

Sustainability Report

2020-2021

Passion for Innovation.
Commitment to patients.



About the Report

GRI 102-46 / 102-53

Welcome to another edition of the Daiichi Sankyo Brasil Sustainability Report.

This document will present the key environmental, social and financial aspects relevant to the Company's sustainability and how our strategy, operations and results have created value for patients, healthcare professionals, employees, society and the environment over the past fiscal year, from April 1, 2020, to March 31, 2021.

This report was structured based on an in-depth study of the themes that most positively or negatively impact our stakeholders, both internal and external. The complete description of the survey results can be found on page 26.

If you have any questions or suggestions about the topics presented in this Sustainability Report, please contact us by e-mail: responsabilidadesocial@dsbr.com.br



For the 13th consecutive year, our report follows the guidelines of the Global Reporting Initiative (GRI), a voluntary standard adopted by companies from the most diverse sectors and countries for sustainability reporting. At the beginning of each sub-chapter, you will find the indicators reported on, by means of the acronym GRI-XX. You can also check the complete indicators list on page 83.



For the first time, our report also follows the guidelines of the Sustainability Accounting Standards Board (SASB), a voluntary standard for sector sustainability reporting, bringing the indicators directed to the pharmaceutical sector. The index is available on page 91 and the corresponding content is signaled by the acronym SASB with the indicators HC-BP-XX throughout the publication.



For the first time, we have also adopted the Integrated Reporting guidelines, from the International Integrated Reporting Council (IIRC), as guidelines for the Report, with the objective of showing the interdependence among the business capitals and their relevance to the long-term value creation. In the chapter openings, you will find the Capital XX marker, indicating which capital was addressed, and at the end of the report (page 96), the capital map points out which chapters address each one.



Human



Intellectual



Manufactured



Natural



Financial



Social & Relationship



The Sustainable Development Goals (SDGs), of the United Nations Organization (UN), are the other guideline that steers the report. At the beginning of each chapter, you will find the logos of each SDG, showing how the presented actions contribute to the achievement of one or more SDGs, and at the end of the report (page 97), we have published a map that indicates the pages that bring relevant content about each impacted SDG.

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CHAPTER 

Introduction



RELATED SDGS





Message from Leadership

GRI 102-14

We are proud to publish, for another year, the Sustainability Report of Daiichi Sankyo Brasil. This year was defined by great challenges, due to the covid-19 pandemic, which impacted the lives, health and well-being of countless people and demanded from all of us resilience, adaptation and care to face an adverse and uncertain scenario.

Given the essential nature of our business, we kept the operation running continuously, to ensure the supply of medicines to more than a million patients who depend on us. To this end, we have reinforced our care, adopting preventive and safety measures to protect the lives of our employees, patients, health professionals and all stakeholders with whom we have a relationship.

Despite the challenges, we sped up our digital transformation by adapting the work of the sales force to the online environment through the implementation of the **Digital Sales Representation** platform that enabled remote visits to healthcare professionals, as well as the launch of **Medpedia**, a medical education platform that offers full content on technology in medical practice and adapted medical events to an online format.

The results were surprising and showed that, even in such a difficult period, it is possible to innovate and overcome obstacles safely and responsibly.

In terms of governance, we continued to improve our structure and we have established two new boards: the Business Support Board and the Information Technology and Internal Processes Board. Furthermore, we created a structure dedicated to Information Security and Privacy and revised our Code of Conduct and Anti-Corruption Policy, which comprise the Integrity Program and aim to ensure ethical conduct and fight corruption in our business.

It is worth pointing out that sustainable development is part of our strategy. That is why, this year, we reviewed our materiality study, which identifies the priority themes that most impact the perpetuity of the business, so as to improve sustainability management, considering the main global trends on the theme.

Thinking about the continuity of the business, we have expanded our portfolio with the launch of two medications that represent one more treatment option available in the Cardiology, Psychiatry, and Neurology specialties, making it possible to improve the patients' quality of life.

We also continued to invest in the development of new medicines and have advanced in the management of our new line of products for treating cancer patients. As a highlight, we launched the institutional campaign **Reframing Oncology - Revolutionizing the future is our essence** and started regulatory and medical educational activities in the Oncology area.

Despite the Brazilian economic scenario having shown signs of slow recovery, during the period, the pharmaceutical sector had a satisfactory performance, despite the pandemic. Thus, we registered expressive results, beyond what was expected for the year, which reinforce the consistency of our work to obtain competitive advantage in the market.

Our commitment to taking care of people has driven us to overcome adversity with clarity about the importance of our mission to bring health and quality of life to patients, especially in a moment that brought immeasurable impacts to human health. Therefore, I am pleased to invite you, the reader, to learn about the highlights and actions that generated value to the business and increased our positive impact during the last fiscal year.

Enjoy your reading!

Marcelo Gonçalves
Daiichi Sankyo Brasil CEO

Our actions regarding covid-19

The outbreak of the covid-19 pandemic brought unprecedented challenges, and our actions to face this difficult time were guided by a commitment to people's health and quality of life.

Thus, in view of the essential nature of our business, still in February 2020, we created the **Covid-19 Crisis Committee**, with the goal of ensuring preventive and safety measures, so as not to compromise our operation and the health of patients and our employees.

In the factory, we implemented home office for about 20% of the team and, for the activities that were crucial to be developed in person, we adopted a series of preventive and health protection measures.



In the commercial and administrative operations, we have also implemented the home office system for all employees, offering the necessary infrastructure to perform the work remotely, such as computers, chairs, additional food voucher support, among others.

For the Sales Force, we have adopted remote visits during the most restrictive period of the pandemic and, as the states became more flexible with the quarantine, we gradually started to resume in-person activities, assessing the degree of risk of exposure of our team for each city where we operate (more on page 41).

It is worth pointing out that, due to the pandemic, we are committed to preserving jobs and, therefore, we have not dismissed our employees, suspended their employment contracts, or reduced their salaries.

Until the publication of this report, the employees continue to work from home office and the gradual resumption of face-to-face administrative activities depends on the regional updates of the pandemic in the country.

Get to know, below, the main preventive actions and campaigns carried out in 2020:



Distancing

- » Right at the beginning of the pandemic, in 2020, we cancelled the visits of the Sales Force and anticipated the vacations of this team, and its return was gradual following a series of protocols;
- » We adopted home office for all employees in the administrative headquarters and sales force. In the plant and in the restaurant, we applied safety measures to guarantee social distancing, according to the WHO guidelines;
- » We have eliminated the interposition of work shifts to reduce the risk of crowding;
- » We made individual transportation available for the plant's employees to get to the company safely;
- » We implemented acrylic barriers in the restaurant and adapted the service, carried out in shifts, in order to reduce the concentration of people during meals;
- » We cancelled national and international travel for employees;
- » We replaced face-to-face meetings, such as meetings, training sessions and events, by videoconferences.



Protection

- » Medical risk assessment for all employees;
- » Making PPE available (hand sanitizer, facemasks);
- » Increased the supply of hand sanitizer for employees in common spaces, especially in the restaurant and accesses;
- » Cleaning of the spaces with sanitation intensified;
- » Extension of the vaccination campaign against H1N1 influenza for employees and dependents which, although it does not prevent Covid-19, assists in the correct diagnosis;
- » Removal of employees from the plant who are in the risk group (people over 60) with guaranteed employment and benefits;
- » Expansion of psychological support by the EAP, guaranteeing employees access to psychologists;
- » In-person medical care for the plant's employees;
- » Implementation of the Einstein Conecta App, for daily monitoring the health of our team, which provides virtual medical care 24 hours a day;

- » Removal of symptomatic people;
- » We performed periodic testing (PCR) for suspected cases and upon return from vacation.
- » Gradual release of the Sales Force for visits, considering the risk assessment in the locations.



Awareness & Support

- » Hiring a medical specialist to provide advice and support to the Covid-19 Crisis Committee's decisions;
- » Lecture about prevention and care related to Covid-19 with Doctor Drauzio Varella for all employees and their families;
- » Covid-19 preventive campaign;
- » Periodic dissemination of information and guidance on covid-19 prevention;
- » Online lectures about mental health, as well as orientation with a medical specialist for employees and their families.

CHAPTER **2**

About Daiichi Sankyo

RELATED SDGS





Who we are

GRI 102-1 / 102-16 / 102-43

We are Daiichi Sankyo, a global organization from Japan, dedicated to creating and delivering pharmaceutical products that meet diverse medical needs. Our operation began in 2005 with the merger of two century-old Japanese pharmaceutical companies: Daiichi and Sankyo.

Committed to providing quality of life and well-being to people, Daiichi Sankyo is a global research and innovation-driven company focused on medicine development.

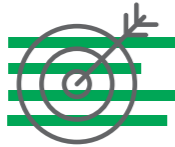


Present in more than 20 countries around the world, with more than 15 thousand employees and 100 years of scientific expertise, we are active in several areas with emphasis on Cardiology, Oncology, and Frontier - innovative discoveries in a variety of mechanisms and diseases.

In Brazil, we started our activities in 2006 and maintain a line of products aimed at specialties such as cardiology, psychiatry, gastroenterology, orthopedics, inflammation and pain. Our products are commercialized in all regions of the country, besides being exported to other Latin American countries



Mission



To contribute to the enrichment of quality of life around the world through the creation of innovative pharmaceuticals, and through the provision of pharmaceuticals addressing diverse medical needs.

Vision



Be a global pharma innovator company with competitive advantage in Oncology, by 2025.



Core Values and Commitments



Innovation

It is our essence as well as a fundamental requirement aimed at creating innovative medicines that stand out at global level. Each and every employee at Daiichi Sankyo shares this innovation spirit.

Commitments:

1. To create innovative medicines changing the standard of care: universally applied best treatment practice in today's medical science;
2. To take a global perspective, and respect regional values;
3. To foster intellectual curiosity and strategic insight.

Integrity

It is our strength and a fundamental feature of our character. We always work so that our activities are done correctly and transparently, in order to improve the patients' health and well-being.

Commitments:

4. To provide the highest quality medical information;
5. To provide a stable supply of top-quality pharmaceutical;
6. To be an ethical, trusted, and respectful partner.

Accountability

It is our culture. We eagerly accept our duties and honor our commitments with all those who depend on us so that we can provide innovative medicines for patients all over the world.

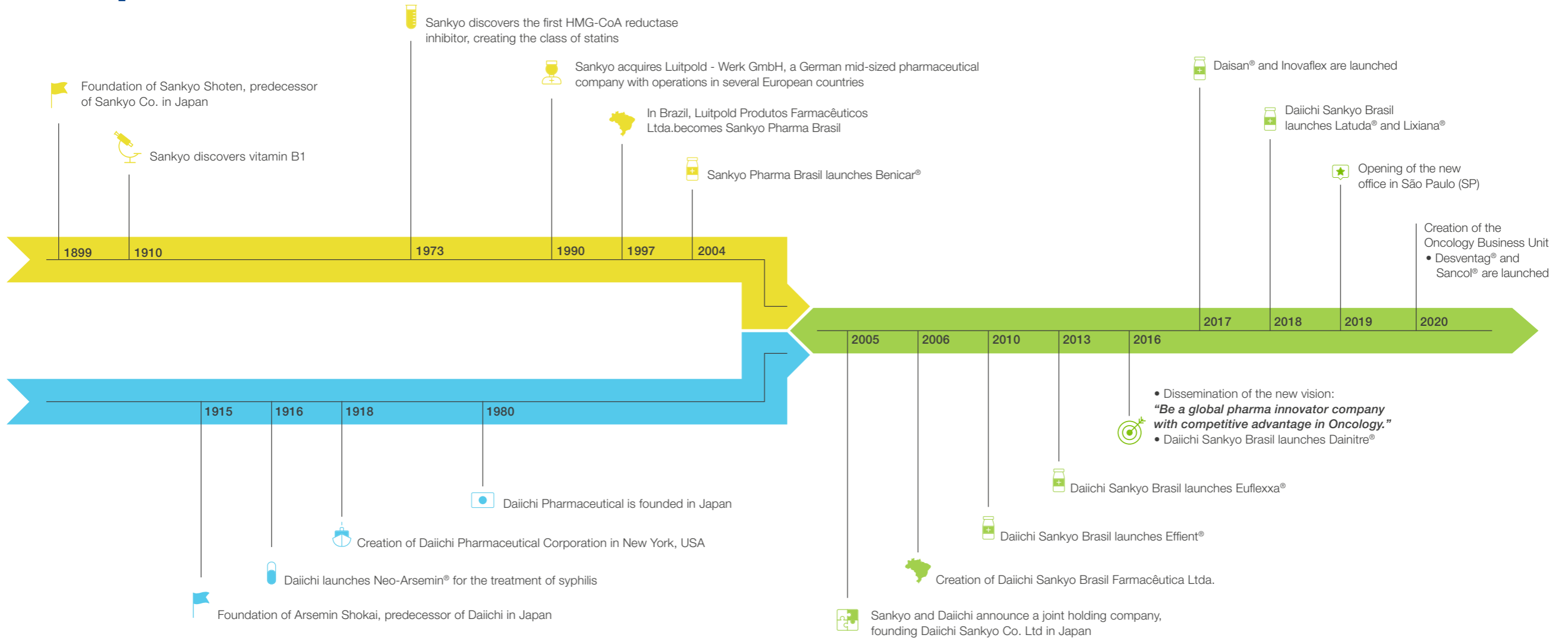
Commitments:

7. To be accountable for achieving our goals;
8. To demonstrate professionalism, respect for others and teamwork.



Learn about our history and our century-long commitment to promoting the health and well-being of people around the world: <https://www.daiichisankyo.com.br/site/quem-somos>

Our path



Origin of the names

In Japanese the "Ichi" in the name **Daiichi** means "one", so the translated meaning of Daiichi is "first". **Sankyo** comes from "san" (three, in Japanese) and kyo (working together) and refers to the fact that the company was founded by three friends.

Our medicines

GRI 102-2

- Psychiatry and Neurology**
- » Latuda® (lurasidone hydrochloride)
 - » Desventag® (desvenlafaxine succinate monohydrate)

- Food Product**
- » Inovaflex (hydrolyzed collagen + vitamin C)

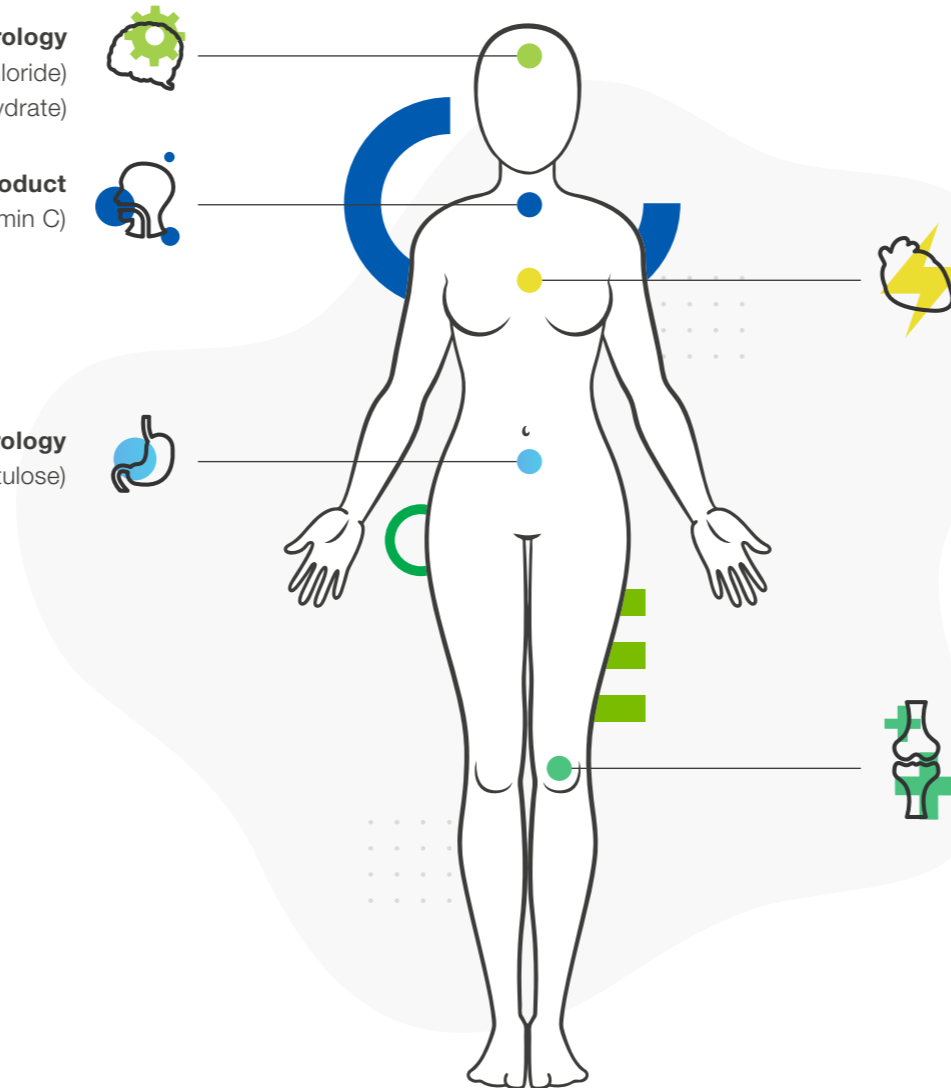
- Gastroenterology**
- » Lactulona® (lactulose)

Cardiology

- » Benicar® (olmesartan medoxomil)
- » Benicar Anlo® (olmesartan medoxomil + amlodipine)
- » Benicar HCT® (olmesartan medoxomil + hidrochlorothiazide)
- » Effient® (prasugrel hydrochloride)
- » Lixiana® (edoxabana)
- » Sancol® (rosuvastatin calcium)

Orthopedics and Pain

- » Daisan® (tramadol hydrochloride + paracetamol)
- » Hirudoïd® (mucopolysaccharide polysulfate)
- » Loxonin® (sodium loxoprofen)



Market presence

GRI 102-3 / 102-4 / 102-6 / 102-7

Our administrative and commercial headquarters are located in São Paulo (SP) and our production plant in the city of Barueri (SP), location where we produce the medicines Benicar®, Benicar HCT®, BenicarAnlo®, Lixiana®, Loxonin® and Hirudoid®.

The products Daisan®, Desventag®, Inovaflex and Sancel® are produced, or imported, by local partners. We also import the products Lactulona®, Latuda® and Effient®. All these medicines are widely used by doctors and patients in clinics, doctor's offices as well as public and private hospitals all over the country.

Our commercial department is responsible for the relationship with the distribution channels that guarantee our products' supply in pharmacies throughout Brazil, as well as participation in bids with the government. The Hospital Team department and the Sales Force provide physicians with information about the therapeutic potential of our products (learn more on page 58).

Currently, 19% of all production made in the Brazilian plant is exported. Exports happen both in the direct model, in which we negotiate directly with the importing client, as well as in the indirect model, in which the transaction occurs through another company located in Brazil.

Markets served by Daiichi Sankyo Brasil



Highlights

DS04



Ethical and Transparent Conduct

More on page 16

Creation of the Information Technology and Internal Processes Board.	Creation of the Business Support Board.	Publication of the Human Rights Policy.	Information Security and Privacy Governance Framework.	Reviewed the Code of Conduct and Anti-Corruption Policy.
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Health Care Services

More on page 31

Over 17.4 million medicine cartridges sold Launch of Sancol® and Desventag®.	Launch the institutional campaign Reframing Oncology; Started regulatory and medical educational activities in the Oncology area.	Implementation of the Digital Sales Representation and Medpedia platform.	441 medical events held.	7,320 customer service contacts at the SAC.
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Taking Care Of Our Team

More on page 49

Launch of the Einstein Conecta App, developed by the Hospital Israelita Albert Einstein.	Launch of the DSBR Internship Program.	Renewal of the People Management Cycle.	95.7 hours , on average, of training, per employee.	Carrying out the Diversity Diagnosis.
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Taking Care Of The Environment

More on page 73

45% of the waste generated was recycled and/or recovered.	6% reduction in greenhouse gas emissions; 39% reduction of biogenic CO2.	11% reduction in energy consumption; 99.7% of the electricity consumed comes from renewable sources.	4.8% reduction in water consumption.	Recertification of the Environmental Management System (SGA) to ISO 14001.
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CHAPTER **3**

Ethical and Transparent Conduct

RELATED SDGS

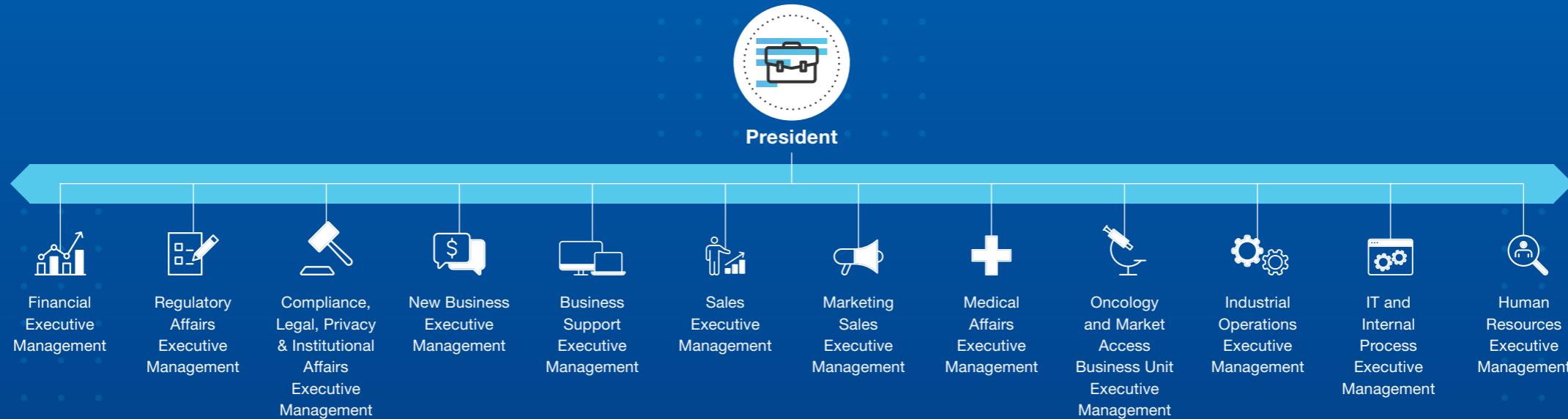


Corporate Governance

GRI 102-10 / 102-18 / 102-22 / 102-23

Our corporate governance structure is committed to enhancing the sustainable development of the business based on the best management practices, acting with transparency, ethics and equity when dealing with all of our stakeholders.

