



Takeda 2024 ESG Databook

Fiscal Year Ended March 31, 2024





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For Takeda's value creation model and how it relates to Corporate Philosophy Metrics, see [2024 Annual Integrated Report \(page 11\)](#).


Corporate Philosophy Metrics

Corporate Philosophy Metrics^{1*}

WHY IT MATTERS		METRICS	FY2022	FY2023
<p>PATIENT</p>  <p>We put patients at the center of everything we do. Our long-term success is based on discovering, developing and delivering life-transforming, safe and affordable medicines and vaccines that enhance the well-being of patients, communities and countries. We create a competitive advantage with our ability to bring innovative products to market in a timely fashion. Building and maintaining the trust of stakeholders — including health care professionals, customers, regulators and patients — is also crucial for our sustainable business. To achieve this, we prioritize making our products affordable and accessible through reimbursement and patient assistance programs (PAPs). Additionally, ensuring transparency through disclosures of clinical trial results and quality inspection results and securing uninterrupted supply plays a vital role.</p>	<p>Achieving Pipeline Milestones # of pivotal study starts and approvals</p>	18	29	
	<p>Disclosing Clinical Trial Results % of achievement for timely disclosure of clinical trial summary results on public registries</p>	100%	100%	
	<p>Maintaining Uninterrupted Supply % of order lines dispatched on-time-in-full</p>	99.3%	99.1%	
	<p>Upholding Manufacturing Quality % of health authority inspections with no regulatory compliance actions</p>	100%	100%	
	<p>Global Access to Growth & Launch Products² # of key countries where patients have access to the product through reimbursement</p>	ALUNBRIG 9 TAKHZYRO 9 ALOFISEL 4 EXTIVITY 2 LIVTENCITY 2	TAKHZYRO 9 ALOFISEL 4 LIVTENCITY 6	
	<p>Access to Medicines Programs in Low- and Middle-Income Countries and Countries with Evolving Health Care Systems # of newly enrolled patients in Takeda's affordability-based PAPs</p>	1,366	1,682	
<p>PEOPLE</p>  <p>Highly skilled, motivated and engaged employees are key to achieving our purpose of better health for people and a brighter future for the world. Creating a workplace that invests in the well-being of employees while respecting each individual for who they are helps us attract and retain top talent. By building our employees' professional skills in data, digital and technology, we accelerate innovation and improve outcomes for patients and society. By bringing together people with diverse backgrounds, cultures, identities and experiences we can incorporate a wide range of stakeholder voices in our decision-making. This helps ensure our science is optimized to better meet patient needs.</p>	<p>Engaging Employees Average score on a 1-100 scale to questions regarding engagement in the annual Employee Experience Survey³</p>	79	77	
	<p>Improving Employee Well-being Average score on a 1-100 scale to questions regarding well-being in the annual Employee Experience Survey³</p>	68	67	
	<p>Embracing DE&I (Gender Representation) Enterprise-wide gender breakdown</p>	Male 48.0% Female 51.8% Other/Non-Binary 0.2%	Male 48% Female 52% Other/Non-Binary 0.1%	
	<p>Upskilling Employees in Progressive Technologies Cumulative % of employees who have taken at least one data, digital and technology training course since the first quarter of fiscal year 2020</p>	37%	49%	
<p>PLANET</p>  <p>As a global biopharmaceutical company, Takeda recognizes the clear link between human health and environmental health. The impacts of global issues such as climate change and biodiversity loss, present not only a threat to public health but to business operations as well. Guided by ambitious targets across climate change and nature, we are staying true to our values and commitment to put the patient first by integrating environmental sustainability considerations into every facet of our operations and across our value chain.</p>	<p>Reducing Scope 1 & 2 GHG Emissions % reduction in Scope 1 & 2 GHG emissions below 2016 baseline</p>	34%	53%	
	<p>Engaging Suppliers toward Scope 3 GHG Reduction % of Takeda's Scope 3 GHG emissions that are from suppliers who have committed to setting science-based climate targets, aligning with SBTi standards</p>	45%	56%	
	<p>Diverting Waste from Landfill % of waste diverted from landfills</p>	78%	78%	
	<p>Conserving Freshwater % of reduction in freshwater below 2019 baseline</p>	7.9%	4.9%	
	<p>Making Paper and Paperboard Packaging from Sustainable Forest Certified or Recycled Content⁴ % of the company's secondary and tertiary packaging paper/paperboard by weight that is recycled content or sustainable forest certified</p>	42%	53%	
<p>BUSINESS</p> <p>The business growth allows us to deliver long-term value to the patients and communities we serve. Growth and Launch Products⁵ are the key driver of future revenue growth, and a key indicator of our ability to successfully launch new products from our pipeline.</p>	<p>Growth and Launch Product Incremental Core Revenue % of year-over-year core revenue growth in Growth and Launch Products vs. target</p>	96.1%	79.5%	

¹ Fiscal year 2023 results have been assured by KPMG AZSA Sustainability Co., Ltd. (KPMG). ² We scope in our growth and launch products which had been launched within 5 years as of the beginning fiscal year 2023. ³ Our measure for these metrics changed from “% favorable responses to questions regarding engagement in the Annual Employee Experience Survey” to the current measure to fully incorporate the entire range of survey responses. Results for fiscal year 2022 have been recalculated based on the current measure. ⁴ The reporting period for this metric is fiscal year 2022. The data collection process for fiscal year 2023 will be concluded in fall of 2024 and the metric will be reported in the following year. ⁵ Learn more about our Growth and Launch Products on [page 30](#).
* Our latest [Annual Securities Report](#) also presents our corporate philosophy metrics as a part of Corporate Sustainability Policies and Initiatives.



In this section, metrics marked with  are assured independently by KPMG AZSA Sustainability Co., Ltd.

Explanation of Corporate Philosophy Metrics

Patient

METRIC AND RESULTS: Achieving Pipeline Milestones

29 regulatory approvals and pivotal study starts (FY 2023)

BACKGROUND:

Takeda Pharmaceutical Company Limited and its consolidated subsidiaries (referenced hereafter as “Takeda” or “the Company”) focuses on diseases with the highest unmet needs to deliver high quality life-transforming medicines and vaccines to patients as quickly as possible. Regulatory Approvals and Pivotal Study Starts are important milestones demonstrating our progress to bring new treatments to patients.

DEFINITION:

This metric measures the achievement of Regulatory Approvals and Pivotal Study Starts across different assets, indications and geographies (US, EU, Japan, China, Emerging Markets). Pivotal Studies are defined as registration-enabling clinical trials; trials that are intended to generate data in support of filing for regulatory approval. Pivotal Study Start is defined as the first patient dosed in the pivotal study.

CALCULATION METHOD:

Sum of the absolute number of Regulatory Approvals and Pivotal Study Starts in the reporting period (fiscal year). The counts in this formula include the US, EU, Japan, China, and Emerging Markets. Pivotal Studies that are global are counted as one Pivotal Study Start, not separately for each region included in the study.

SCOPE:

All Therapeutic Areas, Plasma Derived Therapies, Vaccines



METRIC AND RESULTS:
Disclosing Clinical Trial Results

100% (FY 2023) ☺

BACKGROUND:

Takeda is committed to compliance with clinical trial transparency laws and regulations as well as to providing objective, unbiased clinical trial results reporting, regardless of outcome, including making clinical research information and results available to the public. Our policies meet or exceed the pharmaceutical industry's guidelines and best practices relating to the disclosure of clinical trial results on public registries and websites within one year after trial completion (including results from phase 1 interventional clinical trials, which is not required by law).

DEFINITION:

This metric measures clinical trial summary results disclosed within one year of trial completion, regardless of trial outcome.

CALCULATION METHOD:

Percentage of achievement for timely disclosure of clinical trial summary results on public registries, such as clinicaltrials.gov and EudraCT, and Takeda's clinical trials website, clinicaltrials.takeda.com, which require disclosure within one year of trial completion.

*[# of clinical trials with results released to public registries and websites within one year of trial completion] / [# of clinical trials with results requiring disclosure (i.e., clinical trials completed and terminated one year ago)] *100 %*

SCOPE:

While Takeda has been registering and disclosing clinical trials results for company-sponsored research since 2002, for the purpose of this metric, which was established in 2021, only those studies completed in the FY22 fiscal year (i.e., between April 1, 2022 and March 31, 2023) for which results were due to be posted within one year of trial completion were evaluated and considered.

- Scope of studies: interventional phase 1 - 4 trials completed and terminated between April 1, 2022 and March 31, 2023. Studies which were divested, or for which an extension of the deadline for results disclosure on clinicaltrials.gov was granted as per regulation/

PHS Act during the reporting period, have been excluded from the scope of this metric.

- Scope for disclosure websites: clinicaltrials.gov and Takeda's clinical trials [website](https://clinicaltrials.takeda.com) for all studies from all regions; EMA's Clinical Trials Registry (EudraCT) for all studies conducted in the EU.

ADDITIONAL INFORMATION:

<https://clinicaltrials.takeda.com/>

METRIC AND RESULTS:
Maintaining Uninterrupted Supply

99.1% (FY 2023) 

BACKGROUND:

It is important to ensure uninterrupted supply and delivery of our medicines and vaccines to people by managing our complex supply chain in an agile and sustainable way.

DEFINITION:

This measures our ability to dispatch the products to our customers accurately and in a timely manner.

CALCULATION METHOD:

Maintaining Uninterrupted Supply measures whether a received order line is dispatched on-time-in-full (or "OTIF", i.e. the dispatch happened on the date requested by the customer and in the volume requested by customer), for any dispatch of finished or traded goods from a Takeda entity to an external customer (pharmacies, hospitals, wholesalers, etc.) GMS (Global Manufacturing and Supply) Service

Level number is the percentage of orders that have been dispatched successfully on-time-in-full over the total number of order lines.

In case of delay to the dispatch directly caused by customers (outstanding payments above credit limit/delay of pick up by customer/shipment consolidation with a later shipment/etc), the line is accepted as dispatched OTIF.

$$\frac{[\# \text{ of order lines dispatched on-time-in-full}]}{[\text{Total \# of requested order lines}]}$$

SCOPE:

All dispatches to external customers (pharmacies, hospitals, wholesalers, etc.) operated by Takeda or on behalf of Takeda. Data related to services to Teva Takeda Pharma LTD where Takeda is providing last mile distribution services post-dispatch are excluded.



METRIC AND RESULTS:
Upholding Manufacturing Quality

100% (FY 2023) ☺

BACKGROUND:

It is important for Takeda to maintain a good reputation and remain in good standing with health regulatory authorities (“Health Authorities”) so that Takeda can continue to deliver our high quality medicines and vaccines to patients. Inspections can result in routine observations which Takeda responds to in a timely manner. The main criterion of the metric is based on the number of health authority inspections with no regulatory compliance actions following a Good Manufacturing Practice (“GMP”) inspection.

DEFINITION:

Regulatory compliance actions include warning letter, drug removal, or a GMP certificate withdrawal.

CALCULATION METHOD:

Successful Health Authority GMP inspections are a measure of the health of our Takeda quality system. The annual result is based on the number of Health Authority GMP inspections with no regulatory compliance action, such as a warning letter or a GMP certificate withdrawal. The metric measures the percentage of Health Authority GMP inspections with no regulatory compliance action, with a 100% success rate as the target.

[# of health authority inspections with no regulatory compliance actions] / [# of health authority inspections] x100 = X%

Takeda reviewed the inspection data for approximately 400 inspections conducted globally in FY23. The review showed that no regulatory compliance actions resulted from the inspections. For FY23, there were no regulatory compliance actions taken

against Takeda as a result of any inspections.

- For the evidence of the observations, the data was obtained from Takeda’s internal system.

SCOPE:

All Health Authority GMP Inspections executed at Takeda locations.

METRIC AND RESULTS:
Global Access to Growth & Launch Products

of select key countries where patients have access to the product through Reimbursement.*

TAKHZYRO	9 ☺
ALOFISEL	4 ☺
LIVTENCITY	6 ☺

BACKGROUND:

We are committed to providing timely, broad and sustainable access to our innovative medicines worldwide.

DEFINITION:

The number of select key countries where patients have access to our innovative medicines through reimbursement.

CALCULATION METHOD:

We count number of countries where patients have access to the product through reimbursement based on the criteria below.

SCOPE:

Product scope: We scope in our growth and launch products which had been launched within 5 years as of the beginning fiscal year 2023.

Select key country scope: US, Japan, China, UK, Spain, Italy, Germany, France, Canada and Brazil (10 countries)

Select Key Country	Reimbursement Definition Criteria
US	The US is included in the number if the majority of patients have a pathway to reimbursement. Calculation is based on insurance coverage data provided by a recognized private third-party company which covers a major selection of insurance providers nationwide
Japan	Japan is included in the number if the product has national reimbursement
China	China is included in the number if the product has national reimbursement
UK	UK is included in the number if the product has (full or partial) national reimbursement
Spain	Spain is included in the number if the product has (full or partial) national reimbursement
Italy	Italy is included in the number if the product has (full or partial) national reimbursement
Germany	Germany is included in the number if the product has (full or partial) national reimbursement
France	France is included in the number if the product has (full or partial) national reimbursement
Canada	Canada is included in the number if the product has public (full or partial) national reimbursement
Brazil	Brazil is included in the number if the product has national reimbursement

METRIC AND RESULTS:
**Access to Medicines Programs in Low- and Middle-
Income Countries and Evolving Healthcare Systems**

1,682 patients (FY 2023)

BACKGROUND:

We believe broadening access to our life-transforming medicines and vaccines in underserved communities requires an integrated, sustainable approach to address barriers to access. Addressing affordability barriers to access is a key focus of our Access to Medicines approach. Takeda's affordability-based Patient Assistance Programs are one of our approaches to address the affordability barrier.

DEFINITION:

Patients enrolled in Takeda's affordability-based Patient Assistance Programs within a fiscal year. Enrollment in the PAP is subject to both individual means-testing to evaluate a patient's ability to pay for treatment and medical eligibility criteria.

CALCULATION METHOD:

Number of newly enrolled patients in Takeda's affordability-based Patient Assistance Programs over the fiscal year.

Data Sources

Implementing partners' reports

Key assumptions

Patient numbers are validated by external partners and submitted to Takeda monthly.

External partners' reports are subject to quality control processes prior to submission to Takeda.

A patient is considered enrolled when the patient provides a validated proof of purchase for the first course of medication.

A patient who exited the program and subsequently re-enrolled is counted as 2 patients.

Limitations

No limitations on ensuring reported numbers are correct in all material respects.

SCOPE:
Programs in scope

Affordability-based Patient Assistance Programs

Out of Scope Programs

Charitable Assistance Programs, Named Patient Programs, Post-trial Access Programs, Institutional Requests for Unregistered Products, Individual Patient Requests, Non-affordability-tested Patient Assistance Programs, product donations (i.e., disaster relief)

Countries

Countries where Patient Assistance Programs are currently in place: Low- and middle-income countries and countries with evolving healthcare systems*

*Low Income, Lower-Middle Income and Upper-Middle Income countries per the World Bank, and Qatar, Singapore, United Arab Emirates and Venezuela.

Therapeutic areas

Takeda has currently implemented Patient Assistance Programs for the following therapeutic areas: Gastroenterology, Oncology

People

People metrics are inclusive of Takeda Pharmaceutical Company Limited and its consolidated subsidiaries (referenced hereafter as “Takeda”).

METRIC AND RESULTS: Engaging Employees

77 average score on a 1-100 scale to questions regarding engagement in the annual Employee Experience Survey (FY 2023)

DEFINITION:

This metric shows employees’ feedback about working at Takeda, measured by the Annual Employee Experience Survey. Takeda measures Engagement levels by asking employees to rate the following statements:

- I feel proud to work at Takeda.
- I would recommend Takeda as a great place to work.
- I intend to stay with Takeda for the foreseeable future.
- My work gives me a sense of personal accomplishment.

The survey is distributed through the survey provider, Glint.

CALCULATION METHOD:

The average score on a 1-100 scale for all responses received to the above four statements regarding engagement in the Annual Employee Experience Survey.

SCOPE:

All regular full-and part-time Takeda employees (including fixed-term employees) hired before September 17, 2023 were invited to participate in the survey. The survey closed October 6, 2023. Contingent and contract workers and interns, as well as employees on leave were not included in the survey.



METRIC AND RESULTS:
Improving Employee Well-being

67 average score on a 1-100 scale to questions regarding well-being in the annual Employee Experience Survey (FY 2023) ☺

DEFINITION:

This metric shows how employees rate well-being at Takeda, measured by the Annual Employee Experience Survey. Takeda measures Well-being levels by asking employees to rate the following statements:

- I believe that my health and well-being is a top priority for Takeda.
- I am able to successfully balance my work and personal life.
- The stress levels at work are manageable.
- I am able to disconnect from work during non-work time.

The survey is distributed through the survey provider, Glint.

CALCULATION METHOD:

The average score on a 1-100 scale for all responses received to the above four statements regarding engagement in the Annual Employee Experience Survey.

SCOPE:

All regular full-and part-time Takeda employees (including fixed-term employees) hired before September 17, 2023 were invited to participate in the survey. The survey closed October 6, 2023. Contingent and contract workers and interns, as well as employees on leave were not included in the survey.



