

## Discovering the Next Generation of Transformational Medicines

# Sustainability Report 2023

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## Message from the CEO



Patrick C. Reid  
Representative Director, President and CEO

## PeptiDream Group Corporate Philosophy

## Mission

**“Discovering the Next Generation of  
Transformational Medicines”**



PeptiDream

Our vision is to become a powerhouse in drug discovery by leading the discovery, research and development of innovative pharmaceuticals through utilizing macrocyclic peptides, with the goal to improve the quality of life of patients worldwide.

## Vision



PDRadiopharma Inc.

We aim to brighten patients' lives through the realization of innovative diagnostic and therapeutic radiopharmaceuticals.

In 2022, we continued to see exciting growth at both PeptiDream and PDRadiopharma (the “PeptiDream Group”). At PeptiDream, we continued to make progress across the entirety of our drug discovery and development pipeline, with a number of programs advancing toward and into clinic development. We also continued to expand our peptide drug conjugate (PDC) programs and collaborations, which continues to be a strategic area of focus for PeptiDream. Additionally, our radiopharmaceutical business, PDRadiopharma, was profitable in its first year since acquisition, and we made excellent progress in maximizing the synergies between the two companies, laying the foundation for strong future growth.

In the area of sustainability, we continued to make significant progress, highlighted by PeptiDream achieving carbon neutrality across all of its operations (Scope 1+2) in 2022. We also updated

our Sustainability Report to now include all of our ESG activities across the PeptiDream Group, and were delighted to receive an “A- (A minus)” rating from the Carbon Disclosure Project (CDP) in its 2022 Climate Change Report 2022, which is dedicated to building sustainable economies by measure and acting on their environmental impact.

Our Group’s mission is to discover the next generation of transformational medicines that will change health care and patient lives for the better. We believe that understanding and meeting the wide-ranging needs of all our stakeholders, including our employees, our shareholders, our partners, and patients around the world, is essential to creating a sustainable future for our company. We will continue to promote ESG initiatives and strive to integrate and embed these efforts throughout our organization and businesses.

# 2022

## Sustainability Highlights



<PHOTO> ©Tatsuya Noaki

### Corporate Governance (PeptiDream)

- Strengthened corporate governance to achieve higher standards than those required in Prime Market level
- Established **Compliance Risk Management Committee** to strengthen risk management
- Appointed **outside Director as Chairperson** of the Board

### Supply Chain (PeptiDream)

- Conducted **first** sustainability procurement survey to major suppliers and collected **100%** of survey responses

### Promoting Diversity / Improving Workplace Environment

- Conducted **first** diversity and inclusion training
- Employees' rate of taking childcare leave; **100%** for female employees and **75%** for male employees
- Employees' rate of returning to work from childcare leave; **100%** for female and male employees

### Climate Change Initiatives / Reducing CO<sub>2</sub> Emissions (Peptidream)

- Achieved **carbon neutrality** across business operations (Scope 1+2)
- Reduced electricity consumption per employee by approximately **12%** year-on-year by optimization of power management

### Enhancing Corporate Value (PeptiDream Group)

- Established **new Corporate Philosophy** of PeptiDream Group
- Identified **11** priority issues of PeptiDream Group

### ESG Rating (PeptiDream)

- Achieved **Leadership level** in CDP's 2022 climate change report with **an A- (A minus) rating**

	FY 2022	Latest (as of July 2023)
Dow Jones Sustainability Indices (ESG score)	46	—
MSCI (ESG rating)	B	↑ BB
FTSE Russell (ESG score)	3.6	↑ 4.1
CDP (Climate change performance score)	A-	—
Sustainalytics (ESG risk rating)	22.0	↑ 21.0

Scope of Report: PeptiDream Inc. and PDRadiopharma Inc.

Reporting Period: PeptiDream (FY2022), PDRadiopharma (March 28, 2022, to December 31st, 2022)

## Material Sustainability Issues

### PeptiDream Group Material Issues

We identified materiality by prioritizing topics which are important to our Group stakeholders and business.

 <b>Environment</b> (Consideration for the Global Environment)	 <b>Social</b> (Social Initiatives)	 <b>Governance</b> (Governance)
<div>01 Climate change/CO<sub>2</sub> emission reduction</div> <div>02 Waste reduction</div> <div>03 Biodiversity conservation</div>	<div>04 Addressing unmet medical needs through the discovery of transformational medicines</div> <div>05 Responsible sourcing/Stable product supply</div> <div>06 Community Relations</div> <div>07 Cultivating a culture of innovation/ Ensuring diversity in core human resources*</div> <div>08 Respecting human rights/ Occupational health and safety</div>	<div>09 Corporate governance</div> <div>10 Stakeholder engagement</div> <div>11 Compliance and risk management</div>

\* Managers and senior-ranking specialists (excluding Directors)

### Materiality Identification Process

<div>01</div> <b>Identifying Issues</b> Identification of issues in consideration of internal and external business environment with reference to SDGs (Sustainable Development Goals), items assessed by ESG evaluation organizations, various frameworks, etc.	<div>02</div> <b>Evaluating Issues</b> Evaluate impact on two axes of importance to stakeholders and importance to the business	<div>03</div> <b>Identifying Material Issues</b> The Sustainability and Governance Committee, chaired by an outside Director, reviews the appropriateness of key issues, followed by deliberation and approval by the Board of Directors
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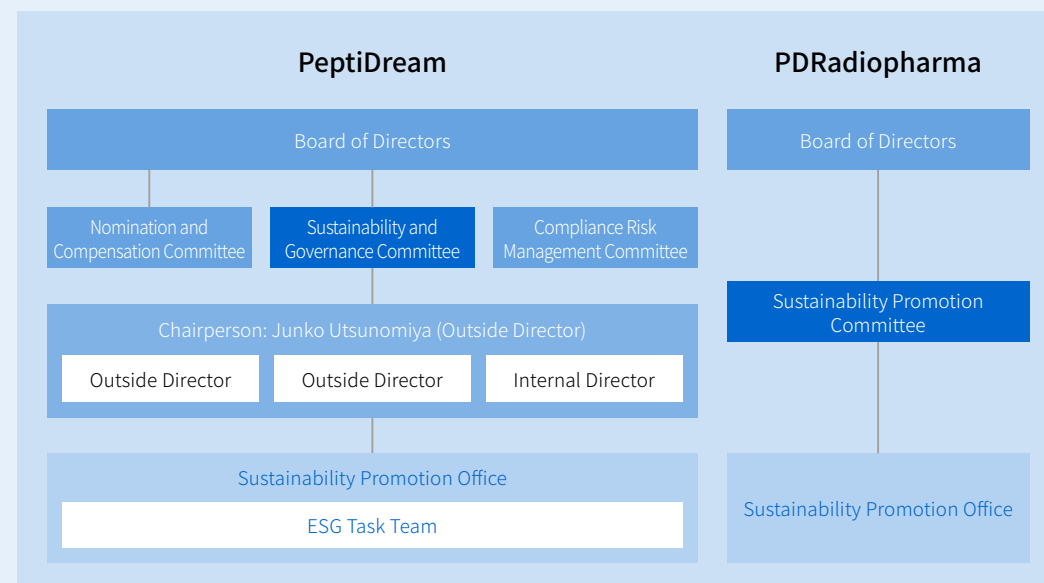


## Sustainability Promotion Framework

### Establishment of a Group-wide Sustainability Promotion System

PeptiDream established the Sustainability and Governance Committee, an advisory committee to the Board of Directors that deliberates and monitors issues related to sustainability and governance; the Sustainability Promotion Office, a dedicated organization to promote measures to tackle sustainability issues; and ESG Task Team, a cross functional group that promotes internal efforts to address environmental issues within the company.

