

Basic Policy II

# Building of flexible and efficient organization

## Overview

Sumitomo Dainippon Pharma is building a flexible and efficient organizational foundation instilled with CHANTO: delivery of the highest performance by simultaneously executing organizational and operational reform and nurturing corporate culture and talent to drive innovation in parallel with digital transformation to support the establishment of growth engines.

Under Flexible and efficient organization and operations we aim to pursue operational excellence and build an agile and flexible organization to

proactively address changes in our business environment. Under Corporate culture and talent to drive innovation we aim to foster talent responsive to environmental changes and encourage innovation and flexibility. Under Digital transformation we aim to achieve both new value creation and operational reform through digital technology.



**Basic Policy I**

**Basic Policy II Flexible and efficient organization and operations**

Corporate culture and talent to drive innovation  
Digital transformation

**Material issues** Sumitomo Dainippon Pharma has set targets and KPIs, and we have provided a list of them on pages 25–26.

## Flexible and efficient organization and operations

Sumitomo Dainippon Pharma pursues operational excellence and builds agile and flexible organization to proactively address changes in business environment.

As one method of achieving this, we promote work style innovation to enhance our value proposition to society by enhancing employee satisfaction and capability through improvements to productivity and work-life balance.

### Pursue operational excellence

- “Work style innovation” supported by digital technology
- Optimize resource allocation

### Agile and flexible organization

- Ability to prepare for and respond to future changes
- Strategically deploy external resources

## Work style innovation

**Material issues**

### More sophisticated work styles

#### Improvement of productivity

With our basic concept of work style innovation, which is to build a win-win relationship between employees and the company to enable employees to work with a firm sense of fulfillment and produce results, it is our aim that each and every person will fulfill their own roles and produce results in the limited time.

Since fiscal 2019, we have held company-wide workstyle innovation lectures based on the idea that enhancing the skills of each employee is essential to shift to higher productivity work styles. We have also implemented time management training to give employees opportunities for improving their own work styles and to learn about methods and approaches for increasing productivity.

In fiscal 2020, due to the COVID-19 pandemic, we established and expanded communication infrastructure to enable all domestic employees (approx. 3,000) to work

remotely and promoted active utilization of web conferencing system. As a result, an increasing number of employees utilized teleworking, and since July 2020 we have maintained the percentage of employees working onsite at our Osaka and Tokyo head offices at 30% or less. Additionally, we have made efforts to maintain productivity by holding training to strengthen communication in teleworking and disseminated information and held events to maintain physical and mental health. In future, we will continue efforts to enhance work style innovation to create a virtuous cycle of improving productivity by achieving results while enjoying work through work-life balance, which can become blurred when teleworking.

#### Improvement of employee satisfaction

We value communication between management and employees, which includes lectures by directors at each business site and company-wide messages from the president and executive officers.

Starting in fiscal 2019, we undertook an employee

### KPIs

- **Employee engagement**
- **Employee turnover rate**

The aim of our work style innovations is improving productivity. In evaluating productivity, we emphasize employees’ sense of fulfillment in their professional and private lives. We have decided to measure employee engagement and turnover rate in order to understand how fulfilling work tasks are and how much employees feel that they are contributing to society through their work.

→ Please see page 11 for trends of employee engagement and employee turnover rates.

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engagement survey—DSP Opinion (“MinOpi”)—through the Motivation Cloud service, which surveys and measures levels of employee satisfaction and expectations. In fiscal 2020, we were awarded third place in the large company division of the Best Motivation Company Awards 2020. Going forward, we will continue to work to improve the satisfaction of employees in each department.

**Virtuous cycle in work-life balance**

Sumitomo Dainippon Pharma believes that it is necessary to create an environment conducive to exercising one’s full capacities while effecting a positive cycle connecting work and personal lifestyles for every employee in order to achieve our Corporate Mission.

We believe that it is important for employees to have full and satisfying roles in both their professional and

private lives. We encourage employees to produce maximum results within specified work hours, then, after work and in their free time, engage in personal development, outside interests, and leisure time with their family. We feel that a mindset oriented toward boosting the quality of hours spent on work tasks will spur individual growth and, as a result, produce a virtuous cycle that leads to better results for the organization. Since fiscal 2017, we have been continuously promoting Work Style Innovation Meetings to take stock of tasks at each workplace and to review work styles and have been working to resolve issues.

