

Sustainability Report

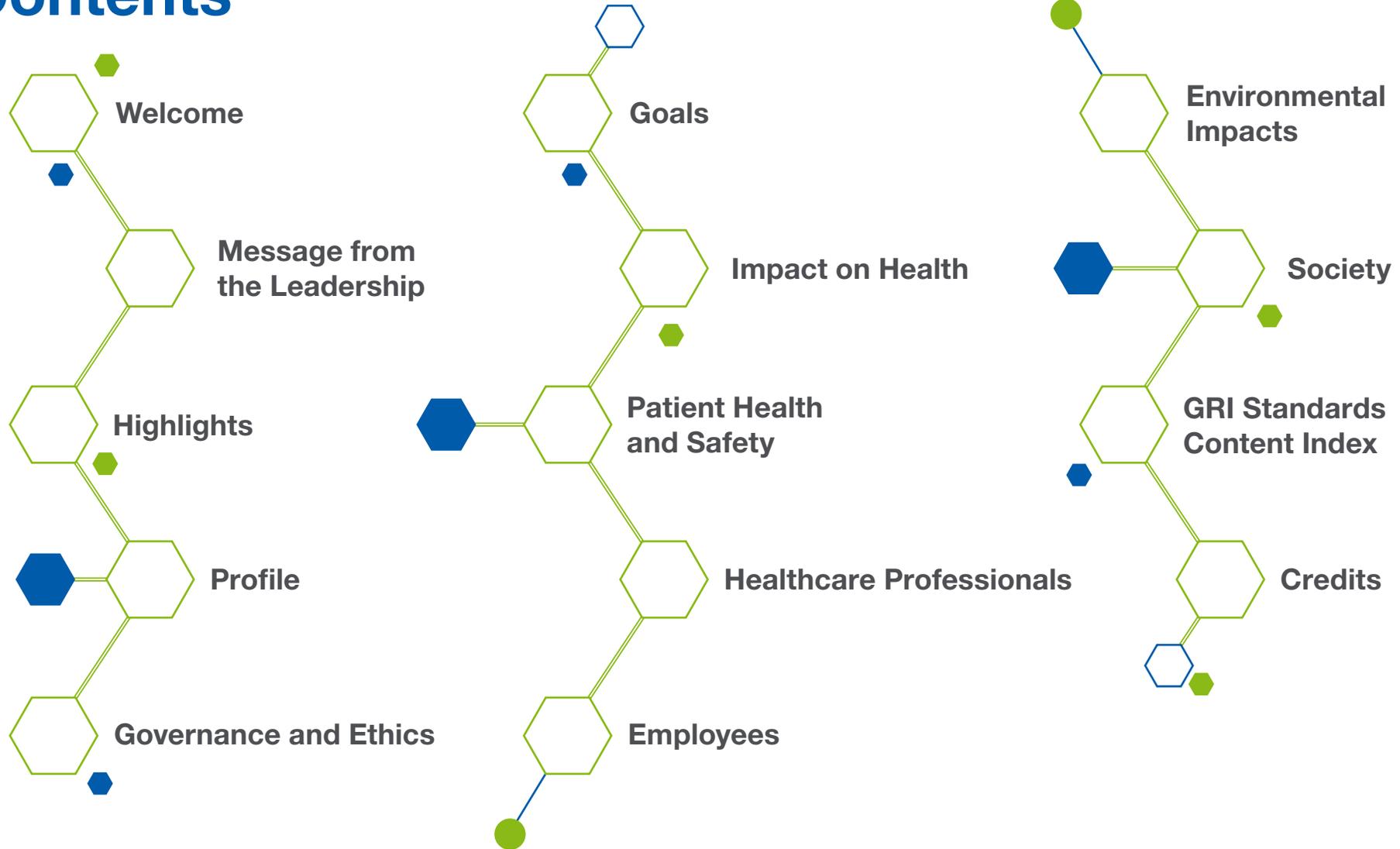
2018 · 2019



Daiichi-Sankyo

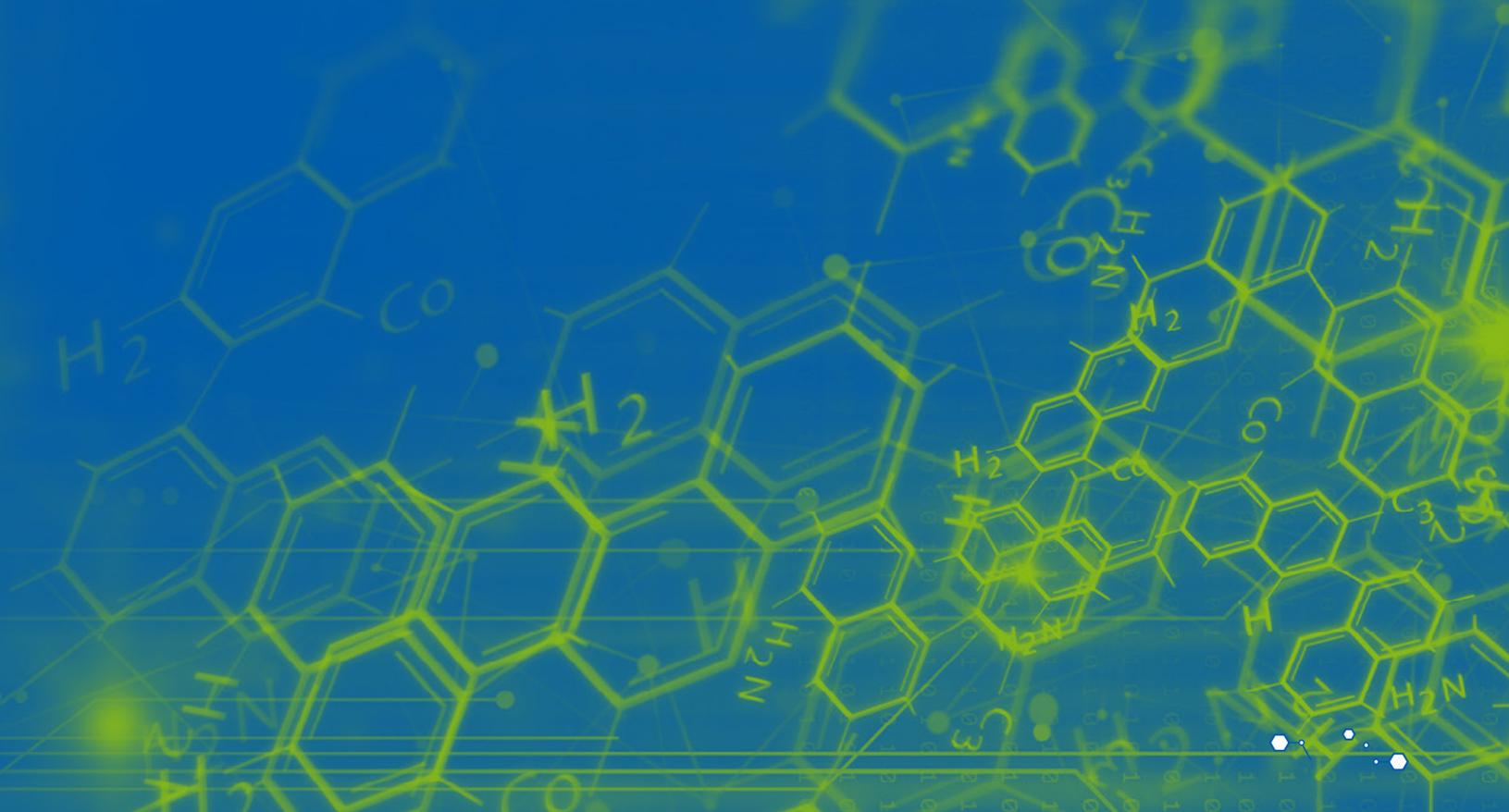


Contents





Welcome





Welcome

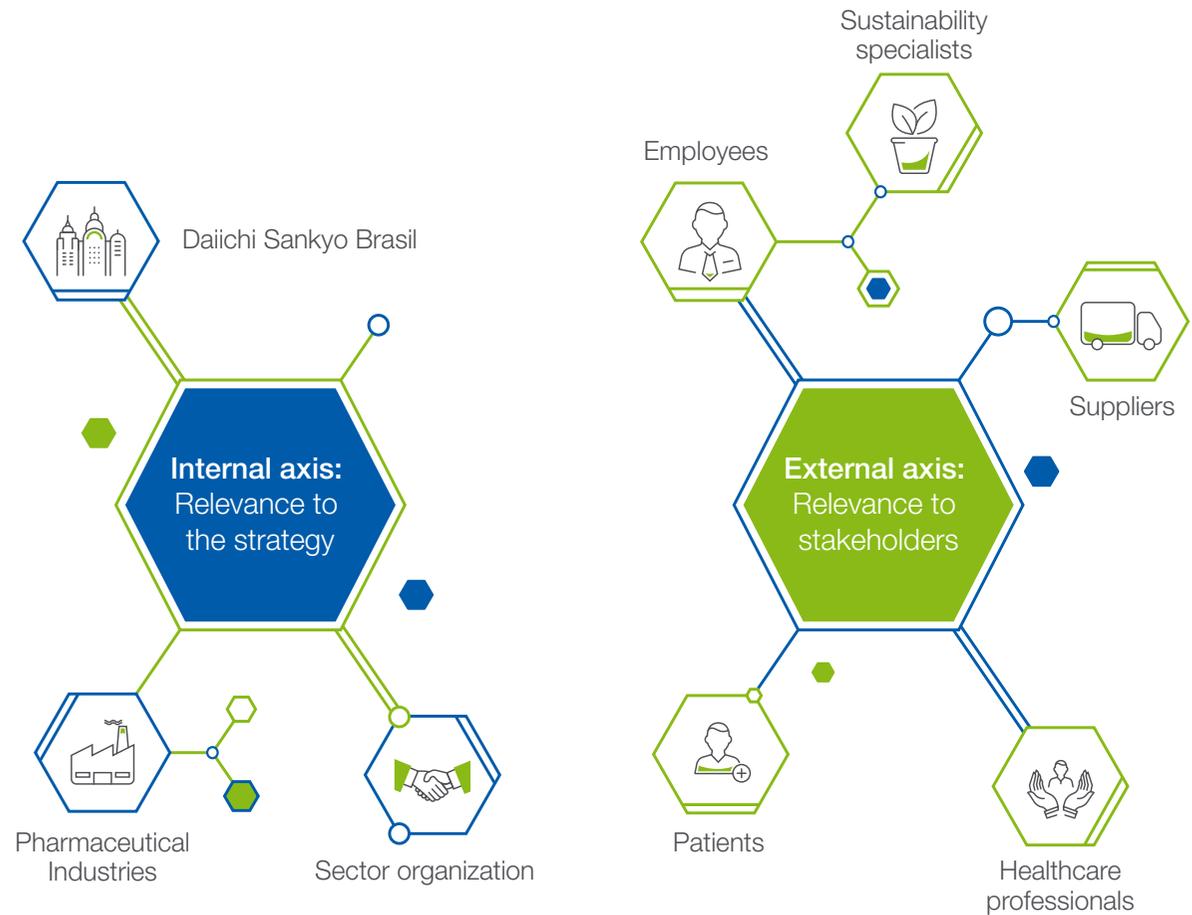
GRI 102-1 / 102-40 / 102-42 / 102-43 / 102-46 / 102-47 / 102-50 / 102-53 / 102-54

This is Daiichi Sankyo Brasil's Sustainability Report. In this document, we present how the Company's activities focused on health and quality of life generate value for patients, health professionals, employees, society and the environment.

The information reported covers all of our business throughout the fiscal year from April 1st, 2018 to March 31st, 2019. The report is based on the Global Reporting Initiative (GRI) guidelines, the voluntary standard for the most widely adopted sustainability reporting in the world.

To define this report scope, we conducted a process to understand in which topics our Company has the greatest potential to generate negative and positive impacts for our internal and external stakeholders. The chosen stakeholders were those which we routinely relate with, because they have a greater capacity to impact and to suffer impacts from our business.

Stakeholders





The priority topics for Daiichi Sankyo Brasil, the pharmaceutical industry, sector organizations and sustainability specialists were identified through studies in public documents. Employees, suppliers, health professionals and patients opinions were gathered through an online survey with 260 participants.

As a result, we defined seven material topics:



The full description of the survey result, relevance and limits of each topic can be found on page 66.

Following the GRI guidelines, in its Core option, we used the material topics as the basis for choosing and reporting a series of indicators, which can be identified throughout the report by the acronym “GRI”. The full list of indicators can be found in the GRI Content Index (page 67).

In the GRI Index, we also signaled how the reported indicators relate to the UN-defined Sustainable Development Goals (SDG) for the purpose of guiding national policies and engaging companies and organizations around the world towards sustainable development. In doing so, we map our impacts on sustainability according to a metric globally adopted, demonstrating how we generate value throughout the year.



Contact

To submit questions, suggestions or request more information about the report, contact us at **responsabilidadesocial@dsbr.com.br**





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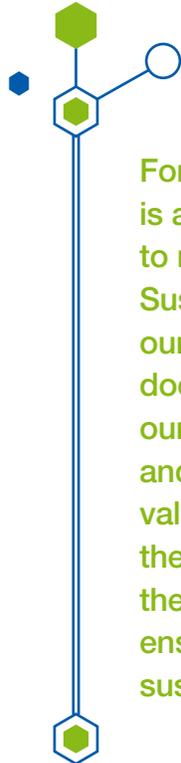
Message from the Leadership





Message from the Leadership

GRI 102-14



For Daiichi Sankyo Brasil it is a joy and a responsibility to release this 2018/2019 Sustainability Report to our stakeholders. In this document, we show how our strategy, management and operation have created value for society and for the environment throughout the last fiscal year, besides ensuring our business sustainability.

We have achieved these results amidst a challenging economic scenario characterized by political and economic uncertainties resulting in a feeble GDP growth. Nevertheless, we remain investing in the innovation of our product line, our management

and internal processes, betting on the continued growth of our Company in the upcoming years.

The main milestone of this process was the launch of two new products: Lixiana® (edoxabana) and Latuda® (lurasidone hydrochloride).

Lixiana® is an oral anticoagulant indicated for stroke prevention in patients with non-valvular atrial fibrillation (AF) and for the treatment and secondary prevention of venous thromboembolism. Through it, we have increased our impact on the population health, since AF affects between 0.5% and 1% of the population.

Latuda®, is an atypical antipsychotic indicated to treat schizophrenia and type I bipolar depression, disorders affecting approximately 2% and 1% of the population, respectively.

Another important highlight in this process was the inauguration of our new administrative and commercial office in the city of São Paulo. The space presents a modern and bold architecture, allowing a more collaborative, innovative and inclusive work environment. Simultaneously, we updated our dress code, defining a more informal style, adopted flexible hours and continued offering home office options, bringing an innovation and engagement environment to our employees.

Thinking about the continuity of our growth, we continue investing in research and development of new medicines that should increase our potential to positively impact the health of Brazilians in the short, medium and long term.

In the midst of this process, we also focus our investment in the training of health professionals, where we disseminate scientific information about our medicines, the pathologies they fight against and their therapeutic areas. In this way, we contribute to the generation of knowledge in society and the updating of physicians and researchers.

Another important action to support our future development is Total Quality Project, which improves our processes in order to meet customer requirements, achieve corporate goals and improve our financial results. With it, we implemented the Profitability Project, which seeks to more efficiently invest resources, cut costs and optimize corporate processes.





We have done all this following the guidelines of our Integrity Program, which seeks to ensure ethical conduct and the fight against corruption in our business. Through it, we reviewed our Code of Conduct and Anti-Corruption Policy, in addition to launching the new Code of Conduct for Business Partners. In doing so, we established the pillars that will sustain our Company in the coming years.

Our focus on the future is also present in the care with the environment. In 2018/2019, we switched the Sales Force fleet fuel from gasoline to ethanol, contributing to the reduction of greenhouse gas emissions. This initiative, along with the purchase of renewable energy in the Free Market, has reduced our emissions by 68%.

Since April 1st, 2018, I have been the CEO of Daiichi Sankyo Brasil, in order to continue the work that the former CEO, Eloi Bosio, has performed in recent years. After all, by focusing on the continuity of the Company's growth and innovation process, we intend to bring health and quality of life to more and more people through our actions and our medicines.

Marcelo Gonçalves

Daiichi Sankyo Brasil CEO



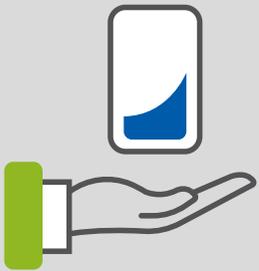


Highlights





2018/2019 Highlights



Launch of Lixiana[®] and Latuda[®] medicines.

Change of administrative and commercial office.



Adherence to Interfarma's medicine reverse logistics plan.



Updating of the Code of Conduct and Anti-Corruption Policy.



Implementation of the Total Quality Program.



68% reduction in greenhouse gas emissions.



Exchanged the Sales Force fuel to Ethanol.

Launch of the Code of Conduct for Business Partners.



Sales Force restructuring.