To this end, we rely on the **Executive Committee**, to analyze results and deliberate on projects, which is composed of the President and 12 executive directors, organized according to the organizational chart below:



Besides the Executive Committee, our governance model is structured in Committees, responsible for defining the strategy and deciding on actions with the objective of ensuring the good functioning of the Company and implementing strategic planning.

The Committees allow us to be attentive to the transformations of the current world in order to change the course of decisions, if necessary; they are: New Business Committee LRR (Launch Readiness Review), People Committee, S&OP Committee, Privacy Committee, Information Security Committee, Ethical Conduct Committee, Manufacturing Committee, Quality Committee, New Business Committee, Social Responsibility Committee, Communication Committee and Diversity & Inclusion Committee. In

2020, because of covid-19, we created the **Covid-19 Crisis Committee**, to discuss and deliberate our strategy in light of the pandemic's impacts.

To support our growth, during the 2020/2021 fiscal year, our organizational structure was improved with the creation of two new boards: the **Business Support Board**, which works with market intelligence and planning, productivity and excellence standards, events, creation and development of digital and multichannel projects, and the **Information Technology (IT) and Internal Processes Board**, responsible for information technology support and internal process management, aiming to ensure quality and continuous improvement, through project planning and implementation of corporate policies.

DIVERSITY IN SENIOR MANAGEMENT

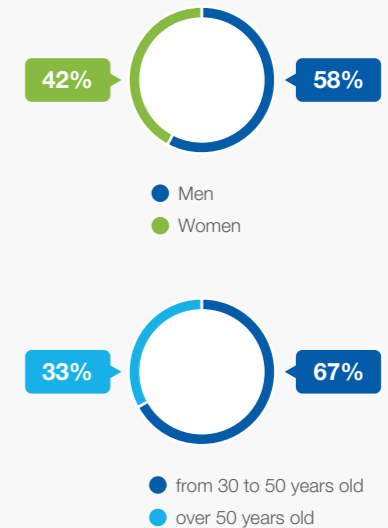
GRI 405-1

At Daiichi Sankyo Brasil, we are committed to promoting an inclusive and diverse work environment, offering the best working, health and safety conditions, as well as personal and professional growth opportunities to our employees (learn more on 61).

So that our commitment becomes a reality, diversity must be present at all levels of our Company, especially at the Senior Leadership level, which is responsible for making the best decisions for our business.

The women's participation in our Executive Committee is 42%.

Executive Committee: gender and age distribution



Risk Management

GRI 102-15

Our financial risk management supports the Company’s strategic planning and is constantly improving; we work to make this management efficient. Therefore, our approach is determined based on the progress of a given risk and its potential to impact our results.

Regarding execution, the risks detected guide and assist decision making, feeding management with relevant information to build action plans that mitigate possible negative impacts and maximize opportunities.

Furthermore, we have financial risk and opportunity management tools. Every quarter, Daiichi Sankyo Brasil holds Quarterly Review meetings with our parent company, Daiichi Sankyo Global, represented by ASCA (Asia, South and Central America), to analyze the financial results of the period and possible impacts on the business.

Among the several risks to which we are exposed, we mainly monitor the ones presented below:



Market Risks

The identification of market risks, such as new competitors, price revision, the medicine registration approval date by the responsible regulatory agency, among others, is monitored annually during the preparation of our budget planning and is put into the context of the potential impact on the budget if they materialize. Identified risks are monitored during the fiscal year and we implement actions to prevent or react to the progress of certain risks.

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Liquidity Risks

These are monitored by the Financial Management, the Company’s cash flow is daily controlled, and new projections are updated at least once every quarter, based on the review of sales, expenses and costs.



Exchange Risk

We monitor daily and implement hedging strategies whenever necessary. The updated exchange rate projection is reflected in Daiichi Sankyo Brasil’s quarterly results review and submitted to our parent company.



Ethics & Compliance

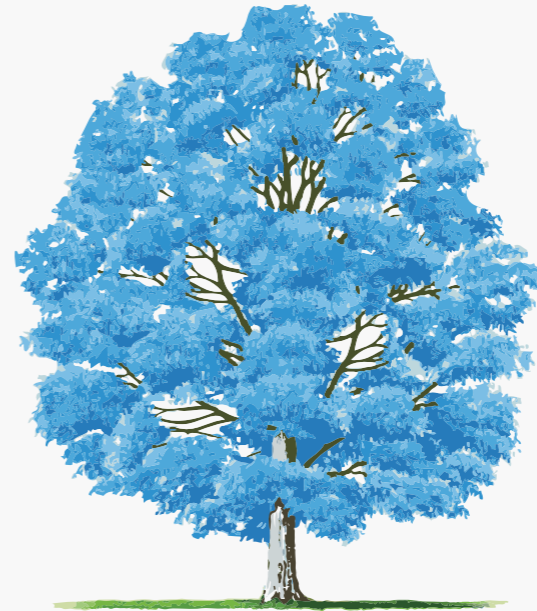
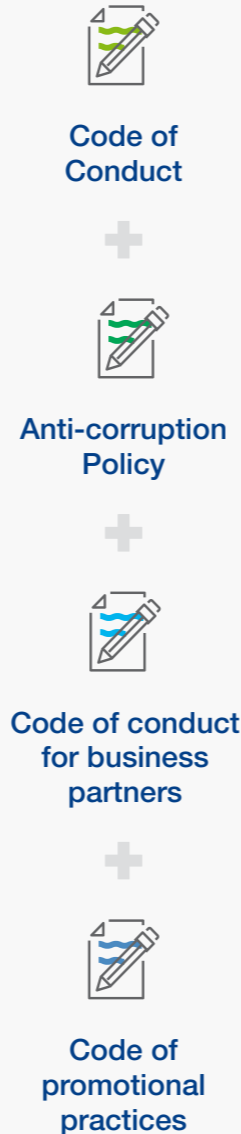
GRI 102-16 / 102-17 / 102-25 / 103-1 / 103-2 / 103-3 / 205-2 / 205-3

At Daiichi Sankyo Brasil, ethics and integrity are core values, they guide the conduct of our business and ensure that our activities are performed in a responsible and transparent manner.

To ensure that an ethical and upstanding culture is put into practice in everyone’s daily routine, we have the **Daiichi Sankyo Brasil Integrity Program**.

Guidance

We have an internal structure focused on maintaining an ethical, transparent and equal culture. We reinforce these topics by means of policies and codes that guarantee the alignment of these processes and conducts in our corporate culture:



PROGRAM COMPLIANCE

Get to know our codes at:
<https://bit.ly/3yBh5Wt>

- 1 **Top Management Support**
To ensure the engagement of managers and the Executive Committee in driving the values and ethical principles.
- 2 **Code of Conduct, Applicable Policies and Legislation**
Responsible for the drafting, review and control of documents related to the theme.
- 3 **Training and Communication**
Promotion of training, communication materials, and events to reinforce the program’s values and concepts.
- 4 **Hotline**
Channel managed by an outsourced and specialized company, which manages the reports and complaints.
- 5 **Monitoring and Auditing**
Responsible for monitoring the highest risk issues to improve our internal processes.

Information Dissemination

To disseminate the Code of Conduct, all our employees receive the document upon their admission and must sign the Term of Awareness and Commitment, in which they confirm their understanding and undertake to comply with the guidelines. Additionally, we make the document available on our intranet and institutional website so that everyone can access it at anytime and anywhere.

The **Anti-corruption Policy** is also disclosed to everyone, and each employee signs the Term of Awareness and Commitment to the guidelines established by the Policy.

Our partners also receive the **Code of Conduct for Business Partners** which must be incorporated by all third parties and correspondents who act on behalf, in the interest or for the benefit of Daiichi Sankyo Brasil. We have a clause in our contracts in which suppliers and partners commit to comply with all the guidelines contained in this Code.

We promote annual training on the Code of Conduct, through Daiichi Sankyo University. These trainings are mandatory for all employees (factory, office and sales force).

This year, with the Code of Conduct and Anti-Corruption Policy review, all employees accessed a gamified refresher training course, in a digital bingo format. In this proposal, problem situations were presented in which the participants had to give their opinion and evaluate them. By doing so, we disseminated the concepts of the Policies in a playful manner.

Our team is comprised of

461

Permanent Employees* and

100%

Have taken the **TRAINING**
and accessed our **COMMUNICATION**
about policies.



We also developed a comic book with clear, light and objective language to reinforce the importance of an ethical, upstanding and transparent culture, the **Comic Book: Our Ethical Culture**, which brings the main messages of the Code of Conduct, Code of Promotional Practices and Anti-Corruption Policy.

Annually, we hold the **Compliance Week**, which brings the main themes related to Compliance, Privacy, Information Security, among others, to be disseminated among employees, to ensure the understanding and practice of these concepts in their day-to-day work.

We have the Compliance Influencers, a group of employees selected by the executive boards so that they can disseminate the corporate governance concepts within each area. To ensure integration and continuous updating, the group's members also participate in bimonthly meetings with the company's Compliance team.

* Total permanent employees, not considering third parties.

To assure **Conflict of Interest** prevention and management, we perform annual activities to collect information on the subject for all Daiichi Sankyo Brasil's employees. Moreover, before being hired, all new team members are also required to fill out this document, as well as the health professionals hired as Advisory Boards.

In the last year, we changed the annual employee **Conflict of Interest Collection** to an online format. Our stakeholders and related parties are also subject to these questions and if a conflict of interest arises, the area responsible for the incidence is notified and the procedures are checked.

Monitoring

Hotline

To send questions or reports related to actual or potential violations to our Code of Conduct, Code of Conduct for Business Partners, Internal Policies or current legislation, we make the **Confidential Channel** available to all internal and external audiences.

A global, online, safe and reliable tool, managed by a specialized third-party company, which manages the complaints, ensuring the confidentiality of the information. All anonymous reports are forwarded to the Compliance department and are 100% confidential.



Hotline:
<https://www.daiichisankyo.com.br/canal-confidencial/>

Ethics Committee

The Ethics Committee is a deliberative body that aims to strengthen the Company's commitment to ethical culture, transparency and integrity, following global corporate guidelines, such as: **Daiichi Sankyo Group Employees Code of Conduct (ECC)** and **Daiichi Sankyo Group Corporate Conduct Charter (CCC)**. Its responsibilities include:

- » Promoting initiatives to raise the awareness of internal and external audiences;
- » Analyzing reports on conduct inconsistent with the Company's principles;
- » Recommending the application of any educational or punitive measures that may be necessary.

Compliance, Legal & Institutional Affairs Management Board

The Compliance, Legal & Institutional Affairs Management Board is responsible for supporting the Company in addressing the new sustainable growth strategic challenges and for ensuring practices aligned with business protection, such as risk analysis, legal and moral guidance, damage prevention and containment, and personal data protection.

Information Security & Privacy

GRI 103-1 / 103-2 / 103-3

Information security and data integrity are becoming increasingly relevant in our time, especially with the ever-growing use of the Internet and connectivity in people's daily lives.

In the pharmaceutical industry this is even more important since we deal with the health and lives of people. Ensuring that all data is secure and reliable is not only a priority, but also one of our Code of Conduct's key commitments.

Structure

Seeking to respect the privacy of personal data of our employees, patients, health professionals and our entire relationship chain, as well as to ensure effective compliance with all the rules that regulate or will regulate the topic, we have a structure dedicated to the Governance of Privacy and Data Protection, meeting the requirements of the General Law of Protection of Personal Data (LGPD), formed by:

- » Privacy and Personal Data Protection Committee;
- » LGPD Monitoring Multidisciplinary Committee;
- » General Information Security Committee (CGSI);
- » Privacy and Data Protection Area, which is part of the Compliance, Legal & Institutional Affairs Management Board;
- » Information Security Department under the responsibility of the Information Technology (IT) department.

Policies & Procedures

GRI 418-1

To support this structure, we have procedures and policies that establish our guidelines, these guidelines must be strictly observed by all employees and partners:

- » Privacy Policy (local and global);
- » Information Security Policy;
- » Code of Conduct (more on page 21);
- » Code of Conduct for Business Partners (more on page 69);
- » Incident Handling Procedures.

Data protection and incidents

We depend on a series of processes and procedures to protect the data; our management system involves technological tools and the performance of qualified professionals from the Information Technology (IT) department who frequently perform routine tests and procedures.

This year, the Privacy area, together with the Information Security area, invested in the acquisition of a tool that controls requests from data holders, maps activities and manages incidents related to Privacy and Information Security. With this tool, we increased our control over data access and were able to map the main activities that expose the company to risks in order to anticipate and avoid them.

As a result of our efforts on this issue, during the fiscal year, we registered no complaints regarding privacy violations and loss of customer and supplier data or any other type of information leakage.

Safety culture

Besides investing in the best tools and technologies for privacy management, we have outsourced companies hired to support the activities related to Information Security, Privacy and Data Protection and for training our employees on the subject.

We, at Daiichi Sankyo Brasil, understand that besides investing in technology and information security, it is necessary to invest in our teams' qualification. To this end, we are committed to implementing education and awareness programs aimed at employees and strategic partners, so as to propagate a safety culture throughout our entire chain.

In 2020, we launched the **Privacy Influencers**, a group of employees selected by the Boards to be multipliers and the "eyes" of Privacy within each area. The group holds monthly meetings on the main topics that impact Privacy and Information Security, with the purpose of advancing the governance of the topic.

We communicate monthly with all our employees on the main topics related to the theme, through the Intranet, Yammer, News and podcasts. Moreover, we promote workshops to discuss the impacts that the General Law on Personal Data Protection (LGPD) will have on the Company's areas, so that we can adapt and improve our processes. So far, six workshops have been held.

5.1
hours



of Privacy and Security
training, per employee

Performance

GRI 201-1

In 2020, the world economy suffered from the effects of the covid-19 pandemic, which started in China and impacted several sectors, due to the social isolation measures that brought some economic activities to a standstill.

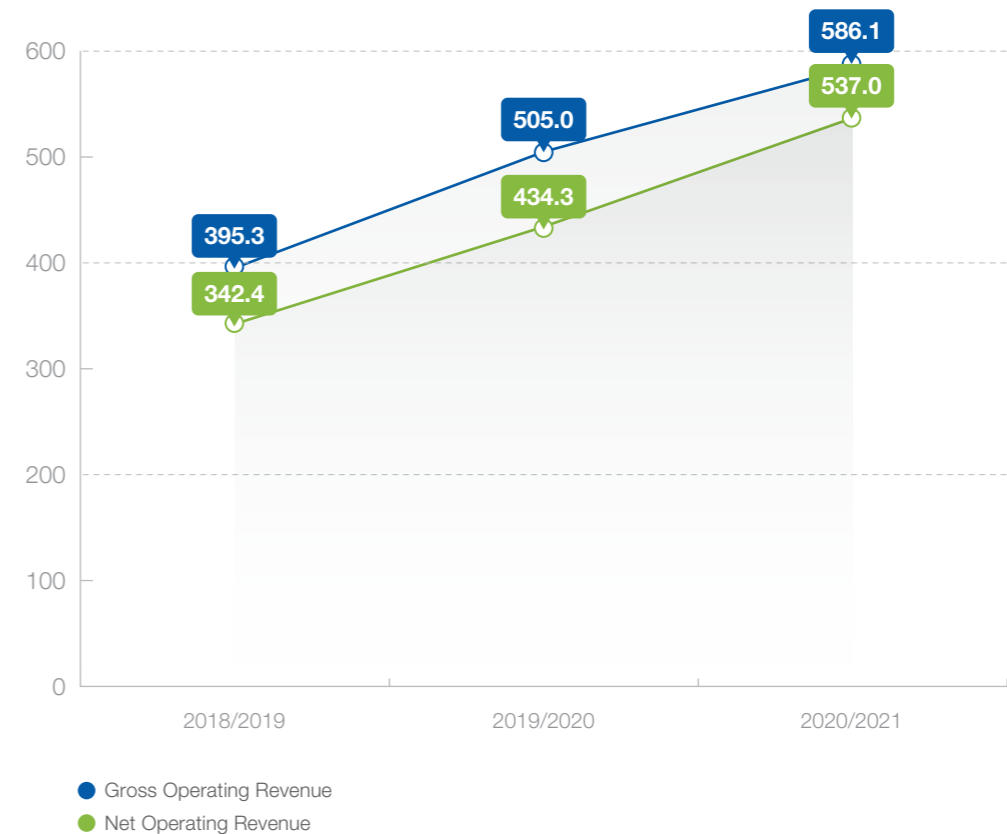
In Brazil, the economy was characterized by strong contrasts throughout the year, having gone through more uncertain moments during May and April, showing signs of recovery later on, in the third and fourth quarters. As a result, the drop in the Brazilian GDP was 4.1%, lower than the forecast for the period.

In a slow but stable economic recovery context, the pharmaceutical sector had a positive performance throughout 2020, especially because of the nature of its activity, since it sells products that are essential to the population’s health and quality of life.

Therefore, the sector grew 11.3% in the period, a value 0.9 p.p. above the projected expectation for the year, with highlight to the retail pharmaceutical market, which registered 11.2% growth in the year. At Daiichi Sankyo Brasil, we registered a 21% increase in net sales in the local market compared to the previous fiscal year.

Economic Performance - Operating Revenue

(Local Market, Third-Party and Exports), in Millions of R\$



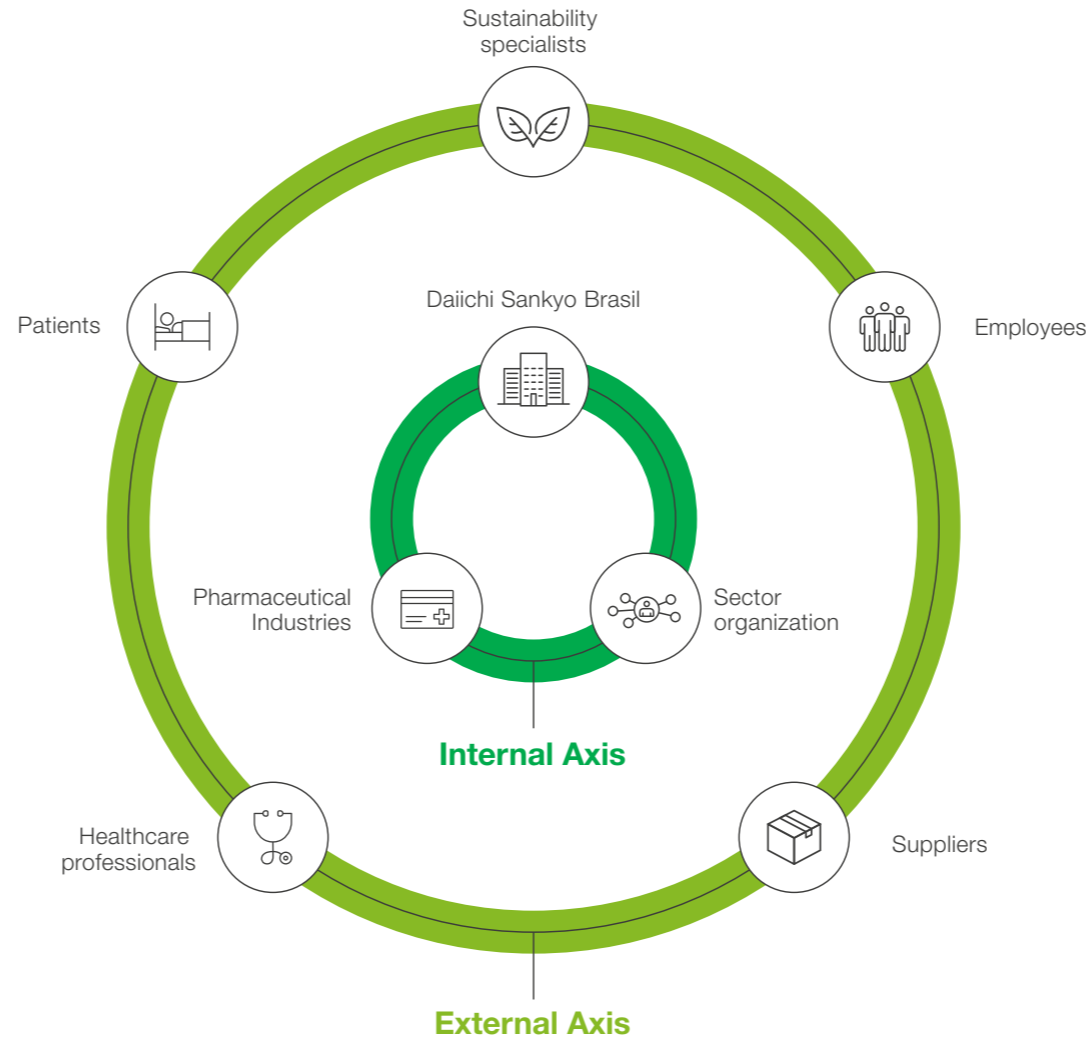
Sustainability

GRI 102-12 / 102-40 / 102-42 / 102-43 / 102-44 / 102-46 / 102-47 / 102-49

To continue advancing our sustainability strategy, we periodically conduct an in-depth study on the issues that most impact, positively or negatively, our internal and external stakeholders.