## Corporate culture and talent to drive innovation

While maintaining a “culture with resilient and detailed execution,” we are fostering talent responsive to environmental changes and encourage innovation and flexibility.

We are promoting Project CHANTO to achieve goals toward the penetration and practice of CHANTO: delivery of the highest performance while responding to environmental changes, and are working to foster leaders and global talent.

**Reinforce desired culture and expected employee profile**

- Corporate culture to be enhanced: challenge-oriented, transparency, positive attitude, proactivity to changes, perseverance
- Desired employee profile: professional who is proactive in adapting to changes and taking on a challenge, aspires to enhance value through personal development, and is positive and flexible

**Required measures for evolution**

- Management that encourages willingness to take on a challenge with proactivity to changes
- Increase investment in employee development
- Promote Diversity & Inclusion
- Penetration/practice of “CHANTO”

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## Penetration/practice of CHANTO

### CHANTO: delivery of the highest performance

Our concept of CHANTO is the capability to continuously foster and deliver innovation to patients and other customers, while transforming our organization in flexible ways to adapt to changes in the world.

By simultaneously pursuing digital transformation, organizational and operational reform, and fostering a corporate culture and talent that drive innovation, we are building a flexible and efficient organizational foundation in which CHANTO is instilled.

### Promoting Project CHANTO

Under the Mid-term Business Plan 2022, our vision is to establish ourselves in a position as a Global Specialized Player by 2033. To that end, we thought it was necessary for each one of our employees to be always aware of CHANTO and to make personal progress, and launched Project CHANTO in February 2020. In Project CHANTO, management formulated Conduct Guidelines (CHANTO) to achieve our corporate vision. By disseminating CHANTO throughout the Company, we aim to accomplish both the behavior modifications of each and every employee and the generation of individual and organizational results.

Executive Officers defined and articulated CHANTO in a workshop and formulated a set of five Conduct Guidelines to help employees when they are unsure of or worried about something. In disseminating and deploying the established Conduct Guidelines, CHANTO, we aim gain greater understanding of CHANTO by all employees in a fun manner through workplace-led initiatives.

#### Five Conduct Guidelines

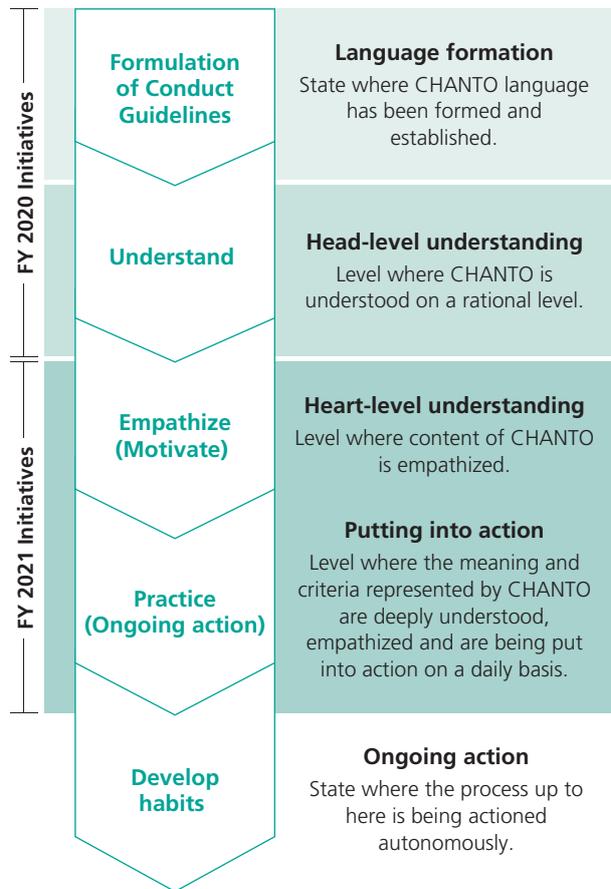
1. Goal-oriented, take as one's own issues, and follow through
2. Show courage to meet challenges
3. Self-disciplined, independent and exert individual abilities
4. Respect each other and collaborate with peers
5. Continue to cherish diligence and integrity

In fiscal 2020, we held training sessions on understanding CHANTO and the importance of our mission, targeting navigators\* selected from each workplace. These navigators then took the lead in sharing CHANTO at each workplace, and, as a result, employees gained an understanding of CHANTO. In fiscal 2021, we are aiming to deepen their understanding of the meaning of CHANTO, while moving forward with initiatives targeting ongoing action and the

development of habits that enable employees to implement CHANTO. Meanwhile, we are progressing with rolling out this initiative to domestic and overseas Group companies.