4 Profile



Profile

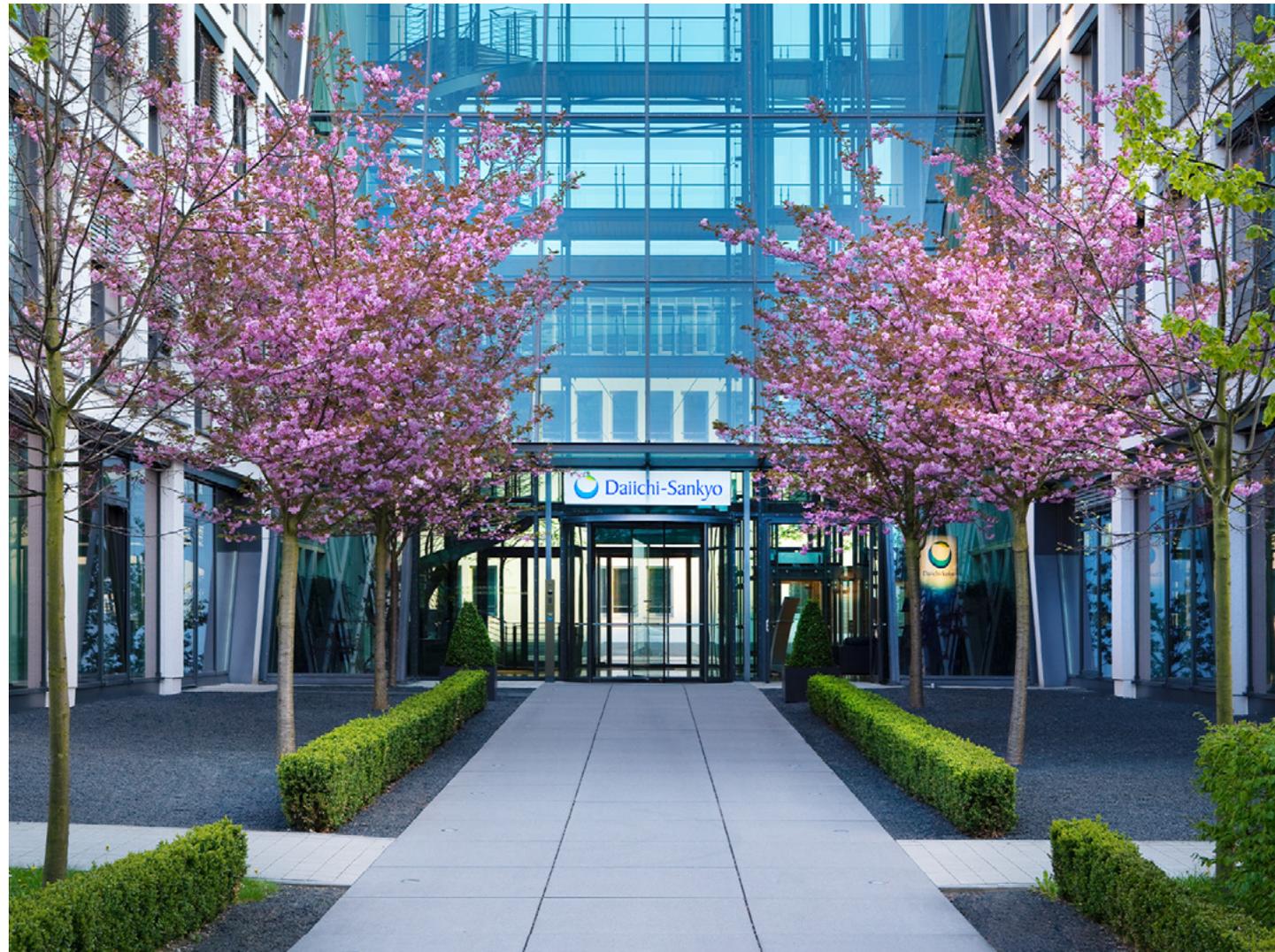
Who we are

Daiichi Sankyo is a global pharmaceutical organization, with origin in Japan, established in 2005, through the merger of two large Japanese pharmaceutical companies, with more than one hundred years of history: Daiichi and Sankyo. The name Daiichi means “first”. Sankyo comes from the word san (three, in Japanese) and kyo (working together), referring to the fact that the company was founded by three friends.

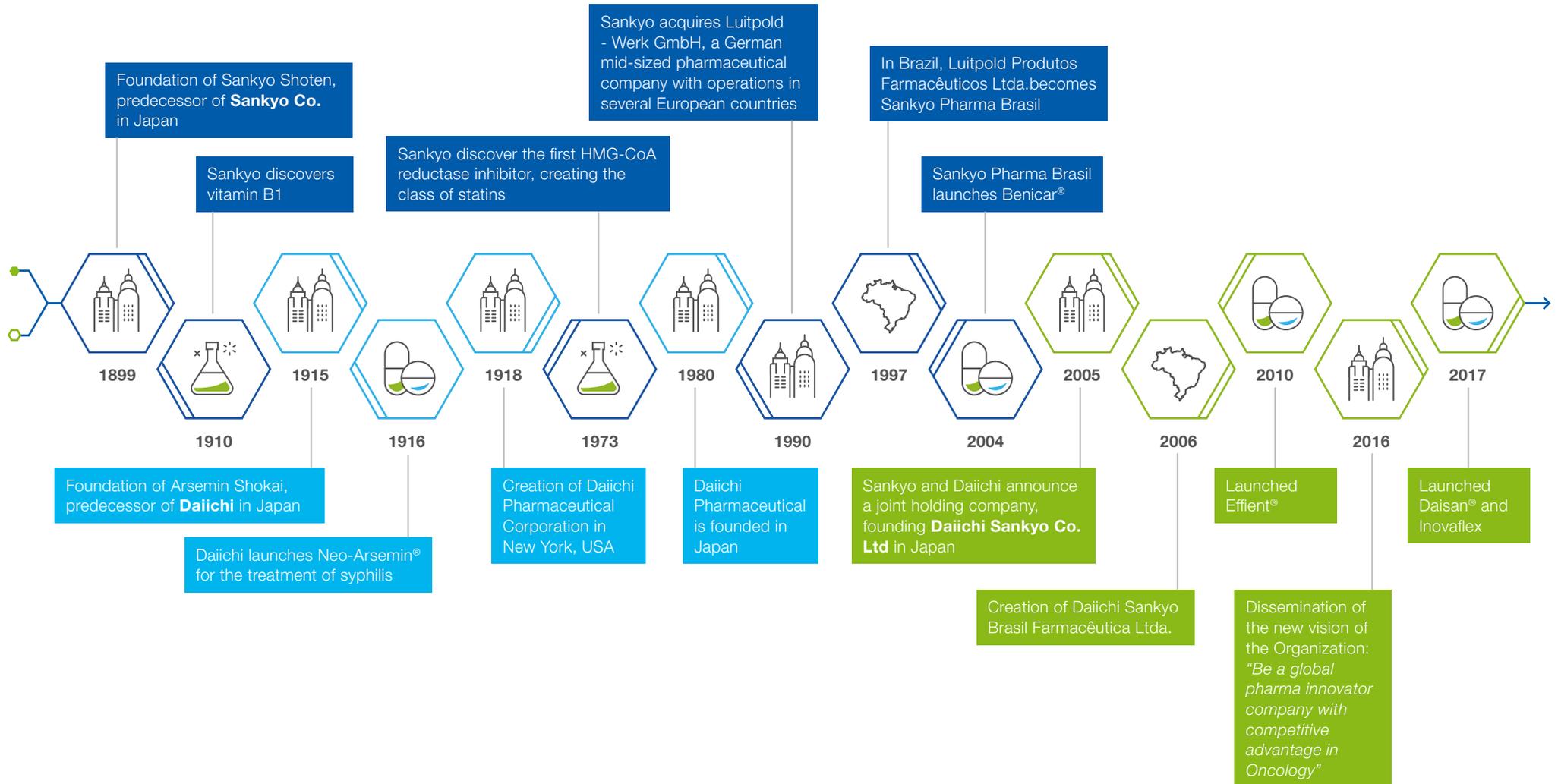
Today, the Organization is present in more than 20 countries around the world, with more than 15,000 employees dedicated to the creation and supply of pharmaceuticals to meet diverse medical needs.

In 2006, Daiichi Sankyo Brasil was created and, since then, has maintained a line of products focused on specialties such as cardiology, psychiatry and orthopedics, marketed in all regions of the country and also exported to 12 other countries in Latin America.

The main way we generate value is by producing, promoting and selling medicines that promote the population’s health and quality of life. Commitment to patients has been part of the Organization essence since our centenary roots in Japan and is present in our daily lives, focusing on the medicines’ quality and innovation.



Timeline





Mission, Vision and Core Values

GRI 102-16

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 - 2025

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

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.

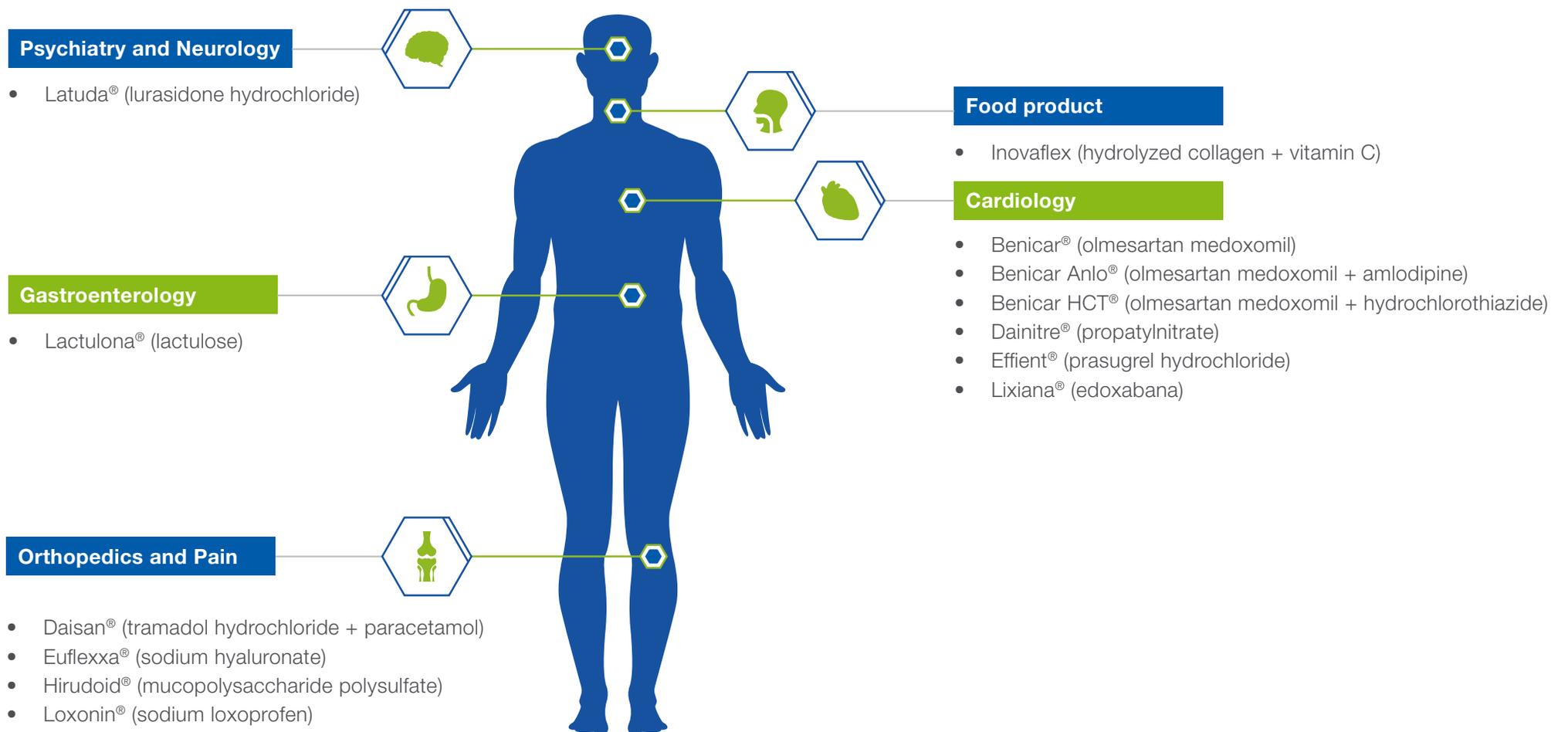




Products

GRI 102-2

Our medicines





National and international presence

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

During fiscal year 2018/2019, our Company sold approximately 17 million packaging units serving Brazilian and Latin American markets. They are widely used by physicians and patients in clinics, public and private hospitals and physician offices throughout the country.

The Company has an administrative and commercial office located in São Paulo - SP, and a productive plant in Barueri (SP), which produces the medicines: Benicar[®], Benicar HCT[®], BenicarAnlo[®], Lixiana[®], Loxonin[®] and Hirudoid[®].

In addition to these, Daiichi Sankyo Brasil also imports and directly markets the products: Lactulona[®], Latuda[®] and Effient[®]. We also sell Daisan[®], Dainitre[®], Euflexxa[®] and Inovaflex, which are produced through local partners.

The promotion of medicines among Brazilian healthcare professionals is carried out by the Sales force's demand team. Their commercialization are done through the commercial area with distributors and large pharmaceutical networks in all Brazilian states, as well as participation in bids.

Today, 26% of all production from the Brazilian factory is exported. Exports take place both in the direct model, in which the Company negotiates directly with an importing customer, and in the indirect model, in which the business occurs through another company located in Brazil. In 2018/2019, we changed the countries which we export directly. According to this model, we now export only to Guatemala and Mexico, which serve other countries in Latin America. In the indirect model, the shipments are sent to Colombia and Ecuador.





Economic performance

GRI 102-7

During 2018, the Brazilian economy kept its gradual growth recovery, impacted by the uncertainties arising from the political scenario and consequent imprecision in the economic policy to be adopted by the government. As a result, GDP grew by 1.1% in 2018, same as the previous year.



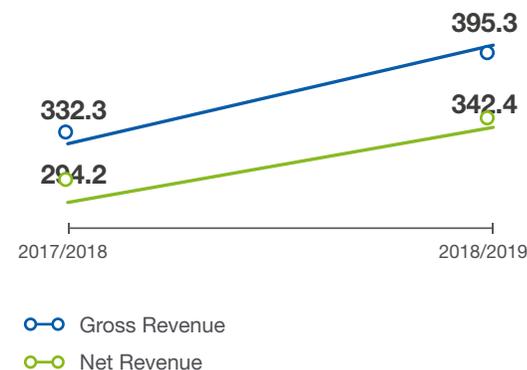
Since the Company markets products that directly impact the population health and quality of life, the pharmaceutical sector was less affected by the crisis when compared do other segments. Even so, its performance was impacted by the high unemployment rate and by the restriction in the population purchasing power. In 2018, the sector grew 9.8%, registering a growth close to that of 2017 (10.1%).

In this context, during the fiscal year 2018/2019, we recorded a 16.3% increase in our net sales in the local market, slightly higher than the 15.6% recorded in the previous fiscal year. The main factors responsible for the result in the Brazilian market were the launch of new products, which expanded our portfolio, and Benicar® performance, which continued to be our highlight in terms of sales growth, increasing our impact on population health.

In the international market, we were impacted by the ongoing economic crisis affecting part of Latin America countries, which was offset by increased exports to Mexico. As a result of these factors and the favorable exchange rate, our exports grew 21% over last year.

In addition to the increase in our sales, another initiative that impacted our results throughout the year was the Profitability Project, which brought greater efficiency to the local operation, reducing costs, avoiding waste and investing in priority projects (learn more on page 26). As a result, we generated revenues of R\$ 342.4 million, 16% higher than in 2017. Therefore, we demonstrated our capacity in maintaining financial sustainability while promoting population health, generating value for our stakeholders.

Revenue (R\$ million)





5

Governance and Ethics



Governance and Ethics

Governance

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

Our Corporate Governance defends a transparent and ethical stance in the relationship with all stakeholders, promoting business sustainability and generating long-term value.

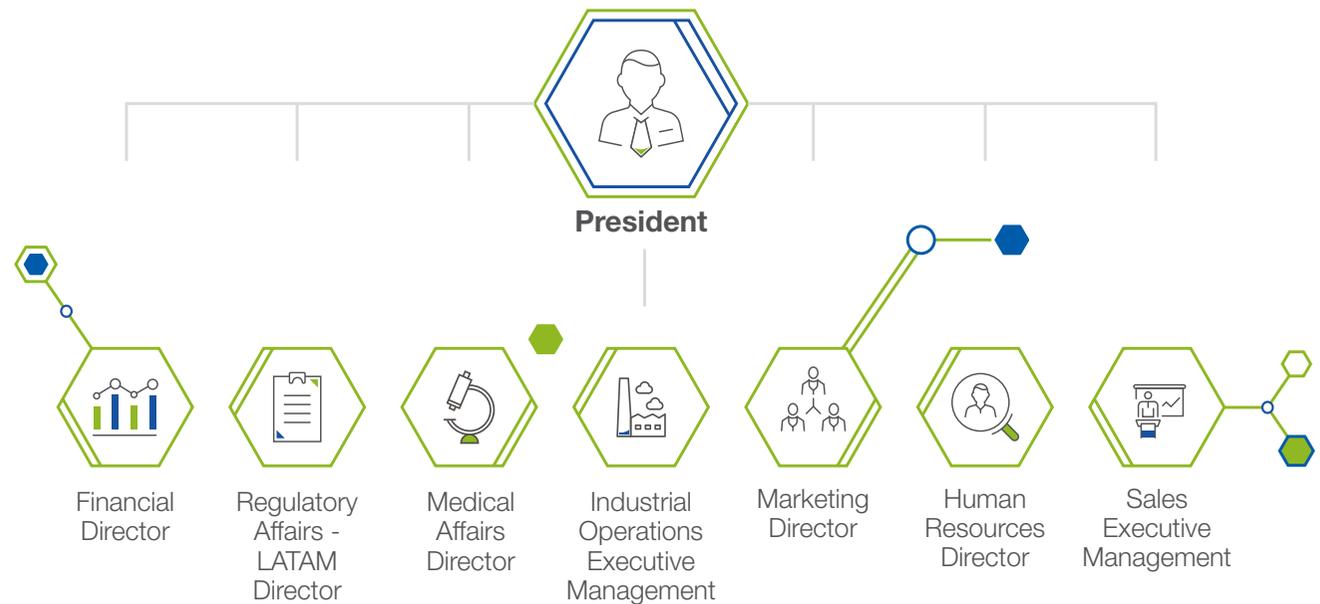
The company governance structure is formed by the Board of Directors, the organization's highest body, and by the Executive Committee. The President is the professional who represents the company legally and is member of the Board.