METRIC AND RESULTS:
Embracing DE&I (Gender Representation)

48% Male 52% Female 0.1% Other/ non-binary (FY 2023) ⓘ

DEFINITION:

This metric shows gender diversity of Takeda's workforce and includes employees by gender (as a % of total workforce): Male; Female; Other/ non-binary. Gender is self-selected at the date of hire.

CALCULATION METHOD:

Takeda employees for each gender divided by total headcount as of March 31, 2024.

SCOPE:

Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave.

A fixed-term employee is defined as a person with a defined employment end date, and may or may not have a contract.

Unpaid leave includes employees who are on leave for which the leave type has a payroll effect.

A dispatched employee is defined as a person who is dispatched to a non-Takeda location, but is on Takeda payroll.

METRIC AND RESULTS:
Upskilling Employees in Progressive Technologies

49% (FY 2023)

BACKGROUND:

We must build our employees' skills in data, digital and technology to speed innovation, improve outcomes and deliver on our commitments to patients.

DEFINITION:

This metric measures how many employees have taken at least one course designed to increase awareness and/or skills in a data, digital and technology topic starting from the first quarter of FY 2020.

Definition of "data, digital and technology learning": learnings that help participants acquire and develop the necessary skills to effectively i) conduct analysis and exploration using data ii) learn the use of relevant technology tools and systems iii) modernize the way

Takeda employees work in support of data and digital transformation. This includes training on software applications, emerging technologies, digital marketing, social media, cyber security, Agile ways of working, cloud computing and other digital technologies. Because Takeda takes a blended approach to growing data, digital and technology skills across our company, courses include both formal learning programs that range from 1-hour in length to several days, as well as micro-learning options, which are typically learner-driven and enable an already skilled employee to upskill in a new aspect of a topic in which they already have a solid foundation. These "micro-learning" opportunities range in length from as little as 5 minutes to an hour, and are designed to boost productivity and collaboration.

CALCULATION METHOD:

Total percentage of regular Takeda employees starting from the first quarter of FY2020 who have taken at least one data, digital and technology learning tracked in Takeda Learning Management Systems as well as other third-party content platforms that provide data, digital and technology learning opportunities to Takeda employees.

[Total # of regular Takeda employees at the end of the selected financial year who have taken at least one data, digital and technology learning tracked in Takeda's Learning Management Systems and other sources since the first quarter of FY2020] / [Total # of regular Takeda employees at the end of the selected financial year]

SCOPE:

- Course participant data is tracked in Takeda's Learning Management Systems: Takeda's Cvent Event Registration System (instructor-led courses); and other data, digital and technology content platforms, as mentioned above that have been flagged as containing data, digital and technology learning by our GDD&T Digital Culture and Talent Transformation team.
- Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave.

Planet

METRIC AND RESULTS:

Reducing Scope 1 & 2 GHG Emissions

Metric

Percent Reduction of Scopes 1+2 Emissions Since Base Year*

Results

53%

METRIC AND RESULTS:

Engaging Suppliers towards Scope 3 GHG Reduction

Metric

Percentage Scope 3 Emissions [Categories 1, 2 and 4] from Suppliers Committed to Setting Science-Based Climate Targets

Results

56%

GHG Note 1 - General

The underlying Greenhouse Gas (“GHG”) emissions used to calculate the two Planet Corporate Philosophy (“CP”) metrics have been prepared in accordance with accepted GHG accounting principles as further described below. If not specifically noted, Statements and Notes, which are related to CP metrics, have been prepared based on the fiscal reporting year 2023, which runs from 1 April 2023 through 31 March 2024 at Takeda Pharmaceutical Company Limited and its consolidated subsidiaries (referenced hereafter as “Takeda” or “the Company”). Where applicable, base year environmental data has also been reported based on the applicable fiscal year (1 April through 31 March).

BASIS OF PRESENTATION

As used in this document, GHG Inventory refers to the lists of emission sources and associated

emissions quantified using standardized methods. The Scope 1 GHG Emission Inventory, which includes all GHG emissions that occur from sources under the Company’s operational control, was developed in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition authored by World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD).

The Scope 2 GHG Emission Inventory, which accounts for all GHG emissions from the generation of purchased energy (for example, electricity, steam) consumed by the Company was prepared in accordance with the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard authored by WRI and WBCSD.

Scope 3 GHG Emission Inventory, which includes the indirect emissions occurring both upstream and downstream within the Company’s value chain, was prepared in accordance with the GHG Protocol Corporate Value Chain (Scope 3), Accounting and Reporting Standard authored by WRI and WBCSD.

Collectively, the GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard and the GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard are referred to as the “GHG Protocol” in this document.

ESTIMATION UNCERTAINTIES

Data used in the preparation of the Planet CP metrics related to GHG Emissions and Supplier Engagement

are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of these metrics requires making estimates and assumptions that affect amounts reported. The Company bases these estimates, including methodologies to calculate GHG emissions, on available information and various other assumptions that are believed to be reasonable.

GHG Note 2 – Organizational and Operational Boundaries

ORGANIZATIONAL BOUNDARIES

The Company has selected the operational control approach as the consolidation approach to define the organizational boundaries for its GHG Inventory. Accordingly, the Company includes GHG emissions from all owned sites and leased facilities over which Takeda has operational control to introduce and implement operating policies (except where specifically excluded as described in our operational boundaries below) and excludes those from minority-owned joint ventures over which the company does not have operational control for scopes 1 and 2 reporting.

OPERATIONAL BOUNDARIES

Scopes 1-2 Inventory

- **Takeda Owned Assets**

The Company's GHG Inventory includes scopes 1 and 2 emissions from Takeda-owned commercial and industrial assets including manufacturing sites, R&D facilities, plasma collection centers, office spaces, and warehouses. This includes associated scope 1 emissions from the on-site use of fossil fuels and refrigerants, and scope 2 emissions from purchased electricity, heat, steam, and cooling.

- **Leased Assets**

The Company includes leased assets that fall under the “right-of-use” definition (as defined by the International Accounting Standards Board in International Financial Reporting Standard 16) in scope 1 and 2 emissions reporting. Except for the BioLife subsidiary, which includes all leases regardless of duration or value, short-term leases (duration less than 12 months) and small value lease contracts (total value less than \$5,000 USD/668,000 JPY) are excluded from the inventory.

- **Exclusions**

Excluded from the inventory are residential properties, undeveloped land, improved land with no recognized GHG emissions sources (e.g. a parking area), and newly constructed or under construction facilities that are not yet under the Company's operational control.

- **Scope 3 Inventory**

The Company's scope 3 emissions to calculate the supplier-related Planet CP metric includes emissions from the following GHG Protocol categories: Category 1: Purchased Goods and Services, Category 2: Capital Goods, and Category 4: Upstream Transportation and Distribution.

GHG REPORTING PERIOD AND BASE YEAR

Reporting Period

The reporting period for current year GHG emissions is fiscal year 2023.

Base Year

For the scope 1 and 2 GHG emissions, the Company selected fiscal year 2016 (i.e., 1 April 2016 through 31 March 2017) as its base year in accordance with the GHG Protocol.

Recalculation and Restatement of Previous Year Emissions Data

In accordance with the GHG Protocol, the Company established a process for recalculating GHG emissions for previous years and set a significance threshold of +/- 5% for aggregated scope 1 and scope 2 (location-based) emissions. The Company reviews prior year emissions on an annual basis and has restated previous years' emissions (including its base year) to account for structural changes in the company (for example, acquisitions and/or divestitures) and revisions in accounting methodologies or emissions factors. This recalculation of GHG emissions is performed in accordance with the GHG Protocol “same-year/all-year” approach.

GHG Included in the Inventory

Emissions data are provided in metric tonnes (MT) for each GHG separately and reported as aggregated total emissions using thousand MT CO₂e. The company assesses the emissions from all applicable Kyoto GHGs which are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFC's). Other Kyoto GHGs, including perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃), are not considered as they are not applicable to the Company's operations. Takeda additionally assesses the emissions from all applicable Montreal GHGs that are applicable to Takeda's operations.

The Global Warming Potentials from the Intergovernmental Panel on Climate Change (IPCC) fifth assessment report (AR5), 100-year time horizon were used to convert the gases into CO₂e, if not otherwise specified.

GHG METRICS DEFINITION, EMISSION FACTORS, AND CALCULATION METHODS

Metric Definitions: The tables below describe relevant definitions, the GHG emission factors used by the Company, the applicable reference sources cited, and calculation methods used for each emission source included within the operational boundary.

Metric	Description
Total Scope 1 Emissions	Sum of total GHG emissions from company-owned generators, heaters, boilers, vehicles, and refrigerants
Total Scope 2 Emissions – Market-Based	Market-based purchased electricity plus emissions from all other purchased energy (for example, steam, district heat or cooling water)
Total Scopes 1+2 (market-based) Emissions	Sum of Total Scope 1 Emissions plus Total Scope 2 Emissions (market-based)
Total Scopes 1+2 (market-based) Emissions for Base Year*	Sum of Total Scope 1 Emissions plus Total Scope 2 Emissions (market-based) for the fiscal year 2016 (1 April 2016 through 31 March 2017)
Reduction of Scopes 1+2 Emissions Since Base Year*	Percent difference between Total Scopes 1+2 Emissions from the current year versus Total Scopes 1+2 Emissions from the base year

SCOPE 1 AND SCOPE 2 EMISSION FACTORS AND CALCULATION METHODS

EMISSIONS SCOPE	SOURCE DESCRIPTION AND UNDERLYING DATA	EMISSION FACTORS	CALCULATION METHOD AND ASSUMPTIONS
Scope 1	<p>Stationary combustion sources (for example, boilers, generators, space heaters)</p> <p>Service invoices consolidated in the Company's environmental metrics database</p> <p>Emissions from small offices with less than 100 full-time occupants are estimated using emission factors from the Commercial Building Energy Consumption Survey (CBECS) (EIA, 2018)</p>	<p>EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p> <p>GHG Protocol, Emission Factors for Cross Sector Tools V2.0, March 2024</p> <p>Supplier Provided Factors</p>	<p>Emissions from generators, heaters, and boilers under the Company's operational control are calculated by multiplying fuel volumes consumed by the corresponding emission factors. For reporting against our scope 1 + 2 emissions reduction target within this document, direct CO₂, methane, and nitrous oxide emissions from the combustion of biologically sequestered carbon are included within the scope 1 boundaries.</p>
	<p>Mobile combustion sources (Vehicles, mobile generators)</p> <p>Service invoices consolidated in the Company's environmental metrics database</p>	<p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>Vehicle emissions are calculated by multiplying fuel volumes consumed by the corresponding emission factors.</p>
	<p>Fleet (Company-owned or operated vehicles that are fueled offsite)</p> <p>Fuel usage or mileage driven reported by country fleet managers</p>	<p>Manufacturer's provided vehicle emission factors</p> <p>USEPA, 'Comparison: Your Car vs. an Electric Vehicle', April 2024.</p> <p>International Energy Agency (IEA), Emissions Factors 2023, September 2023</p>	<p>To calculate fleet Scope 1 emissions, manufacturer's provided vehicle emission factors are multiplied by the miles driven or contract miles. When vehicle emissions factor data are not available for a specific vehicle, it may be estimated based on an average of similar vehicles.</p> <p>If vehicles are electric, a usage of 0.37 kWh/mile is assumed. The IEA factors are used for emissions and are accounted for under scope 2 emissions.</p>
	<p>Refrigerants</p> <p>Quantity of refrigerants used to replace refrigerant losses as reported by sites and consolidated in the Company's environmental metrics database</p>	<p>GWP from IPCC (see reference Greenhouse Gases Included in the Inventory section)</p>	<p>Emissions from refrigerants are estimated based on the quantity of refrigerants used to replace refrigerant losses as reported by sites and consolidated in the Company's environmental metrics database. The quantity of each refrigerant is multiplied by the respective GWP100 AR5 value to calculate the CO₂e.</p>



EMISSIONS SCOPE	SOURCE DESCRIPTION AND UNDERLYING DATA	EMISSION FACTORS	CALCULATION METHOD AND ASSUMPTIONS
Scope 2	<p>Purchased Electricity</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p> <p>Emissions from small offices with less than 100 full-time occupants are estimated using emission factors from the Commercial Building Energy Consumption Survey (CBECS) (EIA, 2018)</p>	<p>US EPA, Emissions & Generation Resource Integrated Database (eGRID), January 2024</p> <p>International Energy Agency (IEA), Emissions Factors 2023, September 2023</p>	<p>Location-Based emissions are calculated by multiplying electricity usage at the location with geographical emission factors; US: EPA; all other countries: IEA.</p> <p>Market-based emissions are estimated for companies that use contractual instruments, and the Company utilizes the data hierarchy outlined in the GHG Protocol. The instruments used include RECs, green electricity certificates and PPAs.</p> <p>The Company uses the market-based method for tracking progress towards its GHG emissions reduction goals.</p>
	<p>District Heating Water</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p>	<p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>This is calculated by multiplying the energy quantity purchased by a supplier specific emission factor, if available, or the EPA factors divided by 0.8 to account for transmission loss.</p>
	<p>Purchased Steam</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p>	<p>Supplier Provided Factors</p> <p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>This is calculated by multiplying the energy quantity purchased by a supplier specific emission factor, if available, or the EPA factors.</p>
	<p>District Cooling Water</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p>	<p>US EPA, Emissions & Generation Resource Integrated Database (eGRID), January 2024</p> <p>International Energy Agency (IEA), Emissions Factors 2023, September 2023</p> <p>Hartman, T. (2001). All-variable Speed Centrifugal Chiller Plants. ASHRAE Journal</p>	<p>This is calculated by multiplying the energy quantity purchased by the IEA or EPA emission factor divided by the coefficient of performance, 5.</p> <p>* The emissions calculation assumes a Coefficient of Performance (COP) factor of five for the chiller (including pumps and fans) (Thomas Hartman, 2001).</p>
	<p>Third-Party Operated On-Site Fuel Cells</p> <p>Third party reported energy consumed</p>	<p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>Calculated using the vendor provided emissions and included in Total Scope 2 Emissions (market and location-based).</p>

SCOPE 3 EMISSION FACTORS AND CALCULATION METHODS

CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSION FACTOR	CALCULATION METHOD AND ASSUMPTIONS
<p align="center">Category 1: Purchased Goods and Services</p>	<p>Includes all purchases related to goods and services not otherwise included in the other upstream scope 3 emissions categories (i.e., category 2 through category 8).</p> <p>Data sources include the Company's procurement databases and Bank of America credit card purchasing reports.</p> <p>Filtration material composition and weights were obtained from supplier websites and publicly available data sources.</p>	<p>United States Environmental Protection Agency. (2023). SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv (Version 1.2) [Data set]. U.S. EPA Office of Research and Development.</p> <p>Ecoinvent (2023). Ecoinvent 3.9.1. Pré. (2023). SimaPro.</p> <p>Custom Life Cycle Assessments (LCAs) or carbon footprint analyses performed on Takeda's (or similar) products and raw materials were used to derive emission factors, including through use of a third-party's Eco-design Tool.</p> <p>Custom life cycle assessments were conducted and emission factors were also developed by an external party for packaging and filtration materials.</p> <p>European Commission. (2016). Environmental Sustainability Assessment of Bioeconomy Products and Processes – Progress Report 2.</p> <p>Association of the British Pharmaceutical Industry (ABPI) / Carbon Trust. (2023). Blister Pack Carbon Evaluation Tool (Version 1.2). ABPI.</p> <p>Settanni, E. S., Sraj, J., Yatskovskaya, E., & Harrington, T. (2017). Exploring Generalisations for Sustainability Assessment in Medicine Manufacturing Networks. EurOMA.</p> <p>Alviz, P., & Alvarez, A. (2017). Comparative life cycle assessment of the use of an ionic liquid ([Bmim]Br) versus a volatile organic solvent in the production of acetylsalicylic acid. Journal of Cleaner Production, 168, 1614-1624.</p> <p>Zimek, Z. & Kaluska, I. (1998). Economical aspects of radiation sterilization with electron beam.</p>	<p>Purchasing activity data for goods and services were used to calculate emissions using both spend and activity-based methodologies.</p> <p>For goods related to Takeda's BioLife centers and raw materials, emissions were calculated by multiplying the mass of purchased material by emission factors based on the IPCC 2013 GWP100 method and sourced from either ecoinvent 3.9.1, publicly available emission factors/LCAs/carbon footprint studies, or custom LCAs/carbon footprint studies conducted by a third party.</p> <p>Emissions associated with professional services were estimated using emission factors developed for high-spend suppliers. These factors were generated using a market-based approach and based on publicly available supplier emissions and revenue data obtained from environmental sustainability reports and financial statements, subject to certain validation criteria. A spend-based (i.e., EEIO) emission factor was applied to the spend for the remaining professional services suppliers.</p> <p>Similarly, emissions associated with Events & Sponsorships, Facilities & Related Services, Information Technology, Market Research, and Travel services were estimated by an external party using market-based emission factors for high-spend suppliers using publicly available supplier emissions and revenue data. A spend-based (i.e., EEIO) emission factor was applied to the spend for remaining suppliers within each category.</p> <p>Custom emission factors were developed by a third-party for the following high-spend packaging types: molded glass and vials, folding cartons, labels, rubber stoppers, blisters, leaflets, plastic bottles, and plastic lids. Life cycle assessments were conducted using material and processing datasets from SimaPro based on Company bills of materials, which included packaging weights and materials, across several Company products. Emission factor averages for each packaging type were applied to material descriptions not matched to a specific packaging configuration. Energy requirements for sterilization of vial packaging, vials' emission factors, and an uplift factor were determined using data from Zimek and Kaluska (1998).</p>