\* Employees selected with the criteria that they are non-managerial staff, exhibit leadership, and seem able to draw in their colleagues in a fun way.

### CHANTO Fiscal 2021 Goals



## Training and development of employees

Material issues

### Fostering of leaders and training of globally-minded human resources

#### Fostering the next generation of leaders

We established the DSP Academy in July 2016, which is a career grade-specific selective education and training program. The Academy provides extensive learning opportunities to highly talented and ambitious students, from young employees to mid-career employees as well as managers. The Academy's programs consist of A1 course, A2 course, A3 course and the Management course. In the five years between fiscal 2016 and fiscal 2020, 397

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students completed the program.

Since April 2020, due to the impact of COVID-19, all training has been moved to an online format. Training content relevant to our current era and the changes taking place was also incorporated, such as switching to lessons that instruct participants on proposing and executing business models for the digital age.

The HR Strategy Meeting, which has been held on an ongoing basis since 2008, plays a major role in this development and selection of the next generation of leaders. The HR Strategy Meeting, which consists of all the Directors, some of the Executive Officers, as well as executive directors of divisions as necessary, has been held regularly with over one hundred meetings during the past ten years. In addition, important personnel-related issues are discussed from time to time, such as work style innovation and diversity & inclusion.

#### Promotion of English proficiency enhancement toward globalization

We are working to foster global human resources that can undertake business management overseas in future such as by dispatching personnel to overseas subsidiaries and overseas academic and research institutions.

Also, in addition to selective English proficiency enhancement training of personnel recommended by each department, in fiscal 2020, we adopted the goFLUENT program, which is an e-learning approach to English education, from the perspective of raising the base level of English proficiency company-wide. Similarly, we increased the number of times we offer the TOEIC test from two to four times per year and incorporated TOEIC scores as one of the criteria for applicants applying to sit exams for certain managerial positions.

Going forward, we must increase our pool of employees able to work in a global setting, so we will polish our programs for enhancing English proficiency and will review and implement new programs as well.

#### Fostering a corporate culture that encourages self-disciplined and independent career development

#### Strategic allocation of human resources through talent management and acceleration of human resources development

We have adopted and are operating a talent management system to systematically understand and supervise the skills, assets, and capacities of our employees. Utilizing the

talent management system, we encourage employees to take steps toward their own career planning and autonomous self-improvement. We also have supervisors and direct reports work together to design customized development plans in order to realize human resources development and the proper placement of personnel, while striving to maximize results.

In fiscal 2020, we undertook people analytics (workforce analytics) leveraging the information accumulated, including searching and identifying factors that encourage employee growth and factors that contribute to employee engagement.

Going forward, we will continue to implement HR policies and initiatives aimed at both accelerating employee growth by utilizing gathered data, and maximizing results for the organization.

#### KPIs

- Number of participants in selective training**  
 Measures how many employees each year are provided with opportunities to acquire the knowledge necessary for upper-level positions.
- Number of employees with overseas work experience**  
 Measures how many employees to date have had direct involvement with our global business, and how many employees will be able to support the global business going forward.
- Number of participants in programs to enhance English proficiency**  
 Measures how many employees are engaged in self-improvement relevant to globalization.
- Number of cases and applicants utilizing internal job posting system**  
 Measures how many opportunities the Company is offering employees and how many employees are inclined to challenge themselves in new fields.
- Number of career consultation**  
 Measures the level of contribution that consulting provides as part of employee career development.

→ Please see page 12 for trends in the number of participants in selective training and of employees with overseas work experience.

## Diversity & Inclusion

Material issues

### Promotion of active participation by female employees

We believe every employee, regardless of their gender or any other characteristics, being able to perform at their full

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potential is vital to achieving our Corporate Mission. Going forward, we believe that an equal ratio of men and women among our employees and among our managerial staff is one yardstick. Moreover, we are aiming to increase the number of female employees returning to and continuing work after a life event such as marriage or giving birth and to increase the number of females selected for managerial positions. The ratio of female managers is steadily increasing, which, among others, is evident in the early achievement, in April 2019, of the goal of at least 10% female managerial staff by fiscal 2020.

Since January 2021, we have maintained the 10% ratio of female managerial staff and are progressing efforts to nurture such staff including training of female leaders with the goal of at least 15% of female senior employees (excluding managers), who are candidates for managers.