At the beginning of the fiscal year, we had a change in the company leadership: Eloi Bosio, our former President, announced his retirement. The position was taken up by Marcelo José Gonçalves, former Marketing and Sales Director.

Eloi Bosio continues as a member of the Board of Directors, which also has the presence of the current President and two employees from Daiichi Sankyo, who hold executive positions in Japan.

The Executive Committee is composed of the President, five directors and two managing directors, organized according to the organization chart:

Executive Committee



In addition to the Executive Committee, our governance model is structured in Committees, responsible for defining the strategy and actions to ensure smooth company operation, transparency and implementation of strategic planning.

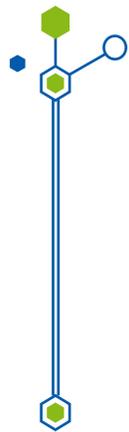
The Committees allow us to be attentive to current world changes and to alter the course of decisions if necessary. They are: Executive Committee, Results Meeting and Budget Review, New Business Committee LRR Committee (Launch Readiness Review), Labor Committee, S&OP Committee, Ethical Conduct Committee, Manufacturing Committee, Quality Committee and New Business Committee.





Ethics

GRI 102-16 / 103-1 / 103-2 / 103-3



At Daiichi Sankyo Brasil, we conduct our business in an ethical and responsible manner, always seeking to be attentive to the transparency of our actions and to the fulfillment of our legal obligations.

The main body to deliberate on these topics is the Ethical Conduct Committee, composed of three members of the Executive Committee: Presidency, Human Resources Department and Financial Department. It is responsible for promoting initiatives to raise awareness among internal and external audiences and to analyze complaints on conduct inconsistent with the Company principles, as well as recommending the application of any educational or punitive measures that may be necessary.

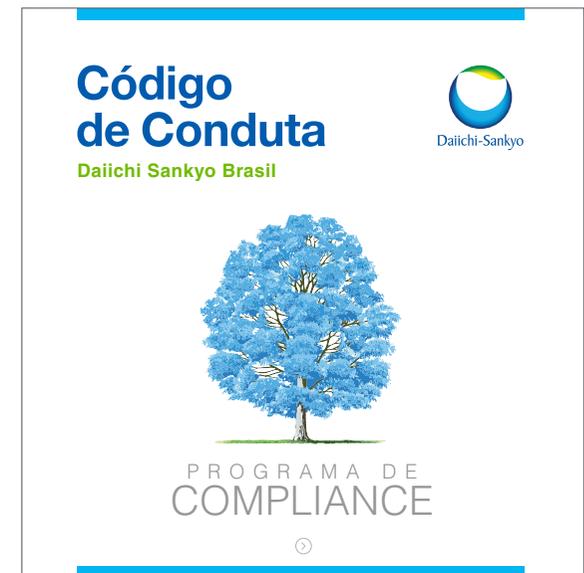
In 2018, we approved the Internal Regulation of the Ethical Conduct Committee, a document that aims to regulate the attributions, competencies, responsibili-

ties and functioning of the body in decision making, always seeking to strengthen our commitment to a culture of ethics, transparency and integrity.

We have a Code of Conduct, which describes the ethical and moral principles that should guide our actions. The document integrates the Innovation, Integrity and Responsibility values to the activities performed daily by all our employees, in addition to formalizing our commitment to the Integrity Program implementation (learn more on page 23) and disseminating ethical culture throughout our value chain.

During fiscal year 2018/2019, our Code of Conduct was updated, and its content was reviewed and approved by the Executive Committee. In addition to revising its guidelines, the new version of the Code of Conduct brought new features to its layout, having the “Blue Tree” as the main feature, the official symbol of the Daiichi Sankyo Global Integrity Program.

We deliver a hard copy of the Code of Conduct to all employees, at the time of their admission, making the document available online in our intranet. After reading it, employees must sign a consent form, where they confirm their understanding and commit to comply with the guidelines.





Blue Tree

In 2018, Daiichi Sankyo Group created a new visual identity for compliance matters, showing a commitment to preventing and detecting violations of laws, regulations, policies and internal procedures, as well as unethical conduct from its employees, representatives or executives. The image used to represent our commitment to transparency was the “Blue Tree”, which presents the following symbolism:

- **Blue color:** blue represents the confidence that our company has cultivated, with a strong sense of direction and responsibility.
- **Tree:** represents strength and endurance. Each of its branches makes the tree is bigger and stronger.

In addition, we have an Anti-Corruption Policy, which establishes the guidelines and clarifies concepts related to the subject, presenting measures to prevent corruption while instructing on how to report violations of these standards. In 2018, the Anti-Corruption Policy was also revised and updated. After publication and disclosure through internal communication, all employees signed the consent form with the guidelines established by the policy.

During the year, we also launched the Code of Conduct for Business Partners, a document that ranks the general principles of conduct that must be incorporated by all third parties and partners acting in the name, interest or benefit of our Company. The document aims to positively stimulate the dissemination of ethical culture in society and in the business environment in which we conduct our activities. Through a clause in the signed agreements, our suppliers and business partners undertake to comply with all the directives of this Code.





Conflict of Interests

GRI 102-25

The Code of Conduct establishes that the interests of the Company should not be adversely affected over personal interests of its managers and employees.

In the document, we point out some practices that may favor the occurrence of conflict of interest and, given their importance, deserve specific orientation, such as:

Conflict of Interests



External professional activities



Kinship and affective relationship



Gifts and presents



Events and Hospitality

Upon hiring, any new employee must inform our leadership about possible conflicts of interest and renew the report whenever there is a change in

their situation. In case of any conflict, the Compliance area evaluates the case, issuing an opinion for risk mitigation.





Integrity Program

GRI 102-17 / 205-2 / 205-3

In order to ensure that our ethical, transparent and correct culture is properly communicated to all employees and is part of their daily lives, we have an Integrity Program. The Program began in 2017 and was drawn up based on our Anti-Corruption Policy and the Code of Conduct.

During 2018, we expanded the Program's initiatives, structured into five pillars:



Top Management Support

The pillar aims to ensure the involvement of managers, especially the Executive Committee, to align the way we conduct our business. During the year 2018, the Compliance area, responsible for the Program, began reporting to the Financial Department, reinforcing our governance on the subject.



Code of Ethical Conduct, Applicable Policies and Legislation

In 2018, we updated our Code of Conduct and Anti-Corruption Policy and launched the Code of Conduct for Business Partners and the Internal Regulations of the Ethical Conduct Committee, documents that guide the ethical way we conduct our business (learn more about them on page 20). We also created the Third-Party Hiring Policy and launched the of DSBR Medicines Donation and Subsidy to Employees Policy.



Training and Communication

All our employees participate annually in an anti-corruption classroom training, to reinforce the main concepts related to the Integrity Program. Besides classroom training, Knowledge Pills are also shared

to our employees, featuring online trainings composed of short videos followed by a content memorization question. During fiscal year 2018/2019, we conducted communications on the Code of Conduct and the Promotional Practices Guidelines at least twice per quarter.

The "Did You Know?" Newsletters are sent to employees on a monthly basis to emphasize the integrity culture, addressing issues such as "Corruption and the Health Sector", "Petty Corruption", "Communication Channels", "Fraud and Money Laundering."

In December 2018, we held the 2nd edition of the Daiichi Sankyo Brasil Ethics Week, in celebration of the International Day against Corruption, celebrated on December 9. To open the week, CEO Marcelo Gonçalves recorded a message for all employees, reinforcing our commitment to the theme.





Hotline

Any violation of our ethical values and the principles of the Code of Conduct may be reported by our employees, customers and business partners through the Confidential Channel.

The Channel is managed by an outsourced, independent and specialized company that manages the reports received. All complaints are analyzed and forwarded by the Compliance area and the Ethical Conduct Committee. The reports received are confidential and can be made anonymously.

In 2018, in order to strengthen transparency and communication with employees and third parties, the Confidential Channel now has a new external partner and new functionalities:

- **Report complaints:** if there is a real or suspected violation of the Code of Conduct, internal policies or current legislation, all employees are required to report it through the Confidential Channel;
- **Questions:** if there is any doubt regarding compliance issues, they may be registered anonymously or identified and will be answered by the Compliance Area;

- **Compliment:** it is possible to recognize positive attitudes from co-workers or related areas. These messages are routed to the HR Board;
- **Suggestions:** if the user has some contribution to the improvement of routines and the work environment, he/she may also access the channel so that the message is directed to the appropriate area.

All reports must be made through the Company official channel, which is accessed by the following mean:



Accessing the Confidential Channel

Website:

www.helloethics.com/daiichisankyo

Available 24 hours a day, 7 days a week.

Telephone: 0800 761 1632

Contact the clerk from 7AM to 7PM.

For other times, weekends and holidays it is possible to leave a message in the voicemail.

E-mail: compliance@dsbr.com.br



Monitoring and Auditing

In fiscal year 2017/2018, we performed a Compliance Risk Assessment in our operation. Currently, the process is used to monitor the most risky issues and to improve our internal processes.

In addition to this mapping, we also perform a routine risk assessment, inherent to the company's processes, which includes monitoring the Confidential Channel and monitoring conflicts of interest aspects.





Commitments

GRI 102-12

Our commitment to ethics and the fight against corruption is reflected in the commitments we endorse:



Since 2010, the company is a signatory to the Global Compact, an initiative of the United Nations (UN) to mobilize the business community to adopt principles that reflect core values in the areas of human rights, labor relations, environment and anti-corruption. From 2018, through the decision of the Daiichi Sankyo Group, we elect our degree of engagement as a “participant”, which ensures greater representativeness and visibility in events and committees, as well as other counterparts.



As a member of the Pharmaceutical Research & Development Companies Association (Interfarma), we follow the Interfarma Code of Conduct, a document that governs the daily practice of the pharmaceutical industry.

Quality



Commitment to product quality and internal processes has been part of the Daiichi Sankyo Group’s culture since its origins in Japan over 100 years ago. In order to further engage our Company and employees in this direction, we established our Total Quality Program during fiscal year 2018/2019.

The program was implemented in August in the administrative office with the aim of increasing corporate value, seeking excellence in processes and alignment with the Daiichi Sankyo Group goals and objectives.

Through it, we introduced a management model focused on improving procedures and quality development, to meet not only the customers’ requirements, but also the entire Company, including its departments and suppliers, boosting financial results.

In addition to the administrative office, the program has already taken place in our factory in Barueri since 2011, through the Kaizen projects.

In order to implement the Total Quality Program, we have adopted the LEAN SIX SIGMA methodology, which includes a set of methods and tools that bring improvements at all levels of the Company.

To do so, we count on the engagement of the entire Executive Committee, which collaborated with the dissemination of the concept at all levels of the Company and held meetings and training with our employees.

As a result, we defined eight projects to be implemented in the office and another eight in the factory, which include improvements in the Company’s processes.





Profitability was another important project, which, in line with the corporation global objectives, sought to review non-priority projects, renegotiate contracts and cut costs, allowing to efficiently invest resources, optimizing business processes while increasing profitability.

Therefore, we are preparing our Company to continue to grow in the long term, in a sustainable way, with a focus on innovation and competitive advantage in oncology.



Meeting on Quality

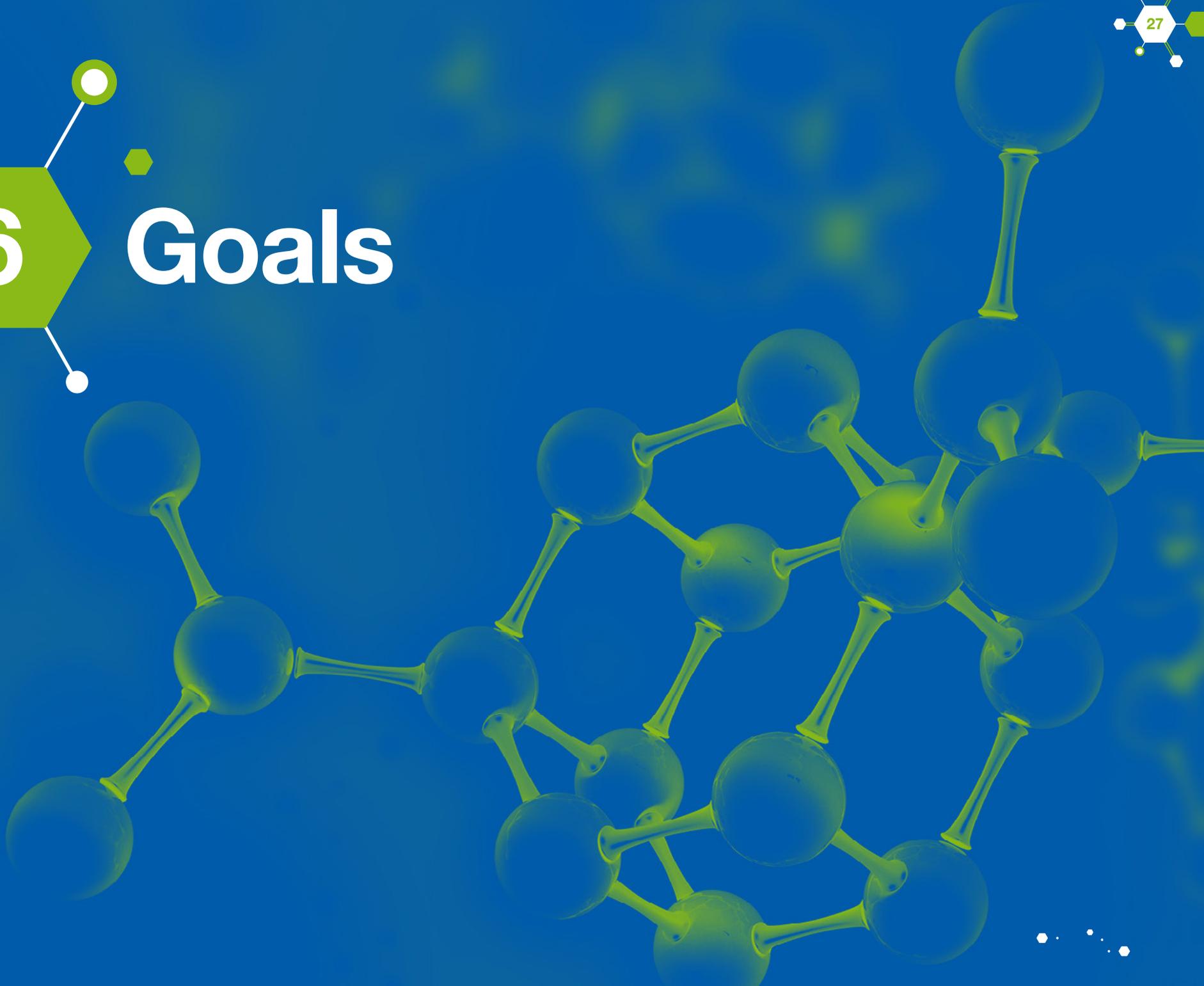
In September, we held the 10th edition of our Meeting on Quality, whose theme was “The Art of Quality”. During the event, we call on employees to reflect on the processes and activities performed from the artwork point of view and how they can be responsible for quality in their day to day, always pursuing perfection. Just like in art, we know that the standards are always high, but it should be our goal throughout the work routine.

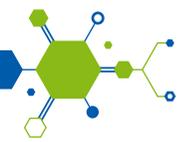
The event took place in Barueri and was attended by 170 employees. One of the lectures was made by Japanese ceramics artist Hideko Honma, who highlighted the importance of quality in art, showing how the artist seeks perfection through the small details in her work.