SCOPE 3 EMISSION FACTORS AND CALCULATION METHODS

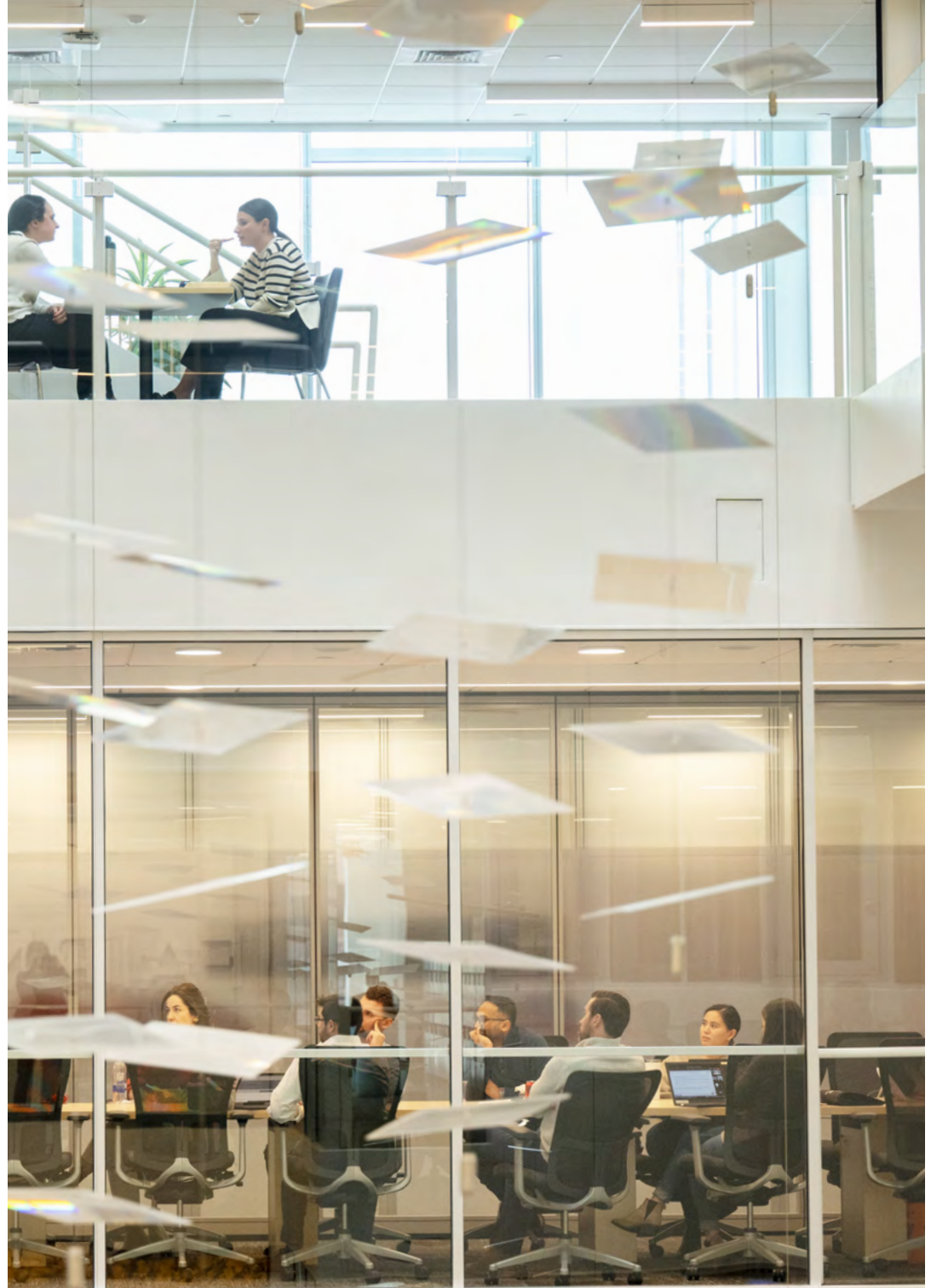
CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSION FACTOR	CALCULATION METHOD AND ASSUMPTIONS
Category 1: Purchased Goods and Services		Emission factors for high-spend suppliers of services (i.e., Professional Services, Events & Sponsorships, Facilities & Related Services, Information Technology, Market Research, and Travel) were derived from publicly reported data (i.e., GHG emissions and revenue).	Custom emission factors were also developed by a third party for the following high-spend filtration materials: viral filters, depth filters, membrane liquid filters, and filter aids. Material and processing datasets from SimaPro were used. Material composition and weights were obtained from supplier websites and publicly available data sources. Research was conducted on energy requirements for sterilization of packaging (Zimek and Kaluska (1998)), and an uplift factor was applied to the filters' emission factors. If a material description did not match a specific product for which a custom emission factor had been developed, an average emission factor was applied based on the material's product type. A spend-based method was used to estimate emissions for the remaining purchasing activity data within the Company FY23 spend. An environmentally extended input-output model was used to estimate emissions here, whereby each spend value was multiplied by a spend-based factor related to a given purchase category.
Category 2: Capital Goods	Includes all purchases related to capital goods. The Company's procurement databases were used as the data source.	United States Environmental Protection Agency. (2023). SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv (Version 1.2) [Data set]. U.S. EPA Office of Research and Development. https://catalog.data.gov/dataset/supply-chain-greenhouse-gas-emission-factors-v1-2-by-naics-6	Spend-based (i.e., EEIO) emission factors were applied to purchasing activity data related to capital goods.
Category 4: Upstream Transportation and Distribution	The Company's procurement databases were used as the data source. These included purchases related to third-party transportation and logistics services for inbound and outbound transportation, as well as third-party transportation services between Company facilities.	United States Environmental Protection Agency. (2023). SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv (Version 1.2) [Data set]. U.S. EPA Office of Research and Development. https://catalog.data.gov/dataset/supply-chain-greenhouse-gas-emission-factors-v1-2-by-naics-6	Spend-based emission factors were applied to purchasing activity data related to distribution and logistics.

GHG Note 3 - Suppliers' Commitments to Set Science-Based Climate Targets

The Company has a supplier engagement target to have suppliers constituting 67% of its scope 3 emissions in categories 1, 2, and 4 committed to setting science-based climate targets (i.e., aligned with SBTi standards) by 2024.

Sources used to verify that suppliers have committed to setting science-based climate targets include the Science-Based Target Initiative (SBTi) website, EcoVadis confirmed science-based targets, and written assertion to the Company from representatives of companies whose emissions are included in the Company's scope 3 categories 1, 2 and 4 emissions.

To measure progress towards the target, the sum of CO₂e emissions from scope 3 categories 1, 2, and 4 from suppliers with science-based climate targets is divided by the total CO₂e emissions from scope 3 categories 1, 2, and 4, and multiplied by 100 to obtain the percentage. Takeda attempts to verify all our suppliers with the list available on the SBTi website, but prioritizes the highest emitting suppliers representing 95% of estimated scope 3 categories 1, 2 and 4 emissions to calculate the metric.



METRIC AND RESULTS:
Diverting Waste from Landfill

Metric

Percent Waste Diverted from Landfill

Results

78%

Waste Note 1

BASIS OF PRESENTATION

The Planet CP metric related to Waste Diverted from Landfill includes the Company's operations as previously described in GHG Note 1. This metric has been prepared in accordance with accepted principles and methods as further described below.

Takeda Owned Assets

The Company includes waste generated from all owned sites over which Takeda has operational control to introduce and implement operating policies during the reporting year.

Leased Assets

The Company includes leased assets that fall under the "right-of-use" definition (as defined by the International Accounting Standards Board in International Financial Reporting Standard 16) in water reporting. Short-term leases (duration less than 12 months)

are excluded as well as low value lease contracts (total value less than \$5,000 USD/668,000 JPY). When a leased asset is divested or acquired during a reporting period, the Company accounts for its waste proportionally to the duration it was under its operational control during the reporting period.

Exclusions

Specifically excluded from this metric is waste generated as part of construction, demolition, and environmental remediation activities. Waste generated in offices with occupancies less than 400 full time employees, residential properties, undeveloped land independent of area (e.g., open space, botanical garden), subleased sites and parking garages may also be excluded.

Estimation Uncertainties

Data used in the preparation of the Planet CP metric related to Waste

Diversion from Landfill are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the metric requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate waste metrics, on available information and various other assumptions that it believes to be reasonable.

Waste Reporting Period

The reporting period for this metric consists of the fiscal year 2023.

WASTE METRIC SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data used to calculate water volumes	Calculation Method and Assumptions
Total Waste Generated	The information provided by waste vendor (for example, invoice or waste manifest) is generally used for data input to the Company's environmental metrics database	<p>Calculated as the total sum of waste quantities reported.</p> <p>Total waste generated is defined as the sum of waste reported at sites where the Company had operational control during the reporting period. Waste generated as part of construction, demolition, and environmental remediation activities is excluded.</p>
Percent Waste Diverted from Landfills	The information provided by the waste vendor on the waste invoice is generally used for data input to the Company's environmental metrics database	<p>Calculated by subtracting the calculated % waste sent to landfill from 100%.</p> <p>Landfills are defined as engineered disposal sites where wastes are deposited at or below the ground level.</p> <p>Diverted from landfills include all diversion methods including, re-use, recycling, incineration with or without energy recovery.</p>
Percent Waste Sent to Landfill	The information provided by the waste vendor on the waste invoice is generally used for data input to the Company's metrics database	<p>Calculated by dividing the total waste reported as sent to landfill by the total waste generated and multiplying by 100. Waste generated as part of construction, demolition, and environmental remediation activities is excluded.</p> <p>See "Percent Waste Diverted from Landfills" for definition of Landfills.</p>

METRIC AND RESULTS: Conserving Freshwater

Metric

Percent Reduction of Water Withdrawal
from Base Year

Results

4.9%

Water Note 1

BASIS OF PRESENTATION

The Planet CP metric related to the Reduction of Water Withdrawal includes the Company's operations as previously described in GHG Note 1. This metric has been prepared in accordance with accepted principles and methods as further described below.

Takeda Owned Assets

The Company includes water withdrawals at all owned sites over which Takeda has operational control to introduce and implement operating policies during the reporting year. Specifically excluded from these metrics can be offices with less than 400 full time equivalent occupants, residential properties, undeveloped land independent of area (for example, botanical garden), subleased sites, and parking lots and garages.

Leased Assets

The Company also includes all leased sites that fall under the "right-of-use" definition (as defined by the International Accounting Standards Board in International Financial Reporting Standard 16) in water reporting. Short-term leases (duration less than 12 months) are excluded as well as low value lease contracts (total value less than \$5,000 USD/668,000 JPY). When a leased asset is divested or acquired during a reporting period, the Company accounts for its water proportionally to the duration it was under its operational control during the reporting period.

Estimation Uncertainties

Data used in the preparation of the Planet CP metric related to Reduction of Water Withdrawal are subject to measurement uncertainties resulting

from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the metric requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate water metrics, on available information and various other assumptions that it believes to be reasonable.

Reporting Period

The reporting period for these metrics consists of the fiscal year 2023.

Base Year

The Company has selected fiscal year 2019 (i.e., 1 April 2019 through 31 March 2020) as its base year for the Planet CP metric related to Water.

Recalculation and Restatement of Previous Year Water Data

The Company has established a policy to recalculate water metric for previous years if a significance threshold of +/- 5% is reached for aggregated water withdrawal Metric.



WATER WITHDRAWAL METRIC SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data used to calculate water volumes	Calculation Method and Assumptions
Total Freshwater Withdrawal in Current Year	Water volume data from site metering and water invoices are reported to the Company's environmental metrics database	<p>Calculated as the sum of all reported freshwater withdrawal during the reporting period.</p> <p>Freshwater is defined as having less than or equal to 10,000 mg/L of total dissolved solids. If not specified otherwise, the Company considers all water obtained from surface waters, groundwater, or third parties to be freshwater.</p> <p>Recycled water, recycled wastewater, and other non-freshwater are excluded.</p>
Total Freshwater Withdrawal in Base Year (FY2019)	Water volume data from site metering and water invoices are reported to the Company's environmental metrics database	<p>Calculated as the sum of all reported freshwater withdrawal during FY2019.</p> <p>Freshwater is defined in "Total Freshwater withdrawal in Current Year" and the same exclusions apply.</p>
Percent Water Withdrawal Reduction	The percent reduction of Total Freshwater withdrawal in the current year (FY2023) compared to the base year (FY2019)	<p>Calculated by the difference of "Current Year Total Freshwater Withdrawal" to "FY2019 Total Freshwater Withdrawal" divided by "FY2019 Total Freshwater Withdrawal" and multiplying by 100.</p>

METRIC AND RESULTS:

Making Paper and Paperboard Packaging from Sustainable Forest Certified or Recycled Content

Metric

Percent of the Company's secondary and tertiary packaging paper/ paperboard that is recycled content or sustainable forest certified

Results

53% ☺

Secondary and Tertiary Packaging Material Note 1

BASIS OF PRESENTATION

The The Planet CP metric related to Secondary and Tertiary Packaging Material includes the Company's operations as previously described in GHG Note 1. In scope for these metrics are at least 90% of paper and paper board material (by spend) directly purchased by the Company for secondary and tertiary packaging uses at owned or leased sites where the Company has operational control to pack products intended for sale. Excluded is any packaging material purchased and used by Company's vendors where the Company does not have operational control. This metric has been prepared in accordance with accepted principles and methods as further described below.

Estimation Uncertainties

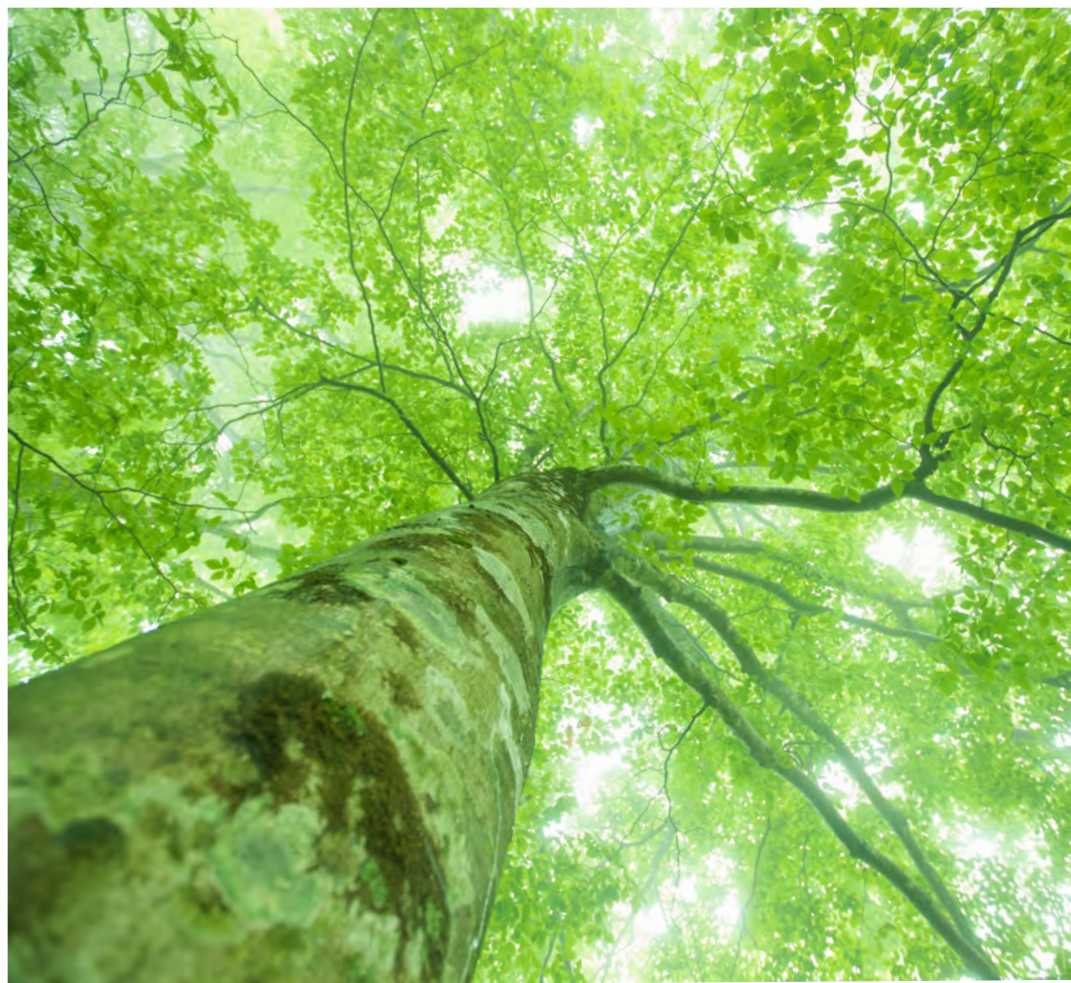
Data used in the preparation of the Planet CP metric related to

Secondary and Tertiary Packaging Material are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the metric requires management to make estimates and assumptions that affect amounts reported.