In 2022, the Sustainability and Governance Committee was held four times to discuss the direction and implementation of our sustainability strategy. PDRadiopharma also established a Sustainability Promotion Office and a system in which PeptiDream's Sustainability and Governance Committee members also serve as Sustainability Promotion Committee members at PDRadiopharma. In 2022, PDRadiopharma held four Sustainability Promotion Committee meetings to discuss issues to be addressed within its operations in response to the Group's overall policy.



### COLUMN 1 Linking Executive Compensation to ESG Performance

To measure the short-term and medium-to long-term performance of our Directors, we have established two performance indicators: quantitative evaluation indicators and qualitative evaluation indicators. For qualitative evaluation indicators, eight items, including initiatives related to sustainability, are set as indicators. Each member of the Nomination and Compensation Committee independently assesses each item and the degree of achievement is determined by comprehensive evaluation and discussions based on this assessment.

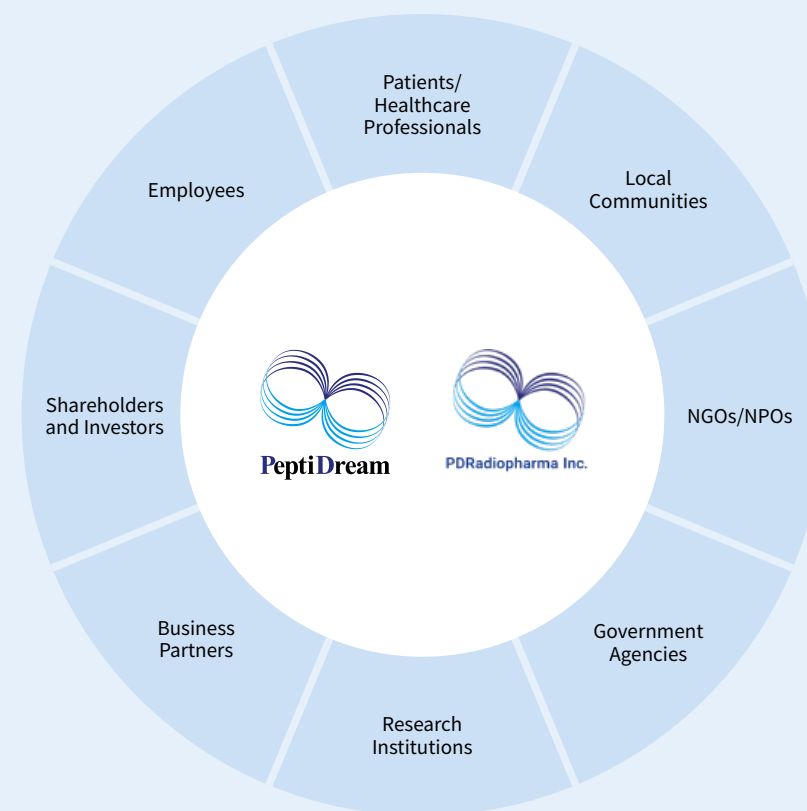
The weight of the quantitative evaluation coefficient and the qualitative evaluation coefficient is determined in advance for each fiscal year by the Nomination and Compensation Committee after comprehensively considering factors such as business environment (see page 17 for details).

## Stakeholder Engagement

We believe understanding and addressing the needs of various stakeholders is truly essential in creating a sustainable future for PeptiDream Group.

### Major Opportunities for Communication

<b>Patients/ Healthcare Professionals</b>	<ul style="list-style-type: none"> <li>Collecting and providing information on the proper use of pharmaceuticals</li> <li>Provision of information via website</li> <li>Response to inquiries regarding our R&amp;D activities</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Company-wide meetings, meetings to exchange opinions with executives, personnel evaluations and interviews</li> <li>Information dissemination via the Internal Intranet</li> <li>Response through our Internal Reporting System</li> </ul>
<b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>Posting of materials on our website</li> <li>Dialogue with institutional investors and individual investors through occasions such as general shareholders' meetings, financial results briefings, management briefings, and R&amp;D Day</li> <li>Responses to questionnaires and inquiries from rating agencies</li> </ul>
<b>Business Partners</b>	<ul style="list-style-type: none"> <li>Partnering with pharmaceutical and biotech companies, etc</li> <li>Dialogue in transactions based on Supplier Code of Conduct</li> </ul>
<b>Research Institutions</b>	<ul style="list-style-type: none"> <li>Collaboration through joint research and development activities for pharmaceuticals</li> <li>Participation in academic societies</li> </ul>
<b>Government Agencies</b>	<ul style="list-style-type: none"> <li>Exchange of opinions with authorities</li> <li>Participation in economic organizations and various external stakeholder initiatives</li> </ul>
<b>NGOs/NPOs</b>	<ul style="list-style-type: none"> <li>Collaboration through various programs to improve access to medicine</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Support for career education for elementary and high school students</li> <li>Participation in the rare and refractory disease information community</li> </ul>



### COLUMN 2 Dialogue Session with Takeda Pharmaceutical

Patrick C. Reid, President & CEO of PeptiDream, and Kelly Davis, Director of Takeda's Neuroscience Drug Discovery Unit, who are both members of the CNS research collaboration between the companies, exchanged views on the partnership (Partner Cross Talk Vol. 03). Keiichi Masuya, COO of PeptiDream and Masato Yoshida, Research Manager of Takeda's Neuroscience Drug Discovery Unit, discussed their thoughts on drug discovery from a researcher's perspective and vision for the future (Partner Cross Talk Vol. 02).

Please access to the link on the right for the video of the dialogue.

- Partner Cross Talk Vol. 02: <https://www.240.takeda.com/crosstalk/02/>
- Partner Cross Talk Vol. 03: <https://www.240.takeda.com/crosstalk/03/>



Left: Kelly Davis Right: Patrick C. Reid, President & CEO



## Social Initiatives

### Basic Approach

We are committed to meeting the expectations of various stakeholders through two-way dialogue and contributing to the enrichment of society, people's lives and sustainable growth of the Company. In order to realize these goals, we are striving to secure diverse human resources, the source of our corporate value, and to promote human resource development and workplace environments that support employee growth and enable them to demonstrate their potential. In addition, we aim to build a sustainable society by monitoring the performance towards protecting human rights and occupational health and safety, and by contributing to local communities.

### Highlights for 2022

#### Conducted Sustainability Procurement Survey of Major Suppliers

PeptiDream conducted a sustainability procurement survey for the first time, with the aim to work together with our suppliers toward sustainable procurement. We will continue to promote sustainable procurement by deepening our understanding of our suppliers' initiatives and reduce risks and adverse impacts to the society and environment.

#### Conducted Diversity and Inclusion Training to Promote Understanding and Respect for Human Rights

PeptiDream believes that respect for human rights is important for the society and corporate sustainability. We conducted diversity and inclusion training to promote understanding and respect for human rights. We also recognize the promotion of diversity and inclusion as an important management issue and believe that diversity plays a critical role in building competitive advantage and innovation. By inviting lecturers for this training and sharing the importance of respect for human rights and diversity throughout the organization, we aim to create a work environment where each and every employee can demonstrate his or her abilities.

## Responsible Sourcing

We will work with our suppliers to promote sustainable procurement by conducting activities based on our Supplier Code of Conduct. We will continue to identify risks across our supply chain and take appropriate actions by conducting supplier evaluations on a regular basis. From the next supplier assessment, we will expand the survey to include PDRadiopharma to further promote sustainable procurement.