The study involved seven stakeholders, chosen among the audiences with whom we relate the most, who are directly connected to our activities and therefore are more exposed to our business impacts.

Daiichi Sankyo Brasil Stakeholders



For 11 years, we have been signatories to the United Nations (UN) **Global Compact**, an initiative aimed at mobilizing the business community to adopt principles that reflect core values in the areas of human rights, labor relations, environment and anti-corruption. Since 2018, we began to elect our degree of engagement as “participant”, increasing our representativeness and visibility in events and committees, in addition to other counterparts.

In 2020, we reviewed our materiality study in order to understand the sustainability trends global scenario. To this end, we conducted a survey that evaluates the most relevant themes for the main ESG indexes of the capital markets and for our peers in the sector around the world.

With the materiality study results and based on a review of our performance strategy, we identified the priority themes for the Company’s sustainability management. For each material theme we have also established parameters and indicators that help us measure and expand the positive transformations we generate and that will be presented throughout this report.



ETHICAL AND TRANSPARENT CONDUCT

To enhance the sustainable development of the business by adopting best practices in sustainability management, ethics, and corporate governance, maintaining transparency and accountability to all our stakeholders.



CARING THAT TRANSFORMS

To boost the value creation for our audiences, ensuring the supply and access to innovative medicines that meet diverse medical needs, supporting employees’ development and the socioeconomic inclusion of communities.

We believe that caring for people is caring for the future, which is why we are committed to developing innovative products that increasingly bring health to people around the world

Our sustainability strategy unites our **passion** for innovation with our commitment to **caring** for people by creating medical solutions that deliver value with social and environmental responsibility and integrity.



SUSTAINABLE OPERATION

Identify and develop opportunities for eco-efficiency gains in our operation, focusing on the efficient use of resources and the fight against climate change, stimulate environmental management progress from suppliers, and ensure the safety and protection of our customers’ data.



Membership in Associations

GRI 102-12 / 102-13 / 102-43

We are members of associations that support the development of our business, and we actively participate in the discussion and proposition of public policies that contribute to the development of the pharmaceutical sector. Get to know, below, the main associations in which we participate:



Interfarma (Associação da Indústria Farmacêutica de Pesquisa): a sector entity that represents the Brazilian and foreign companies and researchers responsible for innovation in health in Brazil. It promotes the development of the scientific and technological research industry in Brazil, especially for the production of pharmaceutical inputs, raw materials, medicines and related products. With the purpose of discussing sector issues, Daiichi Sankyo Brasil participates in 11 of Interfarma's 13 Commissions.



Learn more at: www.interfarma.org.br/



Sindicato da Indústria Farmacêutica (Sindusfarma): has the role of defending the causes of the sector in the State of São Paulo, providing services to its associates.



Learn more at: sindusfarma.org.br/



Associação Brasileira da Indústria de Medicamentos Isentos de Prescrição (Abimip): brings together national and multinational industries that operate in the manufacturing, importing or marketing of prescription-free medicines.



Learn more at: abimip.org.br/



IAB Brasil (Interactive Advertising Bureau): since 2019, we joined the international network of associations whose primary objective is to develop the interactive media market in Brazil. The network has representations in more than 44 countries, including USA, Australia, Singapore, Spain, France, England, Italy, Chile, Mexico and Brazil.



Learn more at: iabbrasil.com.br/sobre-iab/



Associação Latino-Americana de Gestores de Eventos e Viagens Corporativas (Alagev): integration hub focused on the sector evolution, it operates in the travel and corporate events market in Latin America, sharing best practices and promoting training and development of the sector.



Learn more at: alagev.org/



Centro das Indústrias do Estado de São Paulo (CIESP): a non-profit civil entity that gathers industrial companies and associations linked to the productive sector, as well as companies that have activities directly related to the Industry's interests as their objective.



Learn more at: ciesp.com.br/

Awards and Recognitions



LUPA DE OURO AWARD

Award that recognizes the talent of the Pharmaceutical Industry professionals.

2° Place in the category PRESCRIPTION OF CARDIOVASCULAR, VITAMINS, DIGESTIVE TRACT AND METABOLISM.

For the medicine: Lixiana®.

2° Place in the category OVER-THE-COUNTER MEDICINES (MIP).

For the medicine: Hirudoid®.



GPTW AWARD

The GPTW Organization, recognizes the Best Companies to Work For.

Proud to be Daiichi Sankyo APPROVAL OF 87% IN THE GPTW SURVEY. Composing the list of the BEST COMPANIES TO WORK FOR in Barueri and region. In the Health and Industry sectors.

Highlights include “Confidence in top leadership” with 90%, and “Pride in belonging” with 94%.

(Learn more on page 52).

CHAPTER 4

Caring That Transforms



RELATED SDGS



Health Care Services

Health Promotion

GRI 102-2 / DS05

At Daiichi Sankyo Brasil we are committed to caring for people, improving their quality of life and well-being through the development of innovative medicines. Our products are focused on six therapeutic lines: Cardiology, Psychiatry and Neurology, Orthopedics and Pain, Gastroenterology and Food.

Besides these, we have advanced in the development and management of a new line of products for the treatment of cancer patients, through the creation of another business unit: **Daiichi Sankyo Brazil Oncology**.

Learn more about our therapeutic lines and how we create value to patients and society through our medicines:

REFRAMING ONCOLOGY REVOLUCIONAR O FUTURO É A NOSSA ESSÊNCIA

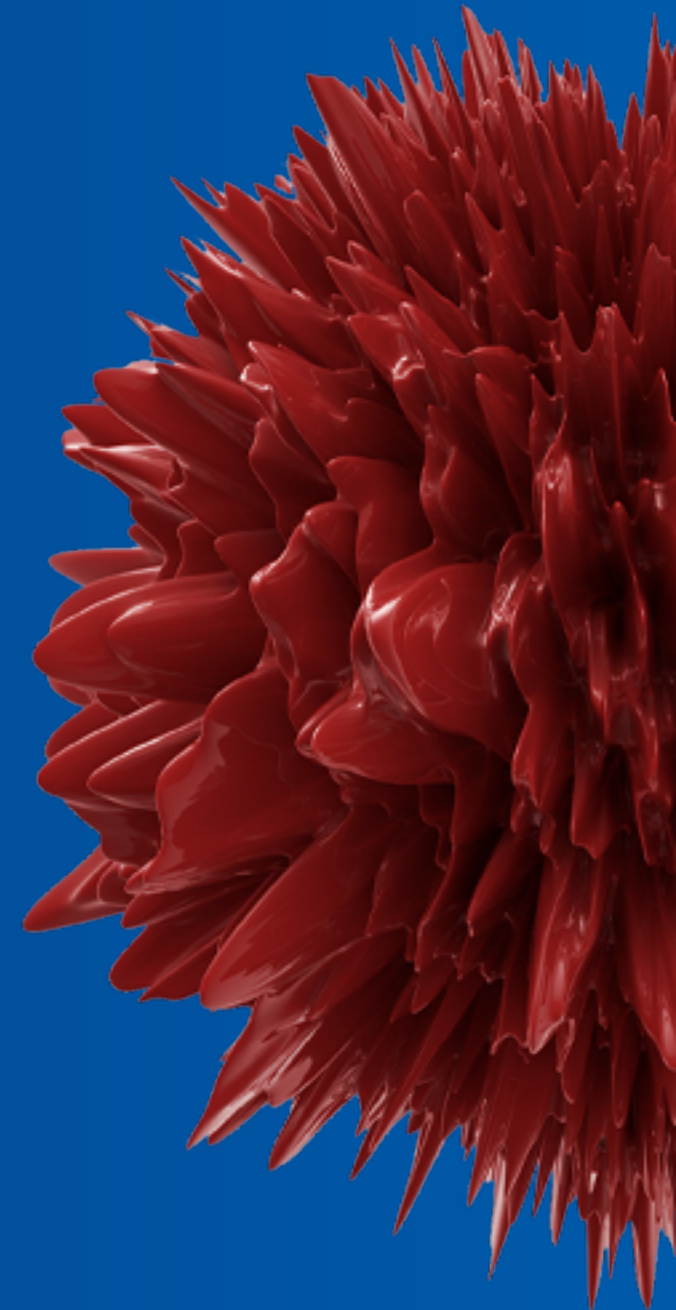
Transforming oncology depends on a mindset ahead of its time, one that believes in possibilities beyond the complexity of a tumor cell.

At the **Daiichi Sankyo Cancer Enterprise**, we seek to go beyond traditional thinking to create meaningful treatments for cancer patients at the highest excellence and quality standards.

We are dedicated to turning science into value, and it is this sense of obligation that inspires everything we do.



Learn more at:
<https://bit.ly/3hTPsIL>





Cardiology

- » Benicar®
- » Benicar Anlo®
- » Benicar HCT®
- » Effient®
- » Lixiana®
- » Sancel®

The cardiology line of business concentrates most of our products and represents our greatest tradition. Through these medicines, we have an important positive impact on the health of the Brazilian population, since, according to the Brazilian Society of Cardiology (SBC), cardiovascular diseases continue to be the leading cause of death in the country, registering 404,700 deaths in 2020¹.

On a global scale, cardiovascular diseases are also the leading cause of death in the world, according to the Global Health Estimates, published by the World Health Organization (WHO) in 2019, accounting for about 16% of deaths from all causes analyzed².

Hypertension is prevalent in more than 24% of the adult population, with a higher rate in individuals older than 65 years (60.9%). According to the São Paulo State Society of Cardiology about 200 thousand people die every year due to arterial hypertension³.

¹ Source: <https://bit.ly/3foxKVJ> Accessed on 05/26/2021.

² Source: <https://bit.ly/3foxKVJ> Accessed on 05/26/2021.

³ Source: <https://bit.ly/3dX6yv3> Accessed on 05/26/2021.



Psychiatry and Neurology

- » Latuda®
- » Desventag®

In Psychiatry we provide indicated treatments for bipolar type I depression and schizophrenia, disorders that affect between 3% and 4% of the Brazilian population. Moreover, we also have treatment indicated for Major Depressive Disorder (MDD), a state of deep and persistent unhappiness or sadness that is followed by a complete loss of interest in normal daily activities.



Orthopedics and pain

- » Hirudoid®
- » Loxonin®
- » Daisan®

In the Orthopedics and Pain line, we treat inflammatory processes with medicines that decrease inflammation, relieve pain, and reduce swelling and redness in areas with varicose veins or purple spots resulting from bruises (blows and trauma), surgery, or similar situations. Additionally, we offer pain treatment such as pain killers.



Gastroenterology

- » Lactulona®

Between 20 and 30% of the Brazilian population suffers from some type of intestinal alteration related to constipation. Therefore, in the Gastroenterology area, we treat symptoms of intestinal constipation, reestablishing the regular function of the intestine.



Food product

- » Inovaflex

Lastly, in the Food line, we produce a drink based on collagen and vitamin C, in lemon and green tea flavors, which help keep the joints healthy and flexible, besides promoting antioxidant action due to the vitamin C.

Access to medicines

DS02 / DS09 / SASB HC-BP-240a.1

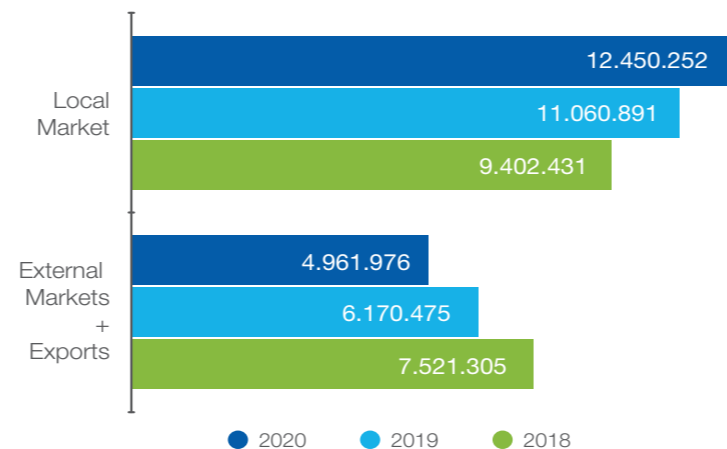
We work to ensure that more and more people have access to our medicines, and to this end we have a dedicated Access team that is responsible for obtaining and expanding knowledge about the most diverse population's medical needs, as well as the behaviors resulting from treatments, in order to develop solutions that allow us to increase the availability of safe and efficient medicines.

We interact with several audiences, such as hospitals, insurance companies, physician and patient associations, and public authorities, creating institutional relationships that facilitate access to our products and positively impact the health of millions of Brazilians.

Our Sales, Marketing and Supply Chain departments work together, through a monthly internal process, to forecast the production and consumption of each product, so as to ensure continuous supply to patients undergoing treatment. We maintain a close business relationship with distributors and large pharmacy chains, and offer online channels to patients, such as the Customer Service and the Adere Saúde Portal.

In 2020/2021, we created the **HEOR** (Health Economics and Outcomes Research) department, responsible for interacting with payer sources, offering information about the positive impacts resulting from the incorporation of new technologies. With this action, we enable access to cutting-edge treatments with acceptable costs that can save even more lives.

Medicines sold



MEDICINES PRICING

DS01

We adopt strict procedures for pricing our medicines. After the product registration is approved by Anvisa, according to the regulations in force, we submit a price request to the Medicines Market Regulation Chamber (CMED), the body in charge of the economic regulation of the medicines market in Brazil, which sets the limits for prices, adopting rules that stimulate competition in the sector and monitor the marketing of products.

Oncology

By entering the Oncology segment, we aim to become a reference in creating innovative treatments that add significant value to cancer patients.

We know that cancer is a disease that has a great impact on the population's health, whose treatment requires a high degree of specialization, and therefore our relationship with medical societies and various payers has the potential to expand our value creation for these stakeholders.

For this reason, we have the Oncology Business Unit Board, responsible for establishing strategic partnerships with the scientific community and other pharmaceutical companies and for managing our new line of products.



Regulatory Agencies

DS06 / SASB HC-BP-250a.1 / SASB HC-BP-250a.2

To safeguard our medicines' supply to the public, we maintain close relationships with regulatory agencies in all the countries where we operate.

This work entails a series of steps that are key to our growth strategy in Latin America, from careful assessment of local regulations to technical planning to comply with them. In addition to monitoring new regulations and the publications of competing companies, through regulatory intelligence activities, which are essential to ensure we meet the highest levels of quality in this area.

For this reason, in some countries, we rely on consultants who support the submission of new medicines following the guidelines of each location's legislation and, in other countries, we operate through partner companies. In Brazil, we work closely with Anvisa (National Health Surveillance Agency), the country's regulatory agency.

To submit medicines for approval, we hold meetings with all relevant departments to ensure that the information and documents required for medicine evaluation are collected and delivered with excellence.

During the regulatory agencies' medicine evaluation stage, we follow the evaluation status through official means and provide additional information, whenever requested, in the shortest possible time. This ensures that the information provided has the highest quality and that the regulatory agencies can complete their review as quickly as possible, ensuring patient access to new treatments.

As a result of our efforts, during fiscal year 2020/2021, the registration of the medicine Lixiana® (edoxaban) was approved in two new countries: Belize and Panama. In Brazil, the registration of Cygnus D (cholecalciferol) and Benicar Triplo (olmesartan medoxomil + hydrochlorothiazide + anlodipine) was approved, and the regulatory activities related to oncology were initiated.

Furthermore, considering the context of the covid-19 pandemic, the adoption of optimized regulatory strategies, as well as the close follow-up with the Health Authorities, were essential to ensure the supply of medicines in the Latin American region.

To assist its regulatory procedures, Anvisa relies on tools such as VigiMed, a system made available to health professionals and the general public, in which adverse events related to medicines and vaccines are recorded. In fiscal year 2020/2021, there were no safety alerts issued by the Agency for our medicines.



Quality and Safety of Medicines

GRI 103-1 / 103-2 / 103-3 / 416-1 / 416-2 / SASB HC-BP-250a.3 / DS01

At Daiichi Sankyo Brasil, we value quality and safety, aware of our responsibility to the health of the patients who use our medicines.

Our Quality Management System (QMS) is established in accordance with the local health legislation in force in the countries where we operate and ensures compliance with the highest regulatory standards, as well as meeting the global quality guidelines and policies stipulated by the Daiichi Sankyo Group.

Moreover, we control the quality of our supply chain, through audits and tests in each material received and intended for production or commercialization.

In our Barueri (SP) plant, we seek the highest rigor in the evaluation of the production processes, analyzing each batch according to its critical quality attributes, and all our medicines are regularly submitted to careful evaluations in order to ensure the efficacy and safety of the products.

Following commercialization, we continue to apply measures to assess product quality, such as conducting stability studies and retaining samples. We also monitor the safety profile of medicines by collecting information on adverse events from patients.

Since 2019, we have used the Kaizen methodology to reorganize case processing, ensuring greater agility and assertiveness to the process. The Kaizen program, Daiichi Sankyo Brasil's continuous improvement program, seeks the improvement and optimization of processes and new projects were included in 2020.

Also, in November 2020, we held our 12th Meeting with Quality, an event that, due to the pandemic, took place online and was attended by all employees. The meeting, organized by Quality Assurance, lasted a week, from November 23rd to 27th, with the theme "We are Quality". Learn more about the main actions below:

INITIATIVES

- » Special Lunch;
- » Knowledge Pills on the intranet telling the meetings' history;
- » Lecture with the Quality Assurance Coordinator, Emile Mariano, addressing "What is Quality?" and with Pedro Fiorante on "The value of Quality";
- » Audiovisual interventions starring Yuji Moriyama, global head of quality in Good Manufacturing Practices, and Eric Friedman, regional head (Americas) of Quality in Good Manufacturing Practices;
- » Lecture for all employees with Bernardinho, Brazilian Olympic volleyball coach, on "Quality and Leadership";
- » Presentation of the video "Quality at DSBR", which shows the Company's quality flow, from the arrival of the raw material to the final product;
- » Delivery of gifts to employees with ecological bags and T-shirts of the event.

NEW REGULATORY FRAMEWORK FOR PHARMACOVIGILANCE

In 2020, Anvisa published the document dealing with Good Pharmacovigilance Practices and established the Normative Instruction (IN) No. 63/2020, which provides for the Periodic Benefit-Risk Assessment Report (RPBR) to be submitted to Anvisa by human use Medicine Registration Holders.

Among the main changes is the modification of the RPBR, which is no longer linked to the registration date of the product in Brazil, but to the international registration date of the active ingredient, enabling greater international regulatory convergence, as well as the sharing of data among countries, which should contribute to the process speed.

We also work to ensure that our public is connected with these practices. To this end, in Brazil, patient reports are collected by our Customer Service (SAC) (learn more on 39) or by the company's own employees.

The information is verified locally and compiled in a global database, which allows the Organization to identify eventual changes in the medicines' safety profile. If any risk is identified, the Company analyzes the issue with the utmost technical and scientific rigor to base the appropriate preventive and corrective actions.

The Quality in Pharmacovigilance and Regulatory Affairs area is one of the major pillars in our work to reduce risks. It operates in quality and process planning, seeking the implementation of new routines, based on metrics analysis and identification of positive and negative trends related to product safety.

As a result, for another consecutive year we did not register any cases of non-compliance with regulations and voluntary codes related to the impact of products on the health and safety of patients and we did not carry out any medicine recalls.

Fighting counterfeit medicines

SASB HC-BP-260a.1

To assure the protection of medicines and patients, we have safety items in our products, such as:

- » Reactive ink on the secondary packaging;
- » Information and pattern related to the batch number on the primary and secondary packaging;
- » Embossed inscription on solid pharmaceutical form products;
- » Code and version of the packaging material used for manufacturing in the production batch;
- » Gluing pattern on the sleeve edges of the cartridge;
- » Standard format and product color;
- » Application of microprinted texts in the graphic materials.



If a product sample is received with suspected counterfeiting, the non-compliance check in one of these items may confirm the suspicion, if not, an analysis of the product performed by our Quality Control indicates any tampering.

We warn our customers and partners about potential risks associated with products with possible counterfeiting, spreading information and guidance through communications and messages in the various channels of the Customer Service and the institutional website of Daiichi Sankyo Brasil.

We also track the supply chain by means of a computer-based Resource Management System, in which all raw materials and packaging materials used in the production process are linked to their respective suppliers. After manufacturing, the product is invoiced and sent to the

distributors also registered in this system. As a result, should there be a need to recall or investigate any product, it is possible to trace the origin of the materials and the destination of the products.

Consequently, in 2020/2021, there were no suspected counterfeit products manufactured by Daiichi Sankyo Brasil.