Additionally, we are aiming for a work environment where it is easier for each employee to achieve a positive work-life balance. To this end, we have set a goal of—and are working towards—100% of male employees taking childcare leave.



Obtained certification by the Ministry of Health, Labour and Welfare as a corporation that provides excellent support for raising children in 2017



Obtained the highest “Eruboshi” certification (three stars) as a company making excellent progress implementing initiatives for the active involvement of female employees in 2017

**Promotion of LGBTQ understanding**

Sumitomo Dainippon Pharma clearly states in our Compliance Standard that we do not discriminate on grounds of sexual orientation and gender identity. We are undertaking measures such as the Ally initiative and providing training for all employees to promote understanding of LGBTQ (lesbian, gay, bisexual, transgender, questioning, and queer).

In addition, in April 2020, we introduced a same-sex partnership system, which provides equal treatment for same-sex partners and spouses in housing, special leave for weddings and funerals, and other programs. These initiatives have been recognized and obtained bronze certification in the Pride Index 2020.



**Promotion of active participation by people with disabilities through appropriate placement**

Cocowork Co. Ltd., which was established to support independence of people with mental disabilities and accredited as a special subsidiary, uses solar-powered hydroponics to cultivate leafy vegetables. We have also set up massage rooms at our head offices in Tokyo and Osaka, and employ people with disabilities who hold a masseur license (a national qualification). Additionally, our ratio of employees with disabilities was 2.34% as of June 1, 2021.



Cocowork Esaka Farm (Suita, Osaka)

**KPIs**

- **Percentage of female managers (maintain at least 10%)**
- **Percentage of female senior employees, excluding female managers (by 15% by April 2023)**  
 Measures the number of female senior employees—from a small pool of female senior employees as manager candidates—who, after fulfilling their potential, are promoted to higher positions in each workplace.
- **Percentage of male employees taking childcare leave (100%)**  
 Measured as an indicator for how easy it is to achieve a work-life balance in a workplace regardless of the characteristics (such as gender) of the employee.
- **Number of participants in e-learning on LGBTQ**  
 Measures how many employees are increasing the depth of their understanding of LGBTQ each year.
- **Number of Ally activities**  
 Measures how many initiatives there are that provide opportunities to support LGBTQ employees.
- **Average length of employment of employees with disabilities**  
 Since establishing the right work environment is important for allowing people with disabilities to continue contributing their skills, this measures the average length of employment of employees with disabilities at the Company in order to indicate whether our environment is conducive to including people with disabilities.

→ Please see page 12 for trends of percentage of female managers, female senior employees excluding female managers, and of male employees taking childcare leave.

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## Message from the Executive Officer in charge of human resources

**Atsuko Higuchi****Executive Officer**

Corporate Governance; Corporate Communications; Human Resources

**Success of various measures speeding up organizational rebuilding**

In regard to measures for the company organization and human resources I am in charge of, I recognize we have made steady progress over the past three years.

The first area where we have made progress is work style innovation. We have been implementing a variety of measures for some time, but the impact of COVID-19, in particular, has been a great opportunity to think about our workstyles. I believe that each and every one of us is now able to work, thinking autonomously about more appropriate ways of working without being bound by the conventional ways. I would like to promote even greater advancements in workstyles for the COVID-19 pandemic period through to the post-COVID-19 world.

The second area is fostering employees who are willing to take

on challenges. We have seen success stories of employees who have actually been promoted or started new challenges after completing the DSP Academy, the selective education and training program we launched in 2016. I really feel that the selective aspect of the training has led to a positive attitude toward challenges. In recent years, we have also started initiatives to allow employees to design their own careers and request transfer to the department of their choice through the internal job posting system.

The third area of progress is diversity & inclusion. In terms of promoting active female participation, one of our nine directors and three of our 11 executive officers were women as of June 2021. We also achieved our target female manager ratio ahead of schedule, and this ratio stood at 14.6% as of April 2021. In the future, we believe that an equal ratio of men and women among our employees and among our managerial staff should be one of our yardsticks for active female participation. I joined the

Company as a researcher and became an executive officer after serving in corporate planning, public relations, and international business. Compared to those days, I think that female managers are becoming more common in the minds of employees in a positive sense. In manager promotion interviews, I feel strongly that there are many employees, both male and female, who want to demonstrate their abilities in positions of responsibility.