### Overview of Survey

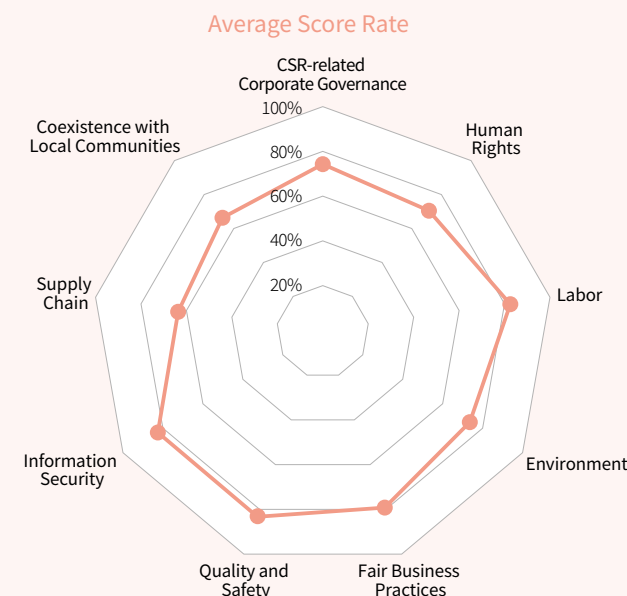
- Scope:** Major raw material suppliers accounting for more than 80% of PeptiDream transaction value
- Questionnaire:** CSR Procurement Self-Assessment Questionnaire (developed by Global Compact Network Japan (GCNJ) in consideration of consistency with the 10 principles of the UN Global Compact and other international guidelines such as ISO 26000 and GRI)
- Response rate:** 100%

### Main Findings

The results of this survey did not identify any significant risks. We were able to confirm that efforts are being made in the areas of labor, quality and safety, and information security. We will continue to conduct the survey next year and beyond, and if any serious risks are identified, we will provide support for improvements to address the issues.

### Survey Items

<b>CSR-related Corporate Governance</b>	Establishment of a CSR promotion system/Establishment of internal controls/Establishment of a BCP system/Establishment of a whistle-blower system/Dispatch of CSR-related information inside and outside the company
<b>Human Rights</b>	Basic approach toward human rights/Respect for human rights and prohibition of discrimination/Avoidance of complicity in (or contribution to) human rights abuses/Respect and consideration for the life and culture of the local community and indigenous people
<b>Labor</b>	Basic approach toward labor practices/Prohibition of discrimination in the workplace/Provision of equal opportunities to employees regarding human resources development and career advancement, etc./Prohibition of inhumane treatment/Payment of fair wages/Prohibition of forced labor/Fair application of working hours, time off, and paid time off, etc./Prohibition of child labor/Respect for the religious traditions and customs of the country of operation/Recognition of and respect for freedom of association and the right to collective bargaining/Proper management of employee safety and health
<b>Environment</b>	Basic approach toward environmental initiatives/Management of chemical substances indicated in laws and regulations, etc., in production processes, products, and services/Control and reduction of waste water, sludge and air emissions/Sustainable and efficient utilization of resources (energy, water, raw materials, etc.)/Reduction of GHG (greenhouse gases)/Identification, management, reduction, and responsible disposal or recycling of waste/Initiatives related to biodiversity
<b>Fair Business Practices</b>	Basic approach toward fair business practices/Establishment of appropriate relationships with local governments and public officials in and outside countries where business activities are conducted/Prevention of the giving and receiving of improper advantages with customers trade partners, etc., in sales and purchasing activities, etc./Prevention of competition law violations in sales activities, etc./Rejection of relationships with antisocial forces/organizations/Prevention of unauthorized use of a third party's intellectual property and of illegal reproduction of copyrighted works/Services for responding to complaints from outside the company and for consultations/Prohibition of insider trading/Prohibition of acts with conflicting interests
<b>Quality and Safety</b>	Basic approach toward product and service quality and safety/Ensuring product and service quality and safety/Appropriate response to product and service accidents and the circulation of defective goods
<b>Information Security</b>	Basic attitude toward information security/Defense against attacks on computer networks/Protection of personal information and privacy/Prevention of misuse of confidential information
<b>Supply Chain</b>	Basic attitude toward the supply chain/Use of raw materials not involved in conflict or crime (initiatives against conflict minerals)
<b>Coexistence with Local Communities</b>	Initiatives to reduce damage to the health, safety, and sanitation of local communities and residents/Initiatives with contribute to the local community and residents and collaborate towards sustainable development





## Promoting Diversity / Improving Workplace Environment

### Promotion of Female Employee's Participation and Ensuring Diversification of Core Human Resource in the Workplace

We are actively hiring and appointing female employees to managers because we believe creating an environment in where women can play an active role and fully demonstrate their activities is the driving force behind corporate growth. In order to support diverse work styles, we have introduced our own childcare support system and special allowances that enable employees raising children who have not yet attended school to shorten their working hours until they enter elementary school.

※As of the end of December 2022

	Rates of female employees	Percent of female managers	Rate of taking childcare leave / returning to work
PeptiDream	29.0%	18.6%	100% / 100%

### Ensuring Diversification of Core Human Resources\*

As a R&D-driven innovative company, PeptiDream values the diversity of expertise and scientific sense of each individual employee. PeptiDream has set four quantitative indicators which it considers to be constituent elements of the diversity of core human resources. The current status of these key indicators and PeptiDream's 2030 targets are as follows; (1) the ratio of doctorate (Ph.D.) holders, (2) female manager ratio, (3) the ratio of foreign employees or employees with overseas work experience\*\*, (4) the ratio of employees in 20s/30s.

Current Status of Key Indicators and PeptiDream's 2030 targets	2022	2030 Targets	
● Ratio of doctorate (Ph.D.) holders:	51.2%	➡ Maintain 50% or more	* Managers and senior-ranking specialists (excludes officers)
● Female manager ratio:	18.6%	➡ At least 30%	** Employees with overseas research or work experience (excludes periods of less than one year and periods as a student studying abroad)
● Ratio of foreign employees or employees with overseas work experience:	32.6%	➡ Maintain 30% or more	
● Ratio of employees in 20s/30s:	16.3%	➡ At least 30%	

### Support for Wheelchair Rugby Athletes

Koichi Tanabe and Masayuki Haga, both who are wheelchair rugby athletes representing Japan, joined PeptiDream as part of our efforts to support the activities of wheelchair rugby players. We promote opportunities for people with disabilities to be hired and to play an active role in the society through support for such activities.

Masayuki Haga represented Japan at the World Championships in October 2022 and won the bronze medal. He also won a gold medal at the 2023 WWR Asia-Oceania Championship held in Japan.



**Koichi Tanabe**

#### Major Performances

2017 Wheelchair Rugby Japan Representative  
2017 Japan Para Wheelchair Rugby Games 2nd place  
2017 Joined PeptiDream



**Masayuki Haga**

#### Major Performances

2016 Rio Paralympic Games, Bronze Medal, Japan Representative  
2018 World Championship, Gold Medal, Japan Representative  
2018 Joined PeptiDream  
2021 Tokyo Paralympic Games, Bronze Medal, Japan Representative  
2022 World Championship, Bronze Medal, Japan Representative  
2023 2023 WWR Asia-Oceania Championship winner, Japan Representative



**Tamami Tsukimura**

#### Major Performances

2016 Developmental player, Japan Representative  
2017 Paris Woman's Cup Winner  
2018-2020 Designated player, Japan Representative  
2021 Japan Para Wheelchair Rugby Games 2nd place  
2023 Joined PDRadiopharma

### Creating a Safe Workplace Environment

We provide opportunities for all employees to play active roles and are working to create a workplace in which employees can build their career and work style in accordance with their life events.

