

Coexistence with Local Communities

Materiality	Resolving social issues and coexisting with the community	
Main Activities	FY2022 Activities	Issues and FY2023 Strategies
<ul style="list-style-type: none"> Enhancing the public research grant system to support medical and scientific research Implementing social contribution activities rooted in each region, including preserving Kyoto culture Providing educational and mental well-being support for children through activities such as sports and reading opportunities 	<ul style="list-style-type: none"> FY2022 public research grants: 10 Publications of quarterly PR magazine "Kyo": 4, calendar: 1 The Nippon Shinyaku Sparkling Future Mobile Library: participated in 22 events 	<ul style="list-style-type: none"> Raising awareness of and increasing participation in public research grants and social contribution activities

Contributing to Medical and Scientific Research and Development of Local Communities

Nippon Shinyaku thinks that it should play two roles —the first is providing outstanding drugs to the world as a pharmaceutical company, and the other is contributing to the development of general society and local communities as a member of each.

Public research grant system

As part of its centenary celebrations, and to contribute to the advancement of science in the fields of medicine and pharmacology, Nippon Shinyaku has launched a public research grant system. Under the system, it aims to support young researchers by offering grants to successful applicants.

Preservation and maintenance of Kyoto culture

For more than half a century, Nippon Shinyaku has created an annual calendar using works of art created with dyes using a traditional Kyoto technique called stencil dyeing, and through this, introduced various aspects of Kyoto, including its scenery and landscapes in the various seasons and historical events. The Company also publishes a quarterly PR magazine titled "Kyo," also using works of art created with dyes for the cover, that showcases the huge appeal of Kyoto—from the city's many shrines, temples, and other cultural assets to its cuisine, traditional techniques, and local products.

Providing support for children through activities such as sports and reading opportunities

Educational support through sports

Working with municipal governments and baseball associations, for many years the Nippon Shinyaku baseball team has organized baseball clinics for players of various ages, including elementary,

junior high, and high school students. In recent years, the Company has been holding sports clinics for preschool children in the vicinity of Kyoto to experience the joy of exercise. In November 2022, Nippon Shinyaku visited Kyoto Seibo Gakuin Nursery School in Fushimi Ward, Kyoto, and conducted sports clinics, including tee-ball classes. At the Nippon Shinyaku Children's Challenge Cup, held at Wakasa Stadium Kyoto in December 2022, the Company conducted athletic performance measurements—something most preschool children never get to experience—nutrition education activities, and other activities.

In addition, besides our hardball baseball activities, we organized e-sports contests accessible online and on site for children with disabilities with the use of an eye-tracking application in August 2022. Going forward, we will carry on with these initiatives and contribute to the development of local communities through social contribution activities.

Supporting children by providing opportunities for reading and other activities

The Nippon Shinyaku Children's Literary Awards, with the support of the Japan Juvenile Writers Association, call for entries in the two categories of stories and artworks, and make copies of selected top works in each category. The produced picture books are then donated to medical institutions, such as children's hospitals, and public facilities, which makes it possible for many children to read the books.

Moreover, the Company started the Nippon Shinyaku Sparkling Future Mobile Library in 2019 as part of its centenary celebrations to bring exciting library experiences to children. The library van carries around 1,000 physical and digital books, including the Nippon Shinyaku Children's Literary Award-winning titles. Along with employee volunteers, the library visits elementary schools and special needs schools.



Message from the Chairman



**As Chairman,
I work to further
enhance governance.**

S. Maekawa

Shigenobu Maekawa
Representative Director, Chairman

Nippon Shinyaku's corporate activities revolve around its business philosophy of "Helping People Lead Healthier, Happier Lives." In order to grow into our vision of company with a meaningful existence in the healthcare field, we are working to further enhance our corporate value by enhancing sustainability initiatives. To make a sustainable society a reality, we must contribute to solving a variety of social issues and be trusted by society. I believe that dealing with issues of materiality is essential to a company, and that it is the foundation of corporate management. In March 2023, we revised our issues of materiality based on the changing business environment.

People who think and act by themselves and actively take on challenges are indispensable to the sustainable growth of Nippon Shinyaku, and we are developing an environment where they can grow and flourish, aiming to build a flexible, resilient organization that can adapt to change. Turning to environmental efforts, under the Nippon Shinyaku Basic Environmental Policy, we are introducing and expanding the use of solar power facilities and other renewable energy sources to reduce CO₂ emissions. Further, through activities to conserve rare species, we are also actively contributing to the preservation of biodiversity.

In promoting these initiatives, I believe that securing management transparency and being accountable to all our stakeholders is one of our most important management issues, and as Chairman, I will continue working to further enhance our corporate governance system. Through Board of Directors meetings as well as the Management Policy Review Group, training and debriefing conferences, and a variety of other opportunities, Nippon Shinyaku's directors engage in the healthy exchange of opinions. In FY2022, we engaged in numerous discussions on R&D, capital investment, the revision of our personnel system, and other matters which will contribute to Nippon Shinyaku's sustainable growth. Of particular note, Nippon Shinyaku's external directors actively ask questions and provide answers to our executive directors based on their personal experience and expertise. They also engage in discussions with a medium- to long-term business perspective. Accordingly, I judge that the effectiveness of our Board of Directors is secured.

Going forward, I will continue striving to strengthen Nippon Shinyaku's corporate governance, and to secure further transparency and reliability through proactive disclosure and dialogue with all our stakeholders. I hope that you will extend Nippon Shinyaku your continued support and understanding.