We have also been working to implement a more robust serialization and aggregation process in our chain, which will come into production line in the year 2022, when the regulation applicable to Brazil will become effective (Law number 13.410, effective April/2022). Thus, we will increase the rigor in the manufacturing control and the production transparency, ensuring a complete view and greater control of our entire production cycle.

Responsible marketing and labeling

GRI 103-1 / 103-2 / 103-3 / 417-1

Our aim is to ensure access to accurate and appropriate information about our products through labeling and responsible marketing communication, helping our customers to make decisions with confidence.

To this end, we have the Industrial Projects department, responsible for labeling management, and the Marketing department, responsible for marketing communication management, which operate guided by our Code of Promotional Practices, current health regulations, and the marketing and branding standards of the company and/or commercial partners.

By 2020/2021, 100% of our products were subject to labeling procedures, which ensured the provision of information about the origin of the product's components, the content (especially substances that may generate socio-environmental impacts), safe usage and proper disposal after use.

Patient Relations

GRI 102-43 / DS08

We work to provide the best in the pharmaceutical industry at every stage of our business, from medicine manufacturing to relationships and after use care.

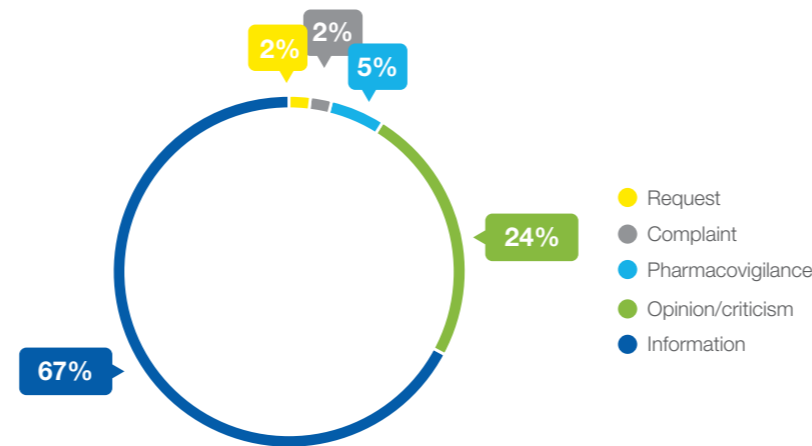
For this reason, we offer **Customer Service (SAC)**, our relationship channel with the patients who use our products. The SAC enables patients to ask questions, request information about products that are not available in a given geographic area, and register opinions, complaints and information about adverse events.

Furthermore, it is an important informative channel for patients seeking technical guidance on the correct use of medicines, such as information about dosage, precautions for use during pregnancy, and actions to be taken in case of overdose.

To ensure that this information is properly provided, we have health professionals trained to perform this type of service, who receive regular training on technical topics, including updates on new drugs launched by the Company.

In the fiscal year 2020/2021, we had 7,320 consultations at the SAC, 67% of which referred to information requests and 24% to opinion/criticism. During the pandemic, the latter record showed a considerable growth of interactions via SAC to clarify doubts about availability of cardiovascular line medicines.

Consultations handled by the SAC



SAC

The Customer Service (SAC) is available by calling **0800 055 6596**, from Monday to Thursday, from 8:00 AM to 5:00 PM, and Friday, from 8:00 AM to 2:00 PM.

You can also contact us through **Contact Us**, **e-mail**, and **online chat**.

Relationship with Healthcare Professionals

GRI 102-43 / SASB HC-BP-510a.2 / SASB HC-BP-270a.2

Healthcare Professionals are one of Daiichi Sankyo Brasil's main stakeholders, since they are the ones who prescribe our medicines and follow up on patients' treatments.

In order to maintain a close relationship, we count on a **Sales Force**, made up of employees fully dedicated to visiting doctors' offices, hospitals and clinics, to bring updated information about our products and their therapeutic areas, disseminating scientific knowledge and increasing patient access to the treatments we offer.

We also have the **Hospital Team**, which, unlike our Sales Force, is focused on the relationship with institutions, such as hospitals, which are references in the specialties we serve. This year, we restructured the team, composed of hospital consultants and intensified the training sessions in order to leverage the performance of this front.

Guided by ethics, transparency, and collaboration, the relationship with this public is guided by the Promotional Practices Code, which establishes the principles and guidelines for interacting with health professionals, medical institutions, and patient organizations, as well as the promotion of pharmaceutical products– built on the Daiichi Sankyo Group Employees Code of Conduct, the Interfarma

(Pharmaceutical Research Industry Association) Code of Conduct, the Daiichi Sankyo Global Marketing Code of Conduct, and the Abimip (Brazilian Non-Prescription Medicine Industry Association) Code of Conduct.

Among the core principles of our Code of Promotional Practices are:

- » **General public's** access to reliable information about our products and health care;
- » Safeguarding the **health professionals and related professionals' autonomy**, so that there are no practices of interference or offering undue advantages on the prescription for the use of our medicines;
- » **Health protection**, where no practice that puts an individual's health at risk will be allowed;
- » **Guidelines to govern interaction** with prescribing professionals, among others.

All marketing materials and promotional agenda used by the Sales Force are developed by the Marketing and Training areas, with the support of the Medical and Regulatory

Affairs Boards, and whenever necessary, approved by the Compliance department to ensure their alignment with the internal rules and policies.

To ensure that the information transmitted to Healthcare Professionals is the most up-to-date, our Sales Force employees have a variety of in-person and online training offered by our Corporate University (learn more on 54).

As part of our digital transformation, we are adapting to changes in an increasingly digital world that, due to the pandemic, required new strategies. In July 2020, we launched **Compass**, an app that features indicators and performance of the Sales Force, in order to contribute to the improvement of productivity and assertiveness of its activities.

Furthermore, our Marketing team has been working to implement new promotional approaches for our products with a focus on digital advertisements and events (learn more on page 38).



Care in Difficult Times

2020 was a challenging year, with the covid-19 pandemic we had to quickly adapt the work of Sales Forces to continue interacting with healthcare professionals while not risking people's health and safety.

As a result of our digital transformation process, especially the initiatives that were anticipated with the Digital Acceleration Program, we were able to implement the **Digital Sales Representation** still in the previous year. The digital platform that enables remote medical visits was key to ensuring business continuity during the most restrictive periods of the pandemic.

As the states relaxed the quarantine, we started to resume in-person activities by the Sales

Force gradually, but always with safety and responsibility towards people's lives in mind.

With the help of the **Business Support Board**, we have built a risk exposure assessment tool for the team, fed with official data on the opening stages of the cities where we operate, and which is constantly being updated.

All Sales Force employees downloaded the App on their cell phones with information about the region they work in so that they can make a safer decision at the time of the visit. It is worth mentioning that everyone has the freedom and the right to not expose themselves guaranteed, whenever they do not feel safe, opting to make the visits online.

Medical Affairs Board

The **Medical Affairs Board** is responsible for the strategic scientific aspects of Daiichi Sankyo's products.

The Board houses four corporate areas that work on strategic planning, providing continuing medical education, as well as supplying quality information that ensures the reliability and trust of our products: **Medical Managers, Scientific Consultants, Medical Information and Medical Excellence.**

Medical Managers contribute to the launch strategies, medical plan and life cycle management of our products. In 2020/2021, medical managers held five Scientific Advisory Board meetings and contributed to three new product registration filings. Additionally, they have started interactions with oncologists and holding scientific events as part of our action on this therapeutic front.

The **Scientific Consultants** work with researchers, professors, and other opinion leaders in the health field, monitoring the pre-launch of the product in alignment with

the medical plan, to discuss and share scientific updates with no promotional bias

The **Medical Information Department** performs scientific curation in order to ensure that all information relating to products and therapeutic areas is based on scientific precepts from reliable sources. Moreover, it supports the preparation of internal training and medical education manuals, the review of promotional literature, and the scientific evaluation of potential molecules for licensing partnerships.

In 2020, to ensure the quality and conformity of the Board's performance with the pillars of Medical Affairs performance mapped by Daiichi Sankyo Global, aligned with Project Mirai so that all subsidiaries are observed, we created the **Medical Excellence** department, responsible for organizing the policies, procedures and instruments, especially regarding the relationship with physicians, patients and institutions, regulating these relationships based on ethics and transparency.

2020/2021 HIGHLIGHTS

MEDICAL INFORMATION

782

medical information requests

449

evaluated promotional materials

14

molecules evaluated for potential licensing partnership (new business)

MEDICAL EXCELLENCE

9/13

pillars of global Medical Affairs were implemented via the Mirai Project.



Medical Education

DS10

Besides providing information and scientific content to Healthcare Professionals through promotional materials and medical visits, we also have programs and digital portals that contribute to the continuous education of this public:

Continued Education Program

offers scientific information about diseases, medicines, and special treatments. We try to promote a series of activities that allow physicians to be constantly updated about pathologies, medicines and treatments available to health professionals (mostly the medical class), through a collaborative work engaging several areas of Daiichi Sankyo Brasil, especially the medical area and the marketing team. The activities occur in different formats, such as:

- » Educational support for scientific update for Healthcare Professionals;

- » Organization of events such as small meetings, symposiums, round tables, among others
- » Production of materials such as commented articles, clinical case studies, product monographs, etc.

Medpedia

It offers comprehensive content, produced by experts, on technology in medical practice and services that simplify and expedite medical work in a digital portal that can be accessed whenever and wherever you want. Among the platform's content, there are study programs focused not only on the disease or its treatment, but on the health area in general, with the aim of contributing to the improvement of patient care. With a number of video classes, podcasts, meetups on topics such as telemedicine, wearable devices, artificial intelligence, robotics and big data, the doctor can learn and exchange information with other leading professionals who are at the forefront of innovation.



Period: MAY/20 (launch) to MAR/21

2,326
total video hours
watched on Medpedia *webinars*
and courses

42,064
users visited the site

1,501
ebooks downloads

14,879
physicians performed some
action on Medpedia*

1,351
in live webinars

975
in courses and recordings

1,243
physicians downloaded
ebooks

1,457
physicians present at
Medpedia webinars

426
physicians watched recorded
courses or webinars

12 webinars
14.9h broadcasting

* course registration, course completion, e-mail opening, webinar registration, account creation, access to content in an area restricted to physicians, among others.

*Learn more about the portal at: www.medpedia.com.br



10

International
Events



36

Domestic
Events



29

Regional
Events



366

Exclusive
Events from
Daiichi Sankyo
Brasil

Events

Every year, we participate, organize and sponsor several medical events with the objective of sharing our findings and exchanging technical and scientific knowledge with Healthcare Professionals.

The covid-19 pandemic demanded the adaptation of the event models previously held. For us it was a challenge that brought surprising results in terms of digital transformation.

We have improved our tools, via online events, to ensure the continuity of our product promotion, with a national, regional, and local approach, seeking greater effectiveness and reach. We also implemented a new system - Integra - which manages events automatically, controlling budget and strategic data.

Although the social distance has impacted these activities, we had excellent results in participation, because the online format allowed health professionals from different places in the world to follow a high number of events, which helped us to keep the public engaged even at a distance.

We also kicked off the first scientific events in the Oncology area, starting with a hybrid model (digital and face-to-face) with the presence of several specialists in the area in a discussion forum rich in scientific terms for this new front of activity.

During fiscal year 2020/2021, we participated in 441 events, being present at the main national, international and regional congresses in the Cardiology, Psychiatry, Orthopedics and Oncology areas, including:

International Society for Bipolar Disorders (ISBD)

PSYCHIATRY

Cardiology Society of the State of São Paulo (SOCESP) Online Cardiology Congress

CARDIOLOGY

Brazilian Society of Hypertension Congress

CARDIOLOGY

**Rio Grande do Sul Cardiology Society
(SOCERGS) - 2020 Digital Update**

CARDIOLOGY

**33rd European College of Neuropsychopharmacology
(ECNP) Congress 2020**

PSYCHIATRY AND NEUROLOGY

**37th Cardiology Congress of the State of Rio
de Janeiro Cardiology Society (SOCERJ)**

CARDIOLOGY

7th All Together Against Cancer Congress (TJCC)

ONCOLOGY

Brazilian Congress of Cancerology (CONCAN)

ONCOLOGY

Transcatheter Cardiovascular Therapeutics (TCT)

CARDIOLOGIA

Congresso Brasileiro de Cardiogeriatría (DECAGE)

CARDIOLOGY

Online Brazilian Congress of Psychiatry (CBP)

PSYCHIATRY

Neuroscience Education Institute (NEI) Congress

PSYCHIATRY AND NEUROLOGY

**1st Brazilian Society of Orthopedics and
Traumatology (SBOT) Online Congress**

ORTHOPEDICS

75th Brazilian Congress of Cardiology (CBC)

CARDIOLOGY

Improving Healthcare Decisions (ISPOR)

Congress on Brain, Behavior and Emotions 2020 (BRAIN)

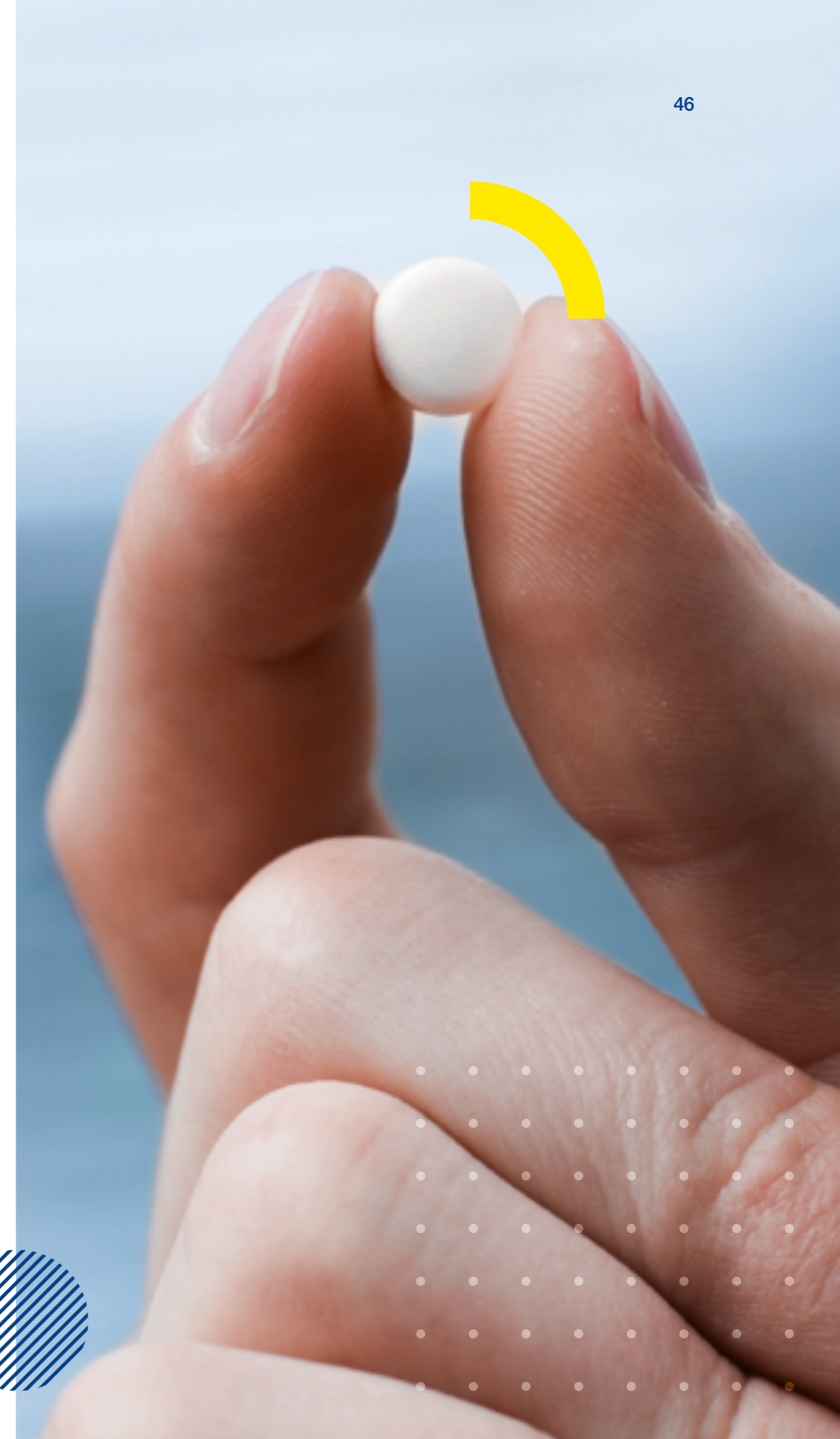
PSYCHIATRY

Brazilian Group for Breast Cancer Studies (GBECAM)

ONCOLOGY

II Online Brazilian Congress of Psychiatry (CBP)

PSYCHIATRY





Research & Innovation

GRI 103-1 / 103-2 / 103-3 / DS03 / DS11 / DS12

Research & Development

The Daiichi Sankyo Group has a history of dedication to research and development driven by the scientific curiosity of its employees. Passionate for innovation and guided by the commitment to patients, the Organization continuously invests in the search for new treatments and therapeutic possibilities, aiming at the solution of health problems.

At Daiichi Sankyo Brazil it is no different. We contribute to global research on the efficacy of new medicines and conduct local clinical studies, aiming to validate the results of global research for the Brazilian reality. In 2020, we invested R\$ 688.5 thousand in local surveys in a country that is becoming increasingly relevant in the clinical research scenario.

This year we have reached phase four of EdoBra, a real-world study conducted in about 30 Brazilian research centers.

As part of a global pharmaceutical company that is moving towards a competitive advantage in Oncology, we have also invested in Oncology medicine research in Brazilian research centers.

Ethics in research

We respect all ethical and legal parameters in our clinical research and adopt all relevant global regulations, among which are the Good Clinical Practice guide, developed by the International Conference of Harmonization (ICH), and the Document of the Americas, which establishes guidelines for good clinical practices, generally used by regulatory agencies, investigators, ethics committees, universities and companies.

Furthermore, we follow the resolutions CNS 466/12 and CNS 441/11 of the National Research Ethics Commission (CEP/CONEP system) regarding the ethical aspects of clinical research involving human subjects, in order to ensure the integrity and dignity of the participants. In this regard, we also guide these practices by the Anvisa Regulatory System.

Regarding health aspects, we comply with the Collegiate Board Resolutions pertinent to clinical research, based on RDC 09/2015 - a resolution that defines the procedures and requirements for conducting clinical trials with medicines. Clinical trials are submitted to the Clinical Medicine Development Dossier (DDCM) that must be approved by Anvisa.

Business Innovation

Besides innovation through the discovery of new medicines, we invest in building partnerships with other pharmaceutical companies so as to expand our business, strengthen the segments in which we already operate and enable us to enter new and promising markets.

To this end, in 2020 we created the **New Business Board**, whose main purpose is to search for new opportunities that help us access molecules that are not in the Organization's global pipeline, shortening the product launching time.

In doing so, we are able to serve patients with medical needs beyond those addressed by Daiichi Sankyo Group's global research, sustaining our local structure as we prepare to achieve our 2025 Vision.

As with R&D, business innovation rigorously screens a range of innovative projects in order to find the best opportunities. To do this, we have a team that is constantly updated on the therapeutic areas in which we want to specialize and which molecules already available on the market have the greatest potential to meet our demands and develop the portfolio.

We contact several companies, sign confidentiality agreements - to have access to information that allows us to make more in-depth evaluations of the molecules. The process for a project to become a new product is a long one, which can take years of negotiation to be accomplished. When they are approved, they evolve to the pre-agreement stage, and we sign the contracts with the partner companies.

The most recent result was the partnership established with Mitsubishi Tanabe for the treatment of a rare disease.

Results of fiscal year 2020/2021



12

Confidentiality agreements signed



23

Evaluated molecules



1

Term sheets
(project in pre-agreement phase)



3

Agreements signed

Taking care of our team

Our Team

GRI 102-8 / 102-43 / 401-1 / 401-2 / 405-1

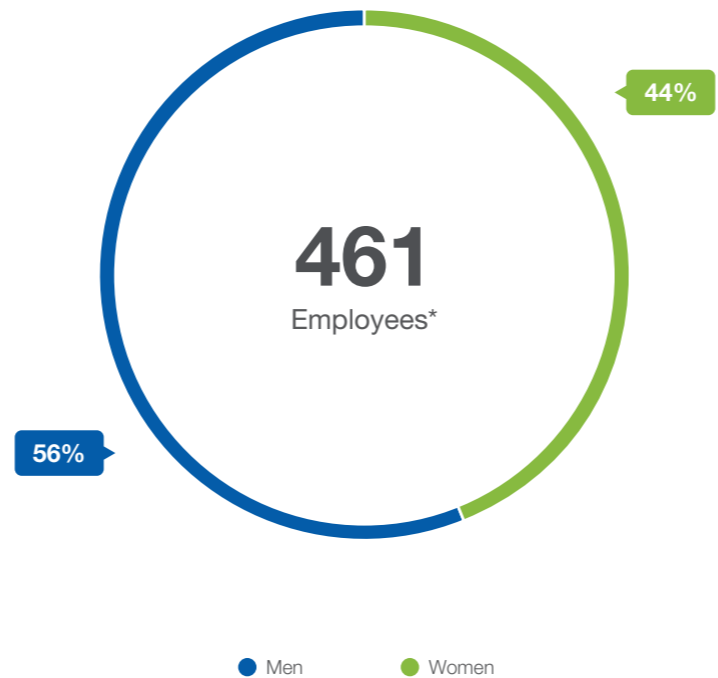
At Daiichi Sankyo Brasil, we believe that caring for people is caring for the future.

