sent to landfill: 14 tons (increase of 3 tons from fiscal 2019) • Amount of recycled waste: 1,194 tons (increase of 190 tons from fiscal 2019)	△	P13
	Attainment of Zero emissions (Ratio of waste sent to landfill to total waste < 1%)	• Eisai Co., Ltd.: 0.36% • Eisai Group companies in Japan: 0.23% • Eisai Group in Japan: 0.34%	○	P13
	Implementation of onsite inspections based on the Waste Management and Public Cleansing Law	Implemented onsite inspections based on the Waste Management and Public Cleansing Law at 23 sites nationwide; confirmed that waste is being disposed of legally and in a proper manner	○	P13
Resource conservation	Promotion of awareness-raising activities and education to encourage green purchasing	Awareness-raising activities and education were provided on a timely basis. The green purchasing ratio: 27.0% (2.0% decrease from fiscal 2019)	×	P15
Management of chemical substances	Response to PRTR system and proper management of designated substances	Proper management based on an understanding of amounts of substances subject to the PRTR system that were handled, emitted and transferred	○	P14
Air pollution and water pollution prevention measures	Compliance with Air Pollution Control Act, Water Pollution Control Act and pollution control agreements	Regular measurements showed that the amounts of pollutant emissions into the atmosphere and water systems were below standard values	○	P8, 17
Conservation of the local environment	Compliance with environment-related laws (noise, vibrations, offensive odors, soil contamination)	Regularly measured levels of noise, vibrations and offensive odors to confirm compliance	○	P8
	Involvement with local community	Held regular cleanup activities of areas around each operation site and affiliated company as well as within industrial parks	△	—
	Zero complaints made by neighboring residents	No complaints were reported	○	—

Legend used in "Evaluation" section: ○ Achieved; △ Partially achieved; × Not achieved

*1 Held using paper reports due to the impact of COVID-19.
*2 Assuming the carbon emissions coefficient based on power usage is 0.444 t–CO_2/MWh, the same as fiscal 2019.
*3 Assuming the carbon emissions coefficient based on power usage is 0.330 t–CO_2/MWh, the same coefficient used to evaluate the Group's targets. For details, see page 44 of the Environmental and Social Report 2014.

2 Resource Input and Environmental Impact

Resource Input and Environmental Impact Data of the Eisai Group in Japan

Resource Input

INPUT

Energy

	Eisai Co., Ltd.	Group companies in Japan	Total
Electric power (MWh)	75,405	18,977	94,382
LPG (tons)	8	8	16
LNG (tons)	0	1,508	1,508
Processed natural gas (1,000 Nm³)	7,612	377	7,990
Kerosene (kl)	0	41	41
Light oil (kl)	2	2	4
Gasoline (kl)	692	336	1,029
Fuel oil A (kl)	0	0	0
Industrial steam (GJ)	54,261	0	54,261
Hot water (GJ)	91	0	91
Cold water (GJ)	189	0	189

Water

	Eisai Co., Ltd.	Group companies in Japan	Total
Water consumption (1,000m³)	**3,018**	**94**	**3,112**
Clean water (1,000m³)	91	92	183
Industrial water (1,000m³)	1	0	1
Groundwater (1,000m³)	2,880	0	2,880
Desalinated water (1,000m³)	8	0	8
Recycled water (1,000m³)	81	0	81
Reclaimed wastewater (1,000m³)	0	1	1

Other

	Eisai Co., Ltd.	Group companies in Japan	Total
Copy paper consumption (10,000 sheets)	1,442	542	3,281

PRTR Substances

	Eisai Co., Ltd.	Group companies in Japan	Total
Total amount handled (including unreported amount) (tons)	333	24	357

Note: Due to rounding, the sum of "Eisai Co., Ltd." and "Group companies in Japan" may not correspond to "Total" for some items.

Environmental Impact

OUTPUT

Atmospheric Emissions (from operational sites)

	Eisai Co., Ltd.	Group companies in Japan	Total
CO_2 (Scope 1, 2) (tons)	42,620	14,004	56,624
SOx (tons)	0.1	0.0	0.1
NOx (tons)	10.0	0.8	10.8
Soot and dust (tons)	0.6	0.0	0.6
PRTR substances (release into the atmosphere) (tons)	25	0.5	26

Waste

	Eisai Co., Ltd.	Group companies in Japan	Total
Amount generated (tons)	3,350	703	4,053
Amount recycled (tons)	829	366	1,194
Amount sent to landfill (tons)	12	2	14
Wastewater discharge (1,000m³)	2,564	59	2,624
BOD (tons)	6.8	0.1	6.9
Nitrogen (tons)	2.8	0.1	2.9
Phosphorous (tons)	0.0	0.0	0.1
PRTR substances (off-site transfer as waste) (tons)	204	23.7	227.8
PRTR substances (release into water bodies) (tons)	0.0	0.0	0.0

Containers and Packaging Recycling

	Eisai Co., Ltd.	Group companies in Japan	Total
Recycling of containers and packaging materials (obligatory recycling amount) (tons)	2,213	90	2,304

Exhaust Gas from Vehicles

	Eisai Co., Ltd.	Group companies in Japan	Total
CO_2 emissions from commercial vehicles (tons)	1,573	737	2,310
CO_2 emissions from business-use vehicles other than commercial vehicles (tons)	7	40	48

Indirect CO_2 Emissions (Scope 3 *1)

	Eisai Co., Ltd.	Group companies in Japan	Total
Purchased goods and services (tons)	191,710	44,672	236,382
Capital goods (tons)	67,364	5,213	72,577
Fuel- and energy-related activities not included in Scope 1 or 2 (tons)	6,922	1,294	8,217
Transportation and delivery (upstream) (tons)	620	377	997
Waste generated in operations (tons)	5,801	758	6,559
Business travel (tons) *2	391	279	670
Employee commuting (tons) *2	688	868	1,556
Transportation and delivery (downstream) (tons)	1,331	337	1,667
End of life treatment of sold products (tons)	508	346	855

*1 Calculations based on the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain, Version 2.3 and the database to account for Greenhouse Gas Emissions of Organizations Throughout the Supply Chain, Version 3.1 (released by the Ministry of the Environment and the Ministry of Economy, Trade and Industry). However, commuting-derived emissions and waste treatment-derived emissions were calculated based on Version 2.6.

*2 As teleworking was introduced due to the impact of COVID-19, the actual figures were estimated to be lower than the stated figures.

3 Environmental Accounting

The Eisai Group in Japan calculated the total environmental costs to confirm the environmental costs incurred and effects (results) of environmental protection activities by referring to the "Environmental Accounting Guidelines (2005)" published by the Ministry of the Environment. We will make improvements to ascertain the economic effects associated with environmental protection measures and enhance the usefulness of the form as a management index.

Environmental Protection Costs in Fiscal 2020 (In "major implementation items," ○ indicates investment and △ indicates expense.)

(million yen)

Main category	Subcategory	Major implementation items	○ Investment	△ Expense	Major results / outcomes	Pages
A. Costs to achieve objectives	1. Environmental management systems	△ ISO 14001 regular and recertification inspections	0	3	• Promotion of environmental protection activities	P6
	2. Energy conservation and measures to address climate change	○ Thermal barrier coating of buildings roofs ○ Renewal of air conditioners ○ Conversion to LED lighting △ Maintenance of humidifiers/air conditioning facilities △ Leakage prevention and destruction of fluorocarbons △ Purchase of green power	12	75	• Energy saving by the decrease in room temperature • Replacement with more energy-efficient equipment • Prevention of global warming caused by fluorocarbon leakage • Purchase of 1 million kWh	P9-12
	3. Resource conservation activities	○ Maintenance of wastewater treatment system △ Green purchasing	1	1,486	• Recycled water: 102,000 m^3 • Promotion of purchasing environmentally friendly products	P16
	4. Air pollution prevention measures	△ Measurement of soot and dust △ Measurement of working environment	0	3	• Prevention of air pollution	P8
	5. Management of chemical substances	△ Creation of SDS (Safety Data Sheet)	0	7	• Communication of the information handling hazardous chemical substances	—
	6. Waste reduction activities	○ Installation of line filters for waste liquid tanks △ Outsource of waste disposal	2	206	• Amount of waste generated decreased by 395 tons • Recycled amount increased by 99 tons • Amount sent to landfill increased by 5 tons	P13
	7. Product design		0	0		—
B. Costs to comply with environmental regulations	1. Waste disposal	△ Management of waste treatment facilities* △ Disposal of polychlorinated biphenyl (PCB) waste	0	59	• Compliance with related laws and regulations	P15
	2. Pollution prevention measures	○ Renewal of rainwater pit oil film sensor ○ Renewal of inspection water tank UV meters △ Wastewater treatment facilities management expenses △ Maintenance and cleaning of various septic tanks △ Wastewater, noise, vibration and odor measurements	10	112	• Prevention of contaminant discharge	P8
	3. Soil contamination	△ Costs for geographical history survey	0	0	• Prevention of soil and groundwater contamination	P8
	4. Recycling of containers and packaging	△ Subcontracting of container and packaging recycling	0	20	• Compliance with the Containers and Packaging Recycling Act	P5
C. Environmental administration costs	1. Environment-related costs excluding A and B	△ Greenery maintenance and management costs △ Publication of the Environmental Report 2019 △ Verification of CO_2 emissions	0	66	• Promotion of business activities that coexist with nature • Improved communication	—
Total			24	2,038		

* Includes depreciation costs

Economic Effect of Environmental Protection Measures

(million yen)

Item	Details	Amount
Sales of by-products	Proceeds from selling recyclable items	9
Reduction in synthetic solvent expenses through recycling	Reduction in synthetic solvent expenses through distillation of waste solvent in the production process	11
Total		20

Scope of calculations: Eisai Group in Japan
Period of data collection: April 1, 2020 through March 31, 2021
Notes: 1) Figures are rounded to the nearest hundred thousand yen.
2) Since fiscal 2004, personnel costs have included only the subcontractors' commissions.