Reporting Period

The reporting period for this metric is the fiscal year 2022. The data collection process for fiscal year 2023 will be concluded in fall of 2024 and the metric will be reported in the following year.



SECONDARY AND TERTIARY PACKAGING MATERIAL METRICS SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data used to calculate water volumes	Calculation Method and Assumptions
Total weight of paper or paperboard procured for secondary and tertiary packaging that is recycled content	Supplier-provided data from annual questionnaire indicating the weight of paper and paperboard that is recycled content	<p>Calculated as the sum of total paper and paperboard self-reported by the suppliers to be recycled content.</p> <p>Paperboard is defined as thick paper-based material that is produced from fibrous raw material. Secondary Packaging is defined as the overlaying packaging material that lies outside the primary packaging. Tertiary Packaging is defined as the overpacking material that lies outside the secondary packaging, for example, large cardboard delivery boxes (shippers).</p> <p>Recycled content paper and paperboard is defined as paperboard that includes paper and/or paperboard content that has been recovered and reprocessed into new paper products.</p>
Total weight of paper or paperboard procured for secondary and tertiary packaging that is certified forest sustainable	Supplier-provided data from annual questionnaire indicating the weight of paper and paperboard that is forest sustainable certified	<p>Calculated as the sum of paper and paperboard self-reported by the suppliers to be certified forest sustainable.</p> <p>Certifications accepted are FSC, SFI or PEFC.</p>
Total weight of paper or paperboard procured for secondary and tertiary packaging	The Company procurement database tracks and consolidates the total weight of packaging purchased. This is verified by supplier-provided data.	Calculated as the sum of total paper and paperboard procured for secondary or tertiary packaging
Percent of the Company's secondary and tertiary packaging paper/ paperboard that is recycled content or sustainable forest certified		Calculated by dividing the sum of total of secondary or tertiary paper & paperboard reported as recycled content or sustainable forest certified with the total secondary and tertiary paper & paperboard purchased and multiplying by 100.



Business

METRIC AND RESULTS:

Metric	Rationale	Results
Growth and Launch Products Incremental Core Revenue	<ul style="list-style-type: none"> Growth Products Revenue: Emphasis on subset of revenue that is the key driver of future revenue growth Launch Product Revenue: Key indicator of driving pipeline growth and commercial revenue success 	79.5%

BACKGROUND:

Both are indicators of strong business success and potential revenue growth: Growth and Launch Products are the key driver of future revenue growth, key indicator of driving pipeline growth and commercial revenue success.

DEFINITION:

This measures year-over-year Core Revenue growth in Growth and Launch Products vs Target¹. This metric was approved as a Key Performance Indicator by the Compensation Committee and then BOD in June 2023 for use in our Short-Term Incentive (STI) Plan for FY23.

CALCULATION METHOD:


[Growth and Launch Products Actual Incremental Core Revenue] / [Growth and Launch Products Target Incremental Core Revenue]

SCOPE:

Growth and Launch Products in the fiscal year ended March 31, 2024 are: ENTYVIO, ALOFISEL, TAKHZYRO, LIVTENCITY, Immunoglobulin, Albumin, ALUNBRIG, EXKIVITY, QDENG, FRUZAQLA, ADZYNMA, EOHILIA

¹ This is set during internal budgeting planning process at the start of the year.



In this section, metrics marked with  are assured independently by KPMG AZSA Sustainability Co., Ltd.

ESG Metrics



Access to Medicines

CATEGORY/METRIC

Access to Medicines	FY20 Data	FY21 Data	FY22 Data	FY23 Data
Number of patients in LMICs and countries with evolving healthcare systems who have received access to Takeda's medicines and vaccines through Takeda initiated and Takeda-sponsored clinical trials ¹	70,000 ²	6,430	7,369	997 ☺
Access to Medicines Programs in Low- and Middle- Income Countries and Evolving Healthcare Systems (Charitable Assistance Programs) ³	143	160	189	161 ☺
Number of countries our Access to Medicines programs operate in Low- and Middle- Income Countries and Evolving Healthcare Systems ⁴	36	39	44	47 ☺

1 Patients enrolled in clinical trials, clinical research and clinical collaborative research studies in Low-Income Countries (LICs), Lower Middle-Income Countries (LMICs) and Upper Middle-Income Countries (UMICs), per World Bank definitions, during the fiscal year

2 Increase in FY20 figure related to participation in clinical studies for Takeda's TAK-003

3 Charitable Access Programs are structured free of charge programs with an NGO partner in Low Income Countries (LICs), Lower Middle- Income Countries (LMICs) and Upper-Middle Income Countries (UMICs) and Venezuela, per World Bank definitions.

4 The number of countries with active patients in an affordability-based Patient Assistance Program or in a Charitable Access Program during the fiscal year. Country numbers will fluctuate year over year as patient needs evolve (i.e., levels of reimbursement, new product availability)..

Talent Management

CATEGORY/METRIC

Talent Management¹

	FY22 Data		FY23 Data	
	Absolute	% of Total Applicable Sub-Population	Absolute	% of Total Applicable Sub-Population
Total Number of employees - Female		51.8%	26,604 ☺	52% ☺
Total Number of employees - Male		48.0%	24,151 ☺	48% ☺
Total Number of employees - Other		0.2%	66 ☺	0.1% ☺
Total number of new hires (absolute % of total workforce category) ²	12,917	26%	11,120 ☺	22% ☺
› Total number of new hires - Female	8,368	33%	7,435 ☺	28% ☺
› Total number of new hires - Male	4,453	19%	3,643 ☺	15% ☺
› Total number of new hires - Undeclared			42 ☺	
› Total number of new hires - Age Group 1: <30	6,088	67%	5,467 ☺	61% ☺
› Total number of new hires - Age Group 2: 30 - 50	5,828	19%	4,792 ☺	15% ☺
› Total number of new hires - Age Group 3: >50	999	10%	861 ☺	8% ☺
› Total number of new hires - Japan	574	10%	274 ☺	5% ☺
› Total number of new hires - U.S.	9,014	42%	8,119 ☺	36% ☺
› Total number of new hires - EUCAN	1,794	12%	1,216 ☺	8% ☺
› Total number of new hires - GEM	1,535	20%	1,511 ☺	19% ☺
› Percentage of open positions filled by internal candidates ³		26%		29% ☺
Average number of years employees have been with the organization		6.7		6.94 ☺
› Average number of years employees have been with the organization - Female		5.7		5.9 ☺
› Average number of years employees have been with the organization - Male		7.9		8.1 ☺

¹ Data scope limited to regular and dispatched employees as of March 31 of each year and excludes fixed-term employees as well as those on unpaid leave.

² Calculated as a % of the demographic that is a new hire (0-1 year tenure) divided by the total of that demographic.

³ An open position is defined when a requisition is posted for a new role or filling an open role that does not currently exist.



Talent Management

CATEGORY/METRIC

Talent Management	FY22 Data	FY23 Data
Total global turnover rate ¹	22%	21% ☺
› Total global turnover rate - Women	27%	27% ☺
› Total global turnover rate - Men	15%	15% ☺
› Total global turnover rate - Age Group 1: <30	49%	49% ☺
› Total global turnover rate - Age Group 2: 30 - 50	15%	15% ☺
› Total global turnover rate - Age Group 3: >50	17%	14% ☺
› Total global turnover rate - Japan	5%	5% ☺
› Total global turnover rate - U.S.	34%	33% ☺
› Total global turnover rate - EUCAN	11%	10% ☺
› Total global turnover rate - GEM	20%	20% ☺
Total global involuntary turnover rate	7%	7% ☺
Total global voluntary turnover rate	14%	14% ☺
Total global turnover rate - Employee Category 1 (e.g. Manager-level)	10%	10% ☺
Total global turnover rate - Category 2 (e.g. below Manager-level)	25%	26% ☺

See [page 77](#) for details of the metrics.

¹ Total global turnover includes both voluntary and involuntary turnover across the period, and is noted to be different to the sum of these categories due to rounding.



Health & Safety

CATEGORY/METRIC

Health & Safety Incident Rates (per 200,000 hours worked)	FY20 Data	FY21 Data	FY22 Data	FY23 Data
Total Recordable Incident Rate	0.91	1.26	1.28	1.55 ☹
Incidents with Days Lost Rate	0.25	0.24	0.18	0.38 ☹
Number of fatalities	0	0	0	0 ☹
Fatality rate	0	0	0	0 ☹

See our [Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics](#) for more information on our boundaries, basis of presentation and estimations.



Diversity, Equity & Inclusion

CATEGORY/METRIC

	FY22 Data	FY23 Data
% Workforce - Manager¹		
› % Workforce - Manager - Female	42%	43% ☺
› % Workforce - Manager - Male	58%	57% ☺
› % Workforce - Manager - Age Group 1: <30	2%	2% ☺
› % Workforce - Manager - Age Group 2: 30-50	71%	69% ☺
› % Workforce - Manager - Age Group 3: >50	27%	29% ☺
› % Workforce - Manager - Japan	11%	11% ☺
› % Workforce - Manager - US	39%	40% ☺
› % Workforce - Manager - EUCAN	31%	31% ☺
› % Workforce - Manager - GEM	19%	18% ☺
% Workforce - Individual Contributor²		
› % Workforce - Individual Contributor - Female	54%	54% ☺
› % Workforce - Individual Contributor - Male	46%	46% ☺
› % Workforce - Individual Contributor - Age Group 1: <30	22%	21% ☺
› % Workforce - Individual Contributor - Age Group 2: 30-50	60%	60% ☺
› % Workforce - Individual Contributor - Age Group 3: >50	18%	19% ☺
› % Workforce - Individual Contributor - Japan	11%	11% ☺
› % Workforce - Individual Contributor - US	44%	46% ☺
› % Workforce - Individual Contributor - EUCAN	29%	29% ☺
› % Workforce - Individual Contributor - GEM	15%	15% ☺

1 Manager is defined as an employee with one or more direct reports who are Takeda employees. Managers of only contractor direct reports are not included.

2 Individual Contributor is defined as an employee who does not have direct reports who are employees or who manages contractors only.



Diversity, Equity & Inclusion

CATEGORY/METRIC

	FY22 Data		FY23 Data	
% Total Employees¹				
› % Total Employees - Age Group 1: <30	18%	8,975	18%	☺
› % Total Employees - Age Group 2: 30-50	62%	31,391	62%	☺
› % Total Employees - Age Group 3: >50	20%	10,455	21%	☺
› % Total Employees - Japan			11%	☺
› % Total Employees - US			45%	☺
› % Total Employees - EUCAN			29%	☺
› % Total Employees - GEM			15%	☺

See [page 75](#) for details of the metrics.

¹ Data scope limited to regular and dispatched employees as of March 31 of each year and excludes fixed-term employees as well as those on unpaid leave.



Women in the Workforce

CATEGORY/METRIC

	FY22 Data	FY23 Data ⁵
% women in all junior management positions ¹	42%	43% ☺
% women in all in all top management positions ²	43%	41% ☺
% women in all management positions in revenue-generating functions ³	32%	32% ☺
% women in STEM-related positions ⁴	44%	44% ☺
Number of female employees on the Takeda Executive Team	6	8 ☺

1 Percentage metrics are calculated as the number of female employees divided by the total number of employees within each demographic. Junior management positions are defined as managers at three or more levels below the CEO.

2 Percentage metrics are calculated as the number of female employees divided by the total number of employees within each demographic. Top management positions are defined as managers at two or less levels below the CEO, inclusive of the Executive team.

3 Percentage metrics are calculated as the number of female employees divided by the total number of employees within each demographic. Revenue-generating functions are defined as those related to sales.

4 Percentage metrics are calculated as the number of female employees divided by the total number of employees within each demographic. STEM-related positions are defined as those within the following job families: Pharmaceutical Sciences, Engineering, Clinical Development, Supply Chain, Regulatory Affairs, Data Sciences, Manufacturing Sciences, Insights & Analytics, Drug Safety, Automation & AI, Therapeutic Area Unit, Information Technology, Research Science, Quality, Manufacturing/Production, Medical Affairs.

5 Scope: Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave, other than the % of female employees in top management positions metric which includes fixed-term employees.



Minimizing Environmental Impact

CATEGORY/METRIC

Waste (Metric Tons) ¹	FY20 Data	FY21 Data	FY22 Data	FY23 Data
Total Waste Generated	87,000	87,300	85,510	98,520 ☺
› Total Regulated Waste Generated	43,200	41,300	37,510	47,060 ☺
› Total Non-Regulated Waste Generate	43,800	46,000	48,000	51,460 ☺
Percent Waste Recycled	34%	37%	36%	37% ☺
Percent Waste Sent to Landfill	21%	21%	22%	22% ☺
Significant Spills and Releases				
Number of Written Notices of Violation (NOVs) or Citations Received ²	6	2	8	7 ☺
Total Number and Volume of Significant Spills ²	0	0	0	0 ☺

See our [Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics](#) for more information on our boundaries, basis of presentation and estimations.

1 We discontinued disclosing Total amount of product accepted for take-back, reuse, or disposal because it was not a Takeda-specific metric. Still, Takeda remains actively engaged in supporting and participating in pharmaceutical take-back programs in collaboration with relevant industry groups. These programs have resulted in the collection of unwanted medicine and sharps-containing drug products for disposal

2 See [page 71](#) for a description of the metrics.



Decarbonizing

CATEGORY/METRIC

Total GHG Emissions (Thousand MTCO ₂ e)	FY20 Data	FY21 Data	FY22 Data	FY23 Data
Total GHG Emissions ¹	4,909	5,210	5,612	4,265 ² ☺
Scope 1 & 2 Emissions (Thousand MTCO₂e)				
Total Scope 1 Emissions	293	316	277	279 ☺
› CO ₂	289	302	N/A	266.5 ☺
› CH ₄	0	0	N/A	0.0 ☺
› N ₂ O	0	0	N/A	0.0 ☺
› Refrigerants (HFCs, CFCs, HCFCs)	15	14	N/A	12.5 ☺
Scope 2 Emissions - market-based methodology	217	178	169	33 ☺
Scope 2 Emissions - location-based methodology	271	283	291	282 ☺
Total Scopes 1 + 2 (market-based) Emissions	510	494	446	312 ☺
Biogenic CO ₂ Emissions (Not included in Total Scope 1 Emissions)	N/A	N/A	12	2 ☺
Energy (Terajoules)				
› Fuel Consumption (scope 1)	4,960	5,100	4,700	4,742 ☺
› Purchased Electricity (Non-Renewable) (scope 2)	2,100	1,780	1,600	438 ☺
› Purchased Electricity (Renewable) (scope 2)	836	1,300	1,490	2,573 ☺
› Onsite Generated Renewable Electricity (scope 2)	4	5	17	16 ☺
› Percent Electricity Sourced as Renewable (scope 2)	30%	42%	48%	85% ☺
› Supplied Heating and Cooling (scope 2)	100	102	145	160 ☺
› Total Energy Consumption (scopes 1 and 2)	8,000	8,280	7,952	7,929 ☺

See our [Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics](#) for more information on our boundaries, basis of presentation and estimations.

1 Total GHG emissions calculated using scope 1 emissions total, scope 2 market-based emissions total and scope 3 emissions (to the extent presented) total.

2 The decrease in our total emissions for FY23 is driven primarily by updates made to our scope 3 inventory. As FY22 will be the baseline year for our future scope 3 net-zero and near-term science-based targets (SBTs), which are undergoing validation, FY22 data will be restated to be consistent with these methodology updates in future reporting years.



Decarbonizing

CATEGORY/METRIC

	FY20 Data	FY21 Data	FY22 Data	FY23 Data ¹
Scope 3 Emissions (Thousand MTCO₂e)				
Scope 3, all applicable categories	4,380	4,716	5,166	3,953 ☺
› Category 1	3,710	4,070	4,060	2,689 ☺
› Category 2	50	35	217	241 ☺
› Category 3	83	127	147	147 ☺
› Category 4	458	341	387	353 ☺
› Category 5	13	16	15	17 ☺
› Category 6	5	21	93	117 ☺
› Category 7	43	77	85	67 ☺
› Category 10	6	14	1	1 ☺
› Category 12	11	14	161	264 ☺
› Category 15	N/A	N/A	N/A	57 ☺
Supplier Engagement (Thousand MTCO₂e)				
› Scope 3 Emissions from Categories 1, 2 and 4	N/A	N/A	4,664	3,283 ☺
› Scope 3 Emissions from Suppliers Committed to Setting Science-Based Climate Targets [Categories 1, 2 and 4]	N/A	N/A	2,122	1,854 ☺

See our [Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics](#) for more information on our boundaries, basis of presentation and estimations.

¹ The decrease in scope 3 emissions in FY23 is the result of methodological changes made to our scope 3 inventory. As FY22 will be the baseline year for our future scope 3 net-zero and near-term science-based targets (SBTs), which are undergoing validation, FY22 data will be restated to be consistent with these methodology updates in future reporting years..



Decarbonizing

CATEGORY/METRIC

	FY21 Data	FY22 Data	FY23 Data
Voluntary Carbon Offset and Energy Attribute Certificate Purchases			
› Quantity of Purchased Verified Emissions Reductions (VERs) - Thousand MTCO ₂ e	4657	5,033	5,522 ☺
› Quantity of Purchased Energy Attribute Certificates (EACs) - Megawatt hours	606,944	522,693	453,598 ☺
› Percent Electricity as Renewable Including Energy Attribute Certificates (EACs)	100%	100%	100% ☺
› Percentage of Reported FY2022 GHG emissions mitigated by VERs and EACs purchased in FY2023	100% ¹	100% ²	100% ☺

See our [Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics](#) for more information on our boundaries, basis of presentation and estimations.