**Positioning human resources as the most important capital**

Sumitomo Dainippon Pharma holds the HR Strategy Meeting with all the directors and some of the executive officers, as well as executive directors of divisions as necessary. At these meetings, we monitor our human resources strategy appropriately by discussing the alignment of our human resource policies with our business strategy and the selection and development of the next generation of leaders.

Of the Group's three strengths, research and development and global platform would not be possible without human resources to implement them. In this regard, we will continue to promote the creation of workplaces where employees can reach their full potential, based on the awareness that the most important capital for the Group is its human resources.

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## Digital transformation

We will make strategic use of digital technology to reinforce the organizational base. Our goal is to leverage digital transformation to build an agile organization and human resources capable of spotting

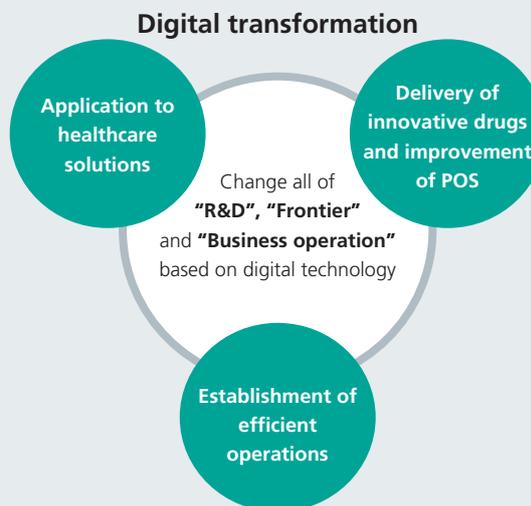
changes in the external environment and acting to address these changes proactively, and flexibly. Through this approach, we simultaneously create new value and bringing about operational reform.

**Further focus on digital capability:**

- Improve company-wide digital capability
- Enhance digital skills and change mindset
- Acquire and develop digital talents
- Enhance platform for data utilization, etc.

**Company-wide efforts to identify opportunities leveraging digital technology and deliver best performance:**

- Create new value in Pharmaceutical and Frontier areas, mainly led by current business function
- Accelerate company-wide initiatives for operational reform with potential advanced digital technology, mainly led by digital transformation functions



### Digital transformation strategy

In the Mid-term Business Plan 2022, Sumitomo Dainippon Pharma highlights the pursuit of digital transformation (DX) as a key initiative to re-build the business foundation through “establishment of growth engines” and “building a flexible and efficient organization.” Through the formation of a DX promotion system that integrates information technology and digital technology, Sumitomo Dainippon Pharma Group can achieve prompt decision-making throughout the organization. Also, we have been working to develop digital workplaces and to raise Sumitomo Dainippon Pharma Group’s digital literacy (skills) and “digital-first” mindset.

Through the strategic alliance with Roivant Sciences completed in December 2019, we acquired two healthcare technology platforms, DrugOME and Digital Innovation, further accelerating the Group’s DX efforts and talent pipeline. Through these systems, technologies,

and human resources, we can set quantitative goals linked to sales and R&D milestones. This will allow us to increase the probability of success of drug discovery, shorten the development time, and ensure stable manufacturing to deliver safer and more reliable pharmaceutical products. In doing so, we will deliver unique value to a broader range of people, including healthcare professionals as well as patients and their family members, while creating innovative pharmaceuticals and healthcare solutions.

By accelerating DX with a focus on creating and enhancing our business value, we are realizing sustained growth through “transformation into a data-driven pharmaceutical company” and “creation of new value and operational reform.”

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**Promotion system**

Under the lead of Dan Rothman, Chief Digital Officer (CDO) of the Group, we have assembled a team from IT-related departments of the Group companies to form the Digital Transformation Leadership Team in an effort to expedite DX throughout the Group. Also, we have established organizations specialized in DX, such as the Global Data Design Office, the IT Management & Digital Transformation, Frontier Business Office, and MarTech Strategy Office.

Further, to ensure quick and flexible decisions on DX projects, we have established a Digital Transformation Committee in Japan comprised of the Global Data Design Office, Global Corporate Strategy, IT Management & Digital Transformation. We have also established the company-wide working group to promote AI and Data utilization, which consists of representatives from each department in the Company and are working across the organization.

It is under this framework that we are introducing DX to the Group's advanced technologies. At the same time, we have built an agile organization capable of flexibly addressing changes and combining various functions both from within and outside of the Group, while fostering a corporate culture that encourages employees to change and act flexibly and develops such human resources.