Therefore, we are committed to offering a welcoming and inclusive environment to our team, aware of the importance of each person's collaboration to sustain our mission of promoting people's health and quality of life.

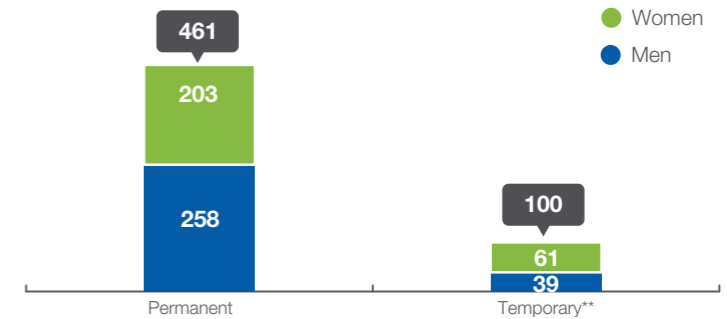
Therefore, we value the effort and dedication of everyone, recognizing our talents either through daily feedback and recognition practices, or by paying salaries and benefits that are competitive in relation to the market. We also offer structured training and qualification programs to encourage career development.

Get to know, next, our team's profile and the main initiatives for their development:

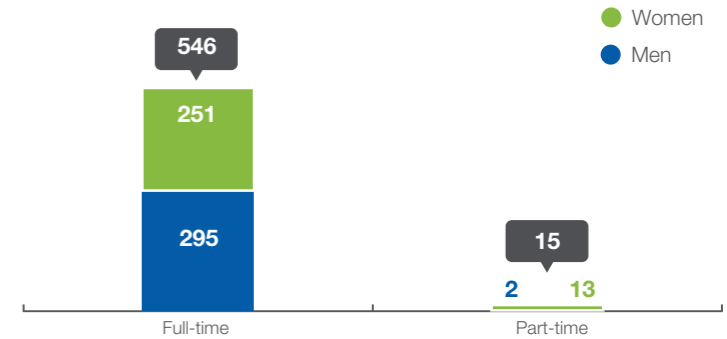
By gender



By gender and work contract



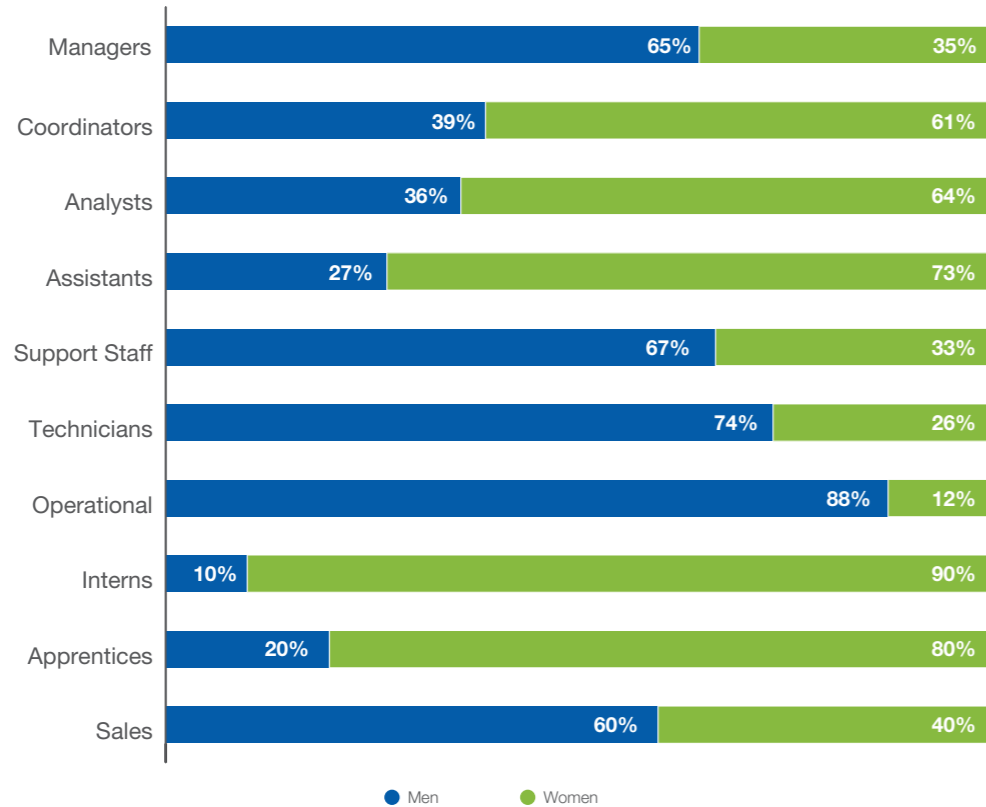
By gender and employment type



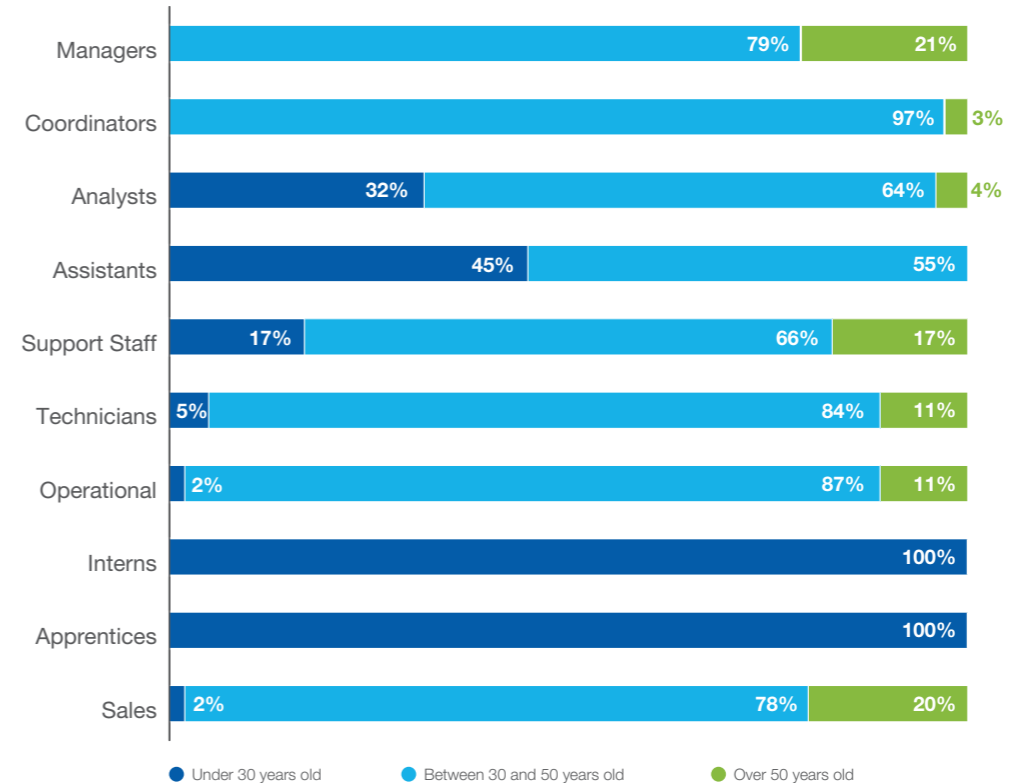
*Only considers permanent employees.

** The total number of temporary employees includes the number of outsourced employees (95) and apprentices (5).

By gender and functional category



Age group and functional category



GENDER

	Female	Male
Total hires	50	32
Hiring rate	25%	12%
Total terminations	10	8
Turnover rate	5%	3%

AGE GROUP

	Under 30 years old	Between 30 and 50 years old	Over 50 years old
Total hires	19	60	3
Hiring rate	29%	18%	5%
Total terminations	10	30	6
Turnover rate	15%	9%	10%

REGION

	Northeast	Southeast	South
Total hires	2	76	4
Hiring rate	9%	18%	16%
Total terminations	2	40	4
Turnover rate	9%	10%	16%

Culture & Engagement

As part of our strategy to adapt to the challenges ahead, we have invested heavily in transforming our organizational culture, seeking to promote an open, collaborative and participatory culture that values opinions and skills, and keeps our team increasingly engaged.

This attitude covers everything from the way we establish working relationships, on a daily basis, to the physical environment we provide at our headquarters and at the plant. We have a modern office, with living areas and open spaces, and our employees have a casual dress code, flexible working hours, and the option of home office.

Moreover, to encourage ongoing dialogue we have made available, since 2019 in our plant and office, a direct and anonymous communication channel between our employees and the President, the **Suggestion Boxes**. This year, due to the covid-19 pandemic, we adapted the tool to an online version, ensuring that everyone could continue sending ideas and suggestions, even if they were not at the units.

Seeking to further integrate our internal communication, we created the **Communication Committee**, which has a team of communication ambassadors, with representatives from all departments, with the aim of increasing the synergy among the general interest topics of the company within the teams.

We show our gratitude by recognizing the work of each person, with compensation, development, benefits, quality of life policies, and in celebrations.

We organize events and meetings to celebrate achievements and important dates such as, for example, the Birthdays of the Month, which during the pandemic was adapted to a version on a digital platform, which includes everyone in the Company, and in 2020/2021 we registered an adhesion rate above 90%. We also held our annual get-together, the **End of Year Party**, in a live performance that included the participation of the band Blitz.



BENEFITS

All employees who work full time at Daiichi Sankyo Brasil's units have access to:

- » Medical and dental assistance;
- » Life insurance;
- » Pharmacy discount;
- » Employee Support Program (legal, financial and emotional support);
- » Daiichi Sankyo Brasil subsidy for medication;
- » Gympass;
- » Flu vaccine.

Moreover, the employees who work at the Plant Unit and the Corporate Office have access to parking, quick massage, workplace exercises, and a chartered bus.

As such, we seek to continuously improve the satisfaction of our employees. As a result, we achieved a confidence index of 87% in the most recent **GPTW - Best Companies to Work For** survey, released in 2021. We grew four percentage points in relation to the previous year and entered the list of Barueri and Sector - Health, highlighting the performance in the indicators "Confidence in Top Leadership", which we recorded 90%, and "Pride in Belonging", with 94%, two percentage points above the benchmark. To celebrate this achievement, we carried out an action on LinkedIn with employees so that they could show in their networks their pride in belonging to Daiichi Sankyo Brasil.

 Great
Place
To
Work®



AVERAGE NUMBER OF
employees approved/
promoted by the program

+150 referrals



AVERAGE NUMBER OF
referrals received last year:

Over 10



NUMBER OF
people hired by the referral
program since 2019

Over 15

Development

Attraction & Retention

Daiichi Sankyo Brasil's opportunities are disclosed internally on our intranet and externally on our web page at [LinkedIn](#).

We have an **Internal Opportunities Program** that enables the career transition of the talents that are already part of our team, before opening opportunities to the external public, we offer our vacancies to internal candidates.

Also, we value the referrals of our employees to attract talent aligned with our culture, through the **"Refer a Friend"** project that, since 2019, allows our employees to refer people they know to the internal opportunities advertised by the Company.

This year, due to the covid-19 pandemic, the selection processes were 100% online, from the application to the admission process, with online forms and documentation filling out and sending.

Onboarding

After being hired, the new employees are invited to participate in Onboarding, a program to welcome them and facilitate their adaptation and understanding of the processes, Human Resources (HR) management philosophy, as well as the Company's mission, vision and values.

On the first day at work, each participant receives an integration agenda, made by their leader, with all the activities and visits to be carried out. The tour takes place both in the area where the employee will work and in the areas with which he or she will interface in the work routine.

This year, due to the new coronavirus pandemic, we have adapted our integration process. Each new employee residing in São Paulo (SP) was invited to visit our plant only on the first day, to pick up the necessary equipment to perform his or her function; those residing in other regions received their equipment at home. The integration agenda was carried out 100% online, ensuring the safety and well-being of everyone.

We also offered a number of development trails in our Corporate University and appointed a Daiichi Partner - a "godfather" employee who helps in the first days to make the adaptation easier.

Young Talents

CORPORATE INTERNSHIP

PROGRAM

here your talent speaks louder!

Aiming to provide a practical experience to the trainees, allowing them to apply the knowledge acquired during their academic life, we launched the first **Daiichi Sankyo Brasil Internship Program in 2020**.

The program was created to structure the internship practice, already developed in the company, with a focus on promoting Diversity and Inclusion, in order to guarantee the attraction of minority groups that, historically, could not access these opportunities, due to social or racial issues.

With the support of the **Diversity Diagnosis** (learn more on 62), we identified focal themes for the evolution of Diversity and Inclusion at Daiichi Sankyo Brasil and, with the support of a specialized consulting firm, Matchbox, we customized the program that, today, has several stages from the cultural fit assessment to the interviews and foresees the training of our leaders to receive and welcome these publics during the selection process and throughout their trajectory at the Company.



In 2020/2021, we hired ten interns through the program.

All interns approved in the hiring process are received by our onboarding program that provides, immediately after hiring, a celebration kit that registers the beginning of their journey in the company.

We even have our avatar, **Sainô** (whose name means talent), whose mission is to direct the Company in search of the best talents and to be the bridge between Daiichi Sankyo Brasil and the trainees during the entire hiring and selection process.

The integration is carried out with the participation of several areas and the new members are invited to be immersed in the Company, which presents from the medicine production cycle to its commercialization, going through Pharmacovigilance, Compliance, and Marketing.

To promote an enriching development journey, our interns have a **Mentoring Program**, where each one is followed by an experienced professional, the mentor, who offers guidance and feedbacks, aiming at a better performance in the professional career. Also, the internship program has development trails and enables participation in projects, rotation among areas of the same department, among other initiatives that contribute to a professional experience full of challenges and opportunities.

YOUNG APPRENTICE PROGRAM

Our program for young apprentices is developed in partnership with the Center for Learning and Professional Improvement (CAMP) and the National Service for Industrial Learning (SENAI) and aims to prepare young people aged 14 to 24 for their first professional experience in the labor market.

The program lasts one year and offers practical and theoretical training, enabling them to experience different routines in various departments. Depending on their performance throughout the program, the apprentices have the opportunity to become part of our permanent team or - those in higher education - can join our trainee team.

Aiming to help, in a structured way, the development of these young people in the labor market, our Human Resources department manages and carries out follow-up evaluations of the program, through a partnership with the Saber Institute of the Brazilian Nucleus of Internships (NUBE), which offers professionalizing courses, held once a week.

During the fiscal year, we had six young apprentices.



Training & Education

GRI 404-1 / 404-2

We are committed to opening the paths and opportunities for our employees' career development. To this end, we offer structured programs with specific training for each business unit and development trails focused on the People Management Cycle, available at our Corporate University.



AVERAGE OF
95.7 hours
of training per employee

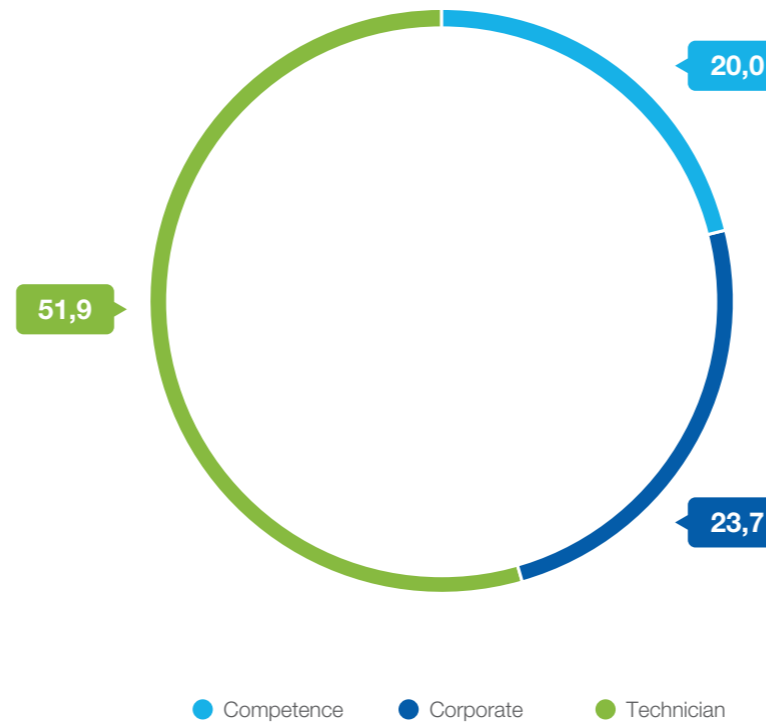


95.5
hours

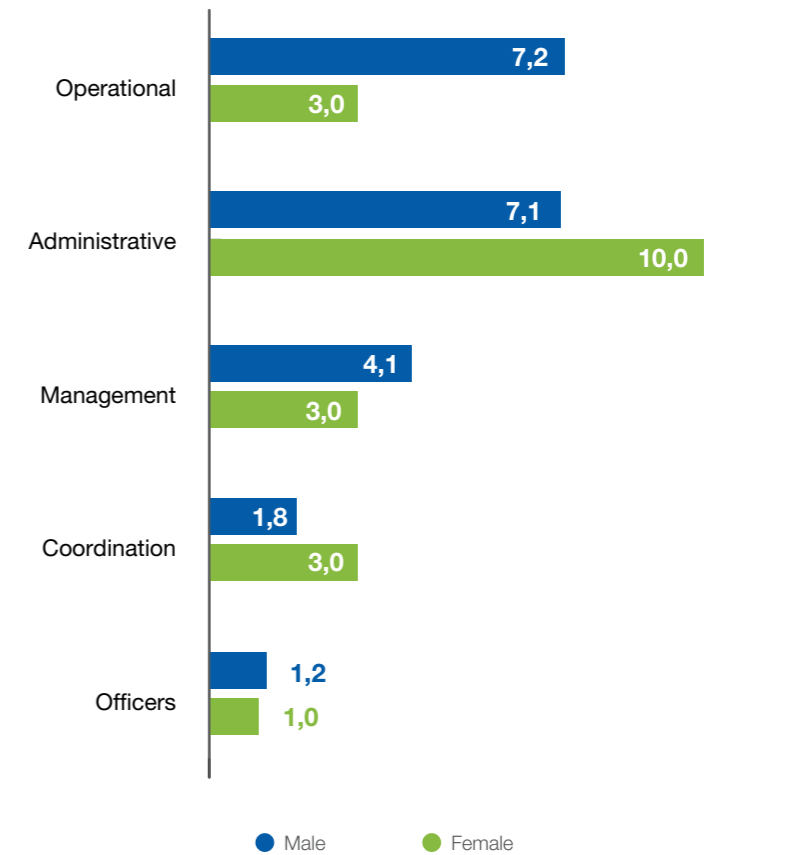


95.6
hours

Average hours, by type of training



Average hours of training, by functional category*



* The average number of training hours per functional category does not include the hours for the sales force team.

Get to know, next, our programs and trainings to develop specific talents:



Continued Education Program aims to train, recycle and develop employees who need knowledge and specific technical Young Apprentice Program to develop their activities immediately or in the short term. This year, 100% of the Young Apprentice Program participated in the program.



Educational Training Program aims to provide professional Young Apprentice Program and to improve the employee's knowledge for the performance of his/her current position or for future Young Apprentice Program, which require specialized technical training, such as MBA, graduate or even undergraduate. This year, three employees were assisted by the program.



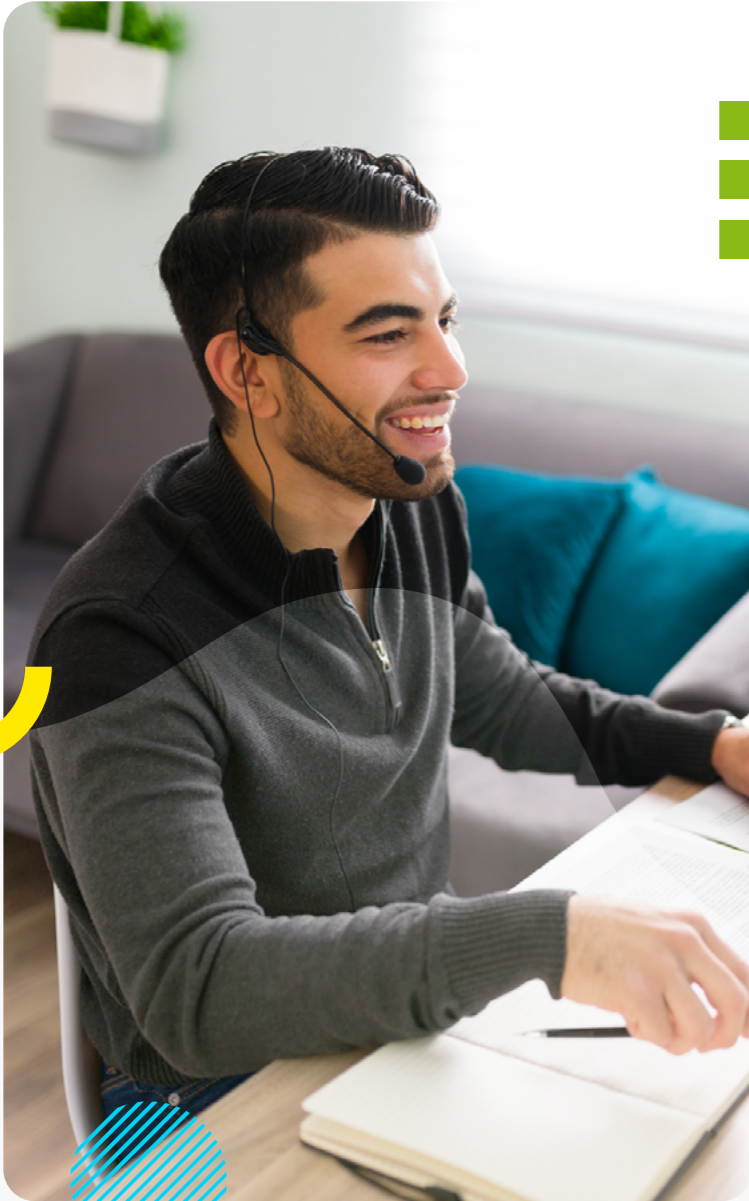
Language Educational Incentive Program seeks to provide foreign Young Apprentice Program learning (English, Spanish or Japanese), with the objective of qualifying the professional to face new challenges that require such knowledge. This year, three employees received the benefit.