1 Percentage of Reported FY2020 GHG emissions mitigated by VERs and EACs purchased in FY2021.

2 Percentage of Reported FY2021 GHG emissions mitigated by VERs and EACs purchased in FY2022.



Conserving Natural Resources

CATEGORY/METRIC

Water (Thousand Cubic Meters)	FY20 Data	FY21 Data	FY22 Data	FY23 Data
Water Withdrawal	10,770	11,300	10,430	10,761 ☺
› Water withdrawal in areas with “high” or “extremely high” water risk	1,180	1,090	1,707	1,720 ☺
› Water withdrawal in areas with “high” or “extremely high” water risk as % of total water withdrawal	11%	10%	16%	16% ☺
Water Consumed¹	2,280	2,710	2,240	2,387 ☺
› Water consumed in areas with “high” or “extremely high” water risk	174	165	264	259 ☺
› Water consumed in areas with “high” or “extremely high” water risk as % of total water consumption	8%	6%	12%	11% ☺
% of Manufacturing sites located in areas considered to have “high” or “extremely high” water risk	20%	20%	34%	31% ☺
Wastewater Discharged	8,490	8,580	8,190	8,374 ☺
Biodiversity				
Number of sites in or adjacent to protected areas and/or key biodiversity areas	N/A	29	29	29 ☺

See our [Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics](#) for more information on our boundaries, basis of presentation and estimations.

¹ Water consumed represents the difference between water withdrawals and wastewater discharges.



Environmental Management Systems

CATEGORY/METRIC

Environmental Management Systems	FY20 Data	FY21 Data	FY22 Data	FY23 Data
Number of EHS audits performed ¹	20	24	26	24 ☺
% of manufacturing sites certified to ISO 14001	73%	73%	77%	86% ☺
% of manufacturing sites certified to ISO 50001	3%	3%	6%	7% ☺
% of manufacturing sites certified to ISO 45001	53%	50%	67%	76% ☺

¹ EHS audits performed includes internal and external third-party audits managed by the corporate EHS function.

Values-Based Governance

CATEGORY/METRIC

Ethics & Compliance	FY21 Data	FY22 Data	FY23 Data
Total percentage of employees trained on Takeda's anti-corruption policies and procedures^{1,2,3,4}	100%	98%	99.5% ☺
› Total percentage of employees trained on Takeda's anti-corruption policies and procedures - Japan ^{1,2,3,4}	100%	99%	99.9% ☺
› Total percentage of employees trained on Takeda's anti-corruption policies and procedures - U.S. ^{1,2,3,4}	100%	100%	99.2% ☺
› Total percentage of employees trained on Takeda's anti-corruption policies and procedures - EUCAN ^{1,2,3,4}	100%	99%	99.5% ☺
› Total percentage of employees trained on Takeda's anti-corruption policies and procedures - GEM ^{1,2,3,4}	100%	99%	99.7% ☺
Total percentage of employees trained on Takeda's Code of Conduct^{1,2,3,4}	97%	98%	97.9% ☺
› Total percentage of employees trained on Takeda's Code of Conduct - Japan ^{1,2,3,4}	98%	98%	99.7% ☺
› Total percentage of employees trained on Takeda's Code of Conduct - U.S. ^{1,2,3,4}	96%	100%	95.3% ☺
› Total percentage of employees trained on Takeda's Code of Conduct - EUCAN ^{1,2,3,4}	97%	98%	99.0% ☺
› Total percentage of employees trained on Takeda's Code of Conduct - GEM ^{1,2,3,4}	98%	99%	99.1% ☺
Total number of incidents of corruption confirmed during the year, but related to previous years	1	1	0 ☺
Total number of incidents of corruption confirmed during the year, related to year	1	0	1 ☺
Total number of discrimination and harassment incidents during the year	28	19	33 ☺
Total amount of monetary losses as a result of legal proceedings associated with labour law violations and employment discrimination (JPY Million)	235.5	3,985.7	259.6
Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	0	0	0
Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	0	0	0
Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	0	0	0
Total amount of monetary lossess as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competition, market manipulation, malpractice or violations of other related regulations (JPY Million)	203.3	0	15,508.8

- 1 All Takeda employees globally are included in the calculation of total percentage of employees trained. Breakdowns by region are reflective of employees within Business Units of each respective region, and excludes those employees who sit in global business units or functions
- 2 GLOBAL-GEC-Preventing Bribery and Corruption base course and GLOBAL-GEC-Code of Conduct refresher course were used to determine total percentage of employees trained. Training on our Code of Conduct and our Anti-Corruption Policies and Procedures is designed to enhance employees' understanding of our values and promote compliance.
- 3 100% means that all active employees have been assigned the course and are not overdue as of March 31st, 2024. Employees who are taking parental leave, long-term sick leave, or any other forms of leave as of March 31st are not included.
- 4 For the FY22 Data and years prior, we have rounded from the first decimal. For FY23 Data, in order to provide further transparency, we have rounded from the second decimal and display up to the first decimal place.



CATEGORY/METRIC

	FY21 Data	FY22 Data	FY23 Data
Ethics & Compliance			
Economic Disclosures			
Vitality Index - Percentage of gross revenue from products launched in the last five years ¹	4.2%	5.8%	1.7% ☺
Quality Management			
Number of Class I recalls ²	0	0	0 ☺
Number of Class II recalls ²	0	0	0 ☺
Supply Chain			
Number of Pharmaceutical Supply Chain Initiative (PSCI) sustainability on-site audits conducted	5	6	2 ☺
Number of EcoVadis suppliers with sustainability desktop audits conducted ³	N/A	317	581 ☺
Number of audited suppliers where at least one area of their corrective action plan has been completed during the financial year	N/A	67	36 ☺
Global CSR			
Amount committed in long-term philanthropic partnerships through Global CSR Program since launching in 2016 (JPY Billion) ⁴	16.2	19.7	24.2 ☺

1 Takeda's vitality index, defined as the revenue contribution from products commercialized in the last five years, is 1.7% for our FY ending March 2024 (vs 5.8% for the prior year). This drop was due to Takhzyro launched more than 5 years ago. This includes key contributions from our oncology, rare disease and vaccine portfolios, such as from Zejula, Fruzaqla, Livtencity, Dengue vaccine.

2 The scope of this data is U.S. only and includes both enforced and voluntary recalls. See FDA's [website](#) for definition of class I and class II recall

3 Until FY22, figures include numbers of multiple audits conducted on the same supplier.

4 Please refer to [Global CSR Program](#) for further details.

Takeda Financial Year 2023¹ Spending Related to Public Policy in the United States of America, European Union, and Japan² (units: millions JPY)

CATEGORY/METRIC

	FY21 Data	FY22 Data	FY23 Data
Corporate Lobbying Expenditures ^{3,4}	659.8	855.3	713.4 ☹
Political Contributions ⁵	36.6	47.3	45.4 ☹
Trade Association Memberships ^{6,7}	3,782.9	3,858.1	4,130.9 ☹

Takeda FY2023¹ Trade Association Memberships

Below is a list of trade associations in the United States of America, Europe⁸, and Japan to which Takeda makes annual membership payments over 5 million yen.

USA

- Biotechnology Innovation Organization (BIO)
- BIOCUM
- California Life Sciences Association (CLSA)
- Massachusetts Biotechnology Council (MassBio)

- National Health Council
- National Pharmaceutical Council (NPC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Plasma Protein Therapeutics Association (PPTA)

EUROPE

- EuropaBio
- European Confederation of Pharmaceutical Entrepreneurs (EUCOPE)

- European Federation of Pharmaceutical Industries and Associations (EFPIA)
- International Federation of Pharmaceutical Manufacturers and Associations (IFPMA)
- Vaccines Europe
- Les entreprises du médicament (LEEM - France)
- Association of the British Pharmaceutical Industry (ABPI - UK)
- Verband Forschender Arzneimittelhersteller (Vfa - Germany)

- Farmaindustria (Spain)
- Farmaindustria (Italy)

JAPAN

- Japan Pharmaceutical Manufacturers Association (JPMA)
- Kansai Pharmaceutical Industries Association
- Japan Association of Vaccine Industries (JAVI)
- Japan Blood Products Association

1 The period 1 April 2023 – 31 March 2024

2 The United States of America, European Union, and Japan accounted for 84.8% of our revenues in 2024. Conversion of currency and % of revenues has been calculated as per Takeda's FY2023 Q4 Earnings Announcement (1 USD = 144 JPY, 1 EUR = 156 JPY).

3 "Corporate Lobbying Expenditures" means payments to lobbying firms. In the US and EU, it also includes a proportion of the salaries and overheads of employees working in our Washington D.C. and Brussels offices and a proportion of trade association annual membership fees where the trade association attributes a percentage of the fees to activities related to influencing the formulation or implementation of policy or legislation, or the decision-making processes of governments etc.

4 FY2021 data includes a 50% deduction for Brussels office overheads applied to Takeda's disclosure in the EU Transparency Register; this deduction was not applied from FY2022 onwards.

5 "Political Contributions" means payments made directly to political parties, political committees, political fundraising organizations or candidates, or made through organizations such as councils, funds, or committees linked to or supporting specific political parties or candidates. It excludes Takeda's corporate Political Action Committee (TakPAC) in the United States of America which is a segregated fund based on voluntary employee participation.

6 "Trade Association Memberships" means payments for membership of organizations founded and funded by companies in the pharmaceutical, vaccine, or plasma product industries to protect and advance their common interests.

7 For the European Union, includes spend on pan-European trade associations only in FY2021 and FY2022, and on pan-European and French, German, Spanish, Italian, and UK trade associations only in FY2023.

8 For the European Union, includes membership of pan-European trade associations only in FY2021 and FY2022, and of pan-European and French, German, Spanish, Italian, and UK trade associations only in FY2023.



Explanation of ESG Metrics

Statements and Notes on Consolidated FY2023 Environmental, Health and Safety Metrics

Statement of Consolidated Greenhouse Gas (GHG) Emissions Metrics

TOTAL GHG EMISSIONS

Metric	Quantity	Unit
Total GHG Emissions ¹	4,265	Thousand MTCO ₂ e

SCOPE 1 AND 2 GHG EMISSIONS

Metric	Quantity	Unit
Total Scope 1 Emissions	279	Thousand MTCO ₂ e
Scope 1 Emissions from CO ₂	266.5	Thousand MTCO ₂ e
Scope 1 Emissions from CH ₄	0.0	Thousand MTCO ₂ e
Scope 1 Emissions from N ₂ O	0.0	Thousand MTCO ₂ e
Scope 1 Emissions from Refrigerants	12.5	Thousand MTCO ₂ e
Total Scope 2 Emissions (market-based)	33	Thousand MTCO ₂ e
Total Scope 2 Emissions (location-based)	282	Thousand MTCO ₂ e
Total Scopes 1 + 2 (market-based) Emissions	312	Thousand MTCO ₂ e
Biogenic CO ₂ Emissions (Not included in Total Scope 1 Emissions)	2	Thousand MTCO ₂ e

Energy Metrics	Quantity	Unit
Fuel Consumption (scope 1)	4,742	terajoules
Purchased Electricity – Non-Renewable (scope 2)	438	terajoules
Purchased Electricity – Renewable (scope 2)	2,573	terajoules
Onsite Generated Renewable Energy (scope 2)	16	terajoules
Percent Electricity Sourced as Renewable (scope 2)	85	%
Supplied Heating and Cooling (scope 2)	160	terajoules
Total Energy Consumption (scopes 1 and 2)	7,929	terajoules

¹ Total GHG emissions calculated using scope 1 emissions total, scope 2 market-based emissions total and scope 3 emissions (to the extent presented) total

SCOPE 3 GHG EMISSIONS

Scope 3 Emissions by GHG Category	Quantity	Unit
Category 1	2,689	Thousand MTCO2e
Category 2	241	Thousand MTCO2e
Category 3	147	Thousand MTCO2e
Category 4	353	Thousand MTCO2e
Category 5	17	Thousand MTCO2e
Category 6	117	Thousand MTCO2e
Category 7	67	Thousand MTCO2e
Category 10	1	Thousand MTCO2e
Category 12	264	Thousand MTCO2e
Category 15	57	Thousand MTCO2e
Total Scope 3	3,953	Thousand MTCO2e

SUPPLIER ENGAGEMENT

Metric	Quantity	Unit
Scope 3 Emissions from Categories 1, 2 and 4	3,283	Thousand MTCO2e
Scope 3 Emissions from Suppliers Committed to Setting Science-Based Climate Targets [Categories 1, 2 and 4]	1,854	Thousand MTCO2e

VOLUNTARY CARBON OFFSET AND ENERGY ATTRIBUTE CERTIFICATE PURCHASES

Metric	Quantity	Unit
Quantity of Purchased Verified Emissions Reductions (VERs)	5,522	Thousand MTCO2e
Quantity of Purchased Energy Attribute Certificates (EACs)	453,598	Megawatt Hours (MWh)
Percent Electricity as Renewable Including Energy Attribute Certificates (EACs)	100	%
Percentage of Reported FY2022 GHG emissions mitigated by VERs and EACs purchased in FY2023	100	%

GHG Note – Note 1 - General

The accompanying Statement of Consolidated Greenhouse Gas (“GHG”) Emissions Metrics (the “Consolidated GHG Statement”) includes the operations of Takeda Pharmaceutical Company Limited and its consolidated subsidiaries (referenced hereafter as “Takeda” or “the Company”). The Consolidated Statement has been prepared in accordance with the GHG measurement criteria as further described below. If not specifically noted, this Statement and subsequent Notes, which are related to GHG metrics, have been prepared based on the Company’s fiscal reporting year 2023, which runs from 1 April 2023 through 31 March 2024. Where applicable, base year environmental data has also been reported based on the applicable fiscal year.

BASIS OF PRESENTATION

As used in this document, GHG Emissions Inventory refers to the lists of emission sources and associated emissions quantified using standardized methods. The Scope 1 GHG Emissions Inventory, which includes all GHG emissions that occur from sources under the Company’s operational control, was developed in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition authored by World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD).

The Scope 2 GHG Emissions Inventory, which accounts for all GHG emissions from the generation of purchased energy (for example, electricity, steam) consumed by the Company was prepared in accordance with the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard authored by WRI and WBCSD.

Scope 3 GHG Emissions Inventory, which includes the indirect emissions occurring both upstream and downstream within the Company’s value chain, was prepared in accordance with the GHG Protocol Corporate Value Chain (Scope 3), Accounting and Reporting Standard authored by WRI and WBCSD.

Collectively, the GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard and the GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard are referred to as the “GHG Protocol” in this document.

All metrics are defined further in GHG Note 2 and GHG Note 3.

ESTIMATION UNCERTAINTIES

Data used in the preparation of the Statement of Consolidated GHG Emissions are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires making estimates and assumptions that affect amounts reported. The Company bases these estimates, including methodologies to calculate GHG emissions, on publicly available information, site-level information, and various other assumptions that we believe to be reasonable.

The preparation of the Consolidated Statement requires making estimates and assumptions that affect amounts reported. The Company bases these estimates, including methodologies to calculate GHG emissions, on available information and various other assumptions that it believes to be reasonable.



GHG Note 2 – Organizational and Operational Boundaries

ORGANIZATIONAL BOUNDARIES

The Company has selected the operational control approach as the consolidation approach to define the organizational boundaries for its GHG Inventory. Accordingly, the Company includes GHG emissions from all owned sites and leased facilities over which Takeda has operational control to introduce and implement operating policies (except where specifically excluded as described in our operational boundaries below) and excludes those from minority-owned joint ventures over which the company does not have operational control for scopes 1 and 2 reporting.

OPERATIONAL BOUNDARIES – SCOPES 1 AND 2 INVENTORY

Takeda Owned Assets

The Company's GHG Inventory includes scope 1 and 2 emissions from Takeda-owned commercial and industrial assets including manufacturing sites, R&D facilities, plasma collection centers, office spaces, and warehouses. This includes associated scope 1 emissions from the on-site use of fossil fuels and refrigerants, and scope 2 emissions from purchased electricity, heat, steam, and cooling.

Excluded from the inventory are residential properties, undeveloped land, improved land with no recognized GHG emissions sources, and newly constructed or under construction facilities that are

not yet under the Company's operational control.

Leased Assets

The Company includes leased assets that fall under the "right-of-use" definition (as defined by the International Accounting Standards Board in International Financial Reporting Standard 16) in scope 1 and 2 emissions reporting. With the exception of the BioLife subsidiary, which includes all leases regardless of duration or value, short-term leases (duration less than 12 months) and small value lease contracts (total value less than \$5,000 USD/668,000 JPY) are excluded from the inventory.

OPERATIONAL BOUNDARIES – SCOPE 3 INVENTORY

The Company's scope 3 GHG Inventory includes emissions from the following GHG Protocol categories: Category 1: Purchased Goods and Services, Category 2: Capital Goods, Category 3: Fuel and Energy-Related Activities (not included in scope 1 or 2), Category 4: Upstream Transportation and Distribution, Category 5: Waste Generated in Operations, Category 6: Business Travel, Category 7: Employee Commuting, Category 10: Processing of Sold Products, Category 12: End-of-Life Treatment of Sold Products and Category 15: Investments.