4 Environmental Management

Promotion Structure

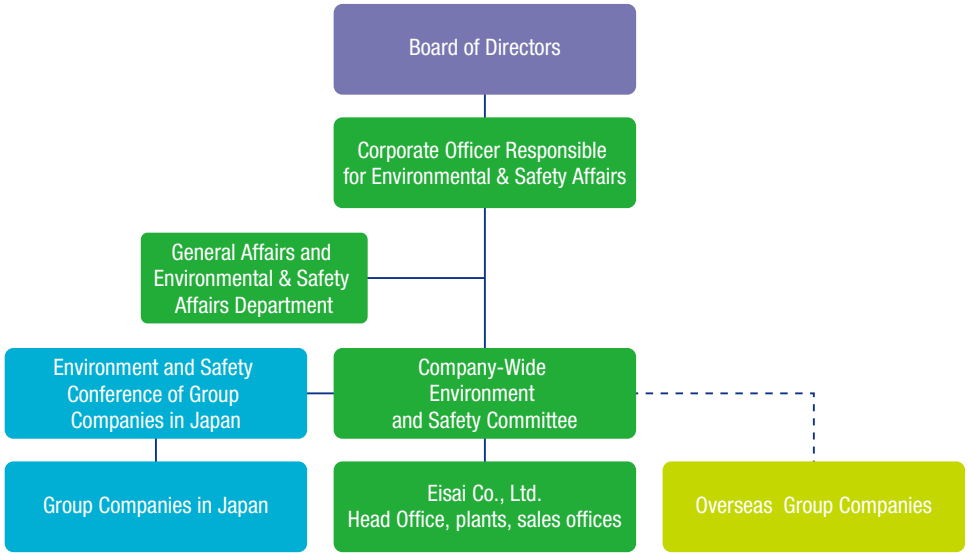
The Eisai Group established the Company-Wide Environment and Safety Committee as a decision-making body for deliberation of important environmental issues.

The committee is promoting global activities such as reducing greenhouse gas emissions and effectively using resources and is also strengthening activities to identify environment-related risks and develop countermeasures.

Moreover, as a consultative body promoting the environmental activities of Group companies in Japan, the Eisai Group also established the Environment and Safety Conference of Group Companies in Japan to share information and discuss relevant activities.

Each operational site of the Eisai Group has established its own unique management system to promote environmental activities. The Eisai Group's main production sites in Japan as well as the Suzhou Plant in China and Vizag Site in India have all acquired ISO 14001 certification and are conducting activities based on the ISO standard while striving to raise awareness through environmental education and environmental risk management training. Besides complying with environmental laws, ordinances and agreements, we periodically conduct internal environmental audits by a department specializing in internal auditing to identify and solve issues.

Structure to Promote Environmental Management



Operational Sites Certified under ISO 14001

- Kawashima Plant and Kashima Plant, Eisai Co., Ltd.
- Fukushima Plant and Drug Discovery Research Institute, EA Pharma Co., Ltd.
- Suzhou Plant, Eisai China Inc.
- Vizag Site, Eisai Pharmaceuticals India Pvt. Ltd.

Environmental Education

In order to promote environmental protection activities in harmony with the global environment, it is important that all employees have a proper understanding of the relationship between their daily work and environmental problems, and that they make efforts to enhance their own individual awareness for problem-solving. In the Eisai Group, operational sites and Group companies voluntarily formulate education programs in accordance with their respective business characteristics and local issues. In addition to education targeted at all workers, education is also provided for various levels of employees, along with further efforts to improve the learning content.

We are also developing web-based educational materials that enable learning even in the recent teleworking environment. Furthermore, we actively promote participation in both internal and external professional training courses, responding flexibly to external situations, with the aim of developing environmental educators and officially qualified employees and raising the environmental awareness of each and every employee.

Internal Audits

The Eisai Group has environmental internal audits conducted by a department specializing in internal auditing. This department strives to conduct objective audits from an independent standpoint, and the audits conducted cover all Group companies in and out of Japan. In fiscal 2020, we proceeded with audits mainly using remote verification methods. As a result, there were no urgent or serious issues.

External inspections are also carried out once a year at those operational sites and Group companies that have acquired ISO 14001 certification to confirm the validity of their environmental management systems. Furthermore, these certified operational sites and companies also educate their own internal auditors and seek to raise the level of their audits through training. The results of each annual independent internal audit are reflected in the ongoing improvement of the Group's environmental management and translate into the enhanced quality of our environmental protection activities. During fiscal 2020, no serious material issues were identified by external auditing organizations.

Compliance with Laws and Regulations

The Eisai Group in Japan is committed to observing environmental laws and regulations, ordinances and agreements with local governments. In particular, at our production plants and research facilities, we regularly measure the environmental impact of substances that cause air and water pollution to confirm that there are no problems. Also, from the perspective of protecting the neighboring environment, we regularly measure noise, vibrations and offensive odors at our production plants and research facilities and confirmed that these were all below the regulatory values.

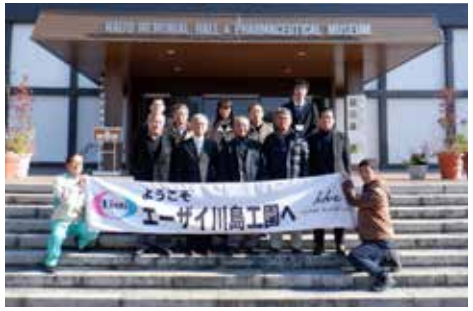
During fiscal 2020, there were no administrative dispositions, lawsuits related to the environment.

Environmental Communication

In promoting our business activities, mutual understanding and cooperation with the local community is important. As such, the Kawashima Plant has been holding local community meetings every year as a platform for sharing information and enhancing communication with the local community. At these meetings, we invite neighborhood representatives and government officials to introduce our production activities and environmental protection initiatives, as well as to listen directly to participants' comments and requests to the plant.

Similar initiatives are also undertaken by the Fukushima Plant of EA Pharma Co., Ltd. to share information on the plant's environmental and local community contribution activities and cultivate a deeper mutual understanding.

In the COVID-19 pandemic, the local community meeting at the Kawashima Plant in fiscal 2020 was held using paper reports. In contrast, the meeting at the Fukushima Plant of EA Pharma Co., Ltd. was canceled due in part to a request from the local government.



From the fiscal 2019 Kawashima Plant area local community meeting

Environmental Risk Management

The Eisai Group in Japan has compiled its procedures for responding to environmental incidents in its Disaster and Accident Response Manual and the Industrial Accident Reporting and Compilation Standards. We aim to minimize damage by collecting accurate information and taking swift and appropriate action and at the same time make every possible effort to prevent recurrence. At production plants and research facilities, in particular, we have been preparing for an emergency by regularly conducting emergency drills assuming, for instance, the leak of hazardous chemical substances from wastewater, exhaust gas or effluents as situations that significantly affect the environment.

Along with these efforts, we issued our own independent guidelines, working to identify sources of risks, and enhancing our risk management structure with a view to ensuring appropriate environmental risk management Group-wide, including Group companies outside Japan.

Environmental Incident Report

Instances and Actions Regarding Environmental Risks

Environmental incident	Operational site/company	Details	Response
Leakage	Eisai Distribution Co., Ltd.	Fluorocarbon refrigerants leaked from the chiller on the rooftop of warehouse at the Hokubo Center. (August 2020)	A back-up chiller stopped abnormally when it was operated in response to rising outside temperatures. As a result of the inspection, we found that the refrigerant piping near the check valve connection socket cracked due to equipment vibration and other factors and that refrigerant leaked. We contacted the Maniwa Fire Department, which has jurisdiction over the site, and replaced the check valve as well as the attached front and rear pipes and implemented vibration countermeasures using support materials.
Leakage	Eisai Distribution Co., Ltd.	Fluorocarbon refrigerants leaked from the chiller on the rooftop of warehouse at the Hokubo Center. (December 2020)	As a result of the inspection, we found that refrigerant leaked from the safety valve flange and the flare cap of the discharge pressure detection pipe due to improper tightening during installation. We contacted the Maniwa Fire Department, which has jurisdiction, and retightened the flange bolt and nut as well as the flare nut. After tightening, the areas where the leaks occurred were inspected with a leak detector and it was confirmed that there was no more leakage.

5 Initiatives for the Formation of a Carbon-free Society

Efforts toward the SDGs

Setting Medium- to Long-Term Goals to Achieve Carbon Neutrality Under the 2040 Carbon Neutral Declaration

Mitigating climate change is an urgent issue shared by all humankind and is essential to realize a sustainable society. In accordance with Eisai's Statement of Commitment for Carbon Neutrality by 2040 announced on May 11, 2021, the Eisai Group will work to achieve the following medium- to long-term goals. Through these efforts to realize carbon neutrality, we will further strengthen activities for ensuring the sustainability of the global environment that serves as the foundation of our business activities.

- **Medium-term target: Achieving 100% renewable energy usage by 2030**
  Eisai will switch all electric energy, which accounts for 65.3% (as of fiscal 2019) of the total energy usage used by the entire corporate group, to renewable energy. (Aiming zero CO_2 emitted by the use of electric power classified in Scope 2.)
- **Long-term goal: Achieving carbon neutrality by 2040**
  Eisai will ensure the ratio of CO_2 emission to absorption across the entire Group is to come out even. (Following the achievement of the reduction target of Scope 2, Eisai will aim to reduce the CO_2 emitted with use of fossil fuels classified in Scope 1 to net zero.)

SBT * (Science Based Targets: targets for reducing greenhouse gas (GHG) emissions based on scientific grounds)

The Eisai Group has set medium- to long-term greenhouse gas emission reduction targets shown below (SBT 2°C target) based on scientific grounds to help mitigate climate change and is working to reduce CO_2 emissions derived from its business activities.