Goals





Goals

COMMITMENTS MADE IN 2018	WHAT WAS DONE	STATUS
1. Develop and implement a total quality program focused on process excellence.	The program was launched in 2018.	
2. Expand the product portfolio through partnerships, licenses, lines extension and acquisition of new products and launch two new products.	Launched Latuda® and Lixiana® medicines.	
3. Maintain the training for the year 2018 through the Integrity Program.	Trainings continued throughout the fiscal year.	
Global Compact		
Support a precautionary approach to environmental challenges	Water: Reduce or keep at 0.041 m ³	Result: 0.0397 m ³ 
	Energy: Reduce or keep at 0.0210 MWh	Result: 0.0204 MWh 

COMMITMENTS FOR 2019	
Increase access to Latuda® and Lixiana® products.	
Maintain the organizational climate with an employee satisfaction rate of at least 80%.	
Increase financial sustainability of local business.	
Global Compact	
Support a precautionary approach to environmental challenges	Water consumption: keep or reduce consumption at 37.9 liters/thousand units produced.



7

Impact on Health

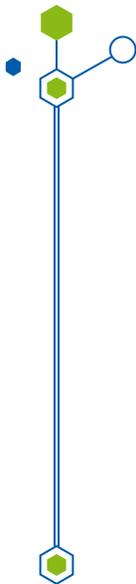




Impact on Health

Health promotion

GRI 103-1 / 103-2 / 103-3 / 203-2



The major way our Company creates value for patients and society in general is through the production and sale of innovative medicines that contribute to increase the population's life expectancy and quality. Our products focus on five lines: **Cardiology, Psychiatry, Gastroenterology, Orthopedics and Pain and Food.**



Cardiology

- Benicar®
- Benicar Anlo®
- Benicar HCT®
- Effient®
- Dainitre®
- Lixiana®

The Cardiology line concentrates most of our products and represents our greatest tradition. These medicines represent a relevant positive impact on the Brazilian population health, since, according to the Ministry of Health, more than 300 thousand people die each year from cardiovascular diseases in Brazil¹, which still is the leading cause of death in the country.

The Benicar® franchise is intended to treat hypertension. The medicine has presentations developed to treat patients according to the different disease profiles. Currently, hypertension is prevalent in more than 30% of the Brazilian adult population².

Dainitre® is indicated in the treatment of acute episodes of angina (*angina pectoris*) and in the prevention of acute angina attacks caused by exercise in patients with chronic coronary insufficiency.

Effient® is a platelet antiaggregant indicated for the reduction of atherothrombotic events (such as cardiovascular death, myocardial infarction and stroke) in acute coronary syndromes (ACS).

★ NEW PRODUCT

Lixiana® is an oral anticoagulant which acts by reducing the chances of forming blood clots in the heart and treating clots in the veins of the legs or lungs. It is indicated for the prevention of stroke in patients with non-valvular atrial fibrillation and in the treatment and secondary prevention of venous thromboembolism. Non-valvular atrial fibrillation affects between 0.5% and 1% of the world population³, while venous thromboembolism affects 15% of the population with cancer.





Psychiatry and Neurology

- Latuda®

★ NEW PRODUCT

In Psychiatry, we work with **Latuda®**, an atypical antipsychotic indicated to treat type I bipolar disorder and schizophrenia. Bipolar disorder affects about 2% of world population⁵ and schizophrenia approximately 1% of the population⁶.



Gastroenterology

- Lactulona® (lactulose)

In the Gastroenterology area, we work with **Lactulona®**, indicated to treat the symptoms of intestinal constipation, regulating the bowel movements, as it intensifies the accumulation of water in the stool.



Orthopedics and Pain

- Euflexxa®
- Hirudoid®
- Loxonin®
- Daisan®

As for Orthopedics and Pain, **Euflexxa®** is a medicine given through intra-articular injections to treat pain caused by osteoarthritis, a degenerative disease of the knee joint. The solution applied aims to restore joint hydration, providing immediate protection, lubrication and shock absorption to the affected knee.

Hirudoid® acts by reducing inflammation, with pain relief and reduction in swelling and redness in areas with varicose veins or purple spots resulting from bruises (bumps and traumas), surgeries, or similar conditions. It is indicated for adult and pediatric patients. The product has been in the market since 1955, being one of the oldest and well-known brands from Daiichi Sankyo.

Loxonin® is a nonsteroidal anti-inflammatory drug (NSAID) presenting peripheral analgesic action, anti-inflammatory action and anti-thermal action. It presents a subtle gastric activity and avoids direct actions on the digestive mucosa, reducing common gastrointestinal side effects in NSAID treatments.

Daisan® is a combination of a central-acting analgesic, tramadol, with paracetamol, widely used analgesic. This combination has a synergistic analgesic effect, in which paracetamol potentiates the action of tramadol, allowing to decrease dosage of each active principle while maintaining the same effectiveness in the treatment of moderate to severe pain.



Food product

- Inovaflex

Finally, in our Food line, **Inovaflex** is a powder to prepare drink (lemon and green tea flavors), based on hydrolyzed collagen and vitamin C. As a structural component of cartilage, ensuring collagen levels is essential to keep joints healthy and flexible. Ascorbic acid (vitamin C) plays a key role in the collagen synthesis, associated to potent antioxidant action.

¹ Source: <http://bit.ly/2KczW4k>

² Source: <http://bit.ly/2MKBi8B>

³ Source: Brazilian Guidelines for Atrial Fibrillation. Accessed on 06/11/2019.

Disponível em: <http://bit.ly/2ZgNK14>

⁴ Source: Agnelli G, Verso M. J Thromb Haemost. 2011;9 Suppl 1:316-324

⁵ Source: <http://bit.ly/3117tyu>

⁶ Source: Mari JJ, et al. The epidemiology of schizophrenia. Available at: <http://bit.ly/31tUIqL>





Launches

Our portfolio expansion is one of the main ways we have to ensure our Company sustainability and the continuous value creation for our stakeholders. Internally, the arrival of new products means an increase in revenues and our long-term financial support. For health professionals, it represents one more treatment option available in their specialty. For patients and society in general, it means a new possibility to treat a disease and improve their quality of life.

Therefore, we seek to continuously develop new molecules (learn more on page 34) while seeking the approval of new medicines by Anvisa (page 33), in order to accelerate its arrival in the market. As a result of these efforts, during fiscal year 2018/2019, we introduced two new medicines: Lixiana® and Latuda®.

Lixiana® came to strengthen our cardiology line portfolio. Launched in Japan in 2011, it had a global strategy for its worldwide launch, which centralized research, submissions and marketing decisions, with large investments in its development.

Latuda® is part of a new treatment line for Daiichi Sankyo Brasil: psychiatry. Therefore, in the years prior to the launch, we have strengthened our relationship with the professionals of this specialty, training our sales force to act in this new therapeutic line.

During the fiscal year, we focused our efforts on the promotion of new products, with dissemination at congresses and scientific events and restructuring the Sales Force itself, creating two teams dedicated to these therapeutic classes (learn more on page 41).

Access to medicines

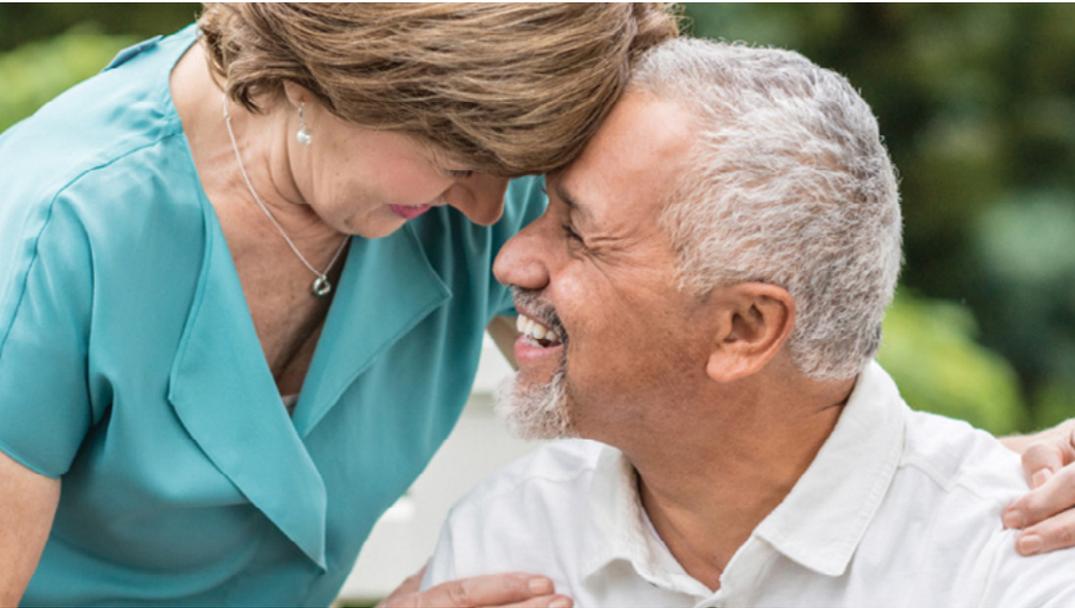
GRI 103-1 / 103-2 / 103-3

In order to increase the use of our medicines and consequently our impact on the health of the Brazilian population, we created our Access area in 2018. It aims to strengthen our relationships with public authorities, hospitals, insurance companies and medical and patient associations, creating institutional relationships that facilitate access to our products.

The creation of such area is part of a strategic movement from our Company to increase the knowledge about the population medical needs and their behavior during treatment, seeking to develop solutions that increase medicines commercialization, allowing greater and better access by patients.

The Access area becomes even more important in a moment when we are investing in the development of Oncology-targeted medicines as set forth in our Vision - 2025 (learn more on page 14). Because cancer is a disease that has a major impact on population health, whose treatment requires a high degree of specialization, our relationship with medical and patient associations and the partnership with several paying sources has the potential to increase our value creation for these patients.





Price of medicines

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

One factor that can directly impact our ability to improve the population quality of life is the price of our medicines. To ensure its fair pricing, we rely on the Daiichi Sankyo Group's global pricing strategy, which seeks to provide the population with broad access to medicines while ensuring our financial sustainability.

In order to define the final price, we strictly follow the rules of CMED (Medication Market Regulation Chamber), which take into account factors such as patent-protected innovation, the effectiveness of proven treatment through clinical trials, and the existence of similar drugs on the market.

Regulatory agencies

GRI 417-2

The relationship with the regulatory agencies in the countries where we operate is essential for business continuity. Therefore, careful evaluation of local regulations and technical planning to better serve them are central to our growth strategy in Latin America.

We rely on local consultants in some countries, who provide support to the submission of new medicines in accordance with local legislation. In other countries, we operate through partner companies. In Brazil, Daiichi Sankyo interacts directly with the Anvisa (National Sanitary Surveillance Agency).

Even before submitting the medicines for approval, we hold meetings with all relevant departments to ensure that all information and documents needed by health authorities to evaluate the medicines are developed with excellence.

During the medicine evaluation stage by regulatory agencies, we monitor the evaluation status by official means, providing additional information whenever requested, in the shortest time possible. Through these actions, we ensure that the information provided present the highest quality and that regulatory agencies may complete their analysis as quickly as possible, ensuring patients' access to new treatments.

As a result of our efforts with the Latin America regulatory agencies, during fiscal year 2018/2019, we approved the registration of Lixiana® in three new countries: Guatemala, Nicaragua and Honduras.

As a consequence of its commitment to local laws, there was no case of non-compliance with regulations and voluntary codes relating to products information and labeling during the fiscal year.





Research and innovation

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

Investing in research and development of molecules that can lead to new treatments for patients is one of the Daiichi Sankyo Group priorities. To this end, the Organization seeks, besides investing in laboratory and clinical research, to carry out epidemiological studies to understand the main public health trends in the future, as well as to identify the medical needs of the population that are currently not assisted.

At Daiichi Sankyo Brasil, we are involved in global research on the new medicines efficacy and we also conduct local clinical studies in order to validate the research results conducted abroad to the Brazilian reality. Currently, we have a planned investment of R\$ 4.3 million in local clinical research.

The Daiichi Sankyo Group established, in its Vision - 2025, the objective of being a global pharma innovator company with competitive advantage in oncology.

To this end, we are investing in the research of these new medicines in several research centers around the world, including Brazil.

Bioethics in clinical research

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

In our clinical research, we follow the strictest ethical and legal parameters, respecting the rights of all participants. In Brazil, since the 1990s, the conduct of clinical research is regulated by the responsible agencies.

Currently, the Good Clinical Practices (BPC) document, built by the International Conference on Harmonization, is the heart of clinical research around the world, including in Brazil. In addition to the BPC, other global regulations that we follow to ensure the proper conduct of these are the Declaration of Helsinki and The Document of the Americas.

Concerning ethical aspects, we respect the various resolutions of the National Research Ethics Commission (CONEP), including those that ensure that studies conducted on humans protect research participants, safeguard their safety, ensure the confidentiality of their personal information as well as their rights.

Regarding the sanitary aspect, which includes the importation of medicines and materials for studies, the requirements to be fulfilled by sponsors, researchers and other parties are set forth in the Directors' Collegiate Resolution (RDC) 09/2015, as amended by Resolution 205/2017, from ANVISA.

In addition, in our research within the oncology line, we participate in Experimental Drug Access Programs, regulated by Resolution -RDC 38/2013.





Membership in Associations

GRI 102-13

We participate in the discussion and proposal of public policies that contribute to the development of the pharmaceutical sector in Brazil by participating in the following associations:

- **Interfarma:** entity that represents Brazilian and foreign companies and researchers responsible for innovation in health and for promoting the development of the scientific and technological research industry in Brazil, especially for the production of pharmaceutical inputs, raw materials, medicines and related.

One of the Association's main activities is to establish a constant channel of communication among the society, the pharmaceutical sector and federal, state and municipal governments. Daiichi Sankyo Brasil participates in 11 of 13 Interfarma committees with the aim of discussing industry issues.

- **Sindusfarma:** Pharmaceutical Industry Union, whose role is to defend the causes of this industry in the State of São Paulo, providing services to its associates.
- **ABIMIP (Brazilian Association for the Nonprescription Medicines Industry):** brings together national and multinational industries that operate in the manufacturing, importing or marketing of prescription-free medicines.



8 Patient Health and Safety



Patient Health and Safety

Product quality and safety

GRI 103-1 / 103-2 / 103-3 / 416-1 / 416-2

At Daiichi Sankyo Brasil, we know about our responsibility for the health of patients who use our medicines. Therefore, our products' quality and safety is a central concern in our operation.

During the manufacturing process, all our medicines are constantly evaluated for their health and safety impact. To do so, we have a Quality Management System (SGQ) established in accordance with the sanitary legislation in force in all the countries we market our products. The System ensures compliance with the highest regulatory standards, while following Daiichi Sankyo Group global guidelines.

Among the prescribed practices is the supply chain quality control through audits and testing of each material received and destined for production or marketing. We also seek the highest evaluation accuracy in the production processes conducted at the Barueri factory and the analysis of each batch according to its critical Quality attributes.

After selling the products, we continue to apply quality controls, such as conducting stability studies and sample retention.

We have a Pharmacovigilance Quality and Regulatory Affairs area, with the purpose of reducing risks in those areas. Daiichi Sankyo Brasil was the first unit of the Organization outside Japan, the United States and Europe to have a team dedicated to this theme.

The Pharmacovigilance area is responsible for monitoring the safety profile of products during the post-sale. In Brazil, the main source of information on adverse effects comes from reports of the patients themselves, collected by the Customer Service Department (SAC) or by the Company's own employees.

This information is collected locally and compiled into a global database, allowing the Organization to identify any changes in the safety profile of medicines. If any possible risk is identified, the Company analyzes the subject with maximum scientific technical rigor in order to substantiate the necessary preventive and / or corrective actions.

As a result of all these efforts, during fiscal year 2018/2019 we did not record any cases of non-compliance with regulations and voluntary codes related to the impacts of the products on the health and safety of customers.



Reporting on Pharmacovigilance

During fiscal year 2018/2019, we run the recycling training on pharmacovigilance, offered to all our employees.

At the end of the process, we launched the Pharmacovigilance Wiki, an online channel dedicated to informing and answering the main doubts from employees on the subject.





Patient care

GRI 102-43

We are mindful of our direct impact on our products end consumers' health and well-being; therefore we consider a central part of our management to provide care to patients through the Customer Service (SAC).

Through it, patients can submit questions, complaints and opinions, request information about medicines, request products that are not available in their geographical area and record information about adverse effects.

In Brazil, the SAC department also ends up supplying a lack of information for the patients, who seek the service to request technical advice on the correct use of the medicines, including for information on their dosage, precautions during pregnancy and actions to be taken in case of over dosage.

As all this information needs to be provided directly by the employee, we consider essential that trained pharmacists perform this service. During fiscal year 2018/2019, the team underwent several training on technical topics, including updates on the new medicines launched by the Company.

Throughout the year, we implemented the Audible Response Unit (URA) in the SAC, a system that allows the automation of the first service stages, streamlining the process and forwarding calls to the appropriate teams.