The Company excludes Category 8: Upstream Leased Assets because emissions from leased assets are

accounted for under scopes 1 and 2. The Company also excludes Category 13: Downstream Leased Assets since leasing facilities is not in Takeda's business model and there are no known Takeda-owned assets that are leased to other entities during the reporting period. The Company excludes Category 9: Downstream Transportation and Distribution as Takeda's downstream transportation and distribution is not believed to cause more than de minimis emissions and transportation of products from Takeda to customers is included in Category 4. The Company excludes Category 11: Use of Sold Products because the use of the Company's sold products is not believed to cause more than de minimis emissions, if any, and excludes Category 14: Franchises because the Company does not operate franchises.

GHG REPORTING PERIOD

Reporting Period

The reporting period for current year GHG emissions and energy use is fiscal year 2023.

Carbon offsets and renewable energy certifications are purchased each year to neutralize GHG emissions and energy use from the previous year; the reporting year for metrics associated with carbon neutrality is fiscal year 2022.

Recalculation and Restatement of Previous Year Emissions Data

In accordance with the GHG Protocol, the Company established a process for

recalculating GHG emissions for previous years and set a significance threshold of +/- 5%. This threshold applies to both aggregated scope 1 and scope 2 (location-based) emissions and scope 3 emissions. The Company reviews prior year emissions on an annual basis and has restated previous years' emissions to account for structural changes in the Company (for example, acquisitions and/or divestitures) and revisions in accounting methodologies or emission factors. This recalculation of GHG emissions is performed in accordance with the GHG Protocol "same-year/all-year" approach.

GHGs Included in the Inventory

Emissions data are provided in metric tonnes (MT) for each GHG separately and reported as both individual and aggregated total emissions in thousands of MT CO₂e. The Company assesses the emissions from all applicable Kyoto GHGs, which are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFCs). Other Kyoto GHGs, including perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃), are not considered as they are not applicable to the Company's operations. Takeda additionally assesses the emissions from all applicable Montreal GHGs that are applicable to Takeda's operations.

The Global Warming Potentials from the Intergovernmental Panel on Climate Change (IPCC) fifth assessment report (AR5), 100-year time horizon were used to convert the gases into CO₂e, if not otherwise specified.

GHG Metrics Definitions, Emission Factors, and Calculation Methods

METRIC DEFINITIONS

Metric	Definition
Total Scope 1 Emissions	Sum of total GHG emissions from company-owned generators, heaters, boilers, vehicles, and refrigerants.
Fuel Consumption	The sum in energy units of all fuel used in the current reporting year (including natural gas reported and estimated, diesel, heavy oil, LPG, propane, gasoline, biogenic fuels and gases, from the current fiscal year, excluding company fleet fueled offsite)
Biogenic CO2 Emissions (not included in Total Scope 1 Emissions)	Direct CO2 emissions from the combustion of biologically sequestered carbon. Note: associated CH4 and N2O emissions are included in Total Scope 1 Emissions
Total Scope 2 Emissions - Market-Based	Market-based purchased electricity plus emissions from all other purchased energy (for example, steam, district heat or cooling water)
Total Scope 2 Emissions - Location-Based	Location-based purchased electricity plus emissions from all other purchased energy (for example, steam, district heat or cooling water)
Total Scopes 1 + 2 (market-based) Emissions	Sum of Total Scope 1 Emissions plus Total Scope 2 Emissions (market-based)
Purchased Electricity (Non-Renewable)	All electricity purchased subtracting Purchased Electricity (Renewable)
Purchased Electricity (Renewable)	Electricity derived from natural sources that are replenished at a higher rate than can be consumed (for example, from solar, wind, hydro, etc.)
Onsite Generated Renewable Energy	Renewable energy that is physically generated within the Company's property boundary. Currently, this includes only solar electricity.
Percent Electricity Sourced as Renewable	Calculated as per total renewable electricity divided by the sum of renewable and non-renewable purchased electricity
Supplied Heating and Cooling	Includes district heating and cooling plus purchased steam
Total Energy Consumption	Sum of all fuel sources (stationary and mobile) and electricity (excluding fuel consumed by company fleet and refrigerants)

SCOPE 1 AND SCOPE 2 EMISSION FACTORS AND CALCULATION METHODS

The table below describe the GHG emission factors used by the Company, the applicable reference sources cited, and calculation methods used for each emission source included within the operational boundary.

EMISSIONS SCOPE	SOURCE DESCRIPTION AND UNDERLYING DATA	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
Scope 1	Stationary combustion sources (for example, boilers, generators, space heaters) Service invoices consolidated in the Company's environmental metrics database Emissions from small offices with less than 100 full-time occupants are estimated using emission factors from the Commercial Building Energy Consumption Survey (CBECS) (EIA, 2018)	EPA, Emission Factors for Greenhouse Gas Inventories, April 2022 GHG Protocol, Emission Factors for Cross Sector Tools V2.0, March 2024	Emissions from generators, heaters, and boilers under the Company's operational control are calculated by multiplying fuel volumes consumed by the corresponding emission factors.
	Mobile combustion sources (Vehicles, mobile generators) Service invoices consolidated in the Company's environmental metrics database	US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022	Vehicle emissions are calculated by multiplying fuel volumes consumed by the corresponding emission factors.
	Fleet (Company-owned or operated vehicles that are fueled offsite) Fuel usage or mileage driven reported by country fleet managers	Manufacturer's provided vehicle emission factors USEPA, 'Comparison: Your Car vs. an Electric Vehicle', April 2024. International Energy Agency (IEA), Emissions Factors 2023, September 2023	To calculate fleet Scope 1 emissions, manufacturer's provided vehicle emissions factors are multiplied by the miles driven or contract miles. When vehicle emission factor data are not available for a specific vehicle, it may be estimated based on an average of similar vehicles. If vehicles are electric, a usage of 0.37 kwh/mile is assumed. The IEA factors are used for emissions and are accounted for under scope 2 emissions.
	Refrigerants Quantity of refrigerants used to replace refrigerant losses as reported by sites and consolidated in the Company's environmental metrics database	GWP from IPCC (see reference Greenhouse Gases Included in the Inventory section)	Emissions from refrigerants are estimated based on the quantity of refrigerants used to replace refrigerant losses as reported by sites and consolidated in the Company's environmental metrics database. The quantity of each refrigerant is multiplied by the respective GWPI00 AR5 value to calculate the CO2e.
Direct CO2 from biogenic fuels / gases not included in Total Scope 1	Stationary combustion Service invoices consolidated in the Company's environmental metrics database	Supplier Provided Factors	Direct CO2 emissions from the combustion of biologically sequestered carbon are not included in the Total Scope 1, but are reported separately, as per the GHG Protocol. The direct methane and nitrous oxide emissions are included in the corporate scope 1 inventory, and inside of the Company's GHG reduction target boundaries.



EMISSIONS SCOPE	SOURCE DESCRIPTION AND UNDERLYING DATA	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
Scope 2	<p>Purchased Electricity</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p> <p>Emissions from small offices with less than 100 full-time occupants are estimated using emission factors from the Commercial Building Energy Consumption Survey (CBECS) (EIA, 2018)</p>	<p>US EPA, Emissions & Generation Resource Integrated Database (eGRID), January 2024</p> <p>International Energy Agency (IEA), Emissions Factors 2023, September 2023</p>	<p>Location-Based emissions are calculated by multiplying electricity usage at the location with geographical emission factors; US: EPA; all other countries: IEA.</p> <p>Market-based emissions are estimated for companies that use contractual instruments, and the Company utilizes the data hierarchy outlined in the GHG Protocol. The instruments used include EACs, green electricity certificates and PPAs.</p> <p>The Company uses the market-based method for tracking progress towards its GHG emissions reduction goals.</p>
	<p>District Heating Water</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p>	<p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>This is calculated by multiplying the energy quantity purchased by a supplier specific emission factor, if available, or the EPA factors divided by 0.8 to account for transmission loss.</p>
	<p>Purchased Steam</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p>	<p>Supplier Provided Factors</p> <p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>This is calculated by multiplying the energy quantity purchased by a supplier specific emission factor, if available, or the EPA factors.</p>
	<p>District Cooling Water</p> <p>Utility invoices consolidated in the Company's environmental metrics database</p>	<p>US EPA, Emissions & Generation Resource Integrated Database (eGRID), January 2024</p> <p>International Energy Agency (IEA), Emissions Factors 2023, September 2023</p> <p>(Thomas Hartman, 2001) All-Variable Speed Centrifugal Chiller Plants</p>	<p>This is calculated by multiplying the energy quantity purchased by the IEA or EPA emission factor divided by the coefficient of performance, 5.</p> <p>* The emissions calculation assumes a Coefficient of Performance (COP) factor of five for the chiller (including pumps and fans)</p> <p>(Thomas Hartman, 2001).</p>
	<p>Third-Party Operated On-Site Fuel Cells</p> <p>Third party reported energy consumed</p>	<p>US EPA, Emission Factors for Greenhouse Gas Inventories, April 2022</p>	<p>Calculated using the vendor provided emissions and included in Total Scope 2 Emissions (market and location-based).</p>

SCOPE 3 EMISSION FACTORS AND CALCULATIONS METHODS

CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
<p>Category 1: Purchased Goods and Services</p>	<p>Includes all purchases related to goods and services not otherwise included in the other upstream scope 3 emissions categories (i.e., category 2 through category 8).</p> <p>Data sources include the Company's procurement databases and Bank of America credit card purchasing reports.</p> <p>Filtration material composition and weights were obtained from supplier websites and publicly available data sources.</p>	<p>United States Environmental Protection Agency. (2023). SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv (Version 1.2) [Data set]. U.S. EPA Office of Research and Development.</p> <p>Ecoinvent. (2023). Ecoinvent 3.9.1 Pré. (2023). SimaPro.</p> <p>Custom Life Cycle Assessments (LCAs) or carbon footprint analyses performed on Takeda's (or similar) products and raw materials were used to derive emission factors, including through use of a third-party's Eco-design Tool.</p> <p>Custom life cycle assessments were conducted and emission factors were also developed by an external party for packaging and filtration materials.</p> <p>European Commission, Joint Research Centre, Manfredi, S., Aurambout, J., Torres De Matos, C. (2016). Environmental sustainability assessment of bioeconomy products and processes: progress report 2, (S.Manfredi, editor, B.Kavalov, editor) Publications Office.</p> <p>Association of the British Pharmaceutical Industry (ABPI) / Carbon Trust. (2023). Blister Pack Carbon Evaluation Tool (Version 1.2). ABPI.</p> <p>Settanni, E., Srail, J., Yatskovskaya, E., & Harrington, T. (2017). Exploring Generalisations for Sustainability Assessment in Medicine Manufacturing Networks. EurOMA.</p>	<p>Purchasing activity for goods and services were used to calculate emissions using both spend and activity-based methodologies.</p> <p>For goods related to BioLife centers and raw materials, emissions were calculated by multiplying the mass of purchased material by emission factors based on the IPCC 2013 GWP100 characterization method and sourced from either ecoinvent 3.9.1, publicly available emission factors/LCAs/carbon footprint studies, or custom LCAs/carbon footprint studies conducted by a third party.</p> <p>Emissions associated with professional services were estimated using emission factors developed for high-spend suppliers. These factors were generated using a market-based approach and based on publicly available supplier emissions and revenue data obtained from environmental sustainability reports and financial statements, subject to certain validation criteria. A spend-based (i.e., EEIO) emission factor was applied to the spend for remaining professional services suppliers.</p> <p>Similarly, emissions associated with Events & Sponsorships, Facilities & Related Services, Information Technology, Market Research, and Travel services were estimated by an external party using market-based emission factors for high-spend suppliers using publicly available supplier emissions and revenue data. Spend-based (i.e., EEIO) emission factors were applied to the spend for remaining suppliers within each category.</p> <p>Custom emission factors were developed by a third party for the following high-spend packaging types: molded glass and vials, folding cartons, labels, rubber stoppers, blisters, leaflets, plastic bottles, and plastic lids. Life cycle assessments were conducted using material and processing datasets from SimaPro based on Company bills of materials, which included packaging weights and materials, across several Company products. Emission factor averages for each packaging type were applied to material descriptions not matched to a specific packaging configuration. Energy requirements for sterilization of vial packaging, vials' emission factors, and an uplift factor were determined using data from Zimek and Kaluska (1998).</p>



CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
Category 1: Purchased Goods and Services		<p>Alviz, P., & Alvarez, A. (2017). Comparative life cycle assessment of the use of an ionic liquid ([Bmim]Br) versus a volatile organic solvent in the production of acetylsalicylic acid. <i>Journal of Cleaner Production</i>, 168, 1614-1624.</p> <p>Zimek, Z. & Kaluska, I. (1998). Economical aspects of radiation sterilization with electron beam.</p> <p>Emission factors for high-spend suppliers of services (i.e., Professional Services, Events & Sponsorships, Facilities & Related Services, Information Technology, Market Research, and Travel) were derived from publicly reported data (i.e., GHG emissions and revenue).</p>	<p>Custom emission factors were developed by a third party for the following high-spend filtration materials within the Company's procurement data: viral filters, depth filters, membrane liquid filters, and filter aids. Material and processing datasets from SimaPro were used. Material composition and weights were obtained from supplier websites and publicly available data sources. Research was conducted on energy requirements for sterilization of packaging (Zimek and Kaluska (1998)), and an uplift was applied to the filters' emission factors. When a material description did not match a specific product for which a custom emission factor had been developed, an average emission factor was applied based on the material's product type.</p> <p>A spend-based method was used to estimate emissions for the remaining purchasing activity accounting for ~84% of FY23 spend. An environmentally extended input-output model was used to estimate emissions here, whereby each spend value was multiplied by an EEIO factor related to a given purchase category.</p>
Category 2: Capital Goods	<p>Includes all purchases related to capital goods.</p> <p>The Company's procurement databases were used as the data source.</p>	<p>United States Environmental Protection Agency. (2023). <i>SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv</i> (Version 1.2) [Data set]. U.S. EPA Office of Research and Development.</p>	<p>Spend-based (i.e., EEIO) emission factors were applied to purchasing activity related to capital goods.</p>
Category 3: Fuel and Energy- Related Activities (not included in scope 1 or 2)	<p>Includes emissions related to the production and distribution of fuel and energy, which were estimated based on the Company's fuel consumption and energy usage data consolidated in the Company's environmental metrics database</p>	<p>DEFRA. (2023; 2021 for non-UK WTT emission factors). UK Government GHG Conversion Factors for Company Reporting. United Kingdom: UK Government GHG Conversion Factors for Company Reporting. Accessed April 10, 2024 from IEA (2023). (2023 emission factors)</p>	<p>Emissions associated with this category were calculated by multiplying the Company's fuel consumption and energy usage data related to sites and fleet by applicable emission factors from the IEA and UK government DEFRA.</p>
Category 4: Upstream Transportation and Distribution	<p>The Company's procurement databases are used as the data source. These include purchases related to third-party transportation and logistics services for inbound and outbound transportation, as well as third-party transportation services between Company facilities.</p>	<p>United States Environmental Protection Agency. (2023). <i>SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv</i> (Version 1.2) [Data set]. U.S. EPA Office of Research and Development.</p>	<p>Spend-based (i.e., EEIO) emission factors were applied to purchasing activities related to distribution and logistics.</p>

CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
<p>Category 5: Waste Generated in operations</p>	<p>Data sources include all non-regulated and regulated waste treatment methods and exclude third-party wastewater treatment.</p> <p>Data is based on waste data consolidated in the Company's environmental metrics database.</p>	<p>DEFRA (2023; 2021 for non-UK WTT emission factors). UK Government GHG Conversion Factors for Company Reporting. United Kingdom: UK Government GHG Conversion Factors for Company Reporting. The "recycled content method" was used.</p> <p>The Global Warming Potentials used to calculate the DEFRA factors for waste disposal methods follow both the IPCC fourth assessment report (AR4) and the IPCC fifth assessment report (AR5).</p> <p>Ecoinvent. (2023). Ecoinvent 3.9.1</p>	<p>The emissions from this category were calculated by multiplying the mass of waste per waste treatment method by the appropriate emission factor.</p> <p>Ecoinvent v3.9.1 emission factors were used for waste sent to incineration without energy recovery including transport. DEFRA emission factors were used for all other waste treatments.</p> <p>Except for waste sent to incineration without energy recovery, the emissions from the transportation of the waste to the waste treatment facilities were included in the emission factors. A transportation distance of 50 km was assumed as a conservative estimate for waste sent to incineration without energy recovery.</p>
<p>Category 6: Business Travel</p>	<p>Includes all business travel booked within the Company's third-party booking system for flights, rental cars, and hotels.</p> <p>Business travel data is provided by the Company's third-party booking vendors.</p>	<p>DEFRA (2023; 2021 for non-UK WTT emission factors). UK Government GHG Conversion Factors for Company Reporting. United Kingdom: UK Government GHG Conversion Factors for Company Reporting.</p>	<p>A distance-based method was used for flights and rental cars using data provided by the travel booking vendor. Airplane travel was multiplied by an emission factor that considered flight class and haul length. Vehicle travel distance was multiplied by an emission factor that considered vehicle type and fuel type.</p> <p>Hotel data was also provided by the travel booking vendor. Number of hotel night stays were multiplied by an emission factor specific to the country in which a hotel was located. For countries in which no hotel emission factor was available, an average emission factor was applied based on the region in which a hotel was located.</p> <p>Emissions from bus, rail, and taxi/ride-share were not included.</p>

CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
Category 7: Employee Commuting	<p>Includes commuting emissions from all employees registered in Takeda's Human Capital Management platform excluding interns and employees on leave. Contractors were also excluded.</p> <p>Employee counts and employee locations came from the Company's Human Capital Management platform.</p>	<p>DEFRA (2023; 2021 for non-UK WTT emission factors) UK Government GHG Conversion Factors for Company Reporting. United Kingdom: UK Government GHG Conversion Factors for Company Reporting.</p>	<p>Employee commuting emissions were calculated using average commuting distances and transportation modes specific to countries in which employees were based. Country-specific commuting data was obtained from publicly available sources or business intelligence platforms. Commuting data for the Company's location in Cambridge, Massachusetts was obtained through a survey of the Company's workforce at that location.</p> <p>Emission factors for the respective modes of transit were multiplied by commuting distances to arrive at the reported emissions.</p> <p>It was assumed that all employees commuted five days a week and 46 weeks per year.</p> <p>Employees working from home or working remotely were assumed to commute to an office following the above rules.</p> <p>Emissions associated with contractors, interns, and employees on leave were excluded.</p>
Category 8: Leased assets	EXCLUDED – This category is excluded as emissions from leased assets are accounted for under scopes 1 and 2.		
Category 9: Downstream Transportation and Distribution	EXCLUDED – This Category is excluded as Takeda's downstream transportation and distribution is not believed to cause more than <i>de minimis</i> emissions. Transportation of products from Takeda to customers is included in Category 4.		
Category 10: Processing of Sold Products	<p>Includes the emissions from processing of intermediate products by third parties after sale.</p> <p>API volumes sold were provided by the Hikari and Grange Castle manufacturing sites.</p>	<p>Custom LCAs/carbon footprint assessments performed on Takeda's (or similar) products and raw materials by a third party.</p> <p>Ecoinvent. (2023). Ecoinvent 3.9.1 Pré. (2023). SimaPro.</p>	<p>Processing of sold products emissions were calculated by multiplying API shipment weights by emission factors covering the final manufacturing steps based on an existing product LCA for a similar Takeda product. The emission factors were adapted and applied based on the countries to which the APIs were shipped.</p> <p>It was assumed that the API was formatted into tablets and packed in blister packs, without losses.</p>
Category 11: Use of Sold Products	EXCLUDED – This Category is excluded as the use of the Company's sold products is not believed to cause more than <i>de minimis</i> emissions.		

CATEGORY	DESCRIPTION OF THE TYPES AND SOURCES OF DATA USED TO CALCULATE THE EMISSIONS	EMISSIONS FACTOR	CALCULATION METHOD AND ASSUMPTIONS
Category 12: End-of-Life Treatment of Sold Products	<p>Includes the emissions associated with the disposal of the packaging material of the sold products</p> <p>Sales data was taken from the Company's ERP software solution.</p>	<p>Ecoinvent (2023). Ecoinvent 3.9.1</p> <p>DEFRA. (2023; 2021 for non-UK WTT emission factors). UK Government GHG Conversion Factors for Company Reporting. United Kingdom: UK Government GHG Conversion Factors for Company Reporting.</p> <p>Pré. (2023). SimaPro.</p>	<p>Primary, secondary, and tertiary packaging masses were determined by multiplying average mass of each product (by SKU) by the number of sold SKUs.</p> <p>Emissions from disposal of secondary and tertiary packaging were estimated by multiplying the packaging mass with emission factors according to Pré's country specific municipal waste scenarios (accessed through SimaPro with data sources documented in each country's scenario process). Emissions from disposal of primary packaging were estimated by multiplying the total primary packaging mass by the emission factors for hazardous waste incineration.</p> <p>Included were all product types for which data on primary, secondary, and tertiary packaging was available, including the mass and number of SKUs per shipping carton and pallet. Unused products were excluded, as data on these quantities was not available.</p>
Category 13: Leased Assets	EXCLUDED – This category is excluded as emissions from leased assets are accounted for under scopes 1 and 2.		
Category 14: Franchises	EXCLUDED – This category is excluded as the Company does not operate franchises.		
Category 15: Investments	<p>Includes emissions associated with investments not included in Scopes 1 and 2.</p>	<p>United States Environmental Protection Agency. (2023). SupplyChainGHGEmissionFactors_v1.2_NAICS_CO2e_USD2021.csv (Version 1.2) [Data set]. U.S. EPA Office of Research and Development.</p>	<p>Investment emissions were calculated using the average data method. Emissions were accounted for based on Takeda's share of equity in portfolio companies, including all public and private investments in which Takeda holds a minimum five percent ownership. Takeda holds no equity ownership in a company exceeding 50%. Bonds and other debt securities were excluded, as there were no debt investments with known use of proceeds.</p> <p>Public company valuations were determined from each company's most recently available online financial report. Private company valuations were determined by using the asset-based approach defined by the Partnership for Carbon Accounting Financials (PCAF, 2024). This approach was used in part since the Company's private investments consist primarily of early stage and pre-revenue startup companies. Total assets were determined from private companies' most recently available balance sheets.</p>

Scope 3 Methodological Changes

The following methodological changes were made for the reporting of Scope 3 emissions during the reporting year:

- Within category 1, inclusion of purchased goods related to in-licensing and distribution agreements, where the IP is owned by a third-party and Takeda is typically responsible for the distribution of these goods in certain territories. This category of activities had been excluded in the prior reporting year.
- Within category 1, adjustment of emission factors for high-spend activities within the following procurement categories: raw materials, contract manufacturing services, packaging materials, and filtration materials. This reporting year a third party

conducted streamlined carbon footprint assessments of high-spend materials within the above categories based on primary data provided by the Company, data available in patents, material composition and weights from supplier websites, and other publicly available. The resulting emission factor values were in some cases considerably smaller (e.g., active pharmaceutical ingredients purchased as raw materials that had been previously overestimated) and in other cases considerably larger (e.g., contract manufacturing services for manufacturing of certain products) than in prior reporting years. Additionally, supplier-specific emission factors were added this year for a larger group of high-spend suppliers providing services, such as consulting, accounting, legal,

employee management, market research, banking, and maintenance and operation of facilities. Publicly available, supplier-specific financial and emissions data were used to generate emission factors for professional services, facilities and related services, and services related to information technology, market research, and travel.

- Within category 6, addition of hotel impacts.
- Within category 7, refinement of (1) annual number of days commuted to a work office or site and (2) mode of commute transport based on a commuting survey distributed to Cambridge, Massachusetts employees. Generic assumptions were otherwise applied to employees not based in Cambridge that characterize commuting habits

based on the country from which employees work.

- Inclusion of Category 15, which was added this year per guidance from the Science-Based Target Initiative (SBTi).

SUPPLIER ENGAGEMENT METRICS, SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data used to calculate emissions	Calculation Method and Assumptions
Scope 3 Emissions from Categories 1, 2 and 4	Resulting emissions from the calculation of scope 3 categories 1, 2 and 4.	Calculated as the sum of scope 3 categories 1, 2, and 4.
Scope 3 Emissions from Suppliers Committed to Setting Science-Based Climate Targets [Categories 1, 2 and 4]	Resulting emissions from the calculation of scope 3 categories 1, 2 and 4. The Science-Based Target initiative (SBTi) website and written assertion to the Company from representatives of companies whose emissions are included in the Company's scope 3 categories 1, 2 and 4 emissions.	Calculated as the sum of scope 3 categories 1, 2 and 4 from suppliers committed to setting science-based climate targets.

GHG Note 3 – Voluntary Carbon Offsets and Energy Attribute Certificate Purchases

The Company purchased carbon offsets and energy attribute certificates in FY23. Offsets were purchased and are reported

with a one-year delay – thus the information presented herein corresponds to offsets purchased in FY2023 to compensate for FY2022

GHG emissions. Offsets purchased to compensate for non-electricity based emissions are not considered

when consolidating and reporting the Company’s reported emissions.

Metric	Definition
Percentage purchased verified emissions reductions (VERs)	VERs are greenhouse gas emissions reduction certificates with environmental benefits equivalent to one metric tonne of carbon dioxide, that complies with the Environmental Attribute Standard. After purchase, the Company is the exclusive owner of the emissions reduction.
Purchased energy attribute certificates (EACs)	EACs are purchased to compensate for electricity-based scope 2 emissions that have not been eliminated through site conservation or renewable energy transition initiatives. EACs may be purchased during the year by sites from local utility providers or at the end of the year through a centralized process.
Percent electricity as renewable including energy attribute certificates (EACs)	Calculated as the sum of purchased renewable electricity and purchased EACs divided by the sum of purchased renewable and non-renewable electricity multiplied by 100.
Percentage reported GHG emissions mitigated by purchased VERs and EACs	Calculated as the sum of VERs and EACs purchased in FY2023 divided by the FY2022 Total Scope 1, Total Scope 2 (market), and Total Scope 3 GHG emissions multiplied by 100.

Statement of Consolidated Water Metrics

WATER WITHDRAWALS AND DISCHARGE

Metric	Quantity	Unit
Total Freshwater Withdrawal in Current Year	10,761	Thousand m3
Water Discharged	8,374	Thousand m3
Water Consumed	2,387	Thousand m3

WATER RISK

Metric	Quantity	Unit
% of Manufacturing sites located in areas considered to have “high” or “extremely high” water risk	31	%
Water withdrawal in areas with “high” or “extremely high” water risk	1,720	Thousand m3
Water withdrawal in areas with “high” or “extremely high” water risk as % of total water withdrawal	16	%
Water consumed in areas with “high” or “extremely high” water risk	259	Thousand m3
Water consumed in areas with “high” or “extremely high” water risk as % of total water consumption	11	%

Water Note 1

The accompanying Statement of Consolidated Water Metrics includes the Company's operations as previously described in GHG Note 2. This statement has been prepared in accordance with accepted principles and methods as further described below.

BASIS OF PRESENTATION

Takeda Owned Assets

The Company includes water withdrawals, discharges and consumption and assesses water risk at all owned sites over which Takeda has operational control to introduce and implement operating policies during the reporting year. Specifically excluded from these metrics are offices with fewer than 400 full time equivalent occupants, residential properties, undeveloped land independent of area (for example, botanical gardens), subleased sites, and parking lots and garages.

Leased Assets

The Company also includes all leased sites that fall under the "right-of-use" definition (as defined by the International Accounting Standards Board in International Financial Reporting Standard 16) in water reporting. Short-term leases (duration less than 12 months) are excluded as well as low value lease contracts (total value less than \$5,000 USD/668,000 JPY). When a leased asset is divested or acquired during a reporting period, the Company accounts for its water proportionally to the duration it was under its operational control during the reporting period.

Estimation Uncertainties

Water withdrawal, discharge and consumption data used in the preparation of the Statement of Consolidated Water Reporting are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate water metrics, on publicly available information, site-level information, and various other assumptions that we believe to be reasonable.

Reporting Period

The reporting period for these metrics is fiscal year 2023.

Recalculation and Restatement of Previous Year Water Data

The Company has established a policy to recalculate water metrics for previous years if a significance threshold of +/- 5% is reached for aggregated water withdrawal or water discharge metrics.



WATER WITHDRAWAL AND DISCHARGE METRICS, SOURCES AND CALCULATION METHODS

Definitions

Metric	Definition
Manufacturing sites located in areas considered to have “high” or “extremely high” water risk	The Company’s manufacturing site locations are screened with the WRI Aqueduct and WWF Water Risk Filter tools. Sites are assigned rankings based on an aggregate quantification of water stress risk as identified by each tool. Those with a “high” or “extremely high” preliminary risk status undergo a Watershed specific risk validation study to confirm whether the findings from the WRI and WWF tools, which analyze risk at the watershed level, are representative of risks felt at the site level.

Metric Sources and Calculation Methods

Metric	Description of the types and sources of data used to determine water risk	Calculation Method and Assumptions
Total Freshwater Withdrawal in Current Year	Water volume data from site metering and water invoices are reported to the Company’s environmental metrics database	<p>Calculated as the sum of all reported freshwater withdrawal during the reporting period.</p> <p>Freshwater is defined as having less than or equal to 10,000 mg/L of total dissolved solids. If not specified otherwise, the Company considers all water obtained from surface waters, groundwater, or third parties to be freshwater.</p> <p>Recycled water, recycled wastewater, and other non-freshwater are excluded.</p>
Water Discharged	Water volume data from site metering and water invoices data are reported to The Company’s environmental metrics database	<p>Calculated as the sum of all reported water discharged during the reporting period.</p> <p>Defined as sum of water flow volumes that leave the organizational boundary of sites at measured discharge points, and includes waters discharged to surface waters, groundwater, the sea or third parties.</p> <p>Excluded from this metric is wastewater sent for off-site incineration and any wastewater effluent generated from the treatment of contaminated groundwater as part of a site remediation activity (cleanup).</p>
Water Consumed	Water volume data from site metering and water invoices data are reported to The Company’s environmental metrics database	Calculated as the sum of all reported freshwater withdrawal during the reporting period minus the sum of all reported water discharged during the reporting period.

MANUFACTURING SITES IN “HIGH” OR “EXTREMELY HIGH” WATER RISK AREAS SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data used to determine water risk	Calculation Method and Assumptions
Percent of manufacturing sites located in areas considered to have “high” or “extremely high” water risk	The Company’s manufacturing sites’ locations and WRI Aqueduct, WWF-DEG Water Risk Filter, Watershed specific studies	Calculated by dividing the number of sites with a validated “high” or “extremely high” water risk status by the total number of manufacturing sites and multiplying by 100.
Water withdrawal in areas with “high” or “extremely high” water risk	Water volume data from site metering and water invoices data are reported to The Company’s environmental metrics database The Company’s manufacturing sites’ locations and WRI Aqueduct, WWF-DEG Water Risk Filter, Watershed specific studies	Calculated as the sum of all reported freshwater withdrawal at sites that have a validated “high” or “extremely high” water risk status during the reporting period.
Water withdrawal in areas with “high” or “extremely high” water risk as % of total water withdrawal	Water volume data from site metering and water invoices data are reported to The Company’s environmental metrics database The Company’s manufacturing sites’ locations and WRI Aqueduct, WWF-DEG Water Risk Filter, Watershed specific studies	Calculated as the sum of all reported freshwater withdrawal at sites that have a validated “high” or “extremely high” water risk status during the reporting period divided by the sum of all reported freshwater withdrawal across all sites during the reporting period and multiplying by 100.
Water consumed in areas with “high” or “extremely high” water risk	Water volume data from site metering and water invoices data are reported to The Company’s environmental metrics database The Company’s manufacturing sites’ locations and WRI Aqueduct, WWF-DEG Water Risk Filter, Watershed specific studies	Calculated as the sum of all reported water consumed at sites that have a validated “high” or “extremely high” water risk status during the reporting period.
Water consumed in areas with “high” or “extremely high” water risk as % of total water consumption	Water volume data from site metering and water invoices data are reported to The Company’s environmental metrics database The Company’s manufacturing sites’ locations and WRI Aqueduct, WWF-DEG Water Risk Filter, Watershed specific studies	Calculated as the sum of all reported water consumed at sites that have a validated “high” or “extremely high” water risk status during the reporting period divided by the sum of all reported water consumed across all sites during the reporting period and multiplying by 100.

Statement of Consolidated Waste Metrics

WASTE GENERATION AND DIVERSION

Metric	Quantity	Unit
Total Waste Generated	98,520	Metric Tonnes (MT)
Total Regulated Waste Generated	47,060	MT
Total Non-Regulated Waste Generated	51,460	MT
Percent Waste Recycled	37	%
Percent Waste Sent to Landfill	22	%

Waste Note 1

The accompanying Statement of Consolidated Waste Metrics includes the Company’s operations as previously described in GHG Note 1. This statement has been prepared in accordance with accepted principles and methods as further described below.

BASIS OF PRESENTATION

Takeda Owned Assets

The Company includes waste generated from all owned sites over which Takeda has operational control to introduce and implement operating policies during the reporting year.

Leased Assets

The Company includes leased assets that fall under the “right-of-use” definition (as defined by the International Accounting Standards Board in International Financial Reporting Standard 16) in water reporting. Short-term leases (duration less than 12 months) are excluded as well as low value lease contracts (total value less than \$5,000 USD/668,000 JPY). When a leased asset is divested or acquired during a reporting period, the Company accounts for its water proportionally to the duration it was under its operational control during the reporting period.

Exclusions

Specifically excluded from this metric is waste generated as part of construction, demolition, and

environmental remediation activities, and waste generated in offices with occupancies fewer than 400 full time employees. Residential properties, undeveloped land independent of area (e.g., open space, botanical gardens), subleased sites and parking lots and garages are also excluded.

Estimation Uncertainties

Data used in the preparation of the Statement of Consolidated Waste Reporting are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate waste metrics, on publicly available information, site-level information, and various other assumptions that we believe to be reasonable.

Waste Reporting Period

The reporting period for these metrics is fiscal year 2023.