Integrated Remote Education Program (PIER) offers training related to Young Apprentice Program Assurance, EHS (Young Apprentice Program Health and Safety), and Operational Procedures to the plant's employees.



“Learning with Colleagues” Program created in 2020, it seeks to Young Apprentice Program a network for information exchange among employees, through thematic meetings with speakers from the Company itself to share knowledge about the areas they work in.



SALES FORCE TRAINING PROGRAM

Our Sales Force training program is structured on three pillars and offers both on-site and online technical training:

- » **Initial training:** on-site and online training focused on new employees and newly launched products. In 2020, we trained 46 new employees. We also trained 130 employees (representatives and managers) in the recently launched Sancel® and Desventag® products.
- » **Continued Education:** offers technical and promotional updating through the National Sales Meeting, on-the-job training, through field assistance, and online training, made available through Daiichi Sankyo Brasil University.
- » **Development of managerial skills:** aimed at sales managers, it is focused on skills for interaction with customers (including the entire Sales Force, representatives, consultants, and managers) and the management of key accounts (Hospital team).

Throughout 2020, we recorded an average of 178.4 hours of training per Sales Force employee.

As a highlight of our continuing education program, we offered an innovative training this year to help our sales team adapt to remote work, especially in relation to virtual medical visits (learn more on page 41), providing tips and guidelines on how to interact at a distance. The **Lixi Game**, a gamified training that offers an interactive learning experience, besides presenting differentiated approaches for face-to-face and online interactions with physicians, intends to reinforce the knowledge about the Lixiana® product.

We also hold the **National Digital Sales Meeting**, an annual event in which we bring together all representatives, consultants and sales managers to align the promotional strategies, our results and the challenges of the fiscal year. Moreover, we perform technical updating of the sales team, through medical classes and use of gamification, role play, and collaborative workshops for knowledge and exchange of best practices.

Engaged Leadership

GRI 404-2

Our leadership model aims at strengthening the empowerment of leaders and stimulating a change in behavior that is focused on proactive and committed participation to Daiichi Sankyo Brasil's challenges.

To do so, we conducted an assessment with the boards, which started an organizational culture change process that included the diagnosis and the establishment of lines of action to ensure the sustainable growth of our business.

We provide programs, training sessions, and meetings that support our leaders in their own development and their teams' development, by means of on-site and online training sessions, participation in events, and job rotation processes, among others:

- » **Leaders' Meeting:** event where we can share experiences and openly discuss the future of Daiichi Sankyo Brasil with the support of an external consulting firm. This year, due to the pandemic, it was held online for the first time, and we counted with the presence of philosopher, writer and educator, Mário Sergio Cortella, who delivered the lecture "Turbulent Times, Fast Changes".
- » **DOAR Meeting (Goal Dissemination and Results Analysis):** monthly meeting attended by all leaders to discuss results and strengthen the internal communication carried out through other channels. After the meeting, leaders share the highlights of the month with their teams.
- » **Journey Giftwork:** this is an activity with all the Company's Leadership, carried out in partnership with GPTW, consisting of four modules of two hours each, aimed at developing the role of the leader in the organization as a catalyst for the development of his or her teams.
- » **Sales Leadership Journey:** event composed of three meetings, held with all sales managers, to complement the content covered during the Journey Giftwork, focusing on the themes: remote management of sales teams, the role of the manager in the on-the-job development and the definition of action plans for continuous monitoring.
- » **Job rotation:** professional development tool whose objective is to allow employees to acquire new knowledge and accumulate experience in the different business sectors, speeding up the development of potential successors and broadening the business vision, due to the exposure to strategic challenges.

Performance Evaluation

GRI 404-3

We rely on the **People Management Cycle** that, this year, was renewed and started to rely on a new talent management system, which has a structured process of evaluation, feedback, calibration and monitoring of the Individual Development Plan (IDP).

Therefore, all of our employees receive a formal performance evaluation, which allows each one to track their performance evolution and draw up growth and professional development plans.

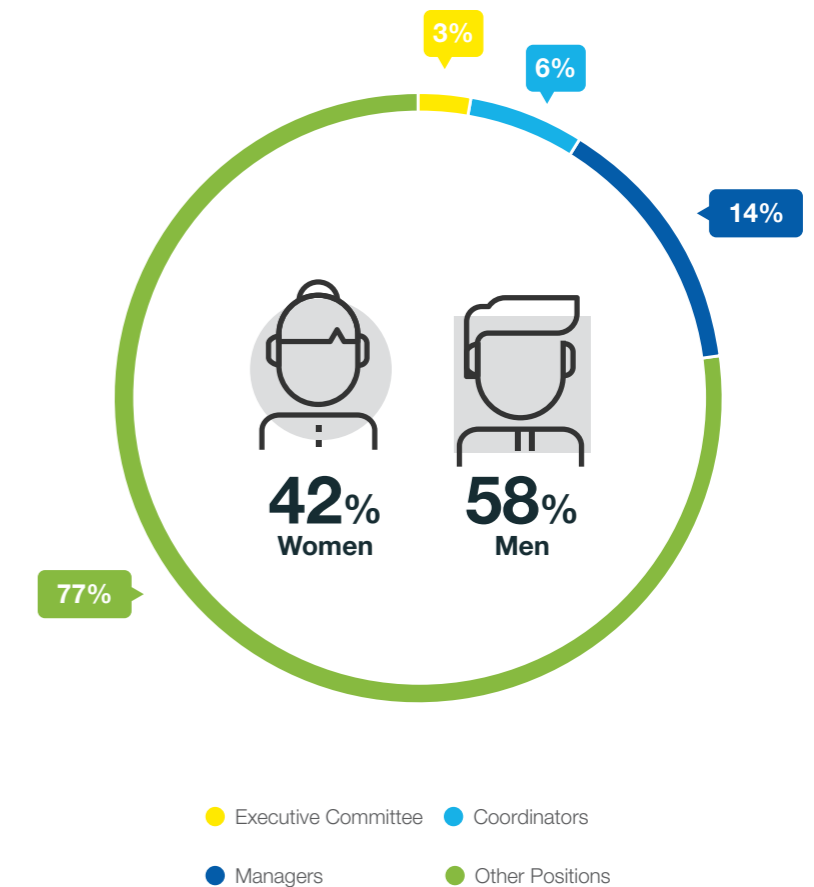
The evaluation is done using the 180° methodology, where the manager evaluates the employee, who then undergoes a calibration with a committee of other managers, in order to identify new perceptions, acquire examples regarding the behavior of other employees, and level the leaders' evaluations.

In 2020/2021, we added the managerial level to the calibration process.

Next, the employee does his or her self-evaluation and, subsequently, both meet for the final evaluation (by consensus). At the conclusion of the evaluation, there is a formal moment of feedback and career talk, where, from then on, the individual development plans (IDP) are built between leader and employee, focusing on career goals and current individual development needs.

The IDP is structured based on the 70/20/10 methodology, where 70% of the actions are learned in practice, 20% learned through interaction with others, and 10% learned through formal actions such as courses, training, and reading.

Percentage of employees who received performance evaluation, by functional category



Fighting Discrimination and Promoting Diversity

GRI 103-1 / 103-2 / 103-3 / 202-1 / 401-3 / 405-2 / 406-1 / 410-1 / 412-2

At Daiichi Sankyo Brasil, we have an ongoing commitment to fighting discrimination, promoting human rights and diversity.

For this reason, we fight any kind of discrimination or harassment, whether based on race, creed, nationality, age, gender, religion, sexual orientation, social or political position, health status, or special needs.

We guide our commitment based on the best practices established by widely legitimized and recognized national and international human rights declarations, such as the **Global Compact** and the 17 United Nations (UN) **Sustainable Development Goals**.

For our commitments to be materialized in our performance, we rely on the **Human Rights**

Policy, the **Code of Conduct** for employees and business partners and our **communication channels**, publicly available, for the registration of any case of non-compliance with these documents that may involve our stakeholders (learn more on page 21).

We offer training and workshops that promote awareness to fight discrimination and encourage respect for human rights. This year, 96% of the employees, 100% of whom are responsible for security, were trained in human rights policies and procedures, totaling 702.9 hours.

We also monitor two relevant indicators for the promotion of gender equity in the labor market, in order to continuously evolve the women's empowerment and promote equal working conditions:



FEMALE/MALE PAY RATIO

TOP LEADERSHIP

Executive Committee

0,99 considering base salary

0,99 considering base salary + average ticket for benefits

LEADERSHIP

Coordination, management and SF management

0,97 considering base salary

0,89 considering base salary + average ticket for benefits

NON-LEADERSHIP

Administrative, Operational and SF

0,89 considering base salary

0,86 considering base salary + average ticket for benefits



As for Diversity and Inclusion, we have a **Diversity Committee** that is responsible for promoting debates with focal discussion groups and implementing effective actions that ensure the high standards of respect for dignity and diversity are maintained.

We promote an inclusive work environment that stimulates the professional and personal growth and development of all, offering equal and fair opportunities for work and promotion. In fiscal year 2020/2021, we have 13 employees with disabilities on our team.

Plus, we have openings for black, LGBTQIA+ and low-income people through our Intern Program: here your talent speaks louder! (learn more on page 52). In all, ten interns were hired.

We are continuously working to advance the inclusion of thoughts and ideas, and to this end we organize workshops and lectures for our employees on topics related to diversity and inclusion.

DIVERSITY DIAGNOSIS

To better understand the opinion of our team regarding diversity, this year we carried out a diagnosis that had the participation of 262 respondents, with the adherence of 60% of the employees from both the plant and the office.

According to the results, 98% of the employees agreed, totally or partially, that a diverse and inclusive environment contributes to the development of the employees and the organization, and 95% consider it important to work in a diverse and inclusive environment.

Health & Safety

GRI 103-1 / 103-2 / 103-3 / 403-1

In order to preserve our employees, we maintain a Workplace Health and Safety management focused on complying with the current legislation, which aims to ensure the physical integrity of our teams in all departments at Daiichi Sankyo Brasil.

We have a dedicated Environment, Health and Safety (EHS) team, composed of highly qualified professionals who have been working to implement, as of next year, the Occupational Health and Safety management system based on the ISO 45001 methodology, which will bring greater robustness to the processes related to the theme.

This implementation aims to improve our conditions and ensure a healthy, safe and sustainable work environment in our Company and, to do so, we will use global metrics and guidelines in Daiichi Sankyo Brasil's EHS management.

We evaluate Workplace Health and Safety management and measure its effectiveness through our audit system, which examines the legal compliance of the legislations applicable to our operation in order to identify possible non-compliance cases.

When non-compliance cases are identified, we conduct a root cause analysis and create an action plan to mitigate the situation - whether it is the cause of the risk, the accident, or a non-compliance. After the action plan is implemented, we conduct an effectiveness evaluation to verify that the actions have been effective.

In recent years we have not registered any cases of non-compliance related to Occupational Health and Safety in the Company, however, during this fiscal year it was not possible to conduct the audit due to the new coronavirus pandemic.

Occupational Health and Safety

GRI 403-3 / 403-4 / 403-8

We have an Occupational Health and Safety (OHS) management system, established based on the Regulatory Norms of the Occupational Health and Medical Control Program (PCMSO-NR 07) and the Environmental Risk Prevention Program (PPRA - NR 09), managed by a specialized third-party company.

Currently, 100% of our employees and third parties are covered by an occupational health and safety management system, based on legal requirements and/or recognized standards/guidelines. Furthermore, all the activities developed in our Company are covered by the regulatory standards for occupational health and safety management, and we annually assess their compliance.

To ensure this management is effective, we have work groups with qualified professionals to meet the occupational health demands in our units. The following is a description of the main functions of our occupational health services.

Our work is based on medical and professional ethics, therefore only the Occupational Physician and the third-party company have access to our employees' health information and medical records, thus ensuring the professional secrecy of occupational medicine.

To establish a space for discussion and observation of risk conditions in the work environment, so as to seek prevention measures, we also have the **Internal Commission for Accident Prevention (CIPA)**, formed by employees from all areas of Daiichi Sankyo Brasil. In these meetings all the occurrences of the Occupational Health and Medical Control Program and the Environmental Risk Prevention Program are also presented

- **Ergonomist**
OCCUPATIONAL GYMNASTICS AND ERGONOMIC ANALYSIS
- **Occupational Physician**
ADMISSION AND PERIODIC EXAMS, OUTPATIENT CARE, AND RETURN TO WORK
- **Safety Technician**
RISKS IDENTIFICATION AND ACTIONS TO MINIMIZE/ELIMINATE THE RISKS
- **Personnel Administration Analyst**
OCCUPATIONAL HEALTH CONTRACT MANAGEMENT
- **Emergency Brigade**
GROUP CREATED TO RESPOND TO EMERGENCIES
- **CIPA - Internal Commission for Accident Prevention**
GROUP CREATED TO IDENTIFY RISKS IN THE AREAS AND DEFINE ACTIONS TO MINIMIZE/ELIMINATE THE RISKS

Health Promotion

GRI 403-6

We provide medical and dental care benefits for all our employees and their legal dependents, and the insurance carrier also provides telemedicine services.

We have some programs to promote health, aimed at our team members, such as the Employee Support Service, which offers services such as psychological support, financial, legal and social guidance. In our plant, we have an Occupational Health Room, where OHS medical assistance is provided.

Aside from that, this year, due to the health impacts caused by the covid-19 pandemic, we implemented a series of initiatives to promote the health and well-being of our employees during this difficult time.

In 2020:



+1

**Occupational Safety
Technician hired**



100%

**of employees covered
by Medical and Dental
Assistance**

Apoio aos colaboradores durante a pandemia



+ Health & Safety

We carried out several activities aimed at our Teams, to protect and raise the awareness of our employees.



Einstein Conecta

The application is a tool for daily monitoring of the employees' health, providing 24-hour remote medical care, and is accessible from any internet-connected device.



Newsletter

On a weekly basis we publish news about Covid-19, to update employees, addressing questions about contamination, mental health during the pandemic, vaccination, and information about the actions of our Crisis Committee.



Covid-19

Always take precautions!

Permanent internal communications about prevention methods to avoid the spread of the virus within the Company.



Lectures with specialists

We held several online meetings with experts to inform and engage our teams. One of them was given by Dr. Drauzio Varella.



Intranet

The periodic postings on our intranet also covered issues related to the pandemic. The publications were made by several areas of Daiichi Sankyo Brasil.

Training

GRI 403-5

At Daiichi Sankyo Brasil, we understand that an effective management of risks related to employee health and occupational safety must include everyone involved in the day-to-day operations of the Company. Therefore, we have a training, orientation and recycling program for all our teams.

Our courses lead employees to carry out their activities in a safe and aware manner, avoiding risks and having mastery of how to proceed in situations that present some danger. In fiscal year 2020/2021, it was not possible to hold some practical training sessions due to the covid-19 pandemic, but those that were possible, were delivered remotely, by means of an online platform.

Occupational Safety Training



Hearing Control Program (PCA)

It presents the sources of noise, how hearing loss occurs, and means of prevention.



Respiratory Protection Program (PPR)

It presents the aggressive agents, the means of contamination, the diseases generated, and the means of prevention.



Training at Height

Safety in working at heights, use of PPE, fall prevention and rescue methods (Theoretical and practical training).



Safety in Confined Spaces

Accident risks, means of control and rescue (Theoretical and practical training).



CIPA Training

Internal Commission for Accident Prevention.



Emergency Brigade

Training and recycling of the Brigade.



Infection Prevention and Control

Guidelines against the spread of COVID-19 in the plant.



ISO 45001 Training

ISO 45001 interpretation and internal auditor.

Risk and Incident Management

GRI 403-2 / 403-7 / 403-8 / 403-10

We have a tool for the Treatment of EHS Actions (TAE), used to identify risks and incidents, any employee or third party can access it and register an occurrence. Also in this sense, the risks raised by our Safety Technicians are

registered in our Environmental Risk Prevention Program (PPRA), which aims to establish an action plan to minimize and eliminate the identified risks. For new processes, the EHS team is involved to identify possible risks and present

solution proposals. All the risk management results and assessments promote the improvement of processes and flows and generate a continuous improvement in our theme management system.

RISK AND INCIDENT ASSESSMENT AND INVESTIGATION SYSTEM

EMPLOYEES AND/OR THIRD PARTIES

Risks and Incidents Survey

TAE

Complaint/occurrence assessment

Action plan to eliminate or minimize the risk

SAFETY TECHNICIANS

Risk Identification

PPRA

Periodic risk assessments (annual)

EHS TEAM

New processes and projects

Risk Identification

Proposed actions aimed at employee/process safety

Our attention is directed to both permanent employees and third parties. To prevent and mitigate impacts on occupational health and safety, as far as commercial relations are concerned, all outsourced employees and service providers are previously monitored by the Company, i.e., before the hiring process, we analyze their professional background, as well as requiring the submission of the Occupational Health Certificate (ASO) and training certifications related to Occupational Safety and to the area in which these people work.

These processes enable our teams to be always up to date and safe, besides providing us with an evaluation of whether there is a need for changes and adaptations in relation to Personal Protection Equipment (PPE), as well as renovations in our activities, aligned with possible changes in the laws applicable to the Company, reducing our legal risks.

As a result of this broad work front, in the last fiscal year of 2020/2021 no accident with serious consequences was registered in the Company, and no deaths resulting from work-related health problems were recorded.

Performance

GRI 403-9

Work-related injuries

	2020
Number of hours worked	714,231
Number of hours worked base (200,000 or 1,000,000)	1,000,000
Number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
Number of high-consequence work-related injuries (excluding fatalities)	0
Rate of high-consequence work-related injuries (excluding fatalities)	0
Number of recordable work-related injuries (includes fatalities)	2
Rate of recordable work-related injuries (includes fatalities)	2.80

Taking care of society

Suppliers

GRI 102-9 / 102-16 / 102-43 / 204-1

Overview

We continually invest in a sustainable relationship with our supply chain, fostering good sustainability management practices aimed at our business continuity.

Comprised of more than 1,300 companies, in 2020/2021 we paid R\$342.2 million in contracts with suppliers, 65% of the expenses were with local (domestic) suppliers.

To guide our actions and the relationship with this public, we rely on the **Code of Conduct for Business Partners**, which establishes the principles that must be followed by all third parties, suppliers and business partners with the aim of positively stimulating the dissemination of an ethical and socially responsible culture.

Top five countries with most suppliers:



Selection & Monitoring

GRI 412-3

In the supplier selection process, we perform a prior integrity check, where applicable, with the request of information and documents that allow us to make business decisions based on merit and integrity.

Upon contracting, we require that all suppliers demonstrate awareness of and commit to complying with the legal obligations required in our Code of Conduct, which include the topics: human rights and equal working conditions, safety and environment, quality of products and services, management systems, ethics and compliance.

The contractor must also demonstrate that it is aware of its commitment to the Global Compact, recognizing its engagement with the principles proposed in the

document. As such, the contract not only describes the conduct that we do not accept, but also makes our supply chain aware of the best practices in the market.

By 2020/2021, 100% of our contracted suppliers have signed the agreements evidencing awareness of and commitment to the Global Compact and Code of Conduct.

Moreover, as part of Daiichi Sankyo Brasil's Pharmaceutical Quality System, in alignment with national and international health regulations, we have a **Supplier Qualification Program**, which aims to ensure that our investments are directed to responsible partners who are committed to creating value for society and the environment.

Through the Program, we audit the quality of the materials and the suitability to the sector's pertinent regulations, which involves the analysis of legal documents and visits to the operations.

These audits can be performed by Daiichi Sankyo Brasil's internal team, contracted consultants, or by sharing reports among the sector companies, through a consortium established by class entities and among Daiichi Sankyo Group companies.

Currently, 100% of our direct suppliers participate in the program and the audits evaluate the companies according to the following criteria:

- » **Quality:** with a strict focus on quality aspects following Good Manufacturing Practices (GMP).

- » **EHS:** focused on Environment, Health, and Labor Safety, verifies the conditions of Cetesb (São Paulo State Environmental Company) and Ibama (Brazilian Institute of Environment and Renewable Natural Resources).

We also require that our suppliers adopt management systems that ensure compliance with applicable laws and implement improvement actions that include risk mapping and management and the continuous improvement of their processes and internal controls.

In doing so, we rightly ensure the integrity of the supply chain with regard to the quality of the materials used by the Company.