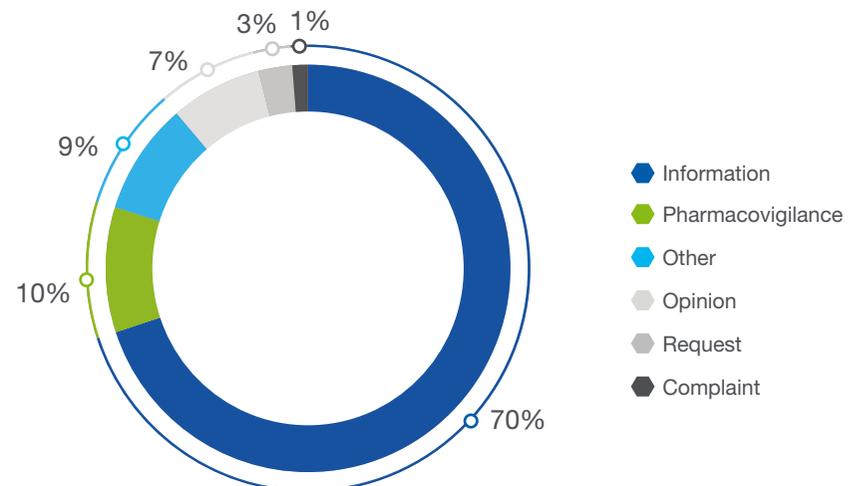
In fiscal year 2018/2019, the SAC handled 10,873 consultations. Of these, 10% were related to pharmacovigilance and 70% related to information requests, which included questions about technical information and doubts about the existence of Discount Programs and the Logistic Support Service.



SAC

The Company's Customer Service (SAC) is offered by phone 08000 55 65 96, Contact Us on the institutional website or by the e-mail sac@dsbr.com.br.

Consultations handled by the SAC





9

Healthcare Professionals

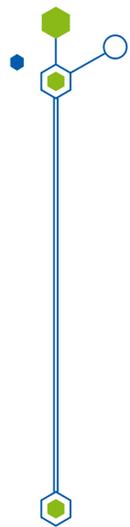




Healthcare Professionals

Relationship with healthcare professionals

GRI 102-16 / 102-43 / 103-1 / 103-2 / 103-3



Healthcare professionals - including physicians, dentists and pharmacists, are responsible for prescribing our medicines to the patients and monitoring the outcome of the treatments. This is an essential stakeholder for our business, because it is through them that our products reach the end consumer.

Therefore, we consider it paramount to approach and transmit scientifically proven information about our products and their therapeutic areas to this public. This communication is also relevant to our value creation, as through it that we can disseminate the scientific knowledge generated in our research activities to society as a whole.

With that purpose, we have the Continued Medical Education Program, which brings up-to-date scientific information about diseases, innovative medicines

and different types of treatments to these professionals. The program includes events and lectures with national and international experts, bringing the main novelties within their specialties.

The Company also has a Medical Information Department, which is responsible for ensuring that the information provided to physicians in promotional materials or in demand to requests for information is scientifically accurate. During the fiscal year, the Department received 2,323 spontaneous inquiries.

The Medical Scientific Liaison gathers consultants and medical managers who work in relationships with researchers, professors and other opinion leaders in the medical field, discussing and sharing scientific updates. In 2018/2019 our team visited 360 opinion leaders, among cardiologists, oncologists, vascular, hematologists and psychiatrists.

The close relationship with health professionals became even more important in fiscal year 2018/2019, due to the need to disclose the features of the new Lixiana® and Latuda® medicines. In the case of Latuda®, because it is a new therapeutic class for the Company, it was necessary to develop relations with a new medical specialty: psychiatry.

In our relationship with health professionals, we ensure that relationships are conducted in an ethical, responsible and correct manner. They should always guarantee the autonomy of the professional when prescribing medicines, always prioritizing the patients' health.

In order to guide this relationship, we rely on our Promotional Practices Guidelines based on the Interfarma Code of Conduct, on the Daiichi Sankyo Global Marketing Code of Conduct and on the ABIMIP Code of Conduct. The document establishes the principles and guidelines for interactions with health professionals, medical institutions and patient organizations, as well as the Promotion of Pharmaceutical Products and is aimed at all employees who interact with these publics.





Sales Force



Our Sales Force aims to maintain a close and daily relationship with health professionals, putting into practice our promotional strategy. It is comprised of employees who are fully dedicated to visiting doctors' offices, hospitals, clinics and pharmacies to bring up-to-date information about our products and their therapeutic areas. By doing so, we disseminate scientific knowledge among the medical community and increase patients' access to the treatments we offer.



Our Promotional Practices Guidelines defines that the relation with sales representatives with health care professionals must be based on ethics and transparency, supporting the doctor in his/her final decision on which medicine to prescribe to the patients, not making recommendations.

The materials and promotional agenda used by the Sales Force are developed by the Marketing and Training departments, supported by the Medical Affairs and Regulatory Affairs areas. All are approved by the Compliance area, in order to ensure their alignment with internal policies and standards.

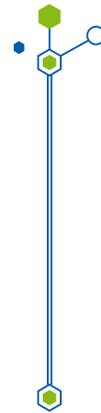
During fiscal year 2018/2019, the area underwent some structural changes aimed at preparing the Sales Force for Daiichi Sankyo Brasil's current and future growth. We now have an Executive Sales Management, which added the sales, demand and sales training areas. The Marketing Department is now responsible for the marketing, events and productivity areas, allowing for a smoother work on each of these themes.

With the launches of Lixiana® and Latuda®, we now also have teams fully dedicated to the promotion of these two medicines. Its members were selected from among the Sales Force's own employees and received training focused on the new products and





their therapeutic areas. In addition to these two teams, we have a regular team that works with the dissemination of our other products.



In order to ensure that the information transmitted to the health professionals is the most up to date, we conduct fortnightly training with Sales Force employees. They are offered through the University of Daiichi Sankyo Brasil, an online platform that allows technical training of all sales representatives, regardless the country region they are located.

We also hold the Sales Force National Meeting, where we bring together employees to exchange information, receive training and learn about our results. In 2018, it was held twice in the city of Mogi das Cruzes, during the launches of Latuda[®], and Lixiana[®].

In addition to these trainings, during the fiscal year, the Human Resources Department focused on training Sales Force managers, seeking to work on ethics and leadership issues. In that connection, we qualify the leaderships for the advances that are being implemented in the area and must follow our next years, along with the continued growth of our operation.





Events

Another important tool we have to bring updated scientific knowledge to a large number of health-care professionals is the participation, organization and sponsorship of medical events. In fiscal year 2018/2019, we participated in 142 events:

In 2018/2019, we participated in the main national, international and regional congresses in the areas of cardiology, psychiatry and orthopedics, including:



17

International Events



52

Domestic Events (large size)



31

Regional Events (small size)



42

Exclusive Events from Daiichi Sankyo Brasil

Name	Medical specialty	Location
OARSI 2018 - Osteoarthritis Research Society International	Orthopedics	England
APA 2018 - American Psychiatric Association	Psychiatry	USA
Congresso da Sociedade de Cardiologia do Estado de São Paulo - SOCESP 2018 (Congress of São Paulo Cardiology Society)	Cardiology	Brazil
Big Meeting Franchise Movement	Orthopedics	Brazil
Launch of Latuda®	Psychiatry	Brazil
RMC Effient®	Cardiology	Colombia
Launch of Lixiana® FA	Cardiology	Brazil
ESC Congress 2018 - European Society of Cardiology	Cardiology	Germany
73° CBC - Congresso Brasileiro Cardiologia - (Brazilian Congress of Cardiology)	Cardiology	Brazil
Launch of Lixiana® TEV	Angiology and Vascular Surgery	Brazil
Brazilian Congress of Psychiatry 2018	Psychiatry	Brazil
Masterclass Hypertension	Cardiology	Brazil
Big Meeting Latuda®	Psychiatry	Brazil
Big Meeting Lixiana®	Cardiology	Brazil





10

Employees



Employees

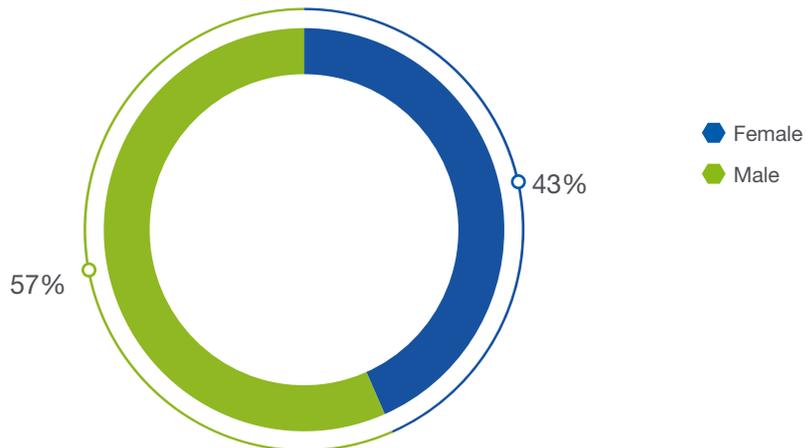
Profile

GRI 102-8

At Daiichi Sankyo Brasil, we are aware that the engaged work of our employees is a key factor, so that we continue to promote health while improving the population quality of life. For this reason, we seek to value their effort and dedication through an inclusive environment in which their individuality and talent are valued, and the payment of salaries and benefits are compatible with the market.

On March 31, 2019, we had 394 own employees, divided as follows:

Employees by gender

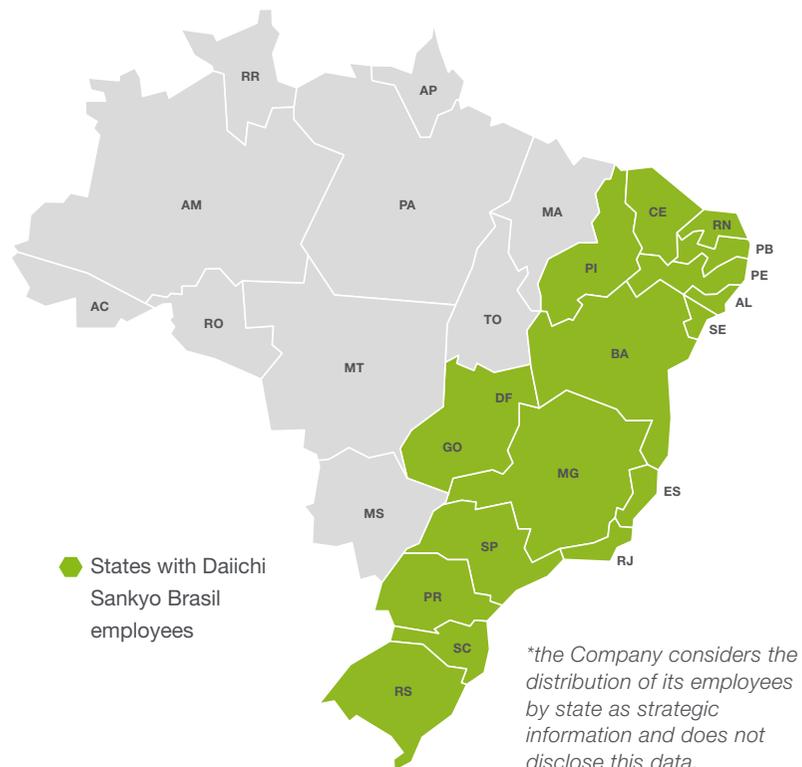




Factory and administrative office employees are based in the State of São Paulo, while the Sales Force team is present in other states of the Country:

In addition to its own employees, we also have three trainees and 77 outsourced employees, all based in São Paulo, distributed as follows:

Distribution of own employees*



TYPE OF CONTRACT	MALE	FEMALE	TOTAL
Full time	223	171	394
Interns	0	3	3
Third-party	32	45	77
Total	255	219	474





Evolving organizational culture

GRI 102-10

During fiscal year 2018/2019, we focused our investments to transform our organizational culture, creating a more inclusive, flexible, welcoming and collaborative work environment.

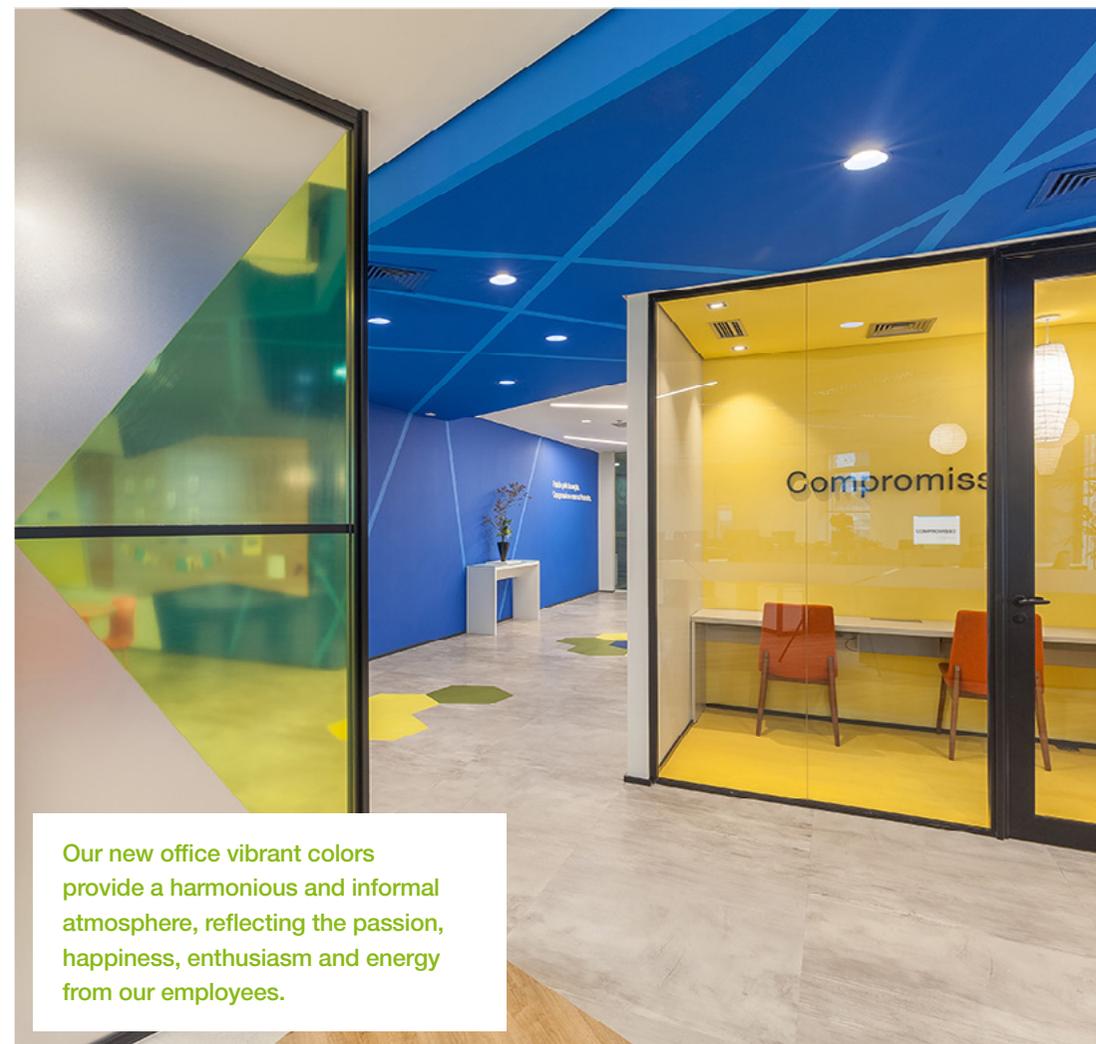
The main transformation milestone in how we work was the inauguration of our new administrative and commercial office in São Paulo. The new space features 1,530 square meters of living space (double the previous one), accommodating up to 146 people, allowing for future expansion. In doing so, we are preparing ourselves for our growth continuity in the next years.

The new location allows easy access to public transportation and services such as restaurants, shopping malls and banks, which means better quality of life to employees.

The architecture project was developed by the company LPA - Leonetti Piemonte Arquitetura, inspired by the Japanese architect Toyo Ito. The spaces' decoration aims to convey the Mission, Vision and Corporate Values of Daiichi Sankyo. In order to demonstrate the Innovation value, we provided a creative environment; for Integrity, we have the luminosity and transparency; and for Responsibility, we have created an environment that encourages collaborative work.

In this sense, the coexistence area is versatile and can be used for conversations, meals, integration, celebrations and informal works. It also has a collaborative panel where employees can interact, leave messages and illustrations.

We have also installed open spaces, which provide interaction between employees and their teams, and Phone Booths rooms, ideal for conferences and telephone calls that require higher privacy.



Our new office vibrant colors provide a harmonious and informal atmosphere, reflecting the passion, happiness, enthusiasm and energy from our employees.