- **Operation of a flexible working systems that accommodates various life events**

- Operation of a flextime working system

- Operation of short-time permanent employee system

→ In 2022, three employees used the short-time permanent employee system

- **Operation of childcare support and special allowance system**

- **Promotion of childcare leave to support childcare generations**

→ In 2022, three out of four eligible male employees (75%) took two weeks or more of childcare leave

- **Promote employees according to their role and performance within the company regardless of their age or work experience**

→ Two cases of new graduates being promoted to core personnel within 5 years of joining the company (as of the end of January 2023)

- **Providing Staff Training Programs**

Various training programs are provided to support employee career development. In 2022, PeptiDream conducted “Corporate Philosophy Training,” “Diversity and Inclusion Training,” and “Intellectual Property Training”. We are also working to enhance our training programs to enable employees to select programs that meet their personal goals and proactively develop their careers.



Diversity and Inclusion Training

- **Engagement at Townhall Meetings**

PeptiDream holds monthly townhall meetings for all employees, with the aim of penetrating corporate philosophy, ensuring mutual understanding of business activities among departments including ESG activities, training for oral presentations, strengthening communication, and exchanging opinions with senior management.

## Respecting Human Rights

As a global company, we believe that respect for human rights is important for the society and corporate sustainability, and that it is a responsibility that companies must fulfill. To this end, we have established a “Policy on the Respect for Human Rights” and will promote business activities that respect the human rights of all stakeholders.

### Policy on the Respect for Human Rights

#### Basic Policy

PeptiDream promotes business activities in respect to the human rights of all stakeholders, including all board members, employees, business partners, the entire supply chain, and local communities, at all facilities. This policy on respecting human rights is based on the International Bill of Human Rights, and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights in Labor, and the Guiding Principles on Business and Human Rights, and other international norms. We specifically adhere to the following.

- PeptiDream hires and assigns people based on their capabilities and responsibilities regardless of their gender, sexual orientation and gender identity (SOGI), nationality, race, age, disabilities, religion or anything else.
- PeptiDream is against all forms of forced and compulsory labour. PeptiDream protects the welfare of children and does not accept the employment of children excluded if legally permitted.
- PeptiDream regards “freedom of association” and “right to collective bargaining” as human rights that should be respected as a company, and respect these rights of employees in accordance with the provisions of the law.

## Initiative for Occupational Health and Safety

We are committed to providing a safe, secure, and healthy work environment for all employees.

#### ● Establishing and Facilitating the Safety and Health Committee

PeptiDream’s Health and Safety Committee consists of 10 members and an occupational health practitioner. The committee meets monthly to ensure the health and safety of the workplace environment and to take measures to prevent accidents at work.

#### ● Disaster Preparedness & Implementing Disaster Drills

An emergency power generator is installed on the rooftop of PeptiDream’s headquarters in preparation of floods or tsunamis. We have set aside evacuation space within the company for those who may be stranded in the event of a disaster and have stockpiled three days’ worth of food and water in preparation. In addition, we implement regular disaster drills under the supervision of firefighters.

#### ● Employee Health Management

We are working with occupational health practitioners and health insurance associations to maintain and proactively promote the good health of our employees, which we believe will serve as a source of sustainable growth and increased corporate value of PeptiDream in the future.

## Initiatives with Local Communities

As a corporate citizen, we value our involvement with local communities and are actively engaged in social contribution activities. We will contribute to the realization of a sustainable society by continuing activities that meet the challenges faced by the society and communities.

### Educational Support

#### ● Supporting Career Education for High School Students

In October 2022, 30 high school students visited PeptiDream as part of a hands-on learning program. By explaining our business activities and introducing the careers of our employees, especially researchers, we encouraged them to have a future image of working in a pharmaceutical company.



### Community Involvement

#### ● Participation in Rare and Refractory Diseases Community STEP Learning Program

PeptiDream is participating in the STEP-Learning program, which is hosted by a non-profit organization ASrid, to help patients and their families learn about rare and refractory diseases.

STEP Learning website was launched in 2022.

The website is designed to respond to the “want to know” needs of patients, their families and other stakeholders on seven topics (Rare and Intractable Diseases, Genomics, Clinical Community Participation, Pharmaceuticals, Law and Policy, Social Welfare and Patient Collaboration and PPI) that are relevant to all disease areas from a multidisciplinary perspective. The site is designed to respond to the “needs” of patients, families and other stakeholders from a wide variety of perspectives.



#### ● Community Cleanup Activities

Every year, PeptiDream employees work with local businesses to clean up the area around the KING SKYFRONT, the international strategic location where the company’s headquarter is located. PDRadiopharma employees also regularly clean up the area around the facility as part of its “Zero Waste” campaign.





## Corporate Governance Initiatives

### Basic Approach

We believe that in order to achieve sustainable growth, it is essential to conduct fair and transparent management, continuously increase corporate value, fulfill our corporate social responsibilities, and earn the trust of all of our stakeholders. We will strive to ensure thorough compliance, as well as to continuously improve and strengthen our organizational structure and measures to improve transparency and soundness and realize efficient management through proactive and prompt information disclosure.

### Highlights for 2022

#### Appointed outside Director as Chairperson of the Board

Since March 2022, PeptiDream's Board meeting has been chaired by Michio Sasaoka, an outside Director. As a result, the number of comments from outside Directors has increased and discussions have become more active.

#### Established a New Compliance Risk Management Committee

Due to the increasing importance of compliance and risk management to management and the need for proper discussion and management, PeptiDream has established a Compliance and Risk Management Committee in 2022.

### PDRadiopharma's Governance

Since the R&D business conducted by PeptiDream and the radiopharmaceutical business conducted by PDRadiopharma are each highly specialized businesses, PDRadiopharma is a subsidiary of PeptiDream and both companies conduct autonomous operations. PeptiDream's Director, COO Keiichi Masuya, CFO Kiyofumi Kaneshiro have been appointed as PDRadiopharma's Managing Directors and PeptiDream employees have been appointed as auditors to enhance governance over PDRadiopharma.



## Corporate Governance System

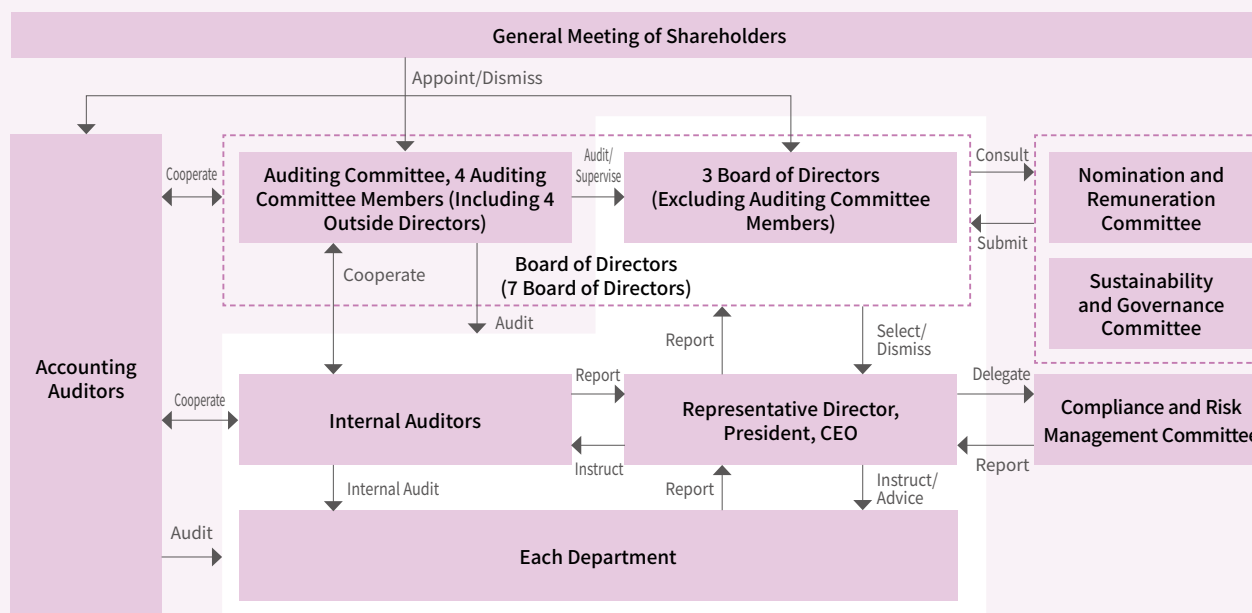
### Corporate Governance Structure

PeptiDream believes that the involvement of our four Audit and Supervisory Committee members, who have voting rights at the Board of Directors meeting, in management decision-making strengthens the audit and supervisory functions of the Board. We believe that this will enable us to further enhance our corporate governance and improve management efficiency as a company with an Audit and Supervisory Committee.