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**Overview of the DrugOME**

DrugOME is a system that leverages diverse data points to promptly deliver quality solutions to varying business issues. The DrugOME team consists of data scientists with advanced expertise in computational research and capabilities. The team communicates and works closely with broader business teams to solve for issues or drive capabilities. We are promoting the use of DrugOME in various situations in our value chain, such as evaluating the feasibility of development compounds using real-world data, optimizing development plan and clinical study designs, making clinical studies more efficient (selection of facilities and recruiting patients), and early acquisition of promising pipelines.

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**Overview of Digital Innovation**

Digital Innovation is a system that uses digital processes to solve for various issues faced in business activities in the value chain and improve operational efficiency. The Digital Innovation team assigns a Digital Innovators to business teams in order to listen directly to the needs within the company and develop or offer new applications or automation technologies that in turn can drive business value. The Group companies use a common platform thus applications developed by Digital Innovators can be shared seamlessly between departments. Through this process, our Group's digital capabilities will be further strengthened and operational reform will be accelerated.

In Japan, we are developing applications such as search tools for pharmaceutical affairs information as well as support tools for writing documents on clinical studies. In the U.S., we are using tools for predicting and analyzing whether or not a subject will enter a clinical study, and developing an integrated platform that enhances the searchability of drug discovery-related information.

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**Accelerating operational reform**

To facilitate the provision of innovative pharmaceuticals and healthcare solutions, we are advancing operational reform based on a transformation to an agile and data-driven corporate culture in addition to strengthening digitally-capable human resources.

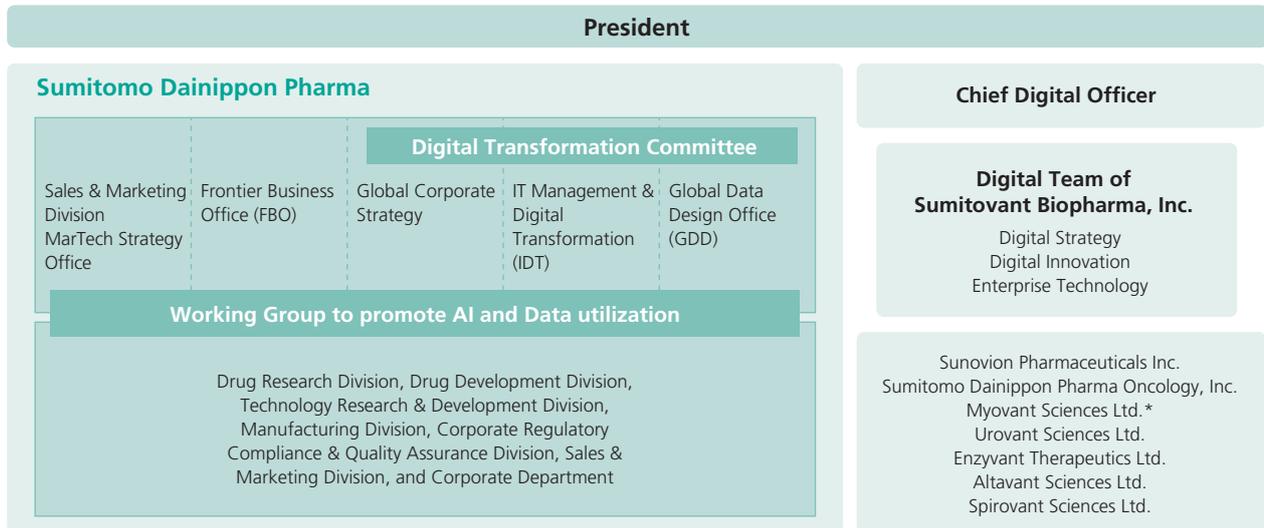
We are working on developing human resources, like DX human resources training, data scientist training, fostering of human resources for DX planning, and recruiting citizen developers. We are also working on introducing an agile work style. As for an environment to support our operational reform, we have developed and expanded a communications infrastructure and introduced web-conferencing system so that all of our 3,000 employees can work from home and can perform their job responsibilities, communicating with each other as they were in the office.

To assist collaboration between those working from home, we are advancing a digital workplace for general work by providing a variety of tools, such as electronic white boards for discussing meeting agendas or brainstorming together to incubate new ideas, mind maps for visualizing creative thinking, fresh ideas, and the flow of information, and tools for checking work status and schedules.