Credit: Sara de Santis

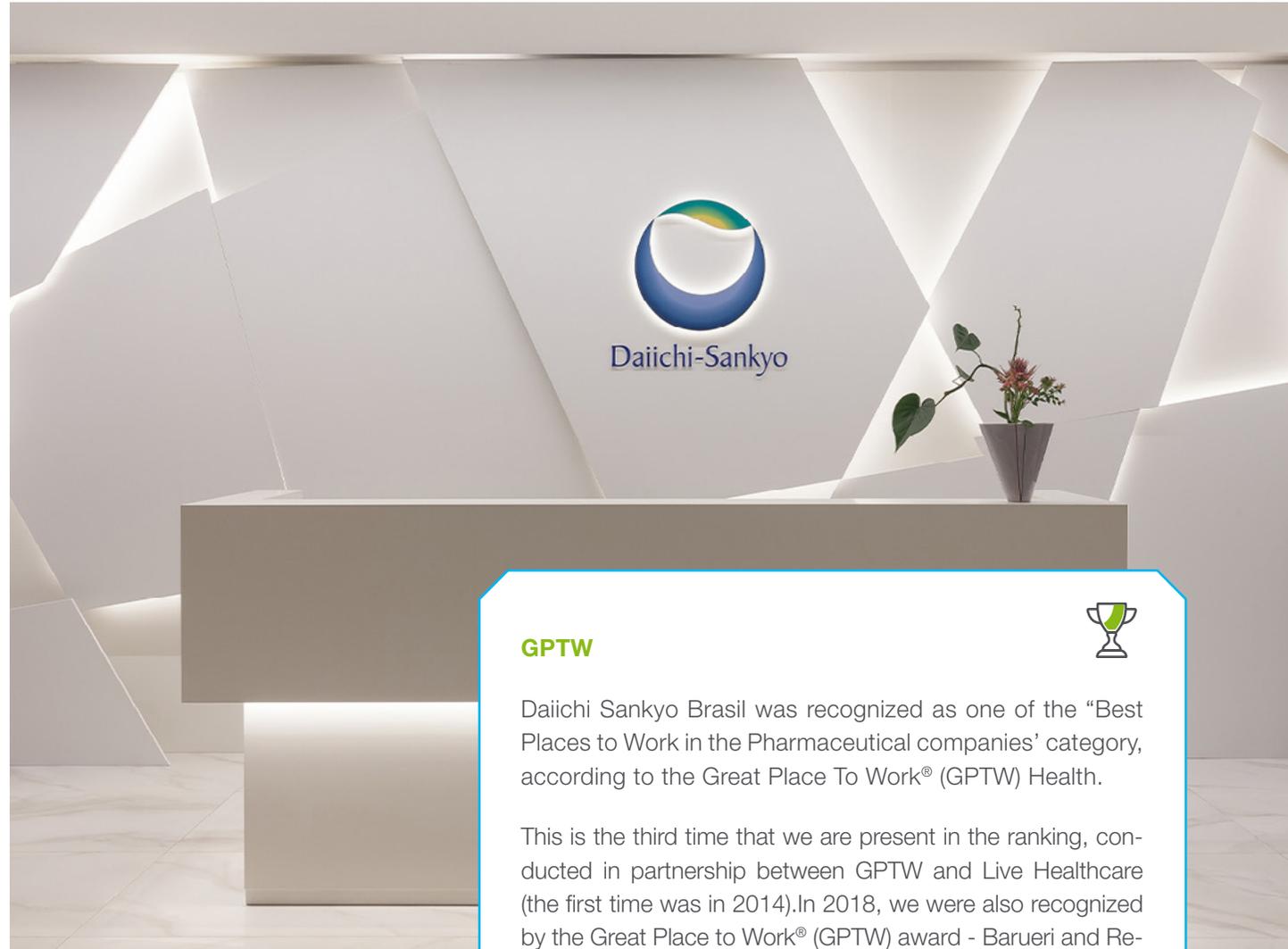




The more modern environment of the new office brought a more informal tone to the work environment, reflected in our dress code change. Since the publication of our Good Coexistence Guide, we have established a more flexible and casual dress code. We also adopted the concept of flexible working hours and maintained our home office option.

At the same time, we try to establish closer and more interactive communication channels among the Company's areas and leadership. The Coffee with the President, for example, brings together employees to participate in a conversation on various topics with the President. In 2018, it began to be carried out in a more systematic manner, addressing all employees, not just new hires.

By investing in an open, collaborative and participatory culture that values each employee opinion and talent, we believe we are preparing our Company to focus on innovation that should guide our business in the upcoming years.



Credit: Sara de Santis

GPTW



Daiichi Sankyo Brasil was recognized as one of the “Best Places to Work in the Pharmaceutical companies’ category, according to the Great Place To Work® (GPTW) Health.

This is the third time that we are present in the ranking, conducted in partnership between GPTW and Live Healthcare (the first time was in 2014). In 2018, we were also recognized by the Great Place to Work® (GPTW) award - Barueri and Region. We had already participated in the ranking in 2016.





Career

GRI 103-1 / 103-2 / 103-3 / 404-2 / 404-3

At Daiichi Sankyo Brasil, we know that our ability to research, produce and market innovative medicines that improve the population quality of life is directly related to our employees' talents. Therefore, we focus our management in updating our team's knowledge, keeping them abreast of the latest in the market and in the pharmaceutical sector.

With that in mind, we have a series of programs and initiatives aimed at developing the skills necessary for the Company's good performance, prioritizing the training of future leaders aligned to our strategic objectives.

During fiscal year 2018/2019, we had the following programs:

- **Leadership School:** behavioral training with the objective of develop and enhance the essential management and leadership skills in hired and newly promoted managers. During fiscal year, 18 leaders were trained.
- **Administrative and Operational Group:** to develop the behavioral skills and communication skills of all Company employees using the same methodology as the Leadership School. 37 employees were trained.
- **Internship Program:** has the goal of developing and enhancing the trainees' abilities, aiming at a higher performance in their professional career. During the year, three trainees were trained.
- **Integration Program:** encompasses the new employees with the objective of receiving them, providing a smooth adaptation and understanding of the processes, HR management philosophy and organizational culture. 58 employees were trained during the year.

In addition, during fiscal year 2018/2019, we conducted a 90-degree Performance Evaluation with all employees, in which each person was evaluated by their manager and performed a self-assessment based on their competencies. In doing so, they were able to track how they have evolved in their career and to outline growth and professional development plans.





Training

GRI 103-3 / 404-1 / 404-2

In addition to programs to engage and develop the career of employees, we also conduct training aimed at developing specific talents:

- **Continued Education Program:** aims to train, recycle and develop employees who need knowledge and specific technical improvement to develop their activities immediately or in the short term. 119 employees were trained.
- **Educational Training Program:** aims to provide the professional development and improve the knowledge of the employee for the exercise of their current role or for future challenges that require specialized technical training. Six employees went through the training.
- **Language Educational Incentive Program:** provides foreign language learning (English, Spanish or Japanese). Seven employees received the benefit.
- **Self-development:** partnerships with institutions for undergraduate, graduate, MBA and Languages courses, offering discounts to all employees and their dependents.
- **Job Rotation:** professional development tool consisting in the exchange of employees between the various areas of the organization. During 2018/2019, two employees went through the experience.

Besides these, during 2018/2019 training on ethics and quality topics were applied as part of the Total Quality Program (described on page 25).





The Sales Force team receives specific technical training through the University of Daiichi Sankyo Brasil (page 42) and factory employees use the PIER system (Remote Education Integrated Program), in order to develop their technical skills.

During the fiscal year, we invested R\$ 2,096.6 thousand in the training of our employees, resulting in a total of 18,000 training hours for the sales area and 2,572 training hours for other areas. As a result, each employee in the sales area received an average of 117.6 training hours, while the other employees received an average of 6.5 training hours, broken down as follows:

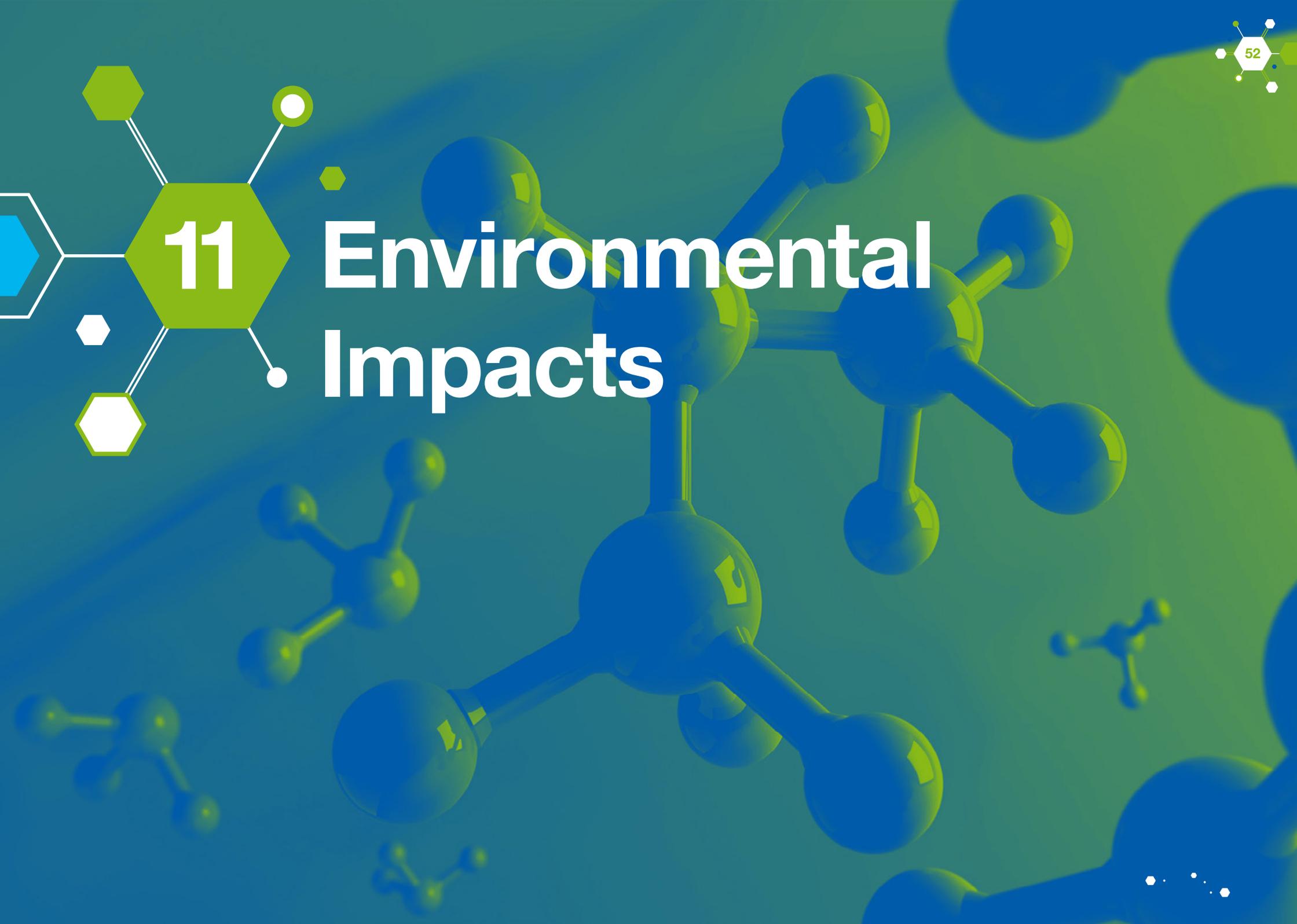
Category (sales area)	Average hours of training per employee
Gender	
Male	52.6
Female	36.6
Functional category	
Sales Representative	105.9
Sales Manager	211.8
Total sales employees	117.6

Category (non-sales areas)	Average hours of training per employee
Gender	
Male	5.3
Female	8.1
Functional category	
Interns	3.7
Operational	1.6
Administrative	11.6
Coordinator	8.6
Manager	18.7
Total employees	6.5



11

Environmental Impacts





Environmental Impacts

Environmental management

GRI 102-11

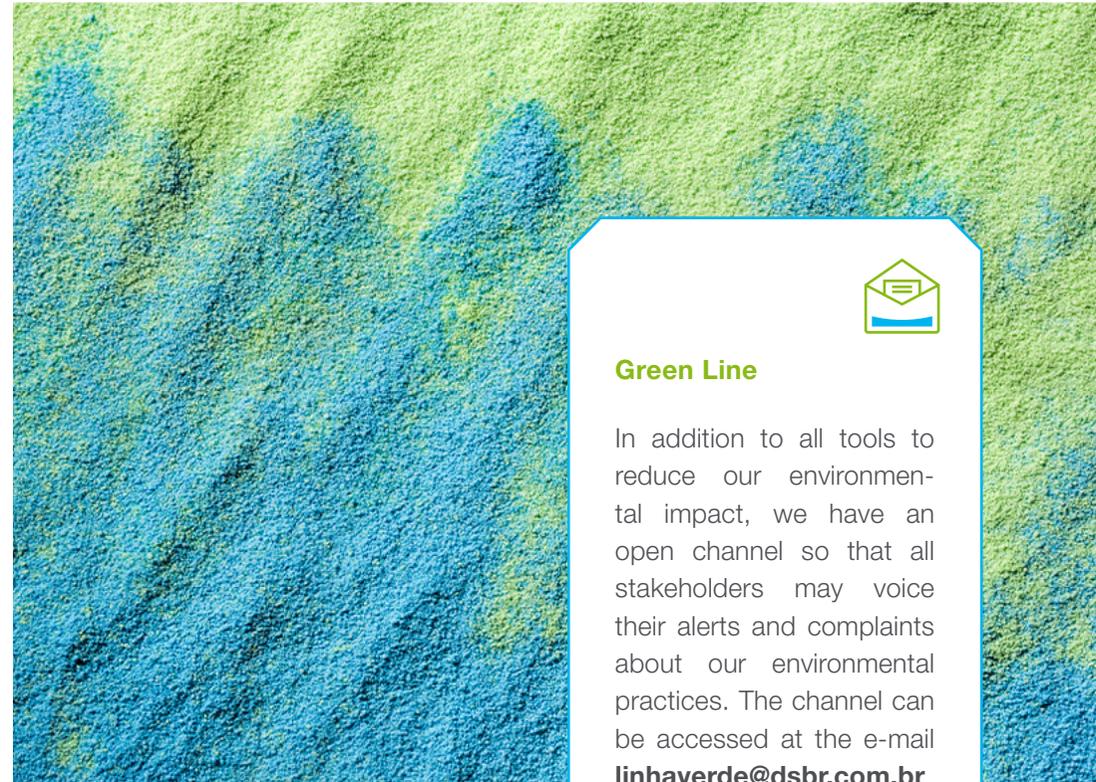
In our operation, we are focused on the continuous reduction of our environmental impact and on the consumption of natural resources, either by means of more efficient processes or training employees to reduce the waste.

To do so, we follow the Daiichi Sankyo Group environmental guidelines registered in the Global Environmental Management Policy. Annually, we set environmental goals (learn more on page 28), which become the focus of our operation.

In our factory, we have implemented an Environmental Management System (SGA) based on the ISO 14001 methodology, which monitors a series of indicators, such as electricity and water consumption, solid waste generation, black smoke emission and effluents and waste generation.

In October 2018, the factory was audited by the EHS Global Audit, held by representatives of Daiichi Sankyo Japan, which found a solid environmental management. In January 2019, the SGA underwent an audit process to maintain ISO 14001 certification, which resulted in the recertification of the system.

We also have an area responsible for Kaizen Program and Project Management, which promotes actions for continuous process improvement, waste reduction, stimulating the analytical view of routines and leading to constant improvements in environmental indicators.



Green Line

In addition to all tools to reduce our environmental impact, we have an open channel so that all stakeholders may voice their alerts and complaints about our environmental practices. The channel can be accessed at the e-mail **linhaverde@dsbr.com.br**.

During the fiscal year, no complaints were received by the channel.





Emissions

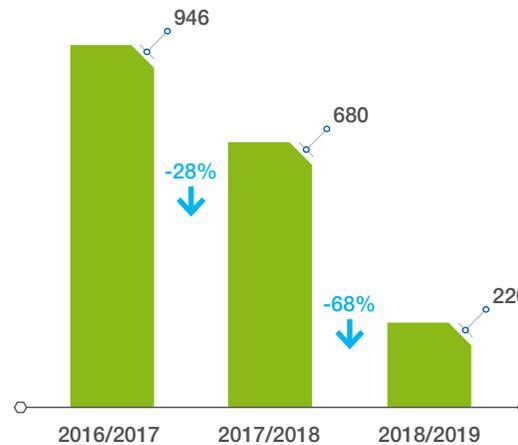
GRI 103-1 / 103-2 / 103-3 / 305-1 / 305-2

Greenhouse gases (GHG) emissions represents one of the main environmental risks in our operation, contributing to the climate changes that affect not only our Company sustainability, but the planet as a whole.

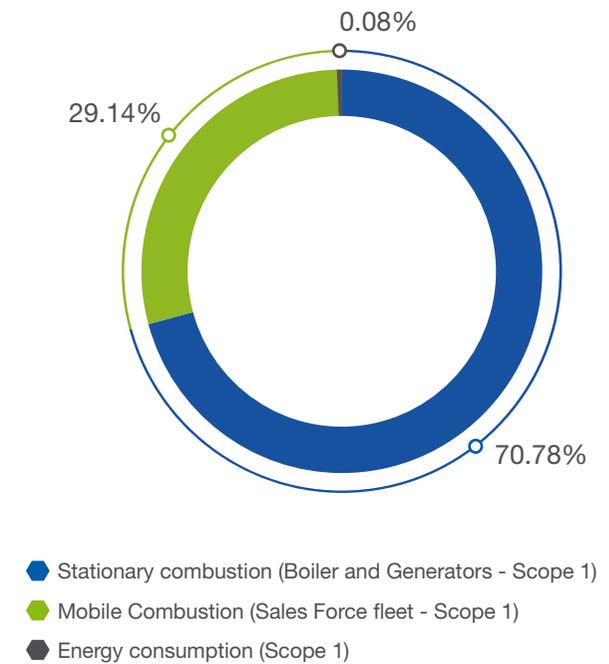
Therefore, every year we monitor our GHG emissions following the GHG Protocol guidelines, while continuously reducing the indicator. As of June 2017, we began to buy all energy used in our plant from the Free Market, starting to consume energy exclusively from renewable sources.