1. A 30% reduction in GHG emissions (scope 1+2) by fiscal 2030 compared with fiscal 2016
2. A 30% reduction in GHG emissions (Scope 3, category 1; emissions from purchased products and services) by fiscal 2030 compared with fiscal 2016

In fiscal 2020, domestic and overseas production activities and R&D activities mainly in the fields of oncology and neurology continued to be brisk and were a major factor driving the increase in CO_2 emissions. In response, at domestic plants and research laboratories we introduced a heat pump system, made renovations to highly efficient air conditioning equipment, adjusted the air volumes of an experimental draft chamber, and optimized product storage conditions. These measures enabled a reduction in CO_2 emissions of more than 1,500 tons. We also promoted the introduction of renewable energy mainly at overseas plants and research laboratories and we achieved a remarkable reduction in CO_2 emissions exceeding 20,000 tons.

Additionally, in the COVID-19 pandemic, the sales department is actively providing information to medical professionals through remote interviews using digital devices thus reducing the use of commercial vehicles.

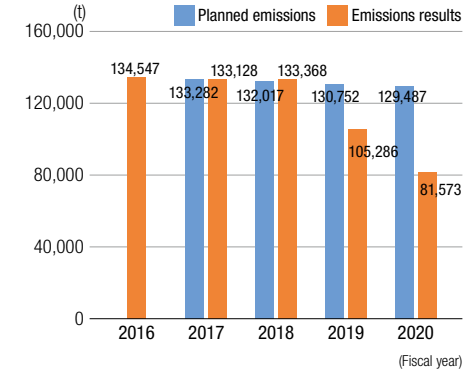
We are also raising the adoption rate for HVs (hybrid vehicles) for use as commercial vehicles and as a result of these efforts, CO_2 emissions from commercial vehicles decreased by 741 tons in the Eisai Group in Japan compared with fiscal 2019 (a decrease of 530 tons by Eisai Co., Ltd. alone). As a result of the preceding activities, scope (1 + 2) emissions in fiscal 2020 were 81,573 tons, a decrease of 22.5% from fiscal 2019 and a decrease of 39.4% from the base year, as we made significant strides toward achieving the SBT target.

The amount of Scope 3 emissions based on Category 1, purchased products and services, increased by 6.5% compared with fiscal 2019 against a background of growth in sales of new products and introduced products. The emission intensity, with sales as the denominator, increased by 14.7% compared with 2019 due to additional factors such as a decrease in sales milestone payments from Merck & Co., Inc., (Kenilworth, N.J., U.S.A.). We will continue working toward reductions by increasing the ratio of in-house products and promoting the effective use of raw materials.

* These targets have been approved by the international NGO SBTi (https://sciencebasedtargets.org/).

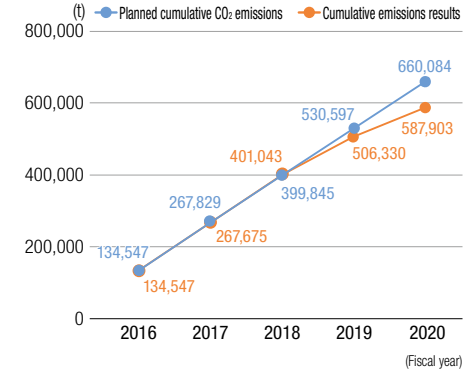
State of SBT Progress

Trends in Scope (1+2) CO_2 Emissions

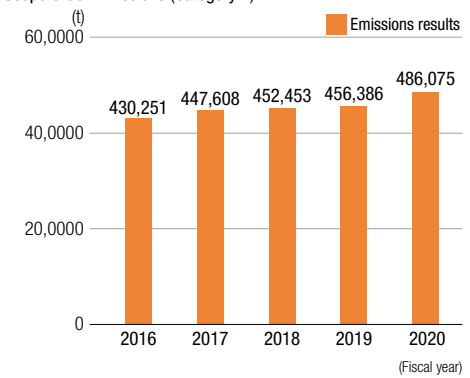


Note: Past data has been reviewed and revised by recalculation.

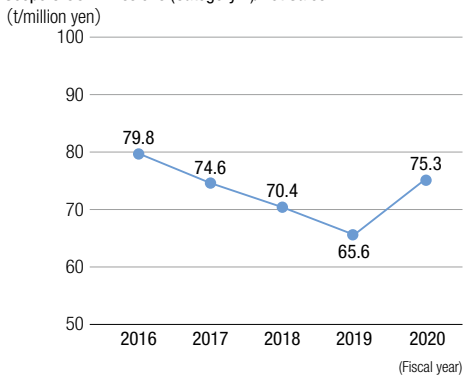
Trends in Scope (1+2) Cumulative CO_2 Emissions



Scope 3 CO_2 Emissions (Category 1)



Scope 3 CO_2 Emissions (Category 1)/Net Sales



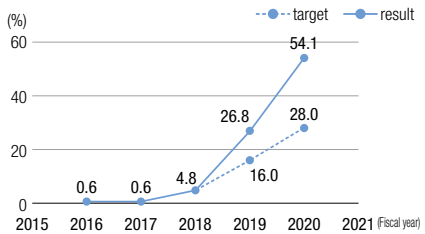
Track Record of Introducing Renewable Energy

The Eisai Group conducts R&D and manufacturing activities in compliance with GLP (Good Laboratory Practices) and GMP (Good Manufacturing Practices) standards. As our operations are required to perform under strict temperature and humidity conditions, we consume a lot of electricity while operating air-conditioners and other equipment.

Therefore, to reduce CO_2 emissions based on electricity usage, promoting the introduction of renewable energy is essential. To date, the Vizag Site in India has procured solar electricity. The Exton Site in the United States has generated solar power and used it onsite. In addition, in fiscal 2019, the European Knowledge Centre (United Kingdom) has started using 100% renewable electricity. Furthermore, we promoted the introduction of renewable energy by purchasing I-RECs (Green Power Certifications for Asia) for three plants in China and India. As a result, the renewable energy adoption rate as a percentage of total electricity for the Eisai Group in fiscal 2019 rose to 26.8%.

In addition to the foregoing, in fiscal 2020, we purchased power certificates and 100% hydroelectric power mainly for domestic and overseas plants and research laboratories and increased the renewable energy adoption rate in total electricity to 54.1%. In the future, we will promote the use of 100% renewable electricity, the introduction of renewable energy using PPA (Power Purchase Agreement) or introduce our own in-house equipment taking into consideration responses in times of emergencies, and aim to achieve 100% utilization rate of renewable energy for our total electricity consumption by fiscal 2030.

Renewable energy adoption target



Note: Past data has been reviewed and revised by recalculation.

CO_2 Emissions by Region[*1, *2] (Eisai Group)

(tons)

Region	Scope 1	Scope 2	Total
Japan	23,012	35,972	**58,985**
Asia/South America	10,501	557	**11,058**
U.S./Canada	8,490	0	**8,490**
EMEA	3,006	34	**3,040**

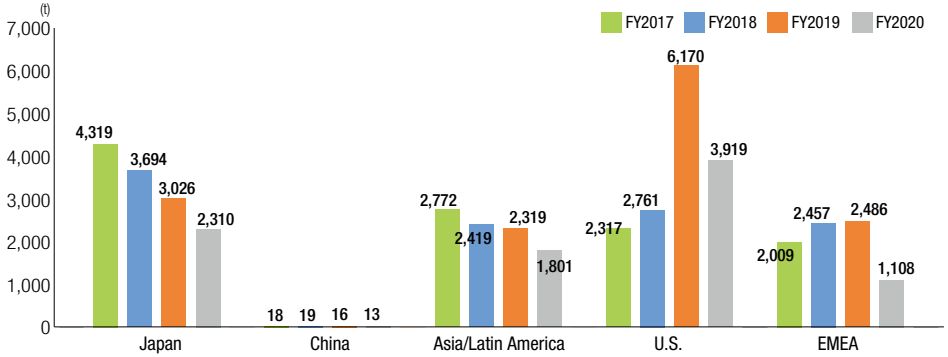
*1 Including emissions from vehicles for commercial use in and outside Japan.
*2 Including emissions from business activities at offices in and outside Japan.

CO_2 Emissions Breakdown by Scope (Scopes 1 and 2, Eisai Group)

(tons)

	Scope 1	Scope 2	Total
Production plants	27,010	25,621	**52,631**
Research facilities	8,292	6,796	**15,088**
Offices	389	2,287	**2,675**
Warehouses	113	1,860	**1,973**
Vehicles for commercial and other business use	9,206	0	**9,206**

Commercial Vehicles CO_2 Emissions (Trends in Emissions by Region)



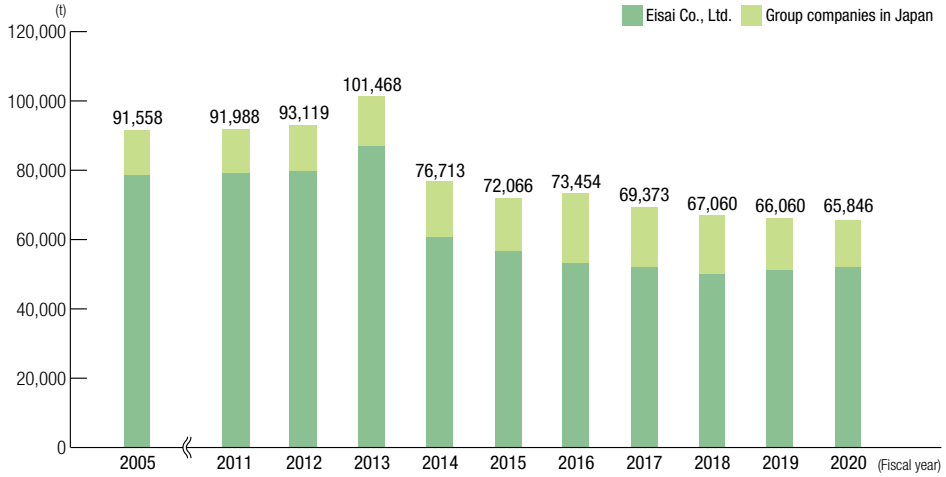
Efforts to Create a Low Carbon Society (Eisai Group in Japan)

The Eisai Group in Japan is making efforts to realize a low carbon society to solve climate-related issues. The plants and research laboratories of Eisai Co., Ltd. are involved in the Commitment to a Low Carbon Society (Phase I) of the Federation of Pharmaceutical Manufacturers' Associations of JAPAN, which will end in fiscal 2020.The Eisai Group in Japan has also formulated and followed a mid-term plan for the reduction of CO_2 emissions toward fiscal 2020.