### Directors Skills Matrix

PeptiDream appoints personnel with diverse expertise and experience as Director candidates in order to make appropriate management decisions while responding to various external and internal conditions. The expertise and experience we consider important at present are Corporate Management, Global Business, Technology and R&D, Finance and Accounting, Human Resources, Labor, and Human Resource Development, Legal & Risk Management, Environment, Society, Internal Control & Governance.

### Corporate Organization and Internal Control Diagram



### Expertise and Experience (Skill Matrix) Possessed by Directors

		Growth drivers (offensive)			Strengthen business foundation (defensive)			Sustainability (ESG)		
		Corporate Management	Global Business	Technology, R&D	Finance & Accounting	HR Management & Development	Legal & Risk Management	Environment	Society	Internal Control & Governance
<b>Patrick C. Reid</b>	Representative Director, President, CEO	●	●	●		●	●		●	●
<b>Keiichi Masuya</b>	Director, COO	●	●	●		●		●	●	
<b>Kiyofumi Kaneshiro</b>	Director, CFO	●	●		●	●	●	●	●	●
<b>Michio Sasaoka</b>	Outside Director (Full-Time Audit Committee Member)	●		●	●			●	●	●
<b>Toshio Nagae</b>	Outside Director (Audit Committee Member)	●	●	●			●	●	●	
<b>Yukinori Hanafusa</b>	Outside Director (Audit Committee Member)	●			●	●			●	●
<b>Junko Utsunomiya</b>	Outside Director (Audit Committee Member)	●				●	●		●	●

## Evaluation of the Effectiveness of the Board of Directors Meeting

PeptiDream evaluates the effectiveness of its Board of Directors meetings every year in order to improve the functions of the Board of Directors. The evaluation was carried out by directly responding to a survey conducted by a third party.

In 2022, the highlights of the evaluation results are as follows:

### Evaluation of the Effectiveness of the Board

#### Highly Rated\* Items

- Diversity of Board Composition
- Ratio of number of internal Directors to outside Directors
- Management's compensation decisions

#### Poorly Rated\* Items

- Delegation of business execution to individual Directors and subordinate bodies, etc.
- Consultation and formulation of succession plans

\* Comparison with the average of all companies that had their effectiveness of the Board meeting assessed by an external organization

### Items for which Improvement has been Observed/Future Measures

#### Items for which Improvement has been Observed from 2021

Through changes in the Chairperson of the Board of Directors, the Company has made improvement in time management of the meetings and agenda items are discussed thoroughly.

#### Future Measures

The development of a succession plan is under continuous review, and changes to the organizational and reporting structure for delegation of business execution are underway.

## Directors (as of March 31, 2023)



**Patrick C. Reid, Ph.D.**  
Representative Director,  
President & CEO

Date of birth January 14, 1975  
Term 14 years  
Number of shares held  
4,490,000

August 2003 NRSA Post-doctoral Fellow of Dartmouth Medical School  
April 2004 Project Associate Professor of Research Center for Advanced Science and Technology, the University of Tokyo  
January 2005 Visiting Associate Professor of Center for Collaborative Research, the University of Tokyo  
April 2006 Project Associate Professor of Research Center for Advanced Science and Technology, the University of Tokyo  
January 2007 Joined the Company  
August 2008 Director of the Company  
May 2012 Director and General Manager of Scientific Department of the Company  
September 2012 Senior Vice President and General Manager of Scientific Department of the Company  
July 2014 Senior Vice President, Head of Research & Development of the Company  
September 2017 Representative Director, President of the Company  
January 2022 Representative Director, President & CEO of the Company (to present)

### Reason Appointed to the Board of Directors

Dr. Patrick C. Reid joined the Company shortly after its foundation and has been leading research and development operations. He is assuming the responsibility of management as a Director of the Company and has deep insight and ability. In light of this, the Company believes that Dr. Reid is capable of successfully fulfilling his duties as Director, with respect to the decision-making process of the Board of Directors.

**Board Meeting attendance (2022) : 89% (17/19)**



**Keiichi Masuya, Ph.D.**  
Director, Chief  
Operating Officer

Date of birth April 2, 1969  
Term 7 years  
Number of shares held  
0

April 1998 Joined Mitsubishi Chemical Corporation  
September 2001 Joined Novartis Pharma K.K.  
April 2006 Joined Novartis International AG  
November 2008 Head of PPI Drug Discovery and Novartis Leading Scientist of Novartis International AG  
July 2014 Joined the Company, General Manager of Scientific Department  
September 2015 Director and Vice President, Head of Chemical of the Company  
March 2018 Director and Executive Vice President of the Company  
April 2020 Director of PeptiGrowth Inc. (to present)  
November 2020 Representative Director and President of PeptiAID Inc. (to present)  
January 2022 Director, Chief Operating Officer of the Company (to present)  
March 2022 Managing Director – Board Member of the PDRadiopharma Inc. (to present)

### Reason Appointed to the Board of Directors

Dr. Keiichi Masuya has a wealth of operational experience in the Scientific Department of the Company and deep insight in the field. In light of this, the Company believes that Dr. Masuya is capable of successfully fulfilling his duties as Director, with respect to the decision-making process of the Board of Directors.

**Board Meeting attendance (2022) : 100% (19/19)**



**Kiyofumi Kaneshiro, Ph.D.**  
Director, Chief  
Financial Officer

Date of birth August 16, 1977  
Term 4 years  
Number of shares held  
0

April 2003 Research Fellow of the Japan Society for the Promotion of Science (DC)  
April 2005 Researcher at Center for Collaborative Research, the University of Tokyo  
April 2006 Joined The Boston Consulting Group (BCG)  
January 2016 Partner and Managing Director of BCG  
January 2018 Joined the Company, Executive Vice President  
September 2018 Director and Executive Vice President of the Company  
November 2020 Director of PeptiAID Inc. (to present)  
January 2022 Director, Chief Financial Officer of the Company (to present)  
March 2022 Managing Director – Board Member of the PDRadiopharma Inc. (to present)

### Reason Appointed to the Board of Directors

Dr. Kiyofumi Kaneshiro has extensive experience in all aspects of management and a high level of insight. In light of this, the Company believes that Dr. Kaneshiro is capable of successfully fulfilling his duties as Director by utilizing his experience and insight, with respect to the decision-making process of the Board of Directors.