As a result, during fiscal year 2018/2019, we emitted 220 tCO₂, 68% lower than the amount emitted in 2017/2018.

CO₂ Emissions (in tCO₂e)



CO₂ emission by source





Another factor contributing to this reduction was the exchange of fuel used in the Sales Force fleet. As part of our effort to reduce our emissions, we have defined that the team must fill their cars with ethanol, which has less potential to contribute to climate change, rather than gasoline. As a result, we have reduced fleet emissions by 85% over the year.

In 2018/2019, we emitted 508 tCO₂e of biogenic CO₂. This amount refers to emissions from biomass burning (ethanol) in our operation. This emission is monitored separately, as the emitted CO₂ was withdrawn from the atmosphere by photosynthesis. When it is burnt, it simply goes back to its natural cycle, not causing any additional impact on the GHG concentration in the atmosphere.

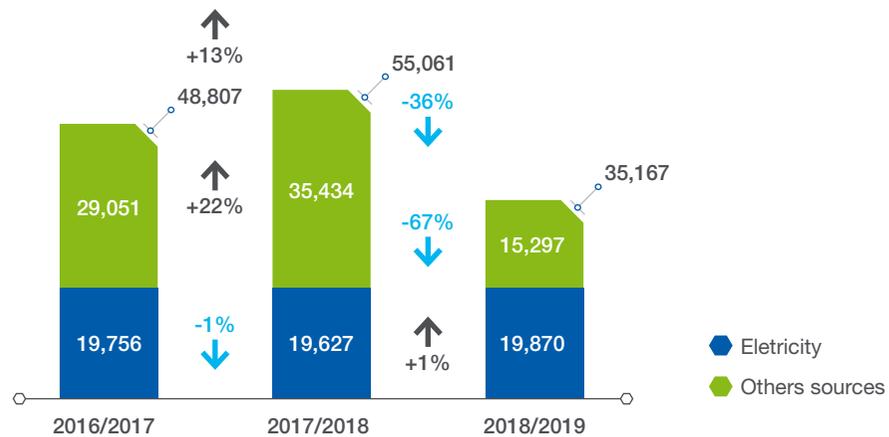
Energy

GRI 103-1 / 103-2 / 103-3 / 302-1 / 302-3 / 302-4

Energy consumption in our operation is the main factor contributing to climate change. Therefore, we continuously monitor and control this indicator in our factory through the Environmental Management System (SGA).

In fiscal year 2018/2019, we consumed 35,167 GJ of energy, 36% lower than the total recorded in the previous fiscal year.

Energy consumption (GJ)

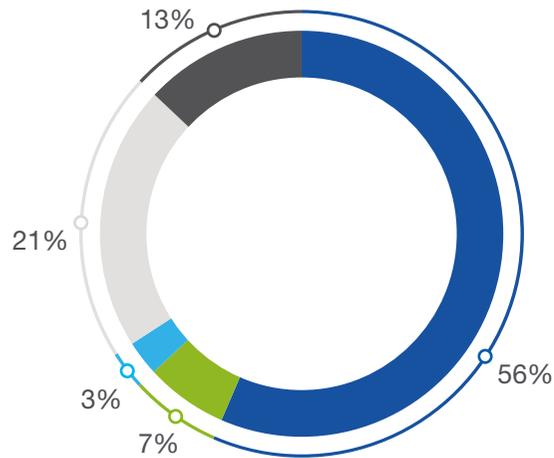




Of this amount, 19,870 GJ was consumed as electricity to supply the factory, a value 1% higher than that of 2017/2018. Other sources consumption decreased by 67%, mainly because of the increase in ethanol consumption by the Sales Force, which has a consumption factor lower than gasoline.

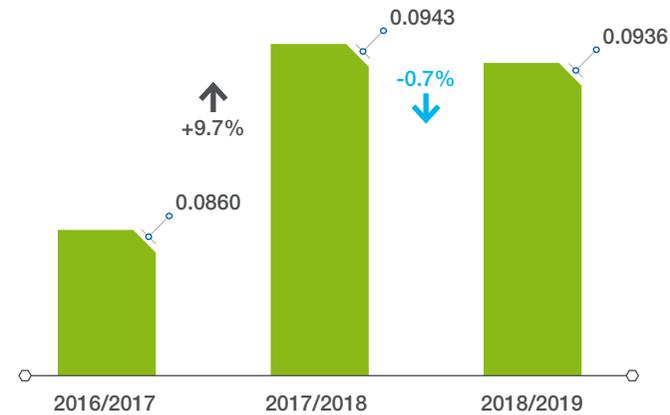
The electricity consumption increase in our factory was caused by the expansion in production. Nevertheless, we have developed a series of initiatives that have reduced our energy consumption, such as the project to reduce the air conditioning flow in productive rooms, started in January 2019. As a consequence, the factory energy intensity was 0.0936 GJ per thousand units produced, 0.7% lower than in the previous year.

Energy consumption by source



- Electricity (factory)
- LPG (factory)
- Diesel (factory)
- Ethanol (Sales Force fleet)
- Gasoline (Sales Force fleet)

Energy intensity (GJ per thousand units produced)





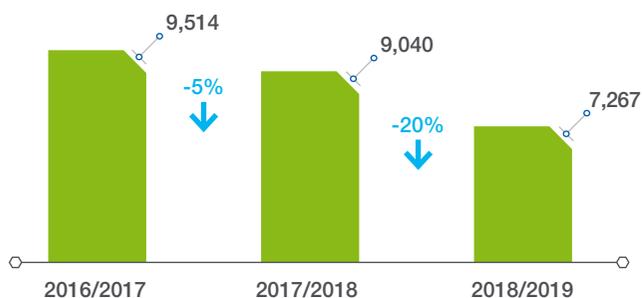
Effluent and Waste

GRI 103-1 / 103-2 / 103-3 / 306-1 / 306-2

When manufacturing our medicines, we use a large quantity of chemicals, which may generate a significant environmental impact if not disposed of properly. Therefore, effluents and waste management is a central concern addressed by our Environmental Management System (SGA).

Throughout fiscal year 2018/2019, the Company discarded 7,267 m³ of water in the public sewage system, a volume 20% lower than in the previous year. The disposal process complies with the parameters established by State Decree 8468/76A, and the water discarded has no significant number of chemical components.

Effluents (m³)



In our waste management, we follow the requirements of the National Solid Waste Policy. During the fiscal year 2018/2019, the Company generated 130.1 tons of waste, 16% lower than in the previous year.

Disposal of waste (in tons)



Type of waste	Destination	Weight in 2018/2019 (tons)
Hazardous waste		
Solid waste	Coprocessing/ Incineration	21.4
Machine oil	Recovery	200 (liters)*
Non-hazardous waste		
Paper	Recycling	32.2
Boxes	Recycling	7.0
Plastic	Recycling	8.1
Blister	Recycling	3.7
Metal	Recycling	5.4
Glass	Recycling	0.2
Electronic waste	Recycling	0.2
Lamps	Recovery	0.3
Gardening	Landfill	7.5
Rubble/wood**	Landfill	21.1
Organic	Landfill	23.0
Total	-	130.1

* because it is calculated in liters, the discard of machine oil is not included in the calculation of the total weight of waste. ** in the previous report, disposed wood and rubble weight was reported separately.





Reverse logistics for medicines

GRI 103-1 / 103-2 / 103-3 / 301-3

One of the main environmental impacts originated from the pharmaceutical industry is caused by incorrect disposal of medicines after use by patients. Because they contain chemicals that act on the human body and on the environment, expired or unused medicines should not be disposed of in the regular waste or in the sewage system, but should be sent for incineration.



At Daiichi Sankyo Brasil, we believe that the best way to reduce this impact is through a joint action of the entire industry including its value chain. In 2018, we joined an initiative led by Interfarma, with the participation of other pharmaceutical companies, which creates a reverse logistics plan for medicines in the State of São Paulo.

Through it, collection points were installed in different regions of the State, where patients can dispose of end-of-life products. Waste is then collected and sent for incineration.

Created to meet a decision from the Environmental Company of the State of São Paulo (CETESB), the plan is still in its early stages and collection data will be available from fiscal year 2018/2019. Other states in the country are discussing the implementation of similar reverse logistics plans.





Water

GRI 103-1 / 103-2 / 103-3 / 303-1 / 303-2 / 303-3

Water is one of the main inputs we use in our factory to produce quality medicines. Our Environmental Management System (SGA) provides a strict consumption control, seeking to reduce waste year by year.

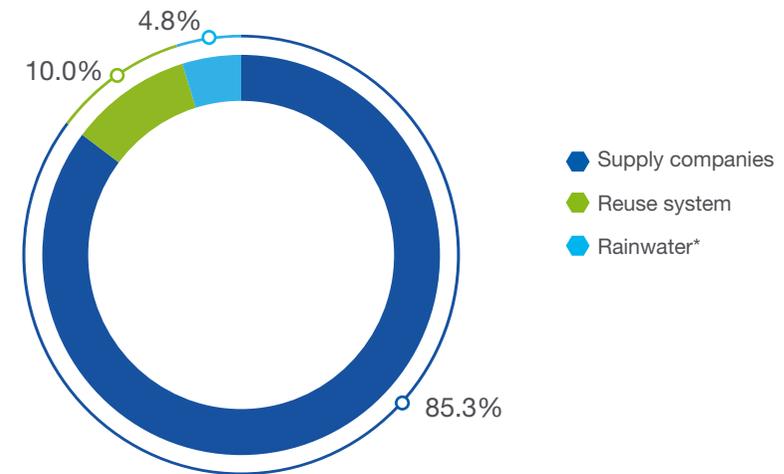
During fiscal year 2018/2019, we consumed 12,048 m³ of water, 6% higher than in the previous year. The figure is in line with the production increase in the factory.

Water consumption (m³)



We do not affect water sources with our water withdrawal, since 85.3% of the volume we consume comes from water supply companies. Moreover, 1,200 m³ comes from our reuse system, representing 10.0% of the total.

Water withdrawal sources



* Rainwater consumption began to be measured in January 2019. The total value is an estimate of annual consumption based on February and March average.





12 Society





Society

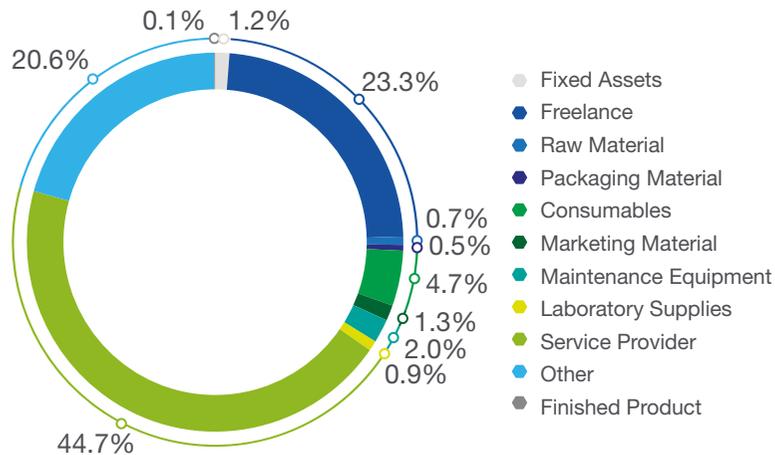
Sustainability in the supply chain

GRI 102-9 / 103-1 / 103-2 / 103-3 / 204-1 / 308-1 / 414-1

At Daiichi Sankyo Brasil, we consider the correlation of a sustainable relationship with our supply chain as one of the main ways to generate value for society. Therefore, we seek to establish processes and initiatives that help promote good management and sustainability practices in the supply chain.

During fiscal year 2018/2019, we had 10,273 suppliers registered in its system, divided as follows:

Suppliers by type



In total, we paid R\$ 249.2 million to suppliers. Of this amount, 52% were spent on local suppliers, creating value to the Brazilian economy.

Amount paid to suppliers (R\$)	
International suppliers	119.4
Local suppliers	129.8
Total	249.2

To ensure the money spent is invested in responsible partners, that create value for society and the environment, we rely on a Supplier Qualification Program. It carries out audits regarding the quality of materials and compliance with the regulations pertinent to the sector. The audits involve the analysis of legal documents and visits to its operation and are carried out by the Quality and EHS areas, contemplating the following scopes:

- **Quality:** with a strict focus on quality aspects following Good Manufacturing Practices (GMP). During the fiscal year 2018/2019, the area audited 14 suppliers.
- **EHS:** focus on Environment, Health and Safety at Work, verifying the validity of CETESB (Environmental Company of the State of São Paulo) and IBAMA (Brazilian Institute of Environment and Renewable Natural Resources) licenses. During the period, EHS area has audited four suppliers.





Social Impact

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

Also, our contracts require compliance with all legal obligations from suppliers, including anti-corruption and slave labor laws. One of the clauses describes the Company's Code of Ethical Conduct (see page 20), requiring prior knowledge of its guidelines. The contractor must also demonstrate commitment to the Global Compact, recognizing its commitment to the principles proposed in the document (described on page 25). In that sense, the agreement serves not only to describe practices that are not accepted by the Company, but also to make our supply chain aware about the best practices in the market.

During fiscal year 2018/2019, we introduced the Code of Conduct for Business Partners, which establishes the principles to be followed by all third parties, suppliers and business partners (learn more on page 21). The document should be implemented over the next fiscal year.

Throughout fiscal year 2018/2019 we established and continued a series of initiatives aimed at increasing our value creation to society.

Our Social Responsibility area aims to contribute to non-profit entities that assist in social causes, promote knowledge exchange or improve people's quality of life. Among the projects supported during the fiscal year, we highlight:

- **Associação Amigos do Coração - Friends of the Heart Association (AAC):** an organization that has the objective of humanizing the hospital environment and promoting better quality of life for patients with heart diseases hospitalized in the Heart Institute. Instituto do Coração (InCor).

Throughout the year, we maintained our volunteer program in partnership with AAC, which allows employees to visit inpatients, and we also continued our monthly donations, which totaled R\$ 24 thousand. Besides, we carried out a campaign with the employees to support the "Father's Day Bazaar", where we collected clothes, shoes and miscellaneous items.

For more information, visit the link:

<http://www.amigosdocoracao.org.br>





- **General Project in Health:** an initiative from Interfarma focused on health education, developed and executed by the Oficina de Ideias. Over the year, we continued to financially support the project, contributing with R\$ 12.9 thousand.
- **Global Environmental Contest:** motivated to stress the importance of environmental preservation and the commitment to improving the quality of life, the Daiichi Sankyo Group promotes an annual contest about the topic, in which employees may compete with ideas and works. In 2018, more than 500 works from all over the world have been registered. A Brazilian employee ranked at 9th place, in the Graphic Works category.
- **Christmas Social Action 2018:** in 2018, we supported Interfarma to hold the Christmas Party at the institution “A Mão Branca, Associação Beneficente de Amparo aos Idosos” - “The White Hand, Beneficent Association to Support the Elderly”, reference in the assistance and welcome to the elderly. We counted on employees’ help to collect personal hygiene products, invited everyone to the Christmas party at the institution and we took a group of volunteers who sang and played songs to cheer the elderly.
- **Recicladora Urbana:** we kept our partnership with Recicladora Urbana, a company specializing in the reverse logistics of discarded electronic computers and telecommunications equipment. The Information Technology department donated waste such as cell phones, desktops, mice, monitors, telephones and keyboards. Altogether, more than 337 kg of equipment was donated.

For more information, visit the link: <http://www.recicladoraurbana.com.br>





Communication for health

We also consider an essential aspect in our value creation for society the use of our communication channels to disseminate information about health and quality of life for patients:

- **Social networks (Facebook, LinkedIn and YouTube):** we continue to use our posts on social networks to disseminate information and tips on health and quality of life. In 2018/2019, we posted messages on healthy eating, fight against smoking, stroke prevention and the benefits of meditation, among other topics.
- **Bipolar depression: it's time to talk about it:** campaign carried out in our social networks and disseminated in the media, with the aim of raising public awareness about bipolar depression, a disorder that affects more than six million Brazilians and depends on better diagnosis and appropriate treatment. The campaign had the support of ABRATA - Brazilian Association of Relatives, Friends and Affective Disorders Patients.

For more information, visit the link: <http://estanahoradefalar.com.br>

- **Pink October, Blue November and Red December:** through our Internal Accident Prevention Committee (CIPA), we joined the Pink October and Blue November global campaigns to raise awareness on the importance of prevention and early diagnosis of breast and prostate cancer. In December, we also supported the Red December campaign for HIV and AIDS prevention.