The results are shown in the figure below. Emissions in fiscal 2020 amounted to 65,846 tons, down 28.1% from 91,558 tons in fiscal 2005, the base year.

Meanwhile, the Eisai Group in Japan launched its own CO_2 emission management plan in fiscal 2013. In this plan, we set emission targets based on the assumption of emission factors from electricity use, which were unclear at the time of formulation, and sets emission targets (refer to page 44 of the 2014 Environmental and Social Report). The target value for fiscal 2020, the final year of the plan, was 71,008 tons while the actual value was 54,967 tons (22.6% less than the plan target), meaning that the emission reductions of the Eisai Group in Japan exceeded the plan's target.

Eisai Group in Japan CO_2 Emissions *



* Emissions from commercial vehicles are not included.

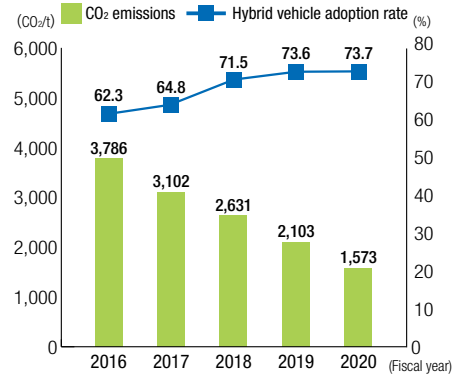
Notes: 1) Past data was revised along with a change in emission factors (Refer to page 3).

2) The emissions coefficients reported by the Electric Power Council for a Low Carbon Society are used as the emissions coefficients based on power use (Figures for fiscal 2014 and before are based on reports from the Federation of Electric Power Companies of Japan).

Efforts Concerning Commercial Vehicles (Eisai Co., Ltd.)

Eisai Co., Ltd. has also been making efforts to reduce CO_2 emissions from sales operations. The replacement of commercial vehicles with hybrid vehicles (HV) is progressing steadily, and in principle, a switch to HVs is required when purchasing new vehicles since 2010. In fiscal 2020, the adoption rate of HVs was up 0.1% from the previous year to 73.7%, virtually the same level as in the previous fiscal year. On the other hand, CO_2 emissions from commercial vehicles were 1,573 tons, down 25.2% from the previous year. Amid the spread of COVID-19, the frequency of vehicle usage decreased sharply due to the introduction of remote interview method using digital devices to provide information to medical professionals and this led to a decrease in CO_2 emissions. We will continue to shift to vehicles with high fuel efficiency as well as pursue environment-friendly sales methods as part of efforts to reduce CO_2 emissions.

Commercial Vehicles CO_2 Emissions



Breakdown of Energy Consumption

		Electric power (MWh)	Gasoline (kl)	Kerosene (kl)	Light oil (kl)	Fuel oil A (kl)	LPG (tons)	Natural gas (1,000 m^3)	LNG (m^3)	Processed natural gas (1,000 m^3)	Industrial steam (GJ)	Hot/Cold water (GJ)
In Japan	Amount used	94,382.5	1,028.5	40.5	9.2	0.0	16.1	0.0	1,508.3	7,989.7	54,261.4	280.4
	Calorific value (GJ)	940,993.0	34,260.5	1,479.4	351.2	0.0	807.0	0.0	82,504.0	319,269.1	55,346.7	381.3
	Ratio (%)	65.6	2.4	0.1	0.0	0.0	0.1	0.0	5.7	22.2	3.9	0.0
Outside Japan	Amount used	76,217.5	2,489.7	0.0	1,813.2	0.0	67.1	3,574.9	0.0	0.8	0.0	0.3
	Calorific value (GJ)	759,888.2	82,933.4	0.0	68,974.1	0.0	3,359.9	140,351.8	0.0	31.1	0.0	0.4
	Ratio (%)	72.0	7.9	0.0	6.5	0.0	0.3	13.3	0.0	0.0	0.0	0.0
Total	Amount used	170,599.9	3,518.3	40.5	1,822.4	0.0	83.2	3,574.9	1,508.3	7,990.5	54,261.4	149.8
	Calorific value (GJ)	1,700,881.2	117,193.8	1,479.4	69,325.4	0.0	4,166.9	140,351.8	82,504.0	319,300.2	55,346.7	203.7
	Ratio (%)	68.3	4.7	0.1	2.8	0.0	0.2	5.6	3.3	12.8	2.2	0.0

Group Companies in Japan CO_2 Emissions

(tons)

Company name	FY2017	FY2018	FY2019	FY2020
Sunplanet Co., Ltd.	559	570	635	550
EA Pharma Co., Ltd.	11,668	11,824	9,414	9,254
Elmed Eisai Co., Ltd. *	131	126	—	—
Bracco-Eisai Co., Ltd.	102	112	99	105
Eisai Distribution Co., Ltd.	3,027	3,117	3,177	1,972
KAN Research Institute, Inc.	2,360	2,428	2,182	2,123
Group Companies in Japan Total	17,848	18,178	15,507	14,004

* This company was transferred outside the Eisai Group in fiscal 2018 and was accordingly excluded from accounting.

Eisai Co., Ltd. CO_2 Emissions

(tons)

Operational site	FY2017	FY2018	FY2019	FY2020
Kawashima Plant	19,870	20,258	20,532	24,204
Honjo Facility	620	264	39	0
Kashima Plant	6,949	7,509	7,457	7,905
Tsukuba Research Laboratories	17,496	16,692	16,261	9,205
Headquarters office complex	1,431	1,357	1,348	636
Communication offices (sales offices in Japan)	903	764	681	671
Eisai Co., Ltd. Total	47,270	46,844	46,317	42,622
Eisai Group in Japan Total	65,118	65,022	61,825	56,626

6 Establishment of a Recycling-Oriented Society

Efforts toward the SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Initiatives for Proper Waste Disposal and Resource Recycling

The Eisai Group in Japan is working to reduce the ratio of landfill waste to the amount of waste generated to 1% or less to achieve zero emissions in waste management with three goals in mind, i.e. to reduce the amount of waste generated, to increase the amount of recycled waste, and to reduce the amount of waste sent to landfill.

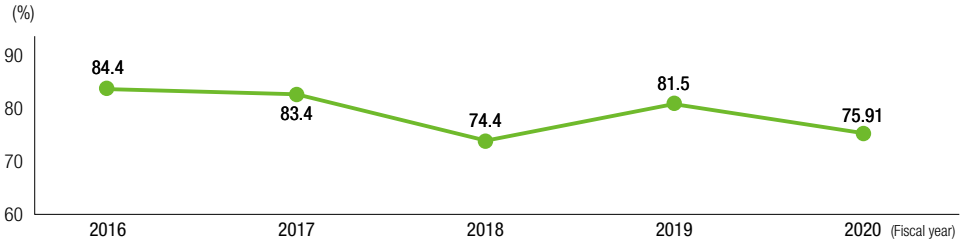
In fiscal 2020, although the total amount of waste generated rose by 712 tons due to increased production activities, the amount of waste recycled increased by 190 tons due to the selection of waste treatment contractors that actively promote waste disposal through sorting and resource recycling. In fiscal 2020, the Kawashima Plant implemented a cleanup of its wastewater treatment plant and pond. Consequently, a large amount of organic sludge was generated. As a result of this cleaning process, the recycling rate declined by 0.6%. On the other hand, although the amount of waste generated rose significantly owing to increased production, the amount of waste sent to landfills increased by 2.3 tons to only 13.6 tons, achieving zero emissions for the 13th consecutive fiscal year. Looking at a breakdown of waste items, the amount of waste oil (organic solvent) for manufacture of APIs (Active Pharmaceutical Ingredients), plastics for pharmaceuticals packaging materials, and glass waste increased.

We continue to actively promote the reuse of organic solvents in the manufacture of APIs and the sale of waste solvents as auxiliary fuel. As for waste plastics, we select excellent waste treatment contractors to avoid any adverse impact on ecosystems caused by marine pollution and microplastic generation. On the other hand, in the offices such as our Head Office, we are making efforts to reduce the amount of paper waste generated by devising new ways of holding meetings and making paper copies and are also promoting the sale of waste paper. We are also promoting paperless operations such as by digitizing stored documents. While continuing to treat waste appropriately in compliance with related laws and regulations, we are further promoting the reduction of waste generation and increasing recycling with the aim of effectively using resources as we pursue ways to contribute to the creation of a recycling-oriented society.