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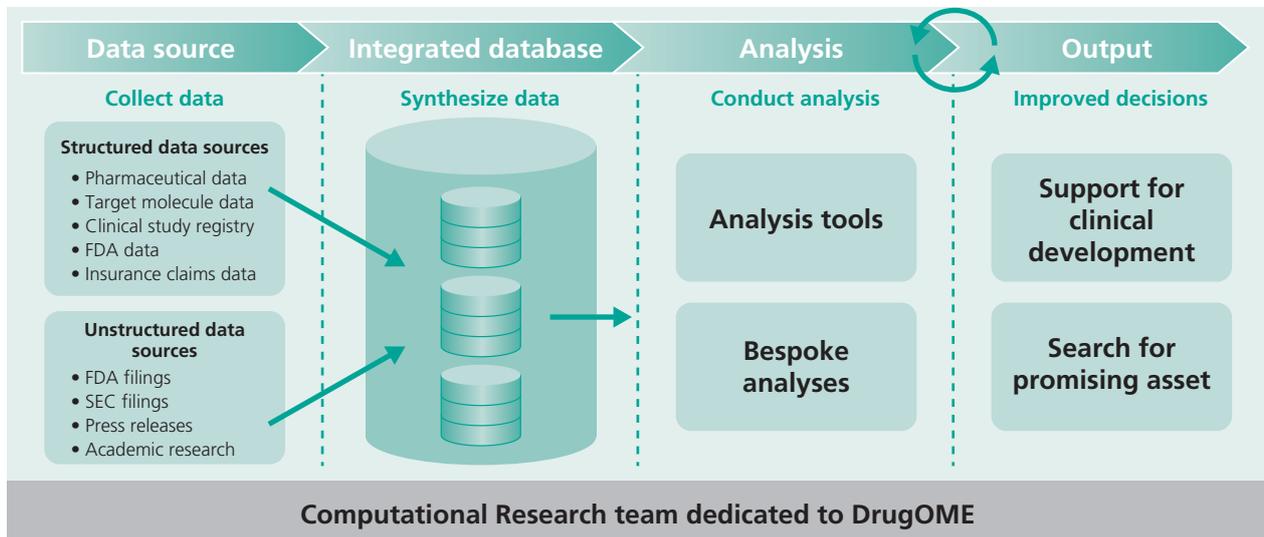
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**Promotion system**

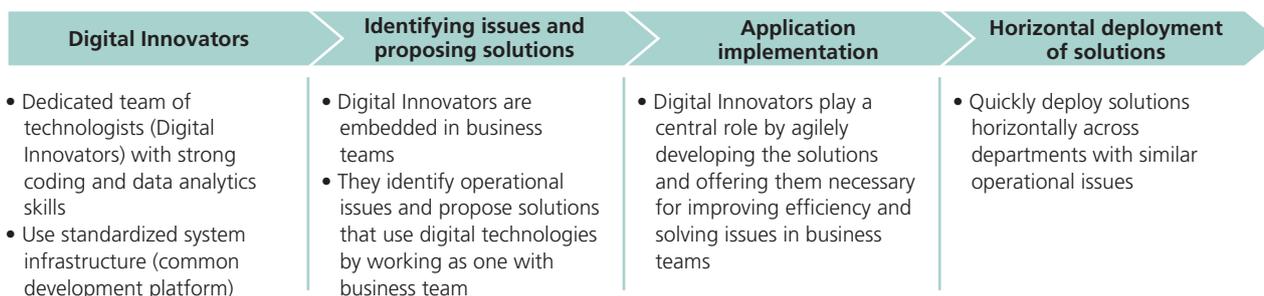


\* Myovant is a consolidated subsidiary of Sumitomo Dainippon Pharma Group and the Group owns approximately 53% of the outstanding shares of Myovant.

**Overview of the DrugOME**



**Overview of Digital Innovation**



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Furthermore, by introducing a workflow system and robotic process automation (RPA) technology to the application of documents and routine tasks, respectively, and proceeding with the automation of management work, we have achieved prompt decision-making and higher efficiency and standardization of work processes. Any surplus time thus gained is being allocated to high-value-added work to increase productivity.

### Example applications: creating value through integrating business teams and the IT team

We are attempting to create a brand new business system by inspiring our employees to change the way they think and act by integrating business acumen and IT knowledge.