**Board Meeting attendance (2022) : 100% (19/19)**

## Outside Directors (as of March 31, 2023)



**Michio Sasaoka, Ph.D.**  
Outside Director  
(Full-Time Auditing Committee Member)  
Date of birth July 16, 1949  
Term 7 years  
Number of shares held  
200,000

September 1978 Postdoctoral Research Associate of Massachusetts Institute of Technology  
October 1980 Joined Otsuka Chemical Co., Ltd.  
January 1988 General Manager of Synthesis Research of Otsuka Chemical Co., Ltd.  
November 2003 Director of Explorative Laboratory of Otsuka Chemical Co., Ltd.  
March 2007 Managing Director of Otsuka Chemical Co., Ltd.  
August 2009 Adviser of Otsuka Chemical Co., Ltd.  
May 2012 Corporate Auditor of the Company  
September 2015 Director (Audit and Supervisory Committee Member) of the Company (to present)

**Reason Appointed to the Board of Directors**

Dr. Sasaoka has extensive experience and broad and global perspective as an entrepreneur and has been involved with the formulation of the Company's management strategy and planning and with the process of determining appointment and remuneration as an Audit and Supervisory Committee Member and is expected to continue performing this role. Therefore, the Company believes that Dr. Sasaoka is capable of successfully fulfilling his duties as outside Director. He is deemed to have no conflict of interest with our General Shareholders and is qualified as an independent officer.

Board Meeting attendance (2022) : 100% (19/19)  
Auditing Committee Meeting attendance (2022) : 100% (15/15)



**Toshio Nagae**  
Outside Director  
(Auditing Committee Member)  
Date of birth December 2, 1943  
Term 7 years  
Number of shares held  
7,600

April 1967 Joined Shionogi & Co., Ltd.  
October 1970 Joined ICI-Pharma (current, AstraZeneca K.K.)  
June 1981 Joined Schering-Plough K.K. (current MSD K.K.)  
May 1997 Joined Rhône-Poulenc-Rorer K.K. (current Sanofi K.K.)  
January 2000 Executive Officer of Aventis Pharma K.K. (current Sanofi K.K.)  
May 2003 President and Representative Director of CMIC-MPSS Co. Ltd. (current CMIC Ashfield Co., Ltd.)  
June 2003 Concurrently served as President and Representative Director of PCN Co., Ltd. (current Healthclick Co., Ltd.)  
October 2005 President and Representative Director of York Pharma K.K.  
January 2010 Established Pharma Business Consultant, Representative (to present)  
April 2014 Visiting Professor of Gifu Pharmaceutical University (to present)  
September 2015 Director (Audit and Supervisory Committee Member) of the Company (to present)  
June 2017 Director (Audit and Supervisory Committee Member) of Human Metabolome Technologies, Inc. (to present)

**Reason Appointed to the Board of Directors**

Professor Nagae has extensive experience and broad perspective as an entrepreneur and has been involved with the decision-making process for the business execution of the Company and with the process of determining appointment and remuneration as an Audit and Supervisory Committee Member and is expected to continue performing this role. Therefore, the Company believes that Professor Nagae is capable of successfully fulfilling his duties as outside Director. He is deemed to have no conflict of interest with our General Shareholders and is qualified as an independent officer.

Board Meeting attendance (2022) : 100% (19/19)  
Auditing Committee Meeting attendance (2022) : 100% (15/15)



**Yukinori Hanafusa**  
Outside Director  
(Auditing Committee Member)  
Date of birth May 10, 1975  
Term 5 years  
Number of shares held  
0

April 1998 Joined Aoyama Audit Corporation  
July 2001 Registered as a Certified Public Accountant  
August 2009 Founding Representative Director of Accounting Works Co., Ltd. (to present)  
March 2015 Corporate Auditor of ARCLAND SERVICE CO., LTD. (current ARCLAND SERVICE HOLDINGS CO., LTD.)  
March 2016 Director of ARCLAND SERVICE HOLDINGS CO., LTD. (Audit and Supervisory Committee Member) of the Company (to present)  
September 2017 Director (Audit and Supervisory Committee Member) of the Company (to present)  
January 2019 Director (Audit and Supervisory Committee Member) of GIFT INC. (to present)  
June 2020 Outside Director of AIZAWA SECURITIES CO., LTD.  
June 2021 Director (Audit and Supervisory Committee Member) of AIZAWA SECURITIES CO., LTD. (to present)

**Reason Appointed to the Board of Directors**

Mr. Hanafusa has extensive experience and a broad perspective as a Certified Public Accountant. Mr. Hanafusa has been providing appropriate opinions, from a viewpoint of ensuring legality and appropriateness of the decision-making process of the Company's business execution, as well as monitoring and supervising of the management by utilizing his experience and perspective and is expected to continue performing this role. Therefore, the Company believes that Mr. Hanafusa is capable of successfully fulfilling his duties as outside Director. He is deemed to have no conflict of interest with our General Shareholders and is qualified as an independent officer.

Board Meeting attendance (2022) : 100% (19/19)  
Auditing Committee Meeting attendance (2022) : 100% (15/15)



**Junko Utsunomiya**  
Outside Director  
(Auditing Committee Member)  
Date of birth June 21, 1971  
Term 2 years  
Number of shares held  
0

April 2000 Joined Nagashima Ohno & Tsunematsu  
October 2007 Seconded to Tokyo Stock Exchange, Inc.  
November 2011 Founded Utsunomiya Law Office  
June 2012 External Statutory Auditor of Start Today Ltd. (current ZOZO, Inc.) (to present)  
April 2013 Outside Corporate Auditor of Solasto Corporation (to present)  
September 2013 Outside Director of Adventure, Inc.  
February 2018 Founding partner of Utsunomiya Shimizu & Haruki (to present)  
October 2018 Outside Corporate Auditor of RAKSUL INC.  
October 2019 Director of RAKSUL INC. (Audit and Supervisory Committee Member) (to present)  
June 2020 Outside Director of Heiwa Real Estate Co., Ltd. (to present)  
March 2021 Director (Audit and Supervisory Committee Member) of the Company (to present)

**Reason Appointed to the Board of Directors**

Ms. Utsunomiya has extensive experience and broad perspective as an attorney and is well versed in corporate legal affairs. Therefore, the Company believes that Ms. Utsunomiya is capable of utilizing this to provide appropriate opinions, from a viewpoint of ensuring legality and appropriateness of the decision-making process of the Company's business execution. Therefore, the Company believes that Ms. Utsunomiya is capable of successfully fulfilling her duties as outside Director. She is deemed to have no conflict of interest with our General Shareholders and is qualified as an independent officer.

Board Meeting attendance (2022) : 100% (19/19)  
Auditing Committee Meeting attendance (2022) : 100% (15/15)

## Directors' Remuneration

PeptiDream's policy is to determine the remuneration of Directors as a level appropriate for a global company, by enabling PeptiDream to attract and appropriately motivate talented personnel in order to realize short-term performance targets and medium-term targets. Directors' remuneration is a combination of fixed remuneration and performance-linked remuneration. Performance-based compensation is determined at a range of 0% to 100% of fixed compensation, with the percentage of the performance-based portion of total compensation being in the range of 0% to 50%. Remuneration for Directors serving on the Audit and Supervisory Committee is limited to fixed remuneration, rather than adopting a performance-linked remuneration system.

Types of Remuneration	Breakdown	Summary
<b>Fixed Compensation</b>		We verify and determine the appropriateness of compensation levels using major domestic pharmaceutical companies as a benchmark.
<b>Performance-linked Remuneration (0-100% of Fixed Remuneration)</b>	<b>Stock Benefit Trust</b>	This system allows Directors to receive shares and money at the time of resignation based on points granted during their tenure. The aim is to raise awareness of medium-to long-term contributions.
	<b>Bonus</b>	The aim is to increase awareness of contributions to the achievement of business results in the target fiscal year.

Performance-linked items are determined based on quantitative assessment items and qualitative assessment items.