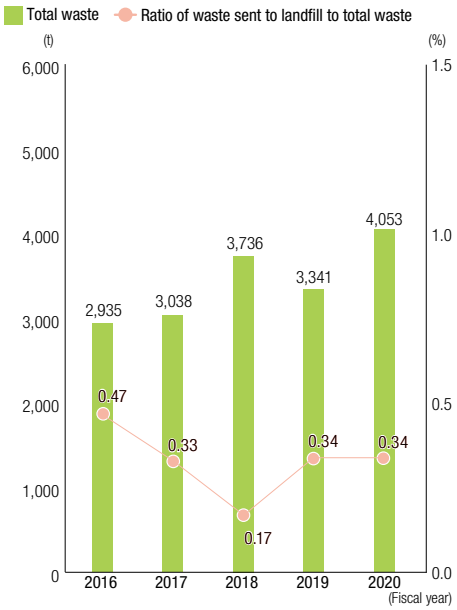
Total Waste for the Past Five Fiscal Years (tons)

	FY2016	FY2017	FY2018	FY2019	FY2020
Sludge	885	724	900	624	792
Waste oil	739	910	1,075	1,137	1,597
Waste acids and alkali	534	568	790	705	545
Waste plastic	245	266	388	311	392
Scrap metal	42	52	76	76	147
Glass and ceramic waste	32	24	21	19	77
Industrial waste and other	222	205	213	172	175
General waste	236	289	273	297	328
Amount of waste generated	2,935	3,038	3,736	3,341	4,053
Amount sold	1,622	1,648	1,699	1,709	1,627
Amount of waste generated and sold	4,557	4,686	5,435	5,050	5,680

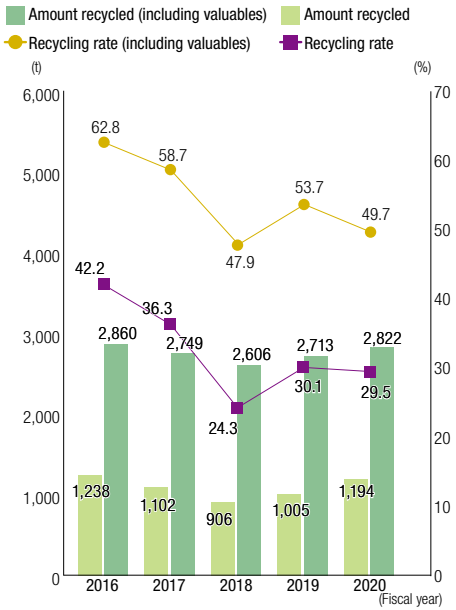
Waste Plastic Recycling Rate



Total Waste and the Ratio of Waste Sent to Landfill to Total Waste



Recycled Waste and Recycling Rate



Onsite Inspections of Waste-Processing Companies

The Eisai Group in Japan has been conducting regular onsite inspections of its waste disposal contractors. For the purpose of checking that waste is being treated properly, periodic inspections are conducted on contractors engaged in the collection, transport, intermediate processing and final disposal of waste. During fiscal 2020, a total of 23 onsite inspections were conducted by the Eisai Group in Japan amidst the impact of COVID-19 and it was confirmed that waste is being disposed of appropriately. In addition, for potential new contractors, we conduct careful screening, including onsite inspections, giving priority to excellent government-certified industrial waste management contractors.

7 Management of Chemical Substances

Proper Management of PRTR Substances

Chemical substances that are used in the research and development and production of pharmaceutical products include some substances subject to the PRTR system that could have an impact on the environment. The amount of these substances handled, released into the environment and transferred as waste need to be understood and properly managed. Therefore, in addition to using our unique reagent management system to monitor the usage of reagents by the Eisai Group in Japan, we are also striving to reduce our usage of PRTR substances and control their release into the environment. In the event that the amount of PRTR substances used exceeds the designated limit, we surely report this matter to the relevant prefectural governments without delay.

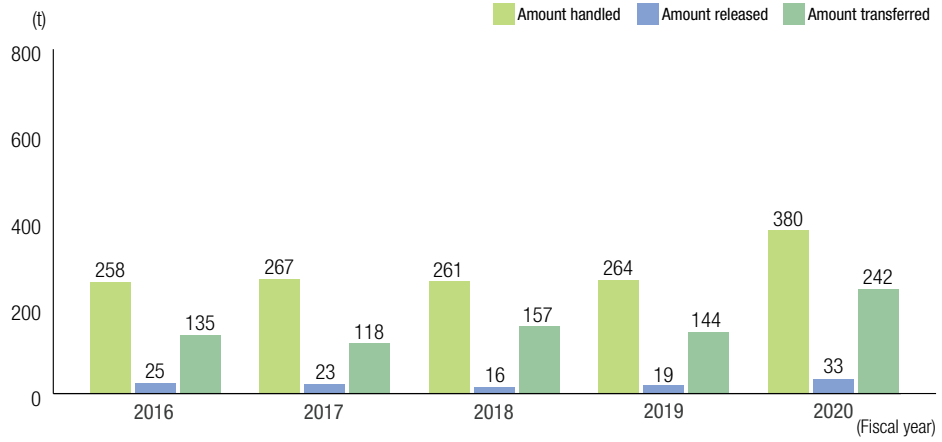
The amount of chemical substances used in the manufacturing process depends largely on the volume of pharmaceutical products produced. However, to maintain the quality of active pharmaceutical ingredients, it is not easy to change manufacturing conditions after entering the commercial production phase. Therefore, from the perspective of green sustainable chemistry,* we are working from the research and development stage to reduce the amount of chemical substances used, utilize alternative solvents, and develop synthetic methods that reduce the amount of substances used.

In addition, we actively promote the reuse of organic solvents and incorporate various means into the manufacturing processes to minimize their release into the atmosphere.

The total amount of PRTR substances handled by the Eisai Group in Japan during fiscal 2020 increased 43.9% from the previous fiscal year, coming to 380 tons. This increase was due to large growth in the amount of production of anti-cancer drugs and drugs in the neurology area. As a result, seven substances were reported to the authorities as in the previous year.

* Chemical technology that considers the environment and supports the sustainable development of society.

Actual Use of Substances Subject to the PRTR System



Fiscal 2020 PRTR Data Reported to Authorities (Eisai Group in Japan) (tons)

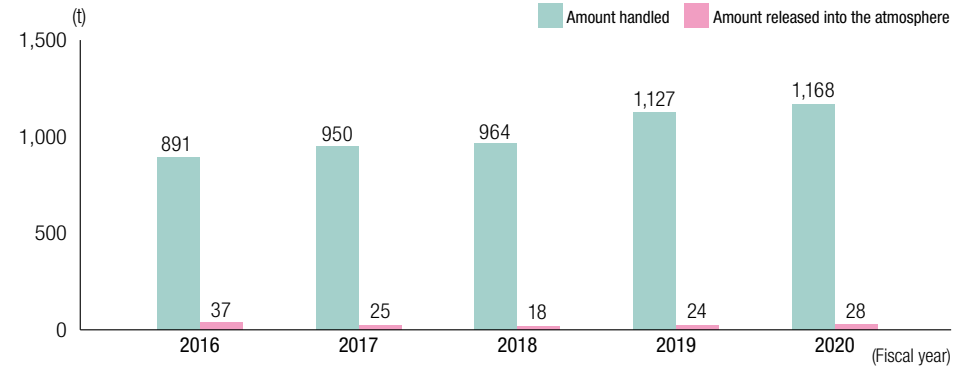
Chemical name	Substance no.	Number of operational sites	Amount handled	Release		Transfer	
				Into the atmosphere	Into water bodies	As waste	To sewage
Acetonitrile	13	4	60.274	0.203	0.000	60.071	0.000
Ethylbenzene	53	1	3.570	0.000	0.000	1.632	0.000
Dichloromethane (also known as methylene chloride)	186	2	212.765	25.017	0.000	85.272	0.000
N, N-dimethylformamide	232	1	33.164	0.001	0.000	33.164	0.000
Triethylamine	277	1	1.218	0.000	0.000	1.217	0.000
Toluene	300	1	43.580	0.120	0.000	43.460	0.000
Hexane	392	1	2.331	0.340	0.000	1.991	0.000

Volatile Organic Compounds (VOCs) Release Control

VOCs, such as ethyl acetate, acetone and methanol, are highly volatile and turn into gas in the atmosphere, and as is the case with NOx discharged from production plants, cause the generation of photochemical oxidants. From the viewpoint of preventing air pollution, these substances need to be controlled to reduce their release into the atmosphere. To this end, main production plants and research laboratories of the Eisai Group in Japan implement the same level of efforts as for PRTR substances to reduce the usage of VOCs and stipulate equipment operation procedures to minimize their release during production or research processes.

The graph below shows chronological changes in the amount of VOCs handled and released into the atmosphere of 55 substances (taken from the Ministry of the Environment's list of 100 major VOCs, excluding PRTR substances) that are handled and released by plants and research laboratories of the Eisai Group in Japan. In fiscal 2020, total amount of VOCs used by the Eisai Group in Japan was 1,168 tons, an increase of 3.6% compared with the previous fiscal year, due to an increase of production at the Kashima Plant. As a result of countermeasures taken at plants and research laboratories, the amount of VOCs released into the atmosphere was minimized to 28 tons, which is 2.4% of the amount of VOCs handled.

Amount of VOCs Released from Production Plants and Research Laboratories in Japan



8 Saving Resources

Efforts toward the SDGs

Proper Management of Polychlorinated Biphenyl (PCB) Waste

We store PCB waste properly in enclosures with locks and warning signs and with measures taken to prevent vaporization, dispersion, and leakage. In the Eisai Group in Japan, although one transformer and a set of PCT-containing paints were stored at the Kawashima Plant, disposal of these wastes was completed in fiscal 2020 in accordance with the Law Concerning Special Measures Against PCB Waste. As a result, the disposal of PCB waste by the Eisai Group in Japan has been completed. The notification of completion of processing from the Kawashima Plant was submitted to Gifu Prefecture without delay.

Management of Fluorocarbons

The Eisai Group in Japan is systematically disposing of and replacing fluorocarbon-based equipment with equipment that uses hydrofluorocarbons (HFC) and non-fluorocarbons (NON), which do not have ozone-depleting effects. Since fluorocarbons have a strong greenhouse gas effect, we conduct regular inspections to prevent leakage accidents. In the unlikely event of a leakage, we immediately share information and work to prevent recurrence.