Electronic Signature

This year, we implemented the electronic signature, as provided for in PM 2,200-2/01, and the digital signature, via ICP-Brasil, for contracts with our suppliers and other legal documents of the Company that began to be distributed almost entirely electronically.

In this way we contributed to the reduction of environmental impacts related to the printing of more than **14,501 physical copies of documents.**

Reduction of Impacts



Saving
145 thousand
LITERS of water



1.5
TREES
that have been protected



68kg
of A4 sheets
that were diverted
from disposal

Social Impact

DS07

We believe that caring for people and the communities where we operate is the most assertive way to expand our value creation for society and make a difference in the world.

The Social Responsibility department aims at providing access to quality medicines and treatments, while guaranteeing the preservation of the environment, contributing to the reduction of social inequality and promoting intercultural understanding and respect to diversity, building a bridge between Daiichi Sankyo Brasil and the social entities aligned to our values and principles.

During fiscal year 2020/2021, we continued to support the social projects with which we maintain ties, in order to expand our contribution to entities that help social causes, promote knowledge exchange, or improve people's quality of life.

In all, R\$200 thousand were invested in social investment.



Donations of medicines

Daiichi Sankyo Brasil's Donation Policy provides medicine allowances to our employees and dependents, aiming to increase access to medication and treatment, promoting health and quality of life for our team.



Acolhendo Manaus

We donated more than 50,000 disposable triple surgical face masks to the hospitals in the city of Manaus (AM) in collaboration with the group "Adopt a unit", from the project Acolhendo Manaus, made up of entities that work to ensure that donations go directly to the Health Units.



#CESTOU

Daiichi Sankyo Brasil and its employees donated 2,535 basic needs food baskets to institutions that care for socially vulnerable people. In all, six institutions were benefited: Instituto Hera, Grupo Vida Brasil, Mulheres de Paraisópolis, CUFA de Heliópolis, Associação Igualdade e Vida and Casa Hunter.

CHAPTER 5

Eco-efficient Operation

RELATED SDGS



Taking Care of the Environment

Environmental Management

At Daiichi Sankyo Brasil we are committed to sustainability, and we conduct our business in a way that continuously reduces the environmental impact and the consumption of natural resources in our operation.

We follow the Daiichi Sankyo Group's environmental guidelines, recorded in the Global **Environmental Management Policy**, to improve our processes so that they are increasingly efficient.

At our plant, we apply an Environmental Management System (EMS), based on the ISO 14001 methodology, which monitors a series of indicators, such as electric power and water consumption, solid waste generation, Greenhouse

Gas (GHG) emissions, and effluent and waste generation. In 2020, the EMS underwent an audit process to maintain the ISO 14001 certification, which resulted in the recertification of the system.

We also aim to engage our employees, encouraging conscious and environmentally responsible practices, through training and qualification offered in our Corporate University. During the fiscal year, two training courses were held: the Global Environmental Training, which was attended by all the Company's employees, and the thematic training on the Environmental Management System (EMS) ISO 14001, which was attended only by the plant's employees.

GREEN LINE

Aiming to maintain transparency and further strengthen the communication with all our stakeholders, we have made available another **open channel** to collect information related to our Environmental Management System.

Through the **Green Line** it is possible to ask questions, make suggestions and/or complaints regarding issues related to the Environment area.

The channel can be accessed by e-mail: linhaverde@dsbr.com.br

Emissions

GRI 305-1 / 305-2 / 305-4 / 305-5

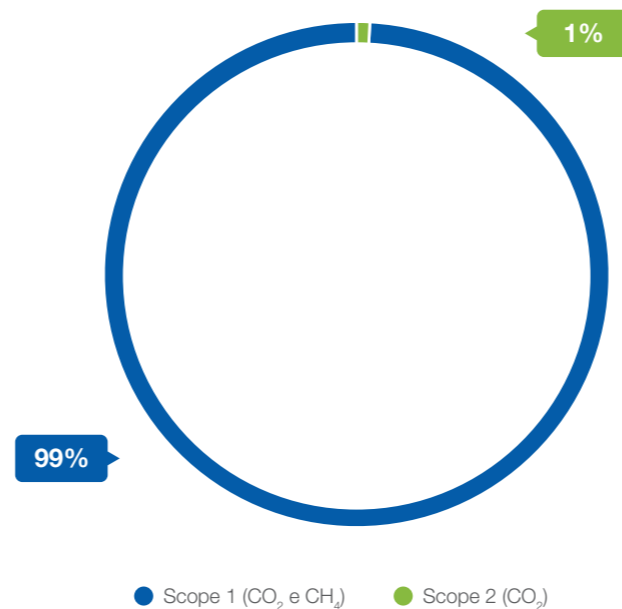
We recognize the impact on the environment and on the world's population caused by the phenomenon of climate change and, for this reason, we are firmly committed to reducing the Greenhouse Gas (GHG) emissions generated in our operations.

To this end, we annually monitor our emissions based on the GHG Protocol reference data, a tool widely used by companies to quantify and manage GHG emissions in their businesses. In recent years, we have recorded significant reductions in our emissions, with the highlight being fiscal year 2019/2020, which recorded a -35% reduction. This year, we had a 6% reduction from the previous year, totaling 134 tCO₂e emitted.

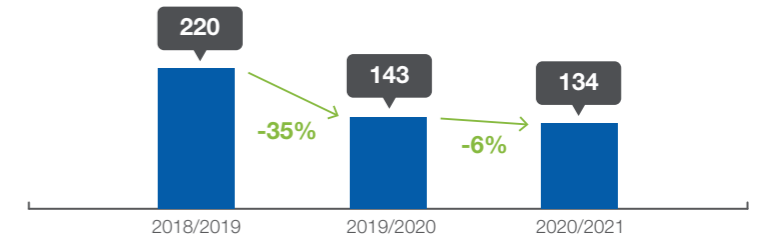
Moreover, we emitted 311 tCO₂e of biogenic CO₂, a figure that refers to emissions from the burning of biomass (ethanol) in our operation. This emission is monitored separately, as the CO₂ emitted was removed from the atmosphere through photosynthesis. When it is burned, it simply returns to its natural cycle, with no additional impact on the GHG concentration in the atmosphere.

In 2020/2021, biogenic CO₂ emissions were 39% lower than in the previous fiscal year, mainly due to reduced face-to-face activities by our Sales Force.

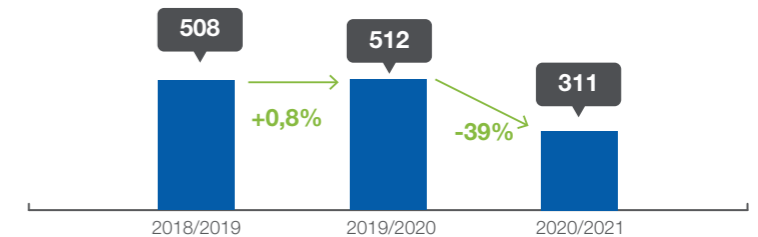
GHG Emissions, by source



GHG Emissions (tCO₂e)

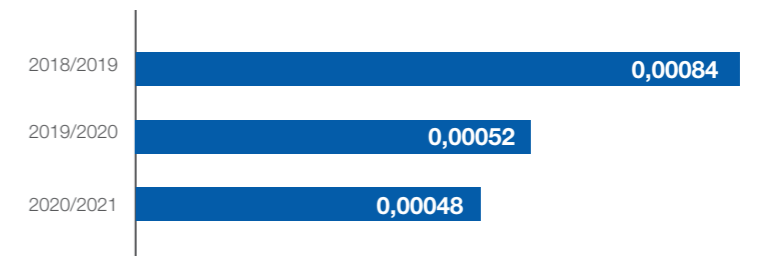


Biogenic CO₂ Emissions (tCO₂e)



GHG Emissions Intensity

tCO₂e/thousand units produced



Energy

GRI 302-1 / 302-3 / 302-4

Due to the nature of its activities, industry, in general, is an energy-intensive sector. According to the statistical yearbook of the Energy Research Company (EPE), in 2020, industrial consumption represented 35% of the total energy consumed in the country. And the chemical products manufacturing segment represented 10.3% of industrial consumption, being the 3rd most intensive in the category⁵.

In this scenario, to reduce our impact, we monitor and control this indicator, striving to increase energy efficiency in our operation. Furthermore, since 2017, we have purchased the electricity used in our plant on the Free Energy Market, thus consuming energy from renewable sources. As a result, in fiscal year 2020/2021, we consumed 27,055.2 GJ of energy, a volume 11.0% lower than in the previous year.

⁵EPE. Annual Electric Energy Statistics 2021. Available at: <https://bit.ly/3z5OQzb>. Accessed on 08/20/2021.

Energy Intensity² GJ/thousand units produced



²The intensity considers only the energy consumed in the factory.

Of this amount, 19,921.0 GJ was consumed as electricity to supply the plant, a value 0.7% higher than last year, however it is worth noting that 99.7% of this energy comes from renewable sources. In relation to the consumption of the other sources (LPG, diesel, gasoline and ethanol) we recorded a reduction of 32.8% compared to 2019/2020, which is mainly due to the reduction in the face-to-face activities of our Sales Force.

Energy consumption by source (GJ)

	2020/2021	2019/2020	2018/2019
Non Renewable Fuels			
Non-renewable electric energy ³	57.78	106.42	0.00
LPG	2,174.79	2,024.49	2,318,62
Diesel	272.55	288.42	983,11
Gasoline	312.69	606.88	4,570,50
Total	2,817.81	3,026.21	7,872.23
Renewable Fuels			
Ethanol	4,374.15	7,704.38	7,424.78
Renewable electric energy	19,863.24	19,673.64	19,869.72
Total	24,237.39	27,378.02	27,294.50
Total energy consumed	27,055.20	30,404.23	35,166.73

³In 2018/2019 we did not control the non-renewable electricity indicator and started to control it in 2019/2020.

Water and Effluents

GRI 303-1

Industry, in general, represents the third most significant demand for water in Brazil, according to data from the ANA (National Agency for Water and Basic Sanitation), which registered 9.8% of all water withdrawn in 2020. However, the water demand by industry varies according to the product and production process of each company.

At Daiichi Sankyo Brasil, water is one of the main inputs we use for medicine production and managing the impact of its use is done on two main fronts: the reduction of water use and the treatment of discarded water (effluent) before it is discharged into the public sewage system.

All the water used in our operation is supplied by the Basic Sanitation Company of the State of São Paulo (Sabesp) and is intended for production, cleaning, human consumption and laboratories, therefore we do not directly affect water sources in the water withdrawal process.

Consumption Reduction

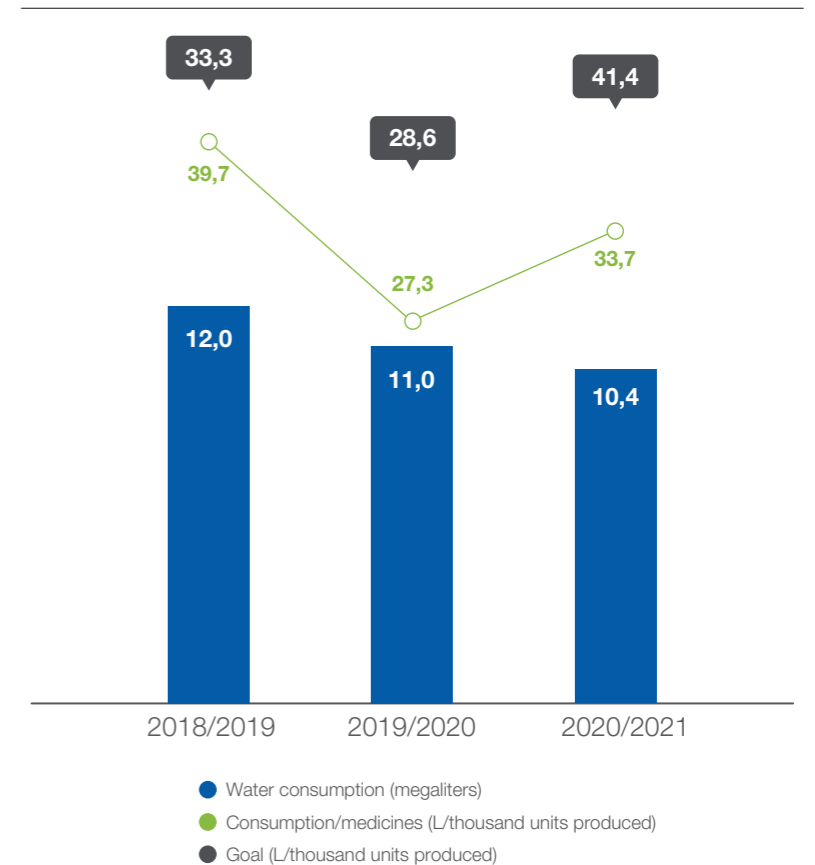
GRI 303-3 / 303-5

To reduce water consumption in our operation, we continuously adopt more efficient and closed-loop technologies, such as water reuse and rainwater catchment, to avoid new withdrawals.

In fiscal year 2020/2021, we consumed 10.4 megaliters of water, 4.8% less than the previous year. However, due to the occurrence of a leak in the hydrant network piping, we did not reach the consumption target for the year, 33.3 L per thousand units produced, and recorded a 1.1% increase in this indicator, totaling 33.7 L/thousand units produced.

However, 0.17 megaliters of water from our reuse and rainwater collection system, through cisterns installed at the plant, were reused in our operation, which represents 2% of the year’s consumption.

Water consumption



Effluent Management

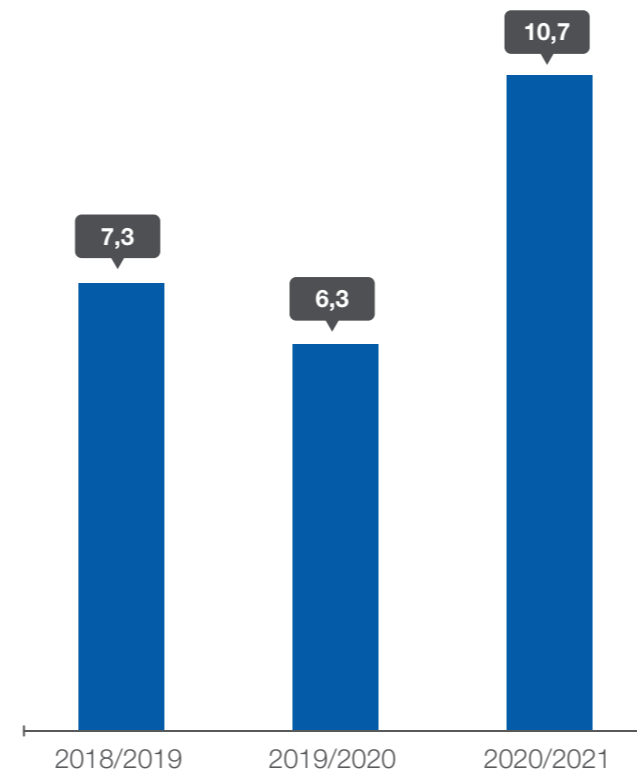
GRI 303-2 / 303-4

The production of medicines uses a large amount of chemicals and pharmaceuticals, which can have an adverse impact on the population's health and on the environment if they are not disposed of correctly.

Therefore, we follow the guidelines established by the State Decree 8.468/76, CONAMA 430, and we hold Cetesb's operation license to discharge effluents. Our effluents are treated in our own Effluent Treatment Station (ETE) before being released into the public sewage system.

Over the fiscal year 2020/2021, we discharged 10.7 megaliters of water into the public sewage system, and all the water discharged has no significant number of chemical components.

Effluent disposal (megaliters)



Waste

GRI 306-1 / 306-2

Our production process requires the consumption of a variety of raw materials and foresees the generation of waste both from production and from the activities of the factory and office.

In light of this, we rely on efficient management aligned with the National Solid Waste Policy guidelines, which aims to continuously reduce the volume of discarded waste and ensure its proper disposal.

During the fiscal year 2020/2021, we generated 29.1 tons of hazardous waste and 80.1 tons of non-hazardous waste, totaling 109.3 tons of waste, 15.4% less than in 2019/2020. With 45% of the total waste generated in the operation - both hazardous and non-hazardous - being destined for recycling or other forms of recovery.

Among the non-hazardous waste, such as paper, plastics, cartridges, blister packs, metals and glass, 61% were recycled. Regarding hazardous waste from pharmaceutical production (tablets, ointments, paints, contaminated glass and packaging, cleaning waste) and lubricating oil, 98% was sent for co-processing. In 2020/2021, 28% of the waste was sent to landfills.

Performance

GRI 306-3 / 306-4 / 306-5

Waste broken down by composition (tons)

	2020/2021
Hazardous Waste	
Waste from pharmaceutical production (cleaning process waste, PPE, pills, ointments, contaminated glass and packaging, paint waste)	28.57
Lubricating oil	0.13
Controlled pharmaceutical product	0.23
Chlorinated solvent and pyridine	0.22
Total	29.16
Non-Hazardous Waste	
Paper	17.89
Boxes	5.64
Plastic	10.04
Blister	7.69
Metal	7.66
Glass	0.20
Food waste, sanitary waste, gardening waste and construction debris	30.98
Total	80.11

Waste not sent for disposal per recovery operation (tons)**2020/2021****Hazardous Waste**

Preparation for reuse	0
Recycling	0
Other recovery operations ¹	0.13
Total	0.13

Non-Hazardous Waste

Preparation for reuse	0
Recycling	49.13
Other recovery operations	0
Total	49.13

¹ Refers to the hazardous waste (oil) sent for re-refining.

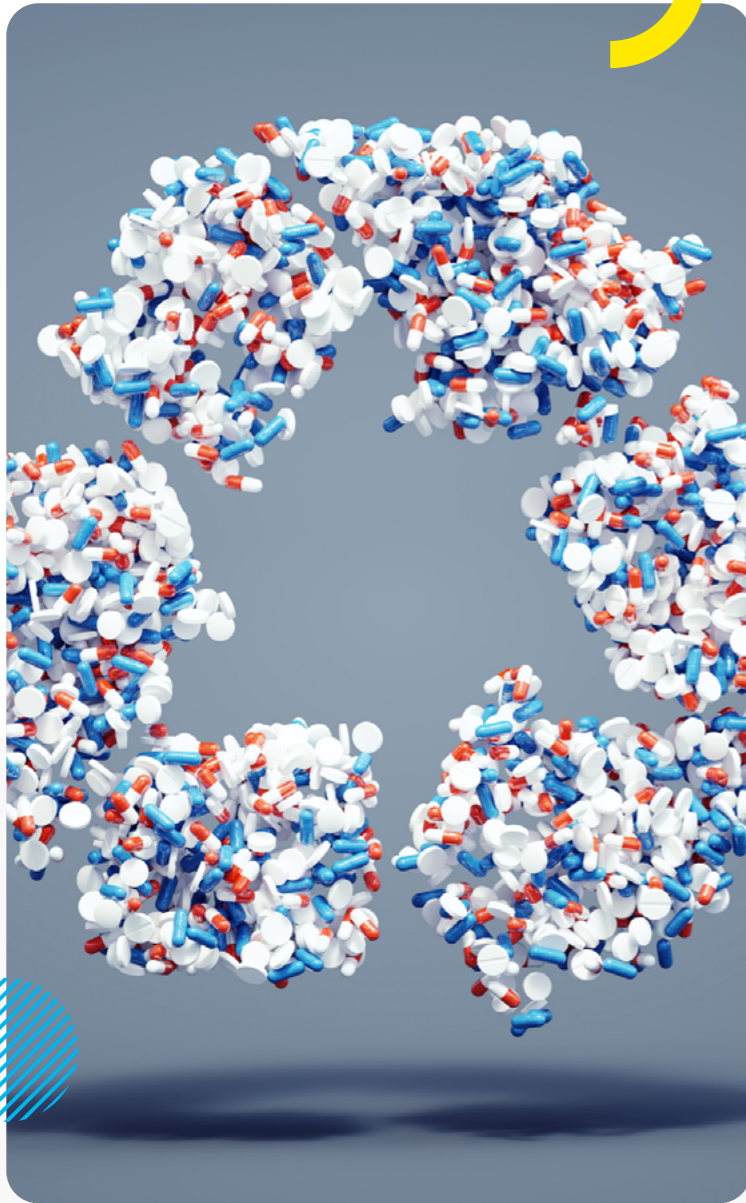
Waste sent for disposal, per operation (tons)**2020/2021****Hazardous Waste**

Incinerated (no energy recovery)	0.45
Landfill containment	0
Other disposal operations ²	28.6
Total	29.03

Non-Hazardous Waste

Incinerated (no energy recovery)	0
Landfill containment	30.98
Other disposal operations	0
Total	30.98

² Refers to hazardous waste destined for the co-processing process.



Reverse logistics for medicines

GRI 301-3

The disposal of medicines after use by patients is one of the main environmental impacts of the pharmaceutical sector. Because it contains chemical substances that act on the human body and the environment, expired or unused drugs should not be disposed of in the regular trash or in the sewage system, but rather sent for incineration.

To contribute to mitigating this impact, we, from Daiichi Sankyo Brasil, have joined other sector companies and organizations to act jointly. Since 2018, we have been supporters of the initiative led by Interfarma for the construction of the **Reverse Logistics Plan for Medicines** for the State of São Paulo.

The Plan foresees the commitment of the adhering companies to install collection points in different regions of the state so that patients can discard the products at their end of life. The medicines are collected and sent for incineration and the packaging is sent for recycling.