13

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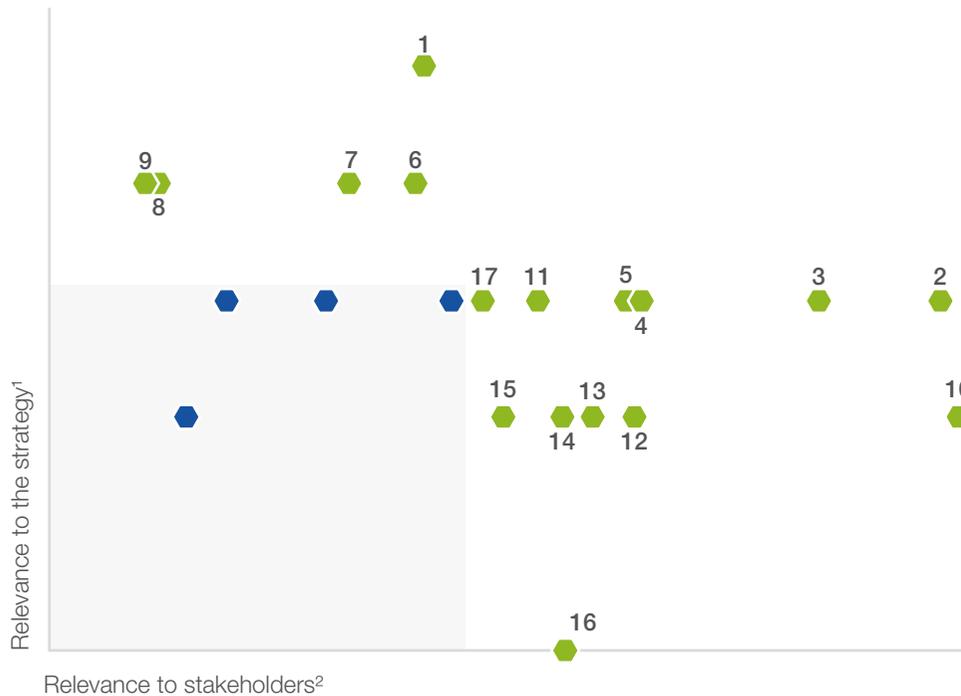
GRI Standards Content Index

Material topics

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Our materiality survey has reached 17 material aspects. From the survey carried out with internal and external relevance publics, we defined the following materiality matrix:

Material aspects matrix



RESULTS:

Material Aspects are those that have relevance in at least one of the axes.

- | | |
|---|--|
| 1. Promoting ethics and fighting corruption | 10. Bioethics in clinical research |
| 2. Ethical and responsible marketing | 11. Promotion of health population |
| 3. Fair pricing of medicines | 12. Access to medicines |
| 4. Innovation in medicines | 13. Scientific training for health professionals |
| 5. Emissions of greenhouse gases | 14. Social development |
| 6. Water consumption | 15. Energy consumption |
| 7. Quality and safety of medicines | 16. Proper disposal of medicines |
| 8. Sustainability in the supply chain | 17. Effluent and waste generation |
| 9. Employee development | |

Legend:

- ◆ High relevance aspects
- ◆ Low relevance aspects

¹ Included Public: Daiichi Sankyo Brasil, Market Peers, Sector Organizations

² Included Public: Sustainability Specialists, Employees, Suppliers, Health Professionals and Patients





For purposes of content organization and clarity, the 17 aspects were organized into seven material topics. Each aspect and the material topics boundaries are described below:

Material topic	Material aspect	Relevance	Related SDG	Boundaries
Relationship with health professionals	Ethical and responsible marketing	Procedures to ensure that medicines sales and marketing efforts follow ethical principles and legal determinations, including relationships with health professionals, medical institutions, and patient associations.	3 – Good health and well-being 16 – Peace, justice and strong institutions	Internal boundaries: <ul style="list-style-type: none"> • Daiichi Sankyo Brasil External boundaries: <ul style="list-style-type: none"> • Patients • Health professionals • Employees • Market peers • Government • Regulatory Agencies • Society
	Scientific training for health professionals	Programs and training initiatives aimed at deepening health professionals knowledge about new scientific research and therapeutic possibilities.	3 – Saúde e bem-estar 4 – Educação de qualidade	
Impact on health	Fair pricing of medicines	A strategy used to ensure the fair price of medicines, ensuring patient access to treatment, while supporting the Company's financial sustainability.	3 – Good health and well-being 10 – Reduced inequalities	Internal boundaries: <ul style="list-style-type: none"> • Grupo Daiichi Sankyo • Daiichi Sankyo Brasil External boundaries: <ul style="list-style-type: none"> • Patients • Health professionals • Market peers • Sector Organizations • Government • Regulatory Agencies • Society • Suppliers
	Innovation in medicines	Research and development of new molecules that may lead to new treatment possibilities for patients.	3 – Good health and well-being 9 – Industry, innovation and infrastructure	
	Quality and safety of medicines	Procedures to ensure patient safety and the quality of medicines marketed by the Company, specially aimed at the pharmacovigilance operation.	3 – Good health and well-being	
	Promotion of health population	Ability to impact population health by providing treatments that reduce mortality and improve their quality of life. The theme may include research and production of medicines to combat neglected diseases or with high mortality rates.	3 – Good health and well-being	
	Access to medicines	Initiatives that help ensure patients' access to treatments developed by the Company. These may include efforts to get medicines approval by the regulatory body, processes to ensure a regular supply, opening of new markets and incorporation of the medicines by the public health system.	3 – Good health and well-being 10 – Reduced inequalities	





Material topic	Material aspect	Relevance	Related SDG	Boundaries
Ethics	Promoting ethics and fighting corruption	Procedures to ensure ethical business conduct and prevent corruption.	16 – Peace, justice and strong institutions	Internal boundaries: <ul style="list-style-type: none"> Grupo Daiichi Sankyo Daiichi Sankyo Brasil External boundaries: <ul style="list-style-type: none"> Health professionals Employees Market peers Sector Organizations Government Regulatory Agencies Society
	Bioethics in clinical research	Procedures to ensure that clinical research conducted to develop that new medicines follows scientific, ethical and legal principles, respecting participants' free consent and results' transparency.	3 – Good health and well-being 16 – Peace, justice and strong institutions	
Environmental impacts	Emissions of greenhouse gases	Ability to manage greenhouse gas emissions, using renewable energy sources, efficient consumption and adoption of green technologies.	12 – Responsible consumption and production 13 – Climate action	Internal boundaries: <ul style="list-style-type: none"> Daiichi Sankyo Brasil External boundaries: <ul style="list-style-type: none"> Patients Employees Market peers Sector Organizations Government Regulatory Agencies Society
	Water consumption	Water consumption management by the Company's operations.	6 – Clean water and sanitation 12 – Responsible consumption and production	
	Energy consumption	Operations energy consumption management, including the factory and vehicles' fleet.	7 – Affordable and clean energy 12 – Responsible consumption and production	
	Proper disposal of medicines	Initiatives to ensure the collection and correct disposal of medicines not used by patients.	12 – Responsible consumption and production 14 – Life below water 15 – Life on land	
	Effluent and waste generation	Management of effluents and wastes used in the Company's production processes, including those that came in contact with the medicines.	12 – Responsible consumption and production 14 – Life below water 15 – Life on land	





Material topic	Material aspect	Relevance	Related SDG	Boundaries
Employee development	Employee development	Focus on employees' development in order to update their skills, abilities and knowledge about the products offered.	3 – Good health and well-being 4 – Quality education 9 – Industry, innovation and infrastructure	Internal boundaries: <ul style="list-style-type: none"> • Grupo Daiichi Sankyo • Daiichi Sankyo Brasil External boundaries: <ul style="list-style-type: none"> • Health Professionals • Employees • Society
Sustainability in the supply chain	Sustainability in the supply chain	Ability to manage the environmental and social impacts of suppliers, ensuring the compliance and sustainability of the chain.	8 - Decent work and economic growth 12 – Responsible consumption and production	Internal boundaries: <ul style="list-style-type: none"> • Daiichi Sankyo Brasil External boundaries: <ul style="list-style-type: none"> • Patients • Market peers • Society • Suppliers • Government
Impact on communities	Social development	Social projects developed or supported by the Company, whether through donations, volunteering or financial support.	3 – Good health and well-being	External boundaries: <ul style="list-style-type: none"> • Patients • Health Professionals • Employees • Society





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GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG												
General Disclosures															
Organizational Profile															
102-1	Name of the organization	Pg. 4	-												
102-2	Primary brands, products, and services	Pg. 15	3 – Good health and well-being												
102-3	Location of the organization's headquarters	Pg. 16	-												
102-4	Number of countries where the organization operates	Pg. 16	-												
102-5	Nature of ownership and legal form	Daiichi Sankyo Brasil Farmacêutica Ltda.	-												
102-6	Markets served	Pg. 16	-												
102-7	Scale of the organization	Pgs. 16 and 17	-												
102-8	Information on employees and other workers	<p>Daiichi Sankyo Brasil employees' profile can be found on page 45. The total number of employees can also be classified by type of employment:</p> <table border="1"> <thead> <tr> <th>Employment Type</th> <th>Male</th> <th>Female</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Full time</td> <td>254</td> <td>212</td> <td>466</td> </tr> <tr> <td>Part Time</td> <td>1</td> <td>7</td> <td>8</td> </tr> </tbody> </table>	Employment Type	Male	Female	Total	Full time	254	212	466	Part Time	1	7	8	8 - Decent work and economic growth
Employment Type	Male	Female	Total												
Full time	254	212	466												
Part Time	1	7	8												
102-9	Description of the organization's supply chain	Pg. 61	-												
102-10	Significant changes to the Organization's size, structure, ownership, or supply chain	Pgs. 19 e 47	-												
102-11	Whether and how the organization applies the Precautionary Principle or approach	Pg. 53	-												





GRI Standards Content Index

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
102-12	List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses	Pg. 25	-
102-13	List of the main memberships of industry or other associations, and national or international advocacy organizations	Pg. 35	-
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	Pg. 7	-
Ethics and Integrity			
102-16	Description of the organization's values, principles, standards, and norms of behavior	Pgs. 14, 20 and 40	16 – Peace, justice and strong institutions
102-17	Mechanisms for advice and concerns about ethics	Pg. 23	16 – Peace, justice and strong institutions
Governance			
102-18	Governance structure of the organization, including committees	Pg. 19	-
102-22	Composition of the highest governance body and its committees	Pg. 19	-
102-23	Report whether the chair of the highest governance body is also an executive officer in the organization	Pg. 19	16 – Peace, justice and strong institutions
102-25	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	Pg. 22	16 – Peace, justice and strong institutions
Stakeholder Engagement			
102-40	List of stakeholder groups engaged by the organization	Pg. 4	-
102-41	Percentage of total employees covered by collective bargaining agreements	100% of Daiichi Sankyo Brasil employees are covered by collective bargaining.	8 - Decent work and economic growth





GRI Standards Content Index

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
102-42	Basis for identifying and selecting stakeholders with whom to engage	Pg. 4	-
102-43	The organization's approach to stakeholder engagement, including frequency of engagement	In addition to the engagement undertaken for materiality survey, described on page 4, Daiichi Sankyo Brasil also engages its stakeholders at other times: Physicians: periodic, in congresses and visits by sales representatives and scientific consultants, described on page 40; Employees: daily and on demand by the Confidential Channel; Suppliers: on demand; Patients: contacts received by the SAC, described on page 38; Distributors: periodic; Anvisa and other regulatory bodies: on demand; Interfarma: monthly; Sindusfarma: on demand.	-
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	Pg. 66	-
Reporting Practices			
102-45	List of all entities included in the organization's consolidated financial statements or equivalent documents	Daiichi Sankyo Brasil has no subsidiary companies, therefore 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	Pgs. 4, 66 and 70	-
102-47	List of the material topics identified in the process for defining report content	Pgs. 4, 66 and 70	-
102-48	The effect of any restatements of information given in previous reports, and the reasons for such restatements	There were no restatements of information provided in previous reports.	-
102-49	Significant changes from previous reporting periods in the list of material topics and topic Boundaries	Pgs. 66 and 70	-
102-50	Reporting period for the information provided	Pg. 4	-





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GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
102-51	Date of the most recent previous report	The previous report covered the fiscal year from 04/01/2017 to 03/31/2018.	-
102-52	Reporting cycle	Annual	-
102-53	Contact point for questions regarding the report or its contents	Pg. 4	-
102-54	Claim made by the organization, if it has prepared a report in accordance with the GRI Standards	Pg. 4	-
102-55	GRI content index	Pg. 70	-
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 assurance.	-
DMA			
103-1	Explanation of the material topic and its Boundary	Pgs. 20, 30, 32, 33, 34, 37, 40, 49, 54, 55, 57, 58, 59, 61, 62, 66 and 70	-
103-2	The management approach and its components	Pgs. 20, 30, 32, 33, 34, 37, 40, 49, 54, 55, 57, 58, 59, 61 and 62	-
103-3	Evaluation of the management approach	Pgs. 20, 30, 32, 33, 34, 37, 40, 49, 50, 54, 55, 57, 58, 59, 61 and 62	-
Economic Disclosures			
Indirect Economic Impacts			
203-2	Significant indirect economic impacts	Pg. 30	3 – Good health and well-being
Procurement Practices			
204-1	Proportion of spending on local suppliers	Pg. 61	8 - Decent work and economic growth





GRI Standards Content Index

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
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	During fiscal year 2018/2019 Daiichi Sankyo Brasil was not cited in any public judicial process or investigation related to corruption.	16 – Peace, justice and strong institutions
205-2	Communication and training about anti-corruption policies and procedures	Pg. 23	16 – Peace, justice and strong institutions
205-3	Confirmed incidents of corruption and actions taken	Pg. 23	16 – Peace, justice and strong institutions
Environmental Disclosures			
Materials			
301-3	Reclaimed products and their packaging materials	Pg. 58	12 – Responsible consumption and production
Energia			
302-1	Energy consumption within the organization	Energy consumption is described on page 55. The energy, LPG and diesel (stationary sources) data are extracted from the maintenance management of the factory. Ethanol and gasoline consumption data for vehicles are extracted from the fuel consumption management of the sales force fleet provided by HR.	7 – Affordable and clean energy 12 – Responsible consumption and production 13 – Climate action
302-3	Energy intensity	Pg. 55	7 – Affordable and clean energy 12 – Responsible consumption and production
302-4	Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives	Pg. 55	7 – Affordable and clean energy 12 – Responsible consumption and production
Water			
303-1	Water withdrawal by source	Pg. 59	6 – Clean water and sanitation 12 – Responsible consumption and production





GRI Standards Content Index

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
303-2	Water sources significantly affected by withdrawal of water	The organization does not affect water sources with its withdrawal of water.	6 – Clean water and sanitation 12 – Responsible consumption and production
303-3	Water recycled and reused	Pg. 59	6 – Clean water and sanitation 12 – Responsible consumption and production
Emissions			
305-1	Direct (Scope 1) GHG emissions	Data in page 54 was calculated according to the FGV GHG Protocol spreadsheet tool, based on the Brazilian GHG Protocol Program. Also, we emitted 3.9 tons of CH ₄ and 3.3 tons of N ₂ O.	12 – Responsible consumption and production 13 – Climate action
305-2	Energy indirect (Scope 2) GHG emissions	The data on page 54, were calculated according to the FGV GHG Protocol spreadsheet tool, based on the Brazilian GHG Protocol Program.	12 – Responsible consumption and production 13 – Climate action
305-4	GHG emission intensity	The emission intensity of greenhouse gases was 0.00083 tCO ₂ e per thousand units produced.	12 – Responsible consumption and production 13 – Climate action
Effluents and Waste			
306-1	Water discharge by quality and destination	Pg. 57	6 – Clean water and sanitation 12 – Responsible consumption and production 14 – Life below water
306-2	Waste by type and disposal method	The weight of the waste is described on page 57. The data come from SGA indicators.	12 – Responsible consumption and production 15 – Life on land
306-3	Total number and total volume of recorded significant spills	There were no significant spills during fiscal year 2018/2019.	6 – Clean water and sanitation 12 – Responsible consumption and production 14 – Life below water 15 – Life on land





GRI Standards Content Index

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	Pg. 61	12 – Responsible consumption and production
308-2	Negative environmental impacts in the supply chain and actions taken	Currently, we do not assess environmental impacts in the supply chain, we only evaluate and document if the supplier meets the legal requirements and its conditions.	-
Social Disclosures			
Training and Education			
404-1	Average hours of training that the organization's employees have undertaken during the reporting period, by gender and employee category	Pg. 50	4 – Quality education
404-2	Programs for upgrading employee skills and transition assistance programs	Competency management and continuous learning programs are described on pages 49 and 50. We do not have Programs that support the continuity of employees' employability in preparation for retirement.	8 - Decent work and economic growth
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	Pg. 49	8 - Decent work and economic growth
Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria	We do not select new suppliers based on social criteria. Our contracts, however, present clauses that address the issue, as described on page 61.	8 - Decent work and economic growth
414-2	Negative social impacts in the supply chain and actions taken	We do not currently carry out assessment on social impacts in the supply chain.	-
Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Pg. 37	3 – Good health and well-being





GRI Standards Content Index

GRI 102-44 / 102-46 / 102-47 / 102-49 / 103-1

Disclosures		Reference (pg.) / Direct Answer	Impacted SDG
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Pg. 37	3 – Good health and well-being 16 – Peace, justice and strong institutions
Marketing and Labeling			
417-2	Incidents of non-compliance concerning product and service information and labeling	Pg. 33	16 – Peace, justice and strong institutions





Credits

Coordination

Human Resources Department | Communication

Editorial project, content writing, GRI consulting and translation

RICCA Sustentabilidade

Graphic design, illustrations and layout

RICCA Sustentabilidade

Photos

Daiichi Sankyo Image Bank

Contact

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