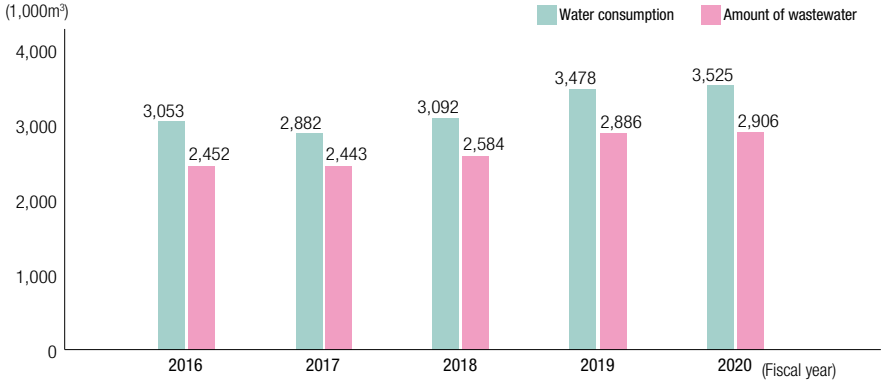
Whenever a piece of equipment is removed, we ensure that all fluorocarbons are collected, destroyed and disposed of, and ensure that process certificate is received from fluorocarbon recovery firm. The amount of fluorocarbons leaked by Eisai Co., Ltd. in fiscal 2020, calculated based on the Act on Controlling Emissions of Fluorocarbons, is equivalent to 553 tons of CO_2, which is lower than the threshold of 1,000 tons of CO_2 for notification to the Ministry of Health, Labour and Welfare.

Effective Use of Water Resources

As the sufficient acquisition of water resources is absolutely essential for the production of high-quality pharmaceuticals, the Eisai Group is working to ensure the quality of water discharged from its production plants and research laboratories and is also implementing initiatives to reduce water consumption. We have an acute awareness of the need to conserve water and are taking such steps as minimizing consumption of water for production, reusing wastewater and working to use water resources effectively. In addition, we have established a framework for preventing the contamination of groundwater at Eisai production plants and research laboratories in Japan in response to the Water Pollution Control Law.

We implemented an in-house questionnaire at overseas plants and research laboratories based on a medium-term outlook. The results of the questionnaire showed that no plants or research laboratories are located in regions where there is a high risk of operations being suspended due to a water shortage. However, according to the analysis of the database Think Hazard, there is expected to be medium-level risk of water shortages in China, India and Indonesia. While always taking into account the risk of facing water shortages due to changes in the environment caused by the progress of climate change, we will strive to ensure stable supplies of high quality products.

Eisai Group Water Consumption and Amount of Wastewater



Note: Past data has been revised by recalculation

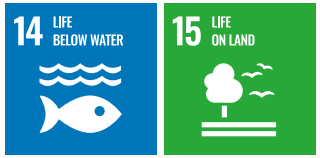
Green Purchasing

The Eisai Group in Japan promotes "green purchasing" as an environmental initiative that employees take on a daily basis, purchasing only what they need and giving priority to more environmentally friendly products if they are of comparable quality and price. Through this initiative, we aim to break away from a society of mass-production, mass-consumption and mass-waste. Eisai Co., Ltd., in particular, has been actively committed to this initiative through participation in the Green Purchasing Network* and in accordance with its own Green Purchasing Guidelines.

* A network of companies, local governments and consumer groups (private organizations) supporting the concept of green purchasing.

9 Biodiversity Conservation

Efforts toward the SDGs



Establishment of the "Biodiversity Guidelines"

The Eisai Group conducts its business activities by utilizing natural resources brought by biodiversity. The anti-cancer agent Halaven, which was discovered and developed in-house is derived from the natural product *Halichondria okadai* and the conservation of biodiversity is becoming an important issue for our sustainable business activities.

In view of this, we will not only comply with laws such as the Law Concerning the Conservation and Sustainable Use of Biological Diversity through Regulations on the Use of Living Modified Organisms (2003) and the Invasive Alien Species Act (2004), but also ascertain the impact on biodiversity during each phase of our business activities and working to make improvements. Furthermore, we are striving to preserve the natural environment at each business site.

In fiscal 2020, we revised the Eisai Network Companies (ENW) Environmental Policy (see page 1 for details) for undertaking business activities that consider biodiversity conservation and contribute to the realization of a society that is in harmony with nature. In addition, we established the "Biodiversity Guidelines" with the aim of fulfilling our social responsibilities regarding biodiversity with all employees recognizing the importance of biodiversity.

Eisai Biodiversity Guidelines

Basic concept

The Eisai Group is grateful for the blessings of nature produced by biodiversity and strives to conserve biodiversity and use biological resources in a sustainable manner. We will consider the impact of our business activities on biodiversity and contribute to the realization of a society coexisting with nature based on harmony with the global environment.

Basic policy

1. We will strive to understand the impact of our business activities on biodiversity not only in the Group companies but also in the entire supply chain, and conduct corporate management that emphasizes the conservation of biodiversity.
2. We will actively promote the reduction of greenhouse gas emissions, the prevention of environmental pollution caused by the emission of chemical substances, and the proper disposal of waste as well as the effective use of resources for the purpose of reducing the environmental impact that adversely affects biodiversity.
3. We will conduct our business activities in compliance with international laws, regulations, and agreements as well as the fair use of biological resources, including genetic resources to ensure their sustainable use.
4. We will raise awareness of our employees regarding the necessity to conserve biodiversity and contribute to the creation of a society that fosters biodiversity through cooperation and collaboration with stakeholders in and outside Japan.
5. We will improve our credibility with society through proactive disclosure of environmental information related to the conservation of biodiversity.

Main Initiatives in and outside Japan

Since commencing operations in March 1966, the Kawashima Plant has been working to preserve the natural environment within the plant under the concept of "All for Patients and Nature." The greening rate at the Kawashima Plant is around 50% of the total site area of approximately 470,000 m^2 and the plant maintains and manages about 30,000 trees in keeping with our founder's thinking that "If you cut one tree, plant three trees." Among these trees, almost all the black pine trees, the town tree of the former Kawashima town, are maintained and managed on the plant premises. Furthermore, the Medicinal Herbal Garden at the Naito Museum of Pharmaceutical Science and Industry, where about 600 types of medicinal and otherwise beneficial plants, including endangered species, are cultivated and conserved. In addition, at the Fukushima Plant of EA Pharma Co., Ltd., we are planting a variety of trees such as Yoshino cherry trees, weeping cherry trees, zelkova and metasequoia as we work to conserve the planted forests on the premises. Furthermore, Eisai Pharmaceuticals India Pvt. Ltd. (India), started a tree planting program in 2020 to raise environmental awareness in conjunction with World Environment Day in June. As of March 2021, 5,000 trees had been planted in Andhra Pradesh, where the site is situated.

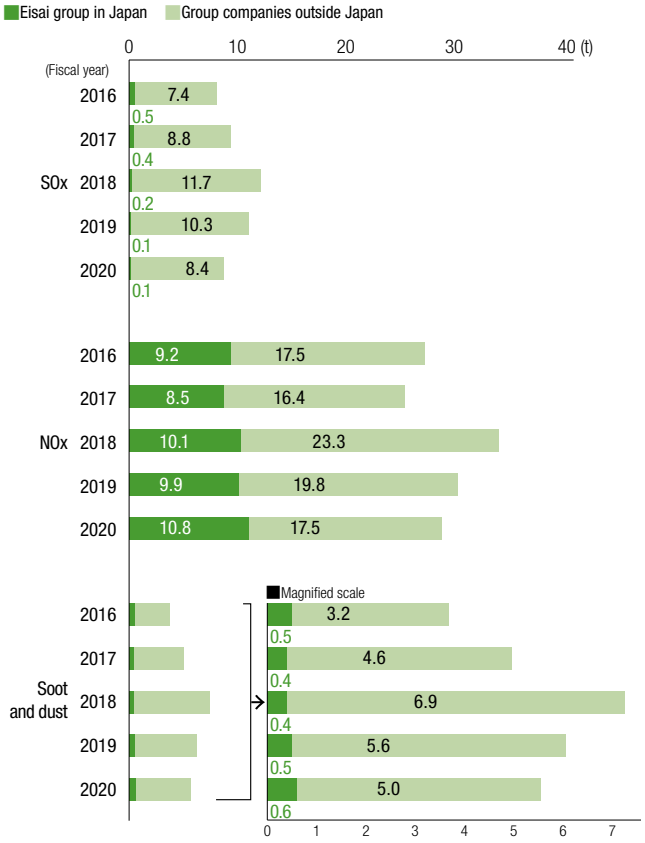
Conservation of endangered species at the Medicinal Herbal Garden, Naito Museum of Pharmaceutical Science and Industry (Gifu Prefecture)

Conservation of planted forests on the premises
(EA Pharma Co., Ltd. Fukushima Plant)

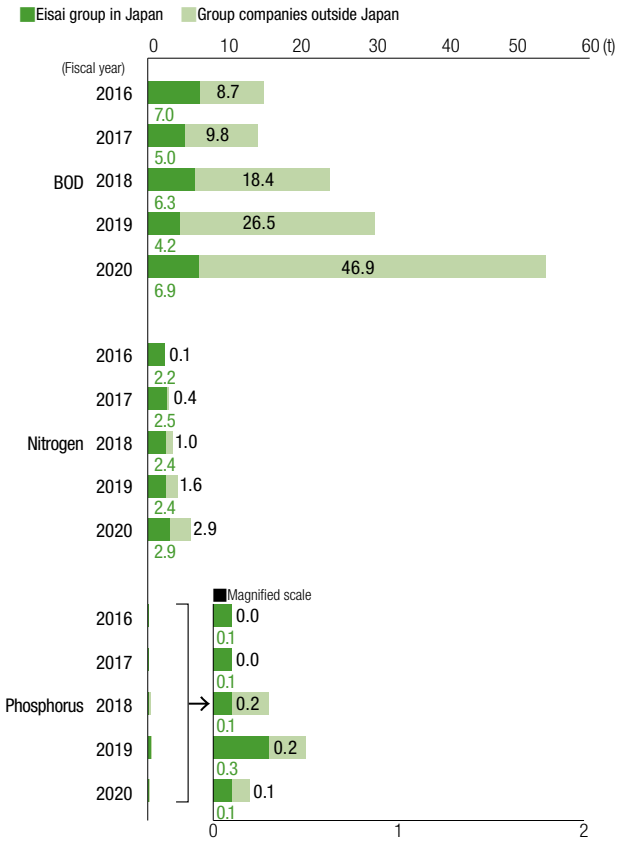
Tree planting program in conjunction with World Environment Day
(Eisai Pharmaceuticals India Pvt. Ltd.)