### Data-driven drug discovery research using in silico drug discovery technology

We aim to enhance the probability of successful research and development for drug discovery by feeding knowledge gained from analysis results of patients' medical and healthcare data back to translational research, in addition to using computers to discover promising compounds. For toxicity and pharmacokinetics assessment, by leveraging artificial intelligence (AI) developed in-house we produce predicted results in a computer before conducting experiments and promising compounds are synthesized or evaluated, increasing efficiency. From the viewpoint of compound synthesis, the use of in silico drug discovery technology has become very common in the past 1-2 years and drug discovery can be done quickly and inexpensively. We believe that in silico drug discovery has increased efficiency 20-30 percent in both development cost and time compared to average when proceeding with conventional drug research.

### Improving efficiency of non-clinical studies with AI

After carefully picking promising compounds out of many new ones, we conduct non-clinical studies to verify their efficacy and safety. In the past, we observed changes in cells and behaviors of animals for a long time to detect any activities.

To proceed experiments efficiently, the detection system using machine learning technology changed all this. The lengthy verification process has been shortened significantly, allowing us to complete the analysis of experimental results quickly and move on to the next phase.

### DX of the frontier business

We are working on launching the frontier business early with a view toward realizing "wide-ranging well-being and diverse lifestyles" through the provision of never-before-seen healthcare solutions to social issues in the healthcare areas other than pharmaceutical products, such as digital therapeutics (DTx).

In designing and providing flexible, effective, and caring solutions that accurately capture latent issues shared by all, including healthy individuals with presymptomatic diseases, caregivers, guardians, and healthcare professionals, as well as patients, DX is not a mere tool but counted as a critical driver. For the frontier business, we will expedite the introduction of innovative DX technologies and joint research and development projects with many partner businesses, with social implementation and commercialization of healthcare solutions in mind.

→ Please see page 46 for details of the frontier business.

### Supporting information provision by MRs

On the sales front in Japan, we are accelerating data-driven DX while introducing AI, virtual reality (VR), and other digital technologies to traditional information provision by medical representatives (MRs).

We are seeking to establish a new sales style as we take advantage of a variety of digital technologies by, for example, building a product demand prediction model using AI, conducting advanced analysis and simulation of data gained from sales and marketing activities, and developing desk work automation tools for MRs using the latest programming technology.

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**Sumitomo Dainippon Pharma included in “Noteworthy DX Companies”**

In fiscal 2020, we were selected among “Noteworthy DX Companies” based on the findings of the “2020 Survey on Digital Transformation,” which was jointly conducted by the Ministry of Economy, Trade and Industry of Japan (METI) and the Tokyo Stock Exchange (TSE). We received this accolade in recognition of our extensive efforts in this regard, including the development of a DX promotion system that achieves the integration of IT and digital technology and the Head Office and each department and quick decision-making, the raising of the overall level of ability and mindset to make the most of DX, and the

development and provision of AI and data utilization platforms. In fiscal 2021, we were once again selected among “Noteworthy DX Companies” and recognized as a “Digital Transformation Certified Business Operator” under the digital transformation certification initiative by the METI.

**Message from the CDO**



**Dan Rothman**

Chief Information Officer of Sumitovant and  
Chief Digital Officer of Sumitomo Dainippon  
Pharma Group

**Digital transformation will speed the pace of innovation**

With DX, we are trying to transform the way we do business faster and more effectively. We believe that we can maximize the value we deliver to patients and shareholders by using DX technology as the basis of our business operations.

My areas of focus as Chief Digital Officer are improving communication and transparency and automating many of the manual administrative tasks.

With the sharing of new innovations quickly from one team to another, new ideas can be put into action quickly instead of undergoing lengthy reviews and analyses. With this model, we can use technology to its full advantage across our business: from scaling drug discovery and accelerating clinical studies, to optimizing our commercial launches and business processes.

**Kakushin and Trust**

Business transformation never comes about with the introduction of new technologies alone, but always comes from both technology and people.

Trust is the component that will make this work. As technologists, scientists and executives, we must fully trust one another as we digitally transform our enterprise to get more treatments to more patients.

In Japanese, the term *kakushin* means “transformation,” which is about change. The term also means “innovation,” which indicates improvement through new ideas. We keep both of these important concepts in mind as we accerlate to achieve digital transformation.

Through collaboration between the business teams and the IT team, we will achieve our goal of creating value and providing patients with innovative treatments as quickly as possible.