

INDEPENDENT LIMITED ASSURANCE STATEMENT



To: The Stakeholders of Takeda Pharmaceutical Company Limited

Introduction and objectives of work

Apex Companies LLC (Apex) has been engaged by Takeda Pharmaceutical Company Limited (Takeda) to provide limited assurance of select social metric data included in Takeda's Annual Integrated Report (the Report) for fiscal year 2022 (FY2022). This assurance statement applies to the Subject Matter included within the scope of work described below.

This information and its presentation in the Takeda's Annual Integrated Report are the sole responsibility of the management of Takeda. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. This is the second year in which we have provided assurance over Takeda's social metric data.

Scope of work

The scope of our work was limited to assurance over the following information included within the Report for the period April 1, 2022 through March 31, 2023 (the 'Subject Matter'):

Access to Medicines: 3 metrics

Diversity, Equity & Inclusion: 20 metrics

Talent Management: 32 metrics

Ethics & Compliance: 13 metrics

Quality Management: 2 metrics

Supply Chain: 3 metrics

A summary of the social metric data assured is included at the end of this statement.

Data and information supporting these metrics were in some cases estimated rather than historical in nature.

Our assurance does not extend to any other information included in the Report.

Reporting Boundaries

The following are the boundaries used by Takeda for reporting sustainability data:

- Operational Control
- Worldwide Takeda Operations unless otherwise noted

Reporting Criteria

- The Subject Matter needs to be read and understood together with the information regarding each metric as described in the Report.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

This preparation and presentation of the Subject Matter in the Report are the sole responsibility of the management of Takeda.

Apex was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Stakeholders of Takeda.

Assessment Standards

We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ± 5 -percent was set for the assurance process.

Summary of Work Performed

As part of our independent assurance, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of Takeda;
3. Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Takeda;
5. Agreeing a selection of the Subject Matter to the corresponding source documentation;
6. Reviewing Takeda systems for quantitative data aggregation and analysis;
7. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information.
8. Reperforming a selection of aggregation calculations of the Subject Matter; and
9. Evaluating the design of internal systems, processes and controls to collect and report the Subject Matter.

Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter is not fairly stated in all material respects; and
- It is our opinion that Takeda has established appropriate systems for the collection, aggregation and analysis of quantitative data.

Statement of Independence, Integrity and Competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Takeda, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, and has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the assurance of sustainability data and verification of greenhouse gas emissions.



Trevor Donaghu, Lead Verifier
Apex Companies, LLC
Pleasant Hill, CA



John Rohde, Technical Reviewer
Apex Companies, LLC
Lakewood, Colorado

June 27, 2023

Summary of FY 2022 Social Metric Data Subject to Assurance



Category/Metric	FY2022 Data ⁽¹⁾
Access to Medicines	
Number of patients in underserved countries and communities who have received access to Takeda's innovative medicines and vaccines, as well as other supportive healthcare services through Takeda-sponsored and -supported clinical trials	7,369
Number of patients who have received treatment with Takeda's medicines through our Charitable Access Programs	189
Number of countries and territories our Access to Medicines programs operate in	44
Diversity, Equity & Inclusion (DEI)	
Total number of employees globally ⁽²⁾	49,586
% Workforce – Manager - Female	42%
% Workforce – Manager - Male	58%
% Workforce – Individual Contributor - Female	54%
% Workforce – Individual Contributor - Male	46%
% Workforce – Total Employees - Females	52%
% Workforce – Total Employees - Male	48%
% Workforce – Manager – Age Group 1: <30	2%
% Workforce – Manager – Age Group 1: 30 – 50	71%
% Workforce – Manager – Age Group 1: >50	27%
% Workforce – Individual Contributor – Age Group 1: <30	22%
% Workforce – Individual Contributor – Age Group 1: 30 - 50	60%
% Workforce – Individual Contributor – Age Group 1: >50	18%
% Workforce – Total Employees – Age Group 1: <30	18%
% Workforce – Total Employees – Age Group 1: 30 – 50	62%
% Workforce – Total Employees – Age Group 1: >50	20%
% women in all junior management positions	42%
% women in all top management positions (maximum two levels from the CEO)	43%
% women in all management positions in revenue-generating functions	32%
% women in STEM-related positions	44%
Number of women on the Takeda Executive Team	6
Talent Management	
Total number of new hires ⁽³⁾	12,917
Total number of new hires - Female	8,368
Total number of new hires - Male	4,453
Total number of new hires - Undeclared	95
Total number of new hires - Age Group 1: <30	6,088
Total number of new hires - Age Group 2: 30 - 50	5,828
Total number of new hires - Age Group 3: >50	999
Total number of new hires - Japan	574
Total number of new hires - U.S.	9,014
Total number of new hires - EUCAN	1,794
Total number of new hires - GEM	1,535
New hires as % of total workforce	26%
% new hires within the total workforce of Women	33%
% new hires within the total workforce of Men	19%
% new hires within the total workforce of Age Group 1: <30	67%

Category/Metric	FY2022 Data ⁽¹⁾
% new hires within the total workforce of Age Group 2: 30 - 50	19%
% new hires within the total workforce of Age