10 Air Pollutant Emissions and Pollutant Load in Wastewater

Air Pollutant Emissions



Pollutant Load in Wastewater



Air Pollutant Emissions in Fiscal 2020 by Sites

Category	Operational site/Company	SOx (kg)	NOx (kg)	Soot and dust (kg)
Eisai group in Japan	Kawashima Plant	103	7,498	400
	Tsukuba Research Laboratories	–	2,503	182
	EA Pharma Fukushima Plant	0.05	774	17
	Subtotal	131	10,775	599
Group companies outside Japan	Vizag Site	8,397	13,564	5,019
	Exton Site	4	218	9
	Baltimore Plant	2,056	1,721	–
	Benxi Plant	546	1,997	239
	Subtotal	8,401	17,500	5,028
	Total	**8,532**	**28,276**	**5,627**

Note: "–" indicates that no measurement was taken.

Pollutant Load in Wastewater in Fiscal 2020 by Site

Category	Operational site/Company	BOD (kg)	COD (kg)	Nitrogen (kg)	Phosphorus (kg)
Eisai group in Japan	Kawashima Plant	4,172	–	2,794	44
	Tsukuba Research Laboratories	1,462	–	–	–
	Kashima Plant	1,165	577	–	–
	Honjo Facility	–	–	–	–
	EA Pharma Fukushima Plant	55	–	100	31
	KAN Research Institute	18	–	–	–
	Subtotal	6,778	577	2,894	75
Group companies outside Japan	Exton Site	11,429	–	1,270	85
	Suzhou Plant	–	–	–	29
	Benxi Plant	825	–	858	26
	Vizag Site *	34,628	108,104	769	–
	Subtotal	46,882	108,104	2,898	140
	Total	**53,660**	**108,681**	**5,791**	**215**

*After undergoing secondary treatment in the external wastewater treatment plant, it is discharged into the sea as safe wastewater.
Note: "–" indicates that no measurement was taken.

11 Resource Input and Environmental Impact (Eisai Group in Japan)

Kawashima Plant (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	27,393	29,472	32,374
Processed natural gas (tons)	4,032	4,298	5,524
Liquefied petroleum gas (LPG) (tons)	34	20	1
Waste treatment			
Amount generated (tons)	635	415	1,013
Recycled amount (tons)	175	104	132
Amount sent to landfill (tons)	0.1	0.1	0.1
Air pollutant emissions and pollutant load in wastewater			
SOx (kg)	153	103	131
NOx (kg)	6,880	6,875	7,498
Soot and dust (kg)	330	267	400
Water consumption (1,000 m^3)*1	2,272	2,660	2,771*2
Wastewater discharge (1,000 m^3)*1	2,088	2,301	2,317
BOD (kg)	2,251	2,689	4,172
Nitrogen (kg)	2,307	2,313	2,794
Phosphorus (kg)	52	225	44

Kashima Plant (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	14,533	14,588	14,838
Industrial steam (GJ)	50,380	49,843	54,261
Liquefied petroleum gas (LPG) (tons)	6	6	6
Waste treatment			
Amount generated (tons)	1,761	1,728	1,715
Recycled amount (tons)	256	419	484
Amount sent to landfill (tons)	0.0	0.0	0.0
Air pollutant emissions and pollutant load in wastewater			
SOx (kg)	–	–	–
NOx (kg)	–	–	–
Soot and dust (kg)	–	–	–
Water consumption (1,000 m^3)	55	48	53
Wastewater discharge (1,000 m^3)	52	48	53
BOD (kg)	775	1,010	1,165
Nitrogen (kg)	0	0	0
Phosphorus (kg)	0	0	0

"–" Unmeasured

KAN Research Institute, Inc. (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	3,455	3,354	3,319
Processed natural gas (tons)	428	397	375
Waste treatment			
Amount generated (tons)	40	49	44
Recycled amount (tons)	8	11	10
Amount sent to landfill (tons)	1	1	1
Air pollutant emissions and pollutant load in wastewater			
SOx (kg)	–	–	–
NOx (kg)	–	–	–
Soot and dust (kg)	–	–	–
Water consumption (1,000 m^3)*2	18	17	14
Wastewater discharge (1,000 m^3)	15	15	12
BOD (kg)	15	15	18
Nitrogen (kg)	–	0	0
Phosphorus (kg)	–	0	0

"–" Unmeasured

Principal PRTR Substances Handled (FY)

	2018	2019	2020
Kawashima Plant			
Hexane (kg)	36	30	18
Acetonitrile (kg)	1,915	1,669	1,809
Tsukuba Research Laboratories			
Acetonitrile (tons)	3.6	3.2	3.8
Dichloromethane (tons)	0.5	0.7	0.6
Hexane (tons)	0.2	0.1	0.1
Kashima Plant			
Acetonitrile (tons)	14	23	51
Ethylbenzene (tons)	10	11	4
Dichloromethane (tons)	164	147	192
N, N-dimethylformamide (tons)	15	17	33
Toluene (tons)	5	24	44
Formaldehyde (tons)	2.8	3.4	1.0
Hexane (tons)	14	3	2
EA Pharma Co., Ltd., Fukushima Plant			
Acetonitrile (tons)	1.0	0.9	0.7
Dichloromethane (tons)	24.7	24.1	20.4
KAN Research Institute, Inc.			
Xylene (kg)	3.0	3.5	3.0
Chloroform (kg)	3.3	2.5	4.0
Formaldehyde (kg)	1.8	2.2	0.7

"–" Unmeasured

Tsukuba Research Laboratories (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	27,010	26,936	23,947
Processed natural gas (tons)	2,116	2,113	2,041
Fuel oil A (kl)	30	15	0
Waste treatment			
Amount generated (tons)	174	196	288
Recycled amount (tons)	77	88	125
Amount sent to landfill (tons)	2	3	7
Air pollutant emissions and pollutant load in wastewater			
SOx (kg)	–	–	–
NOx (kg)	2,755	2,464	2,503
Soot and dust (kg)	95	198	182
Water consumption (1,000 m^3)	163	181	180
Recycled water (1,000 m^3)	87	99	81
Wastewater discharge (1,000 m^3)*2	163	181	180
BOD (kg)*2	3,250	471	1,462
Nitrogen (kg)	–	0	0
Phosphorus (kg)	–	0	0

"–" Unmeasured

EA Pharma Co., Ltd., Fukushima Plant (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	12,539	9,221	9,012
Liquefied petroleum gas (LPG) (tons)	963	3	6
Liquefied natural gas (LNG) (tons)	654	1,507	1,508
Waste treatment			
Amount generated (tons)	393	400*2	370
Recycled amount (tons)	129	131	122
Amount sent to landfill (tons)	0.0	0.3	0.3
Air pollutant emissions and pollutant load in wastewater			
SOx (kg)	0.0	0.0	0.0
NOx (kg)	492	572	774
Soot and dust (kg)	9	14	17
Water consumption (1,000 m^3)	73	71	72
Wastewater discharge (1,000 m^3)	32	37	39
BOD (kg)	32	48	55
Nitrogen (kg)	36	56	100
Phosphorus (kg)	27	26	31

*1 At the Kawashima Plant, groundwater was pumped up and discharged as the source of regional rivers based on a request from the local government and the relevant figures are listed. The actual amount of water used in the manufacturing process and the amount of wastewater were both 184,000 m^3 (as of FY2020).
*2 The figures have been revised.

12 Resource Input and Environmental Impact (Group Companies outside Japan)

Eisai China Inc., Suzhou Plant (Jiangsu, China) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	14,752	16,546	17,237
Natural gas (1,000 m³)	1,468	1,474	1,485
Industrial steam (tons)	959	0	0
Waste treatment			
Amount generated (tons)	212	449	484
Recycled amount (tons)	122	334	374
Amount incinerated (tons)	91	114	110
Air pollutant emissions			
SOx (kg)	–	–	304
NOx (kg)	–	–	37
Soot and dust (kg)	–	–	216
Pollutant load in wastewater			
Water consumption (1,000 m³)	40	158	147
Wastewater discharge (1,000 m³)	32	127	115
Phosphorus (kg)	36	138	29

Eisai (Liaoning) Pharmaceutical Co., Ltd., Benxi Plant (Liaoning, China) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	3,771	3,775	3,964
CWS (tons)*1	897	–	–
Natural gas (1,000 m³)	483	904	926
Light oil (kl)	9	0	1
Waste treatment			
Amount generated (tons)	–	–	72
Recycled amount (tons)	17	26	22
Amount sent to landfill (tons)	–	–	42
Air pollutant emissions			
SOx (kg)	–	310	546
NOx (kg)	–	1,058	1,997
Soot and dust (kg)	–	192	239
Pollutant load in wastewater			
Water consumption (1,000 m³)	68	70	54
Wastewater discharge (1,000 m³)	40	42	54
BOD (kg)	–	1,180	825
Nitrogen (kg)	–	918	858
Phosphorus (kg)	–	84	26

PT Eisai Indonesia, Bogor Plant (West Java, Indonesia) (FY)

	2017	2018	2019
Energy consumption			
Electricity (MWh)	986	963	947
Light oil (kl)	1	1	1
Liquefied petroleum gas (LPG) (tons)	0.02	0.02	0.02
Waste treatment			
Amount generated (tons)	3	7	4
Recycled amount (tons)	3	7	4
Amount sent to landfill (tons)	0	0	0
Pollutant load in wastewater			
Water consumption (1,000 m³)	5.5	8.2	8.6
Wastewater discharge (1,000 m³)	0.4	0.6	8.2
BOD (kg)	2.3	4.1	7.0
Phosphorus (kg)	4.0	2.7	1.3

the Vizag Site (Andhra Pradesh, India) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)*	16,318	17,661	17,261
Light oil (kl)	1,003	1,071	1,459
Liquefied petroleum gas (LPG) (tons)	9	9	10
Waste treatment			
Amount generated (tons)	286	393	363
Recycled amount (m³)	264	367	336
Sale (Indian rupees)	500,539	413,545	221,699
Air pollutant emissions			
SOx (kg)	11,640	10,264	8,397
NOx (kg)	17,630	15,624	13,564
Soot and dust (kg)	6,789	5,572	5,019
Pollutant load in wastewater			
Water consumption (1,000 m³)	157	142	135
Wastewater discharge (1,000 m³)	31	47	55
COD (kg)	46,248	160,228	108,104
BOD (kg)	14,755	24,838	34,628
Nitrogen (kg)	703	639	769

* Excludes power consumption from private power generation.