WASTE METRICS SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data used to calculate water volumes	Calculation Method and Assumptions
Total Waste Generated	The information provided by waste vendor (for example, invoice or waste manifest) is generally used for data input to the Company's environmental metrics database	<p>Calculated as the total sum of waste quantities reported in the database</p> <p>Total waste generated is defined as the sum of waste reported at sites where the Company had operational control during the reporting period.</p>
Waste Diverted from Landfills	The information provided by waste vendor (for example, invoice or waste manifest) is generally used for data input to the Company's environmental metrics database	<p>Calculated as the total sum of waste quantities reported as sent to landfill in the database subtracted from total waste generated</p> <p>Landfills are defined as engineered disposal sites where wastes are deposited at or below the ground level.</p>
Total Regulated Waste Generated	The information provided by the waste vendor on the waste invoice is generally used for data input to the Company's environmental metrics database	<p>Calculated by summing the quantities of waste reported as regulated in the database.</p> <p>Waste classifications (i.e., regulated or non-regulated) are based on local regulations and determined by applicable third-party waste manifests, shipment forms, or bills of lading.</p>
Total Non- Regulated Waste Generated	The information provided by the waste vendor on the waste invoice generally is used for data input to the Company's metrics database	<p>Calculated by summing quantities of waste reported as non-regulated in the database.</p> <p>Waste classifications (i.e., regulated or non-regulated) are based on local regulations and determined by applicable third-party waste manifests, shipment forms, or bills of lading.</p>
Percent Waste Recycled	The information provided by the waste vendor on the waste invoice is generally used for data input to the Company's metrics database	<p>Calculated as the sum of non-regulated and regulated waste reported as recycled, divided by the total waste generated multiplied by 100.</p> <p>Recycling is defined as reprocessing products or components of products that have become waste (incl. composting), to make new materials and is determined by the recycling classification on the waste invoice.</p>
Waste Sent to Landfill	The information provided by the waste vendor on the waste invoice is generally used for data input to the Company's metrics database	<p>Calculated by dividing the total waste reported as sent to landfill by the total waste generated and multiplying by 100.</p> <p>Landfills are defined as engineered disposal sites where wastes are deposited at or below the ground level.</p>



Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics

BIODIVERSITY

Metric	Quantity	Unit
Number of sites in or adjacent to protected areas and/or key biodiversity areas	29	Number of sites

ENVIRONMENTAL COMPLIANCE

Metric	Quantity
Number of Written Notices of Violation (NOVs) or Citations Received	7
Total Number of Significant Spills	0

HEALTH AND SAFETY

Metric	Quantity
Total Recordable Incident Rate (TRIR)	1.55
Incidents with Days Lost Rate	0.38
Number of Fatalities	0
Fatality Rate	0

EHS MANAGEMENT SYSTEMS & AUDITS

Metric	Quantity
Number of EHS audits performed	24
% of manufacturing sites certified to ISO 14001	86
% of manufacturing sites certified to ISO 50001	7
% of manufacturing sites certified to ISO 45001	76

Biodiversity Note 1

BASIS OF PRESENTATION

The accompanying Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics include the Company’s operations as previously described in GHG Note 2. In scope for these metrics are all Company owned manufacturing facilities and R&D Centers which Takeda has operational control. Specifically excluded from these metrics are offices, regional centers, and BioLife centers due to the operational low impact activities of those sites. This statement has been prepared in accordance with accepted principles and methods as further described below.

Estimation Uncertainties

Biodiversity data used in the preparation of the Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics Reporting are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate biodiversity metrics, on publicly available information, site-level information, and various other assumptions that we believe to be reasonable.

Reporting Period

The reporting period for biodiversity metrics is fiscal year 2023.

BIODIVERSITY METRICS, SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data	Calculation Method and Assumptions
Number of sites in or adjacent to protected areas and/or key biodiversity areas	<p>Takeda defines “in or adjacent to” as within a 5-kilometer radius of the facility or site.</p> <p>‘Key Biodiversity Areas’ are those contained within the World Database of Key Biodiversity Areas.</p> <p>‘Protected Areas’ are those contained within the World Database on Protected Areas.</p>	Takeda used the Integrated Biodiversity Assessment Tool to evaluate the number of sites that are in or adjacent to protected areas and/or key biodiversity areas.

Environmental Compliance Note 1

BASIS OF PRESENTATION

The accompanying Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics include the Company’s operations as previously described in GHG Note 1. In scope for environmental compliance metrics is any incident reported for the reporting period in which an NOV or citation is issued, or a significant spill occurs at a Takeda-owned or leased site where Takeda has operational control. This statement has been prepared in accordance with accepted principles and methods as further described below.

Estimation Uncertainties

EHS data used in the preparation of the Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics Reporting are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate EHS metric, on publicly available information, site-level information, and various other assumptions that we believe to be reasonable.

Reporting Period

The reporting period for environmental compliance metrics is fiscal year 2023. An incident is reported for the fiscal year period in which the NOV/NOC is issued.

ENVIRONMENTAL COMPLIANCE METRICS, SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data	Calculation Method and Assumptions
Number of Written Notices of Violation (NOVs) or Citations Received	NOVs or NOCs registered in the Company’s Information Management System (beacon)	This includes any environmental NOV or NOC, regardless of the issuance or amount of a fine
Total Number of Significant Spills	Significant spills registered in The Company’s Information Management System (beacon)	All environmental spills/releases which resulted in issued fines of \$100,000 USD or more.

Health and Safety Note 1

BASIS OF PRESENTATION

The accompanying Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics include the Company's operations as previously described in GHG Note 1. In scope for these metrics are all Company employees and Company-supervised contractors who suffer recordable injuries, illnesses, or fatalities because of performing

work-related activities globally. This statement has been prepared in accordance with accepted principles and methods as further described below.

Estimation Uncertainties

EHS data used in the preparation of the Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics Reporting are subject to measurement uncertainties resulting

from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires management to make estimates and assumptions

that affect amounts reported. We base these estimates, including methodologies to calculate EHS metric, on publicly available information, site-level information, and various other assumptions that we believe to be reasonable.

Reporting Period

The reporting period for health and safety metrics is fiscal year 2023.

HEALTH AND SAFETY REPORTING

Metric	Description of the types and sources of data	Calculation Method and Assumptions
Total Recordable Incident Rate (TRIR)	Number of injury/illness cases classified as recordable, and Total Hours Worked as documented in the Company's Information Management System.	<p>Calculated as number of employees per 100 full-time employees that suffered a recordable injury or illness.</p> <p>$TRIR = (\# \text{ of Recordable injuries/illnesses} * 200,000) \text{ divided by the Total } \# \text{ of hours worked by all Takeda employees and Takeda supervised contractors during the current year}$</p> <p>Recordable Incidents are defined as: Death, loss of consciousness, lost time, restricted work or job transfer, medical treatment beyond first aid, significant diagnosed injury or illness. Takeda's definition of a recordable incident is based U.S. OSHA 29 CFR 1904.7 General Recording Criteria.</p> <p>200,000 hours is used to determine the rate as an approximate proxy to number of hours 100 employees would work in a year (100 workers x 40 hours per week x 50 weeks)</p>
Incidents with Days Lost Rate (LTIR)	Number of recordable injury/illness cases with days lost and hours worked as documented in the Company's Information Management System	<p>Calculated as the sum of employees per 100 full-time employees who suffered a lost time injury or illness.</p> <p>$LTIR = (\# \text{ of Incidents with Days Lost} * 200,000) \text{ divided by the Total } \# \text{ of hours worked by all Takeda employees and Takeda supervised contractors during the current year}$</p> <p>Lost time injury/illness is defined as work-related injury or illness where the affected individual is absent from work for at least one full day. Takeda's definition of lost time incidents is based on U.S. OSHA 29 CFR 1904.7 General Recording Criteria.</p>
Number of Fatalities	Number of injury/illness cases classified as a fatality under event classification in the Company's Information Management System.	Defined as a death caused by a work-related EHS event. Takeda's definition of work-related is based on U.S. OSHA 29 CFR 1904.5 Determination of Work-Relatedness.
Fatality Rate	Number of injury/illness cases classified as a fatality and number of hours worked registered in the Company's Information Management System	<p>Defined as the number of employees per 100 full-time that suffered a fatal injury or illness</p> <p>$\text{Fatality Rate} = (\# \text{ of Fatalities} * 200,000) \text{ divide by Total } \# \text{ of hours worked by all Takeda employees and Takeda supervised contractors during the current year}$</p>

EHS Management Systems & Audits Note 1

BASIS OF PRESENTATION

The accompanying Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics include the Company’s operations as previously described in GHG Note 2. In scope for these metrics are all Company owned and operated facilities. This statement has been prepared in accordance with accepted principles and methods as further described below.

Estimation Uncertainties

EHS data used in the preparation of the Statement of Consolidated Other Environment, Health, and Safety (EHS) Metrics Reporting are subject to measurement uncertainties resulting from limitations inherent in the nature and methods for determining such data. The selection of different but acceptable measurement techniques can result in materially different

measurements. The precision of different measurement techniques may also vary.

The preparation of the Consolidated Statement requires management to make estimates and assumptions that affect amounts reported. We base these estimates, including methodologies to calculate EHS metrics, on publicly available information, site-level information,

and various other assumptions that we believe to be reasonable.

Reporting Period

The reporting period for EHS Management System & Audit metrics is fiscal year 2023.

EHS MANAGEMENT SYSTEMS & AUDITS METRICS, SOURCES AND CALCULATION METHODS

Metric	Description of the types and sources of data	Calculation Method and Assumptions
Number of EHS audits performed	The number of EHS audits performed at Takeda by both cEHS Audit (internal) and Takeda’s Third Party Group ISO Certifier. All sites under Takeda operational control are covered by Takeda’s Corporate EHS audit program. An audit is included in this metric if the first day of the audit occurs within the applicable fiscal year.	No additional calculations are applied to this metric.
% of manufacturing sites certified to ISO 14001	The percentage of global manufacturing sites that have a current certification to the ISO 14001 standard as of 31 March of the applicable fiscal year.	The total number of sites that have been certified to the ISO 14001 standard divided by the total number of global manufacturing sites.
% of manufacturing sites certified to ISO 50001	The percentage of global manufacturing sites that have a current certification to the ISO 50001 standard as of 31 March of the applicable fiscal year.	The total number of sites that have been certified to the ISO 50001 standard divided by the total number of global manufacturing sites.
% of manufacturing sites certified to ISO 45001	The percentage of global manufacturing sites that have a current certification to the ISO 45001 standard as of 31 March of the applicable fiscal year.	The total number of sites that have been certified to the ISO 45001 standard divided by the total number of global manufacturing sites.

METRIC AND RESULTS:

New Hire Metrics

- **Total number of new hires (absolute)**
- **New hires for each of the following demographics (absolute and as a % of total new hires):**

	FY23 Data			
	Male	Female	Undeclared	
Total Number of New Hires	3,643	7,435	42	
Percent New Hires	15%	28%		

	Age Group 1: <30	Age Group 2: 30 - 50	Age Group 3: >50	
Total Number of New Hires	5,467	4,792	861	
Percent New Hires	61%	15%	8%	

	Japan	US	EUCAN	GEM
Total Number of New Hires	274	8,119	1,216	1,511
Percent New Hires	5%	36%	8%	19%

Percentage of open positions filled by internal candidates	29%			
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DEFINITION:

These metrics demonstrate the number of new hires by demographic. A new hire is defined as an employee as of March 31, 2024 with a 0-1 year tenure at Takeda (measured from the first day of employment through March 31, 2024).

CALCULATION METHOD:

Calculated as a % of the demographic that is a new hire divided by the total employees within that demographic.

SCOPE:

Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave.

An open position is defined when a requisition is posted for a new role or filling an open role that does not currently exist.

METRIC AND RESULTS:

Diversity, Equity & Inclusion Metrics

	FY23 Data			
	Male	Female		
% Workforce - Manager	57%	43%		
% Workforce - Individual Contributor	46%	54%		

	Age Group 1: <30	Age Group 2: 30 - 50	Age Group 3: >50
	Workforce - Manager	2%	69%
Workforce - Individual Contributor	21%	60%	19%
% Workforce Total Employees	18%	62%	21%

	Japan	US	EUCAN	GEM
	Workforce - Manager	11%	40%	31%
Workforce - Individual Contributor	11%	46%	29%	15%
Total Employees	11%	45%	29%	15%

DEFINITION:

These metrics assess Takeda's workforce location, age and gender demographics.

Manager is defined as an employee with one or more direct reports who are Takeda employees. Managers of only contractor direct reports are not included.

Individual Contributor is defined as an employee who does not have direct reports who are employees or who manages contractors only.

Japan, U.S., EUCAN, and GEM regions are defined consistent with Takeda's business units defined in the 20-F and are based on the employee's assigned office/physical location.

A contractor is defined as a temporary third-party worker who, under the direction of a Takeda manager, performs work similar to that typically performed by Takeda employees.

A contractor may also work on temporary projects where a similar full time role may not exist.

CALCULATION METHOD:

Calculated as a % of the demographic that is a manager divided by the total employees within that demographic.

SCOPE:

Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave.

METRIC AND RESULTS:

Women in the Workforce

• **Female employees for each of the following demographics:**

	FY23 Data
Women in all junior management positions	43%
Women in all in all top management positions	41%
Women in all management positions in revenue-generating functions	32%
Women in STEM-related positions	44%
Number of female employees on the Takeda Executive Team	8

DEFINITION:

These metrics show the demographics of Takeda’s female workforce. Junior management positions are defined as managers at three or more levels below the CEO. Top management positions are defined as managers at two or less levels below the CEO, inclusive of the Executive team. Revenue-generating functions are defined as those related to sales. STEM-related positions are defined as those within the following job families: Pharmaceutical Sciences, Engineering,

Clinical Development, Supply Chain, Regulatory Affairs, Data Sciences, Manufacturing Sciences, Insights & Analytics, Drug Safety, Automation & AI, Therapeutic Area Unit, Information Technology, Research Science, Quality, Manufacturing/Production, Medical Affairs

The Takeda Executive Team is defined as Company Chief Officers and Presidents of Business Units. This metric includes the full Takeda Executive Leadership team.

CALCULATION METHOD:

Percentage metrics are calculated as the number of female employees divided by the total number of employees within each demographic. The number of female employees on the Takeda Executive Team is an absolute number.

SCOPE:

Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave, other than the % of female employees in top management positions metric which includes fixed-term employees.

METRIC AND RESULTS:

Employment and Turnover Rate

- Average number of years employees have been with the organization for each of the following demographics:

	FY23 Data
Average number of years employees have been with the organization	6.94
Average number of years employees have been with the organization - Women	5.9
Average number of years employees have been with the organization - Men	8.1

- Total global turnover rate for each of the following demographics:

	Male	Female
Total global turnover rate	15%	27%

	Age Group 1: <30	Age Group 2: 30 - 50	Age Group 3: >50
Total global turnover rate	49%	15%	14%

	Japan	US	EUCAN	GEM
Total global turnover rate	5%	33%	10%	20%

	Employee Category 1 (e.g. Manager-level)	Employee Category 2 (e.g. below Manager-level)
Total global turnover rate	10%	26%

• Total global turnover rate	21%
• Total global involuntary turnover rate	7%
• Total global voluntary turnover rate	14%

DEFINITION:

These metrics show the average number of years employees have been with the organization by demographic and turnover rates by demographic.

Involuntary termination is defined as termination (reduction in force or firing) during the fiscal year.

Voluntary termination is defined as termination on a voluntary basis, such as resignation or retirement during the fiscal year.

CALCULATION METHOD:

Continuous service is the total time an employee has worked at Takeda, considering any break in service. Average Continuous service is the aggregate total years of service divided by the number of employees. The global turnover rate metrics are calculated as the number of employees in each demographic who terminated during the fiscal year ended March 31, 2024 divided by

the average number of employees at Takeda during the year ended March 31, 2024.

Total global turnover rate includes both voluntary and involuntary turnover across the period, and is noted to be different to the sum of these categories due to rounding.

SCOPE:

Data scope limited to regular and dispatched employees as of March 31, 2024 and excludes fixed-term employees as well as those on unpaid leave.



Assurance Report

Independent Assurance Report

To the Representative Director - President & CEO of Takeda Pharmaceutical Company Limited

We were engaged by Takeda Pharmaceutical Company Limited (the “Company”) to undertake a limited assurance engagement of the non-financial performance metrics marked with ☉ (the “Metrics”) for the period from April 1, 2023 to March 31, 2024 included in its Takeda 2024 ESG Databook (the “Databook”) for the fiscal year ended March 31, 2024.

THE COMPANY’S RESPONSIBILITY

The Company is responsible for the preparation of the Metrics in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Databook.

OUR RESPONSIBILITY

Our responsibility is to express a limited assurance conclusion on the Metrics based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued

by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Databook, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Databook and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Metrics.
- Performing analytical procedures on the Metrics.
- Examining, on a test basis, evidence supporting the generation, aggregation and

reporting of the Metrics in conformity with the Company’s reporting criteria, and recalculating the Metrics.

- Visiting the Company’s Covington Manufacturing Facility selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Metrics.

CONCLUSION

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Metrics in the Databook are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Databook.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and

professional behavior. In accordance with International Standard on Quality Management 1, we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

/s/ Kazuhiko Saito

Kazuhiko Saito
Partner, Representative Director
KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan
June 25, 2024

Notes to the Reader of Independent Assurance Report: This is a copy of the Independent Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.