

Special Feature_3

Participating in the United Nations Global Compact

Participating in the United Nations Global Compact is part of our global business approach founded on Takeda-ism

Takeda's business operations are rooted in its corporate philosophy of "Takeda-ism = Integrity."

On the other hand, the United Nations Global Compact provides an important framework for companies to exercise "integrity" in their business operations in the global market.

Takeda participated in the UN Global Compact in March 2009 as part of its goal of growth towards becoming a "world-class pharmaceutical company," and declared its support for the ten principles of the Compact.

Using the stakeholder dialog and learning opportunities afforded by participation in the Compact, Takeda hopes not only to tackle challenges in business management, but to also propose solutions for challenges facing society.

Human Rights

Labor Standards



TAKEDA-ISM
Integrity



WE SUPPORT

Environment

Anti-Corruption

Significance of Participation in the United Nations Global Compact

The Global Compact is an initiative advocated by then Secretary-General of the United Nations, Mr. Kofi Annan, in 1999, and was officially initiated in 2000. A world-wide framework for promoting voluntary actions by corporations as responsible corporate citizens, the Compact sets forth ten principles that participant businesses and organizations are required to observe in the four areas of human rights, labor standards, environment, and anti-corruption.

As of October 2009, the number of participating companies and groups is 7,048 around the world, including 95 from Japan.

Takeda's Corporate Philosophy comprises Takeda-ism, and Takeda's Mission, Vision, and Values. It is the origin of all the Company's activities. Takeda's basic principles of CSR are also integrated into this system, and the Company is currently pursuing a range of activities aimed at building our relationships with society, environment, suppliers, and employees. Takeda is pursuing a concerted drive to globalize its business activities even further in order to become a "world-class pharmaceutical company." Takeda will meet the demands of global society based on observing the ten principles of the United Nations Global Compact, including adhering to international agreements such as human rights standards, and conducting business activities giving due consideration to the environment.

Ten Principles of the United Nations Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Takeda-ism		UN Global Compact	
Stance and Practice	Integrity	Actions as a responsible corporate citizen	Stance and Practice
	Fairness	Uphold the ten principles	
	Honesty	Transparency (COPs)*	
	Perseverance	Continuity	
Goal	"Better health for individuals and progress in medicine by developing superior pharmaceutical products"	"Realizing a sustainable society"	Goal

* Communications on Progress: Annual reports on activities made by Global Compact participant companies to their stakeholders.

Takeda incorporates the 10 principles of the UN Global Compact in all of its corporate activities to deepen its relationship with stakeholders

Relationship with Society

Takeda approaches its corporate citizenship responsibilities with the same integrity as its corporate activities—that is a strong sense of mission and the highest ethical standards inspired by Takeda-ism. This applies equally to our approach to the global society. Since fiscal 2005, Takeda has worked to support better access to healthcare services in developing countries. An example is the support we extend to the international NGO Peoples' Hope Japan in their project to prevent cervical cancer in Thailand. In fiscal 2009, Takeda participated in the UN Global Compact—a move which prompted the start of the "Takeda-Plan Healthcare Access Program." This program is part of our efforts to play an active role in the global society as a world-class pharmaceutical company by stepping up our support for developing countries.

The program seeks to improve the health of children in Asia. It was launched with cooperation from the international NGO Plan Japan and reflects the UN Millennium Development Goals.*

* The UN Millennium Development Goals are targets to be achieved by 2015 to help tackle common problems around the world. The eight goals include eradication of extreme poverty and hunger, reduction of child mortality, and universal primary schooling for all.

>> p. 52 Feature: Access to Healthcare in Asia

Relationship with Environment

All Takeda Group companies around the world carry out ongoing global environmental activities. These activities take a long-term perspective, and are based on the Basic Principles on the Environment that are shared throughout the company.

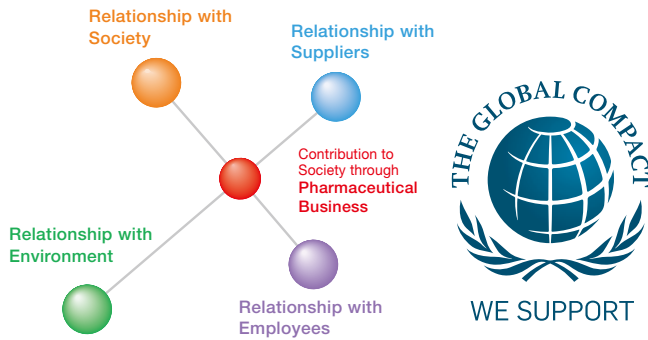
The Kyoto Herbal Garden was launched in 1933 under the name of Kyoto Takeda Herbal Garden. The garden currently cultivates more than 2,400 species of precious plants from around the world, including 82 endangered species, thereby contributing to the protection of biodiversity.

Takeda began to tackle climate change in 1974 by establishing its Energy Conservation Committee, which has steadily implemented energy conservation activities that have helped reduce greenhouse gas emissions. In fiscal 2008, Takeda achieved a large reduction in CO₂ by means of a fuel conversion and other efforts at its Hikari Plant, Takeda's largest production base. This will be followed in fiscal 2009 by the introduction of 50 electric vehicles as company cars for sales use. Takeda will continue its efforts to contribute to the creation of a low-carbon society.

>> p. 64 Feature: Biodiversity and Water Resources Conservation Initiatives

>> p. 66 Feature: Initiatives to Deal with Climate Change





Relationship with Suppliers

In accordance with the "Takeda Code of Compliance Standards," Takeda strives to establish an equal, fair and impartial relationship with suppliers. We are committed to Principle 10 of the UN Global Compact relating to anti-corruption. We are also implementing CSR-based procurement to procure products and services in a way that takes into account the environment, and to build even stronger partnerships with our suppliers.

As our business activities become increasingly global, our supply chains, extending from the purchase of raw materials, to production, distribution and marketing of pharmaceuticals, span many countries and are becoming more complex. Moreover, a proliferation of counterfeit drugs in recent years has posed a threat to the health of many people, and escalated into a global problem. Takeda gives top priority to the safety of patients by working to build a global supply chain that can ensure product quality at every stage, from supply of raw materials to when pharmaceutical products reach patients.

>> p. 76 Feature: Supply Chain Management

Relationship with Employees

Takeda sees the strengthening of human resources as a key challenge in becoming a world-class pharmaceutical company. With global business expansion now accelerating in Japan, the U.S., Europe and elsewhere in Asia, Takeda is working to nurture the next generation of global business leaders able to perform across cultural and environmental divides. Since fiscal 2007, Takeda has run a global leadership training program called the "Takeda Leadership Institute" in conjunction with the internationally renowned business school INSEAD. The program has proved to be highly effective.

Takeda is also striving to foster a corporate climate based on the principle of Takeda-ism. We take human rights seriously; we do not use child labor or forced labor, and we observe the employment laws and regulations of countries where we operate with respect to working hours and minimum wages. We have also fostered a respect for human rights throughout the Takeda Group in accordance with the "Takeda Code of Compliance Standards," which stipulates compliance standards including those relating to employment.

>> p. 80 Feature: Cultivating Talent to Lead a World-Class Pharmaceutical Company