European Knowledge Centre (Hertfordshire, U.K.) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	6,728	6,963	6,938
Liquefied natural gas (1,000 m³)	854	889	944
Liquefied petroleum gas (LPG) (tons)	2,980	3,787	5,461
Waste treatment			
Amount generated (tons)	209	155	263
Recycled amount (tons)	209	155	263
Amount sent to landfill (tons)	0	0	0
Pollutant load in wastewater			
Water consumption (1,000 m³)	22	24	22
Wastewater discharge (1,000 m³)	22	24	22

Exton Site (United States) (FY)

	2017	2018	2019
Energy consumption			
Electricity (MWh) Note	9,052	9,024	9,244
Natural gas (decatherms)*2	53,859	49,928	51,442
Light oil (kl)	12	23	21
Waste treatment			
Amount generated (tons)	120	114	119
Recycled amount (tons)	30	27	27
Amount sent to landfill (tons)	64	71	74
Air pollutant emissions			
SOx (kg)	7	15	4
NOx (kg)	262	560	218
Soot and dust (kg)	15	21	9
Pollutant load in wastewater			
Water consumption (1,000 m³)	45	33	31
Wastewater discharge (1,000 m³)	26	14	14
BOD (kg)	3,657	445	11,406
Nitrogen (kg)	279	30	1,268
Phosphorus (kg)	123	13	85

Note: The amount of private power generation by solar power is included.

H3 Biomedicine Inc. (Massachusetts, U.S.) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	3,839	3,671	3,993
Natural gas (decatherms)*2	8,361	11,188	9,362
Waste treatment			
Amount generated (tons)	27	29	26
Recycled amount (tons)	12	19	7
Amount sent to landfill (tons)	0.1	0.2	11
Pollutant load in wastewater			
Water consumption (1,000 m³)	8.0	6.5	6.1
Wastewater discharge (1,000 m³)	8.0	6.5	6.1

Eisai Inc., Baltimore Plant (Maryland, U.S.) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	5,604	5,755	5,519
Natural gas (decatherms)*2	17,214	17,555	17,141
Waste treatment			
Amount generated (tons)	23	18	16
Recycled amount (tons)	8	7	4
Amount sent to landfill (tons)	12	9	9
Air pollutant emissions			
Sox (kg)	3,091	2,719	2,056
NOx (kg)	2,367	2,225	1,721
Pollutant load in wastewater			
Water consumption (1,000 m³)	7	7	8
Wastewater discharge (1,000 m³)	7	7	8

G2D2 (Maryland, U.S.) (FY)

	2018	2019	2020
Energy consumption			
Electricity (MWh)	–	–	737
Natural gas (decatherms)*2	–	–	335
Waste treatment			
Amount generated (tons)	–	24	30
Recycled amount (tons)	–	4	9

*1 CWS = COAL WATER SLURRY
*2 One decatherm = 1,055 MJ
Note: "–" Unmeasured

Principal Chemical Substances Used (FY)

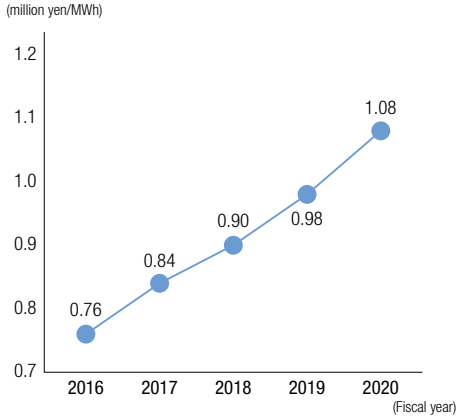
	2018	2019	2020
Suzhou Plant			
Ethanol (tons)	7.2	31.2	30.1
Methanol (tons)	0.7	1.1	0.8
Acetonitrile (tons)	0.7	1.0	0.6
Benxi Plant			
Ethanol (tons)	24.0	7.3	4.5
Methanol (tons)	1.1	0.0	–
Ether (tons)	0.6	0.3	–
Bogor Plant			
Methanol (l)	210.0	240.0	236.0
Acetonitrile (l)	90.0	120.0	170.0
Anhydrous ethanol (l)	10.5	3.0	3.8
the Vizag Site			
Ethyl acetate (tons)	23.3	20.2	14.4
Acetone (tons)	22.1	16.4	24.8
Isopropyl acetate (tons)	40.5	7.6	93.7
Methanol (tons)	257.1	357.4	446.8
Ethanol (tons)	86.1	210.3	238.2
Methyl-t-butyl ether (tons)	2.6	2.2	43.4
n-heptane (tons)	6.9	17.1	14.1
Tetrahydrofuran (tons)	29.3	64.5	78.4
2-Methyltetrahydrofuran (tons)	7.6	3.0	14.4
Dimethyl sulfoxide (tons)	39.2	7.3	0.5
N, N-dimethylformamide (tons)	2.4	7.4	4.7
Dichloromethane (tons)	5.3	6.7	4.8
Concentrated hydrochloric acid (tons)	23.9	65.5	64.8
Potassium phosphate (tons)	4.8	2.0	–
Dipotassium hydrogen phosphate (tons)	6.0	19.5	15.0
European Knowledge Centre			
Acetonitrile (tons)	0.3	0.7	–
Methanol (tons)	0.1	0.8	0.3
Ethanol (tons)	0.2	0.2	0.2
Exton Site			
Decon Quat 100 (quaternary ammonium solution) (kl)	54.0	3.0	3.3
Decon Spore 200 plus (kl)	14.7	0.5	0.5
Decon Clean (residual remover) (kl)	9.8	0.5	0.3
H3 Biomedicine Inc.			
Acetonitrile (tons)	0.6	0.4	0.6
Dichloromethane (tons)	0.2	0.3	–
Ethyl acetate (tons)	0.2	0.3	0.2
Hexane (tons)	0.2	0.3	0.1
Baltimore Plant			
Dichloromethane (kg)	226	371	314
Petroleum ether (kg)	42	138	156
Anhydrous acetate (kg)	23	74	91
Anhydrous ether (kg)	9	96	44
G2D2 Note			
Acetonitrile (kl)	–	0.2	2.0
Ethyl acetate (kl)	–	0.3	3.1
Heptane (kl)	–	0.1	1.1
Methyl-tert-butyl ether (kl)	–	0.3	1.2

Note: Fiscal 2019 shows data from January 2020 to the end of March 2020.

13 Sustainability-related Indicators

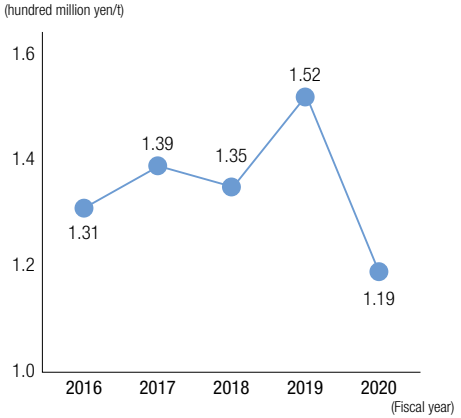
As an indicator of sustainability, we calculated the relationship between the environmental impact accompanying business activities and management indicators in working toward the formation of a sustainable society. Along with the increase in numerical values, we believe we are carrying out business activities with even higher sustainability in terms of environmental aspects.

Energy Productivity *1



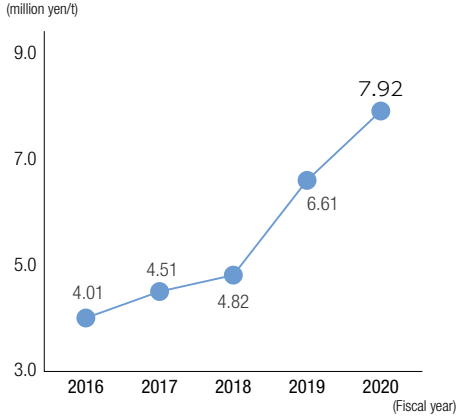
*1 Net sales (million yen)/amount of energy used (MWh).

Waste Productivity *2



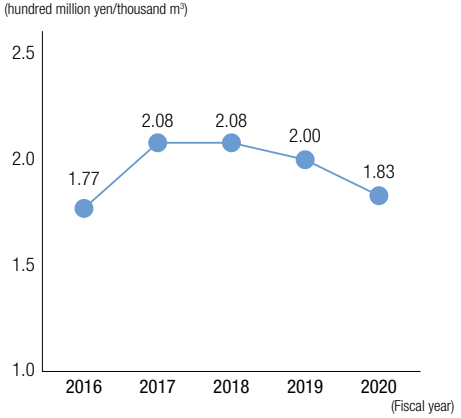
*2 Net sales (hundred million yen)/amount of waste generated (t).

GHG Productivity *3



*3 Net sales (million yen)/amount of CO_2 emissions (t).

Water Productivity *4



*4 Net sales (hundred million yen)/amount of water resources input (thousand m^3).

Note: Past data on Energy Productivity, GHG Productivity and Water Productivity has been revised by recalculation.

14 Third-Party Verification of Greenhouse Gas Emissions Volume

Eisai Co., Ltd. undergoes third-party verifications to improve the accuracy of measurement, aggregation, calculation and reporting methods for the amount of greenhouse gasses emitted by the Group. In fiscal 2021, we are underwent verifications for Scope 1 emissions, Scope 2 emissions and Scope 3 emissions (Category 1). (Period to be verified: April 1, 2020 - March 31, 2021)


Verification Statement

SGS


SGS