<b>Quantitative Assessment</b>	Sales growth rate/Achievement of sales performance targets/Achievement of operating profit performance targets
<b>Qualitative Assessment</b>	<ul style="list-style-type: none"> <li>● <b>Construction of Intangible Assets</b> Improving the value of our R&amp;D pipeline, expanding new alliance agreements and partners, building new basic technologies, obtaining intellectual property rights, promoting ESG initiatives</li> <li>● <b>Loss of Assets and Risk Aversion</b> Efforts related to avoidance and resolution of legal risks, business continuity and BCP, initiatives related to improve corporate reputation, cost optimization</li> </ul>

Performance-linked remuneration = Fixed remuneration × (Quantitative assessment coefficient × Weight + Qualitative assessment coefficient × Weight)



## Dialogue with Stakeholders

We define patients and healthcare professionals, employees, shareholders and investors, business partners, research institutions, government agencies, NGOs/NPOs, and local communities as key stakeholders. Among the important initiatives is the timely and fair disclosure of information in order to build a relationship of trust with shareholders and investors and to enhance corporate value.

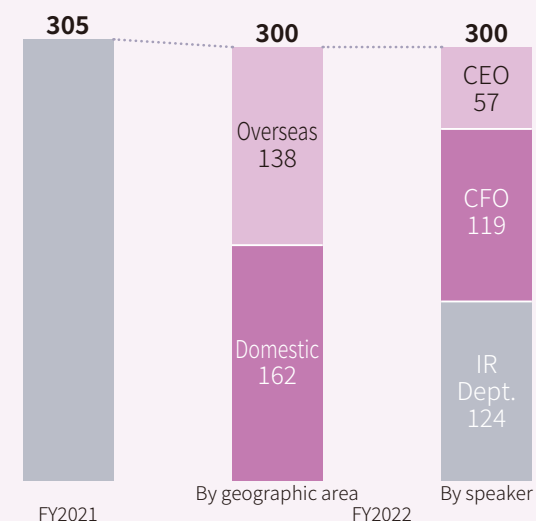
In 2022, we held a total of 300 IR meetings and facilitated active dialogue sessions with domestic and overseas investors. In addition, we initiated briefings focusing on R&D following 2021 and briefings in English by Patrick C. Reid, President & CEO from 2022 2Q results briefing, in order to further increase transparency of our R&D activities.

### ■ IR Meetings and Investor Conferences Held in FY2022

February 10	FY2021 Full Year Results Conference Call	75 participants
March 24	Management Briefing	87 participants
August 10	FY2022 Half Year Results Conference Call (Japanese/English)	81 participants
December 15	R&D Briefing (Japanese/English)	77 participants

- A total of 320 participants attended
- IR Information Blog: 50,766 page views

### ■ Active Dialogue with Domestic and Overseas Institutional Investors



## COLUMN 3 Strategic Stockholdings

We currently hold the stock of three non-listed companies, other than our affiliates, for purposes other than pure investment. These are operating companies that are strategic alliances with the aim of enhancing our corporate value over the medium-to-long term by maintaining and strengthening relationships.

There are no holdings of ❶ shares of listed companies, ❷ cross-shareholdings, or ❸ holdings by financial institutions for strategic purposes.

## Internal Control and Risk Management

### Basic Approach

The Board of Directors has resolved to adopt the Basic Policy on the Establishment of an Internal Control System to create a system to ensure the appropriateness of operations and to further improve our management system.

An internal auditor audits the overall status of internal checking and legal compliance based on the plan. The results of the audit are reported to the President & CEO and the Board of Directors. Instructions for improvement are presented to the audited department, and follow-up audits are conducted to facilitate efficient operations and raise employee awareness. In addition, we conduct audits to evaluate our internal control over financial reporting. The Audit & Supervisory Committee members, the Audit & Supervisory Committee, and the accounting auditor exchanges opinions in an effort to cooperate under the three-way audit system and conduct efficient and effective audits.

### Compliance and Whistleblower System

We have established an internal reporting system to properly handle violations of laws and regulations, both organizational and personal, by Directors and employees. Point of contact for whistleblowing within the company and for external (full-time outside Directors, outsourcing companies) are established to receive reports and consultations from Directors and employees (including contract and part-time employees) by telephone, e-mail, facsimile, writing, visits, and other means. In 2022, we received two reports and consultations, and after confirming the facts, we took corrective measures as necessary. Significant compliance violations have not been confirmed.

### Risk Management System

In order to strengthen risk management, PeptiDream has established Risk Management Regulations in accordance with the Basic Policy on the Development of Internal Control Systems and has worked to build a system to prevent risks from materializing by identifying and sharing risk information as early as possible.

In order to further strengthen the risk management system, we have established the Compliance and Risk Management Committee, which is co-chaired by an outside Director. The committee reviews risk items and assessments from a group-wide perspective and deliberates measures to address important compliance and risk management issues.

### Specific Examples of Risk Items and Countermeasures

#### ● Business Continuity Management

We analyze and take measures against the risk of business interruption due to natural disasters and accidents. We recognize the concentration of personnel related to business and R&D activities at PeptiDream's headquarters in Tonomachi, Kawasaki-ku, Kawasaki City Kanagawa Prefecture as greatest risk. In the event of a natural disaster, such as a flood, in relation with the Tama River flowing around the area, we expect damage to our facilities, restrictions on various infrastructures, and other unexpected situations. An emergency power supply is installed on the rooftops of the headquarters and laboratories of PeptiDream, and R&D equipment is installed on two or more floors, with the aim to minimize the impact of flooding on the first floor.

#### ● Cybersecurity

PeptiDream recognizes cyber-attacks, which have become an increasing threat in recent years, as one of our key risks. PeptiDream implements security measures such as security monitoring 24 hours a day, 365 days a year, server-less systems, and strict endpoint management. We strive to improve employee literacy by regularly sharing the latest information on cybersecurity.



## Environmental Initiatives

### Basic Approach

We recognize the importance of maintaining and preserving the global environment, promoting environmentally friendly business activities, and monitoring environmental performances of our business operation, such as CO<sub>2</sub> emissions, electricity and water consumption. Major environmental performance data are disclosed annually through a verification process by an external independent organization. In addition, we regard responses to climate change issues, including global warming, as an important management issue, and continue to work on achieving carbon neutrality (virtually zero CO<sub>2</sub> emissions) across our own business activities.

### Highlights for 2022

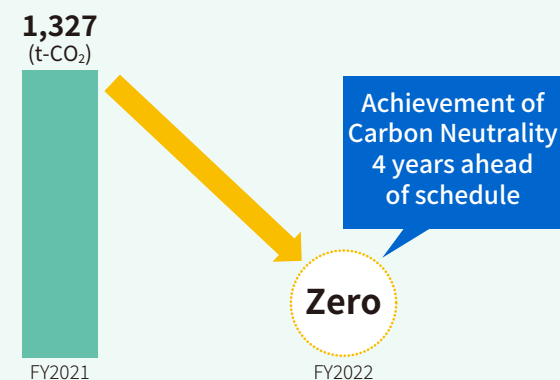
#### Achievement of Carbon Neutrality across PeptiDream's Business Operations (Scope 1+2)

From 2022, we have switched 100% of the electricity consumed in our business activities to renewable energy that emit virtually no CO<sub>2</sub>. In addition, through power-saving efforts such as adjusting air conditioner temperature settings during the summer and stopping operation of lighting, water heaters, heaters, etc., we were able to reduce per-employee electricity consumption by 12% compared to the previous year.

#### Received Leadership Level in CDP's 2022 Climate Change Report with an A- (A minus) Rating

PeptiDream has been recognized by CDP for its leadership in climate change and was awarded an A- (A minus) rating. PeptiDream reached the Leadership level, the highest level, as a company that excels in its efforts and information disclosure in climate change. In 2022, a record number of approx. 18,700 companies responded to this survey.

#### PeptiDream's CO<sub>2</sub> Emissions (Scope 1+2)



## Actions against Climate Change and Reducing CO<sub>2</sub> Emissions

Based on the recommendations made by the Climate-Related Financial Disclosure Task Force (TCFD), we are assessing the impact of climate change on our business from a medium-term perspective through 2026 from both risk and opportunity perspectives. Measures to deal with major risks and opportunities are considered and reflected in our medium-term strategy plan.