In 2020, the industry sold about 16.4 million units of medicines in the State of São Paulo. The reverse logistics system collected 106 kg of medicine waste and 58 kg of packaging, which represents a recovery of 0.06% of the total medicines produced in the state and 0.06% of packaging in Brazil as a whole.

Take-back of medicines

SASB HC-BP-250a.4

Today, the total percentage of our medicines that are taken-back by distributors and pharmacies corresponds to 0.74% of the total volume made available to the market. The products are taken-back for several reasons, among which are invoice errors, incorrect quantity requested, packaging damage caused by some problem in transportation, among others.

Attentive to our business sustainability, we have adopted best practices that ensure the correct management of the return, take-back, and disposal of these products. By means of the medicine take-back practice, the returned products are analyzed by the Quality Assurance area, following evaluation criteria determined in approved procedures, which indicate if the product should be taken back and reintegrated into the stock for sale or if it should be sent for incineration, for the cases in which some damage to the product is identified that makes its commercialization impossible.

In the last fiscal year, our management of returned products achieved good results in the practice of medicine take-back:

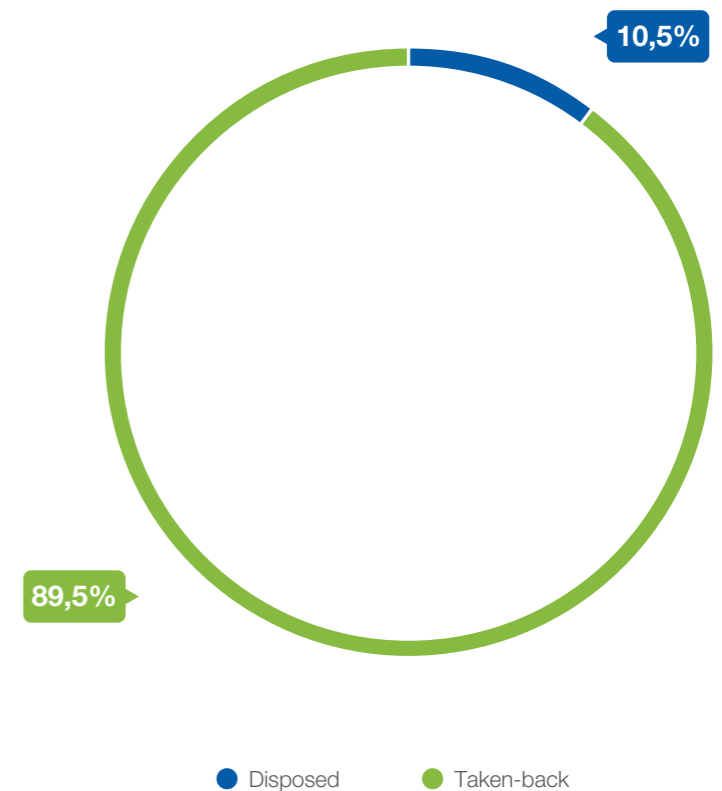
Among the **162,916** materials received:



145,802
were taken-back



17,114
units were sent
for disposal





Daiichi-Sankyo



CHAPTER  6

Attachments

GRI Content index

GRI 102-55

GENERAL CONTENT

REFERENCE (PG.) / DIRECT ANSWER

General Disclosures

Organizational Profile

102-1	Name of the organization	Page 10
102-2	Primary brands, products, and services	Page 13
102-3	Location of the organization's headquarters	Page 14
102-4	Number of countries where the organization operates	Page 14
102-5	Nature of ownership and legal form	Daiichi Sankyo Brasil Farmacêutica Ltda.
102-6	Markets served	Page 14
102-7	Scale of the organization	Page 14
102-8	Information on employees and other workers	Page 49
102-9	Description of the organization's supply chain	Page 69
102-10	Significant changes to the Organization's size, structure, ownership, or supply chain	Page 17
102-11	Whether and how the organization applies the Precautionary Principle or approach	There is no formal adherence to the precautionary principle, but the company promotes a preventive risk management, as presented in the Risk Management chapter on page 19.
102-12	List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses	Page 26 and page 28
102-13	List of the main memberships of industry or other associations, and national or international advocacy organizations	Page 28

REFERENCE (PG.) / DIRECT ANSWER

Strategy		
102-14	Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization	Page 05
102-15	Key impacts, risks, and opportunities	Page 19
Ethics and Integrity		
102-16	Description of the organization's values, principles, standards, and norms of behavior	Page 10, and page 20, and page 69
102-17	Mechanisms for advice and concerns about ethics	Page 20
Governance		
102-18	Governance structure of the organization, including committees	Page 17
102-22	Composition of the highest governance body and its committees	Page 17
102-23	Report whether the chair of the highest governance body is also an executive officer in the organization	Page 17
102-25	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	Page 20
Stakeholder Engagement		
102-40	List of stakeholder groups engaged by the organization	Page 26
102-41	Percentage of total employees covered by collective bargaining agreements	100% of employees are covered by collective bargaining agreements.
102-42	Basis for identifying and selecting stakeholders with whom to engage	Page 26
102-43	The organization's approach to stakeholder engagement, including frequency of engagement	Page 26
		Ethics & Compliance – Page 16 Health Care – Page 31
102-44	Key topics and concerns that have been raised through stakeholder engagement and how the organization has responded to those key topics and concerns	Taking care of our team – Page 49 Taking care of society - Page 69 Responsible Operation – Page 38 Eco-efficient operations - Page 72

REFERENCE (PG.) / DIRECT ANSWER

Reporting Practices		
102-45	List of all entities included in the organization's consolidated financial statements or equivalent documents	Daiichi Sankyo Brasil has no subsidiaries, so it is the only entity included in its financial statements.
102-46	An explanation of the process for defining the report content and the topic Boundaries	Page 02
102-47	List of the material topics identified in the process for defining report content	Ethics and Human Rights – Page 16 Health Care – Page 31 Taking care of our team – Page 49 Taking care of society - Page 69 Responsible Operation - Page 38 Eco-efficient operations - Page 72
102-48	The effect of any restatements of information given in previous reports, and the reasons for such restatements	
102-49	Significant changes from previous reporting periods in the list of material topics and topic Boundaries	Page 29
102-50	Reporting period for the information provided	Page 02
102-51	Date of the most recent previous report	The previous report covered the fiscal year from 04/01/2019 to 03/31/2020.
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report or its contents	Page 02
102-54	Claim made by the organization, if it has prepared a report in accordance with the GRI Standards	This report has been prepared in accordance with GRI Standards: Core Option.
102-55	GRI Content index	Page 83
102-56	A description of the organization's policy and current practice with regard to seeking external assurance for the report	The Report was not submitted to external verification.

SPECIFIC CONTENT

REFERENCE (PG.) / DIRECT ANSWER

Economic Disclosures

Economic Performance

201-1 Direct economic value generated and distributed

Market Presence

202-1 Ratios of standard entry level wage by gender compared to local minimum wage

PROPORTION OF THE LOWEST WAGE COMPARED TO THE MINIMUM WAGE WITH GENDER BREAKDOWN.

Region	Men	Women
Northeast	5.51	4.59
Midwest	5.51	6.45
Southeast	2.13	2.05
South	6.45	6.45

Procurement Practices

204-1 Proportion of spending on local suppliers Page 69

Anti-corruption

205-1 Total number and percentage of operations assessed for risks related to corruption and significant risks related to corruption identified through the risk assessment No significant risks were identified in the occasional due diligences carried out by the company in order to identify risks related to corruption.

205-2 Communication and training about anticorruption policies and procedures Page 20

205-3 Confirmed incidents of corruption and actions taken No corruption cases were identified in the Company during fiscal year 2020/2021, and, therefore, no punitive measures were taken.

Environmental Disclosures

Materials

301-3 Reclaimed products and their packaging materials Page 80

Energy

REFERENCE (PG.) / DIRECT ANSWER

302-1	Energy consumption within the organization	Page 75
302-3	Energy intensity	Page 75
302-4	Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	Page 75
Water and Effluents		
303-1	Water withdrawal by source	Page 76
303-2	Water sources significantly affected by withdrawal of water	Page 77
303-3	Water recycled and reused	Page 76
303-4	Breakdown of total water discharge by types of destination, including in areas with water stress	Page 77
303-5	Total water consumption	Page 76
Emissions		
305-1	Direct (Scope 1) GHG emissions	Page 74
305-2	Energy indirect (Scope 2) GHG emissions	Page 74
305-4	GHG emission intensity	Page 74
305-5	Reduction of GHG emissions	Page 74
Waste		
306-1	Water discharge by quality and destination	Page 78
306-2	Waste by type and disposal method	Page 78
306-3	Total number and total volume of recorded significant spills	Page 78
306-4	Total weight of waste diverted from disposal in metric tons	Page 78
306-5	Total weight of waste directed to disposal in metric tons	Page 78
Environmental Compliance		

REFERENCE (PG.) / DIRECT ANSWER

307-1	Total monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and/or regulations	There were no fines, sanctions or notifications related to non-compliance with environmental laws and regulations
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Supplier Environmental Assessment

308-1	New suppliers that were screened using environmental criteria	We do not select suppliers based on environmental criteria..
308-2	Negative environmental impacts in the supply chain and actions taken	We do not evaluate environmental impacts on suppliers, we only evaluate through documentation whether the supplier meets the legal requirements and their conditions.

Social Disclosures**Employment**

401-1	Total number and rate of new employee hires and rate of employee turnover, by age group, gender and region	Page 49
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 49
401-3	Return to work and retention rates of employees that took parental leave, by gender	Page 61

Occupational Health and Safety

403-1	Occupational health and safety management system	Page 63
403-2	Hazard identification, risk assessment, and incident investigation	Page 65
403-3	Occupational health services	Page 63
403-4	Worker participation, consultation, and communication on occupational health and safety	Page 63
403-5	Worker training on occupational health and safety	Page 66
403-6	Promotion of worker health	Page 64
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 67
403-8	Workers covered by an occupational health and safety management system	Page 63
403-9	Work-related injuries	Page 68
403-10	Work-related ill health	Page 67

Training and Education

REFERENCE (PG.) / DIRECT ANSWER

404-1	Average hours of training that the organization's employees have undertaken during the reporting period, by gender and employee category	Page 56
404-2	Programs for upgrading employee skills and transition assistance programs	Page 56 and page 59
404-3	Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period	Page 60
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees with percentage of individuals by gender, age group, minority or vulnerable groups and other indicators of diversity	Page 18 and page 49
405-2	Ratio of basic salary and remuneration of women to men	Page 61
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Page 61
Security Practices		
410-1	Security personnel trained in human rights policies or procedures	Page 61
Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	100% of Daiichi Brasil's operations were submitted to assessments. In this sense, four training courses on the theme were also held with all employees. The average score was 9.86.
412-2	Employee training on human rights policies or procedures	Page 61
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Page 69
Supplier Social Assessment		
414-2	Negative social impacts in the supply chain and actions taken	Currently we do not perform social impact assessment on suppliers.
Customer Health and Safety		

REFERENCE (PG.) / DIRECT ANSWER

416-1	Assessment of the health and safety impacts of product and service categories	Page 36
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Page 36
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Page 38
417-2	Incidents of non-compliance concerning product and service information and labeling	There were two cases of non-compliance with voluntary codes, related to quality deviations detected internally (FY2020/2021), which were adequately addressed and resolved before the product was released to the market.
417-3	Incidents of non-compliance concerning marketing communications	We did not register any cases of non-compliance concerning marketing communication during the reporting period.
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 23
Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	In 2020/2021, no cases of fines or monetary sanctions were identified, nor were any cases filed through arbitration mechanisms.

SASB Index

CONTENT¹

REFERENCE (PG.) / DIRECT ANSWER

HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery.	There were no monetary losses as a result of legal proceedings associated with corruption and bribery
HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	Page 40

CONTENT¹**REFERENCE (PG.) / DIRECT ANSWER**

HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Page 33 Besides all the structure to guarantee access to our medicines, we are also developing strategies to guarantee access to future products in our Oncology therapeutic area, which has Brazil as one of the priority countries for breast cancer treatment.																																							
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP).	We do not use the active ingredients listed on the WHO List of Prequalified Medicinal Products and our medicines do not fall under the Prequalification of Medicines Program (PQP).																																							
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period.	Not applicable for operations in Brazil.																																							
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year.	<p>Price increases are applied according to the annual price readjustment regulation by CMED (Medicines Chamber). The product with the highest list price increase, compared to the previous year, was Benicar HCT® (9.3%). The highest net price increase, relative to 2019/2020, was Loxonin® (9.1%).</p> <table border="1"> <thead> <tr> <th data-bbox="1473 874 1626 906">PRODUCT</th> <th data-bbox="1889 874 2041 906">LIST PRICE</th> <th data-bbox="2293 874 2446 906">NET PRICE</th> </tr> <tr> <td></td> <td data-bbox="1889 914 2010 946">Increase</td> <td data-bbox="2293 914 2415 946">Increase</td> </tr> </thead> <tbody> <tr> <td data-bbox="1473 954 1682 986">Benicar Mono®</td> <td data-bbox="1889 954 1982 986">5.20%</td> <td data-bbox="2293 954 2386 986">4.20%</td> </tr> <tr> <td data-bbox="1473 994 1668 1026">Benicar Anlo®</td> <td data-bbox="1889 994 1982 1026">3.20%</td> <td data-bbox="2293 994 2386 1026">2.40%</td> </tr> <tr> <td data-bbox="1473 1034 1668 1066">Benicar HCT®</td> <td data-bbox="1889 1034 1982 1066">9.30%</td> <td data-bbox="2293 1034 2386 1066">6.90%</td> </tr> <tr> <td data-bbox="1473 1074 1606 1106">Loxonin®</td> <td data-bbox="1889 1074 1982 1106">5.20%</td> <td data-bbox="2293 1074 2386 1106">9.10%</td> </tr> <tr> <td data-bbox="1473 1114 1592 1145">Effient®</td> <td data-bbox="1889 1114 1982 1145">5.20%</td> <td data-bbox="2293 1114 2386 1145">4.60%</td> </tr> <tr> <td data-bbox="1473 1153 1600 1185">Lixiana®</td> <td data-bbox="1889 1153 1982 1185">3.20%</td> <td data-bbox="2293 1153 2386 1185">1.60%</td> </tr> <tr> <td data-bbox="1473 1193 1592 1225">Latuda®</td> <td data-bbox="1889 1193 1982 1225">5.20%</td> <td data-bbox="2293 1193 2386 1225">-0.10%</td> </tr> <tr> <td data-bbox="1473 1233 1592 1265">Daisan®</td> <td data-bbox="1889 1233 1982 1265">5.20%</td> <td data-bbox="2293 1233 2386 1265">6.00%</td> </tr> <tr> <td data-bbox="1473 1273 1614 1305">Hirudoid®</td> <td data-bbox="1889 1273 1982 1305">8.50%</td> <td data-bbox="2293 1273 2386 1305">8.50%</td> </tr> <tr> <td data-bbox="1473 1313 1628 1345">Lactulona®</td> <td data-bbox="1889 1313 1982 1345">6.30%</td> <td data-bbox="2293 1313 2386 1345">7.40%</td> </tr> <tr> <td data-bbox="1473 1353 1600 1385">Inovaflex</td> <td data-bbox="1889 1353 1982 1385">3.20%</td> <td data-bbox="2293 1353 2386 1385">0.00%</td> </tr> </tbody> </table>	PRODUCT	LIST PRICE	NET PRICE		Increase	Increase	Benicar Mono®	5.20%	4.20%	Benicar Anlo®	3.20%	2.40%	Benicar HCT®	9.30%	6.90%	Loxonin®	5.20%	9.10%	Effient®	5.20%	4.60%	Lixiana®	3.20%	1.60%	Latuda®	5.20%	-0.10%	Daisan®	5.20%	6.00%	Hirudoid®	8.50%	8.50%	Lactulona®	6.30%	7.40%	Inovaflex	3.20%	0.00%
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CONTENT¹**REFERENCE (PG.) / DIRECT ANSWER**

HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database.	The Company and its products are not subject to the FDA but to Anvisa. There were no safety alerts issued by Anvisa for Daiichi Sankyo Brasil's medicines during fiscal year 2020/2021. Page 35
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	The Company and its products are not subject to the FDA but to Anvisa. There were no fatal reports in Anvisa's VigiMed system for Daiichi Sankyo Brasil's medicines during fiscal year 2020/2021. Page 35
HC-BP-250a.3	Number of recalls issued; total units recalled	Daiichi Sankyo Brasil did not perform any medicine recalls in the evaluated period. Page 36
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Page 81
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type.	There was no action demanded by health authorities (including the FDA) in the evaluated period.
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting.	Page 37
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products.	We inform and guide our customers about possible medicine counterfeiting through our relationship channels - SAC and institutional website. In 2020/2021, there were no counterfeit medicine cases at Daiichi Sankyo Brasil and, therefore, no communications in this regard were made.
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products.	There were none.
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel.	Not applicable, because we do not have a team of scientists dedicated exclusively to R&D

CONTENT¹

REFERENCE (PG.) / DIRECT ANSWER

HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others.	<p>FUNCTIONAL CATEGORY: INVOLUNTARY DISMISSALS</p> <table border="1"> <thead> <tr> <th></th> <th>Total hires</th> <th>Turnover rate</th> </tr> </thead> <tbody> <tr> <td>Executives/senior managers</td> <td>0</td> <td>0%</td> </tr> <tr> <td>Mid-level managers</td> <td>3</td> <td>3%</td> </tr> <tr> <td>Mid-level employees (with higher education)</td> <td>4</td> <td>4%</td> </tr> <tr> <td>Other employees (everyone not mentioned above)</td> <td>21</td> <td>8%</td> </tr> </tbody> </table> <p>FUNCTIONAL CATEGORY: VOLUNTARY DISMISSALS</p> <table border="1"> <thead> <tr> <th></th> <th>Total hires</th> <th>Turnover rate</th> </tr> </thead> <tbody> <tr> <td>Executives/senior managers</td> <td>0</td> <td>0%</td> </tr> <tr> <td>Mid-level managers</td> <td>0</td> <td>0%</td> </tr> <tr> <td>Mid-level employees (with higher education)</td> <td>5</td> <td>5%</td> </tr> <tr> <td>Other employees (everyone not mentioned above)</td> <td>13</td> <td>5%</td> </tr> </tbody> </table>		Total hires	Turnover rate	Executives/senior managers	0	0%	Mid-level managers	3	3%	Mid-level employees (with higher education)	4	4%	Other employees (everyone not mentioned above)	21	8%		Total hires	Turnover rate	Executives/senior managers	0	0%	Mid-level managers	0	0%	Mid-level employees (with higher education)	5	5%	Other employees (everyone not mentioned above)	13	5%
	Total hires	Turnover rate																														
Executives/senior managers	0	0%																														
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Other employees (everyone not mentioned above)	13	5%																														
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims.	There were no monetary losses as a result of legal proceedings associated with false marketing claims.																														
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products.	<p>We do not promote, publicize or advertise off-label indications or pharmaceutical products that have not been approved by the applicable health authority. Information or clinical studies containing off-label indications or related to products not registered by the applicable health authority may be presented or delivered, without the participation of the Company's Commercial area, and only under the following conditions:</p> <p>To Health Care Professionals and Health Related Professionals, when requested by such professionals to Daiichi Sankyo Brasil, provided that such information or studies are limited to the inquiries made and presented by the Medical Affairs area, including Medical Scientific Liaison (MSL). This process shall be duly documented by the Medical Affairs area;</p> <p>In scientific events that have only the participation of experts in the field;</p> <p>When necessary to meet administrative or judicial orders.</p>																														
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third party audit programs for integrity of supply chain and ingredients	Daiichi Sankyo Brasil, in partnership with Daiichi Sankyo Inc (DSI/USA) has access to Rx-360 International Pharmaceutical Supply in case we need to purchase audit reports, or if the Company wishes to have a specific audit done, it can enter as a sponsor. However, we use it in specific cases, as our materials are purchased via resellers from international manufacturers who are audited by Rx-360. To ensure the quality and safety of these suppliers (tier 2) we rely on the Supplier Qualification Program (learn more on page 69).																														

DSBR Indicators

CONTENT		REFERENCE (PG.) / DIRECT ANSWER
DS01	Procedures carried out to determine the final price of the medicines.	Page 36
DS02	Initiatives to ensure a constant supply of medicines to patients.	Page 33
DS03	Regulations and legislation followed to ensure the legality of the clinical trials conducted.	Page 47
DS04	Number of new medicines launched, per year.	Page 15
DS05	Main therapeutic areas of medicines and the impact degree of the treated diseases on the population' s health.	Page 31
DS06	Initiatives to secure approval of new medicines with the authorities.	Page 35
DS07	Social initiatives supported by the Company, especially those related to the health area.	Page 71
DS08	Number of assistances performed by the SAC.	Page 39
DS09	Number of medicines sold, by year..	Page 33
DS10	Total health professionals trained and total hours/year (Medical Education Program).	Page 43
DS11	Performance in research	Page 47
DS12	Performance: Business Innovation	Page 47

Capitals Map



SDG Map

Learn on the pages listed how our commitment to sustainable development allows us to contribute to the 17 Sustainable Development Goals:



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Credits

Coordination

Human Resources Department | Communication

Editorial project, content writing, GRI consulting and translation

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Ricca Sustentabilidade

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Access



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**Sustainability
Report**
2020-2021