### Initiatives in TCFD Recommended Disclosure Items

#### ● Governance

PeptiDream's CFO in charge of environmental risks serves as a member of the Sustainability and Governance Committee, an advisory body to the Board of Directors, and is responsible for implementing and driving PeptiDream's sustainability strategy, including climate-related issues. The Board of Directors meeting has designated ESG and sustainability-related matters, including climate change, as reportable items, and receives progress reports from the executive officers in charge of company-wide initiatives and issues related to ESG and sustainability, and monitors them. In addition, through the Sustainability and Governance Committee, which meets four times a year, the Board of Directors continuously monitors environment-related information and trends, and has a system in place to formulate climate-related targets and make appropriate decisions. Under this system, the CFO works with the Sustainability Promotion Office and the ESG Task Team to identify and address risks and opportunities related to climate change.

#### ● Risk Management

As part of PeptiDream's risk management process, the Director in charge of business management is responsible for overall risk management, evaluating possible risks and developing preventive measures. Significant business risks, including climate-related risks, are led by the Sustainability and Governance Committee, which reports to the Board of Directors in close collaboration with the Compliance and Risk Management Committee.

#### ● Risks and Opportunities

We use 1.5°C to 2°C scenario (IEA SDS and IEA NZE) for transition scenario, 4°C scenario (RCP8.5) for physical scenario.

Major Risks Assumed due to Climate Change	Climate-related Major Opportunities
PeptiDream's business and R&D facilities and personnel are located in Tonomachi in Kawasaki City, Kanagawa Prefecture, Japan. In the event of a natural disaster such as a flood in the Tama River flowing in the area, it is anticipated that unexpected situations such as damage to our facilities and restrictions on the supply of various infrastructures will occur. As a countermeasure, we reserve three days' worth of food and water for employees who have difficulty returning to their homes. Emergency power supplies are installed on the rooftops of PeptiDream's headquarters and research laboratories. Occupational health education and evacuation drills are performed regularly.	As changes in weather patterns brought about by climate change increase the frequency of not only infectious diseases but also respiratory diseases, heart diseases, and mental health issues, the need for new drug co-development utilizing PDPS (Peptide Discovery Platform System) may expand and have a positive impact on earnings. The characteristics of drug discovery utilizing our PDPS are that once the causative agent (causative protein) of the disease is identified, it is possible to screen for optimal hit-candidate compounds from trillions of compound libraries in a short period of time using the causative agent (causative protein) as a target.

#### ● Strategy

Quantitative analysis for transition risks and physical risks is underway and the results will be disclosed during FY2024.

#### ● Indicators and Targets

Addressing climate change is one of our material issues. In January 2022, PeptiDream switched 100% of the electricity consumed by its business activities to renewable energy sources that emit virtually no CO<sub>2</sub>, achieving carbon neutrality across its business activities (Scope 1+2).

➡ Please access to our environmental data from here <https://www.peptidream.com/en/sustainability/data/>



## Reducing Waste

### ● Waste Separation & Disposal and Improvement of Recycling Rate

At PeptiDream, in order to recycle and reduce the volume of experimental and business waste, we provide thorough guidance to our employees on the sorting of waste, and display the sorted waste in an easy-to-understand manner. We outsource the disposal of experimental and business-related wastes to contractors. Business wastes are properly collected and detoxified for zero-emission material recycling. We also properly check and manage manifests (industrial waste management slips) when waste disposal is outsourced.

### ● Office Paper Reduction

At PeptiDream, we are promoting various measures to reduce the use of office paper in our business operations. Specifically, we have introduced the use of Electronic Laboratory Notebook, 2-in-1 and default settings for duplex printing, setting alarms when more than 100 pages are printed, and promotion of paperless conferences. We have started to introduce office paper compliant with the Green Purchasing Law from 2022.

## Conservation of Biodiversity

We recognize the diverse connections of living organisms and strive to understand the impact of our business activities on ecosystems and communities. Under the supervision of internal Directors, the Biosafety Committee is operated, and safety education is provided to employees engaged in deliberation of experimental plans and research activities. Gene recombination experiments are conducted in accordance with the "Guidelines for Proper Use of Kawasaki City Biotechnology" in compliance with relevant laws and regulations such as the Cartagena Law and national guidelines.

## Effective Use of Water Resources and Prevention of Water Pollution

### ● Water Consumption Reduction Activities

PeptiDream's internal portal site visualizes daily and monthly water consumption and fosters employees' awareness of the environment. Efficient operation of humidification in indoor air conditioning is underway to reduce water consumption and wastewater. We have also adopted water-saving toilets and exterior wall materials with photocatalytic/self-cleaning effects.

### ● Ensuring Water Quality

We comply with environmental laws, ordinances and agreements, such as the Water Pollution Control Law and the Sewerage Law and conduct appropriate wastewater treatment that meets environmental standards.

### ● Wastewater Quality Monitoring: Pollutant load and Environmental Pollutants

At PeptiDream, in order to confirm that the wastewater from our facilities conforms to environmental standards, we periodically measure the amount of biochemical oxygen demand (BOD) and the amount of suspended solids (SS).

The amount of BOD and SS in the amount of pollutant load (annual discharge) of wastewater subjected to pollution elimination treatment in 2022 were 28.1 kg and 13.6 kg, respectively.

Regarding pollution concentration, the average annual BOD was 27mg/L and SS was 16.5mg/L which are below the standard values (respectively below 600 mg/L).

PeptiDream has also confirmed that the organic solvents and heavy metals used in our research and development activities are below the standard values.

## Sustainability Activities of PDRadiopharma

### Our Business

PDRadiopharma has been providing high-quality radiopharmaceuticals through R&D, manufacturing, and marketing activities since it started its business in 1968. With 3 production sites and 8 sales offices in Japan, PDRadiopharma delivers 22 SPECT diagnostic products, 2 PET diagnostic products, and 8 therapeutic products (in three product categories) throughout Japan.

### Social Initiatives

PDRadiopharma strives to secure a diverse workforce, which is the source of our corporate value, and to promote human resource development and a work environment that supports the growth of our employees and enables them to demonstrate their abilities.

**Ratio of female employees 19.8%** **Ratio of female employees in senior managerial positions 8.8%**  
**Ratio of employees taking childcare leave Male employees 42.9% / Female employees 100%**

### Environmental Initiatives

PDRadiopharma has established an environmental charter and environmental policy in consideration of its social responsibility as a pharmaceutical company, and the Chiba Plant has been recognized as an "Excellent Greenery Factory."

Radioactive waste from the production process is delivered to a specialized contractor in accordance with the law, and is managed separately from regular waste. The wastewater is purified in a septic tank at the plant, and the final purified water is tested for radioactivity and discharged into the river via the observation pond where the carp are raised. Radioactive wastewater from the production process is strictly controlled according to its concentration and treated in accordance with the law.

**Pollutant Concentration (Annual Average) \*** **Biochemical Oxygen Demand (BOD) 0.0mg/L** **Suspended Solids (SS) 0.0mg/L**  
**Pollution Load (Annual) \*** **Biochemical Oxygen Demand (BOD) 24.6kg** **Suspended Solids (SS) 26.2kg**

\*Measurements taken at the Chiba Factory

➔ For more information, please access to the link (Japanese only) <https://www.pdradiopharma.com/about/sustainability/approach/>



For more information on our ESG policies and data, please access to the link

➔ ESG Policies <https://www.peptidream.com/en/sustainability/policy/>

➔ ESG Data <https://www.peptidream.com/en/sustainability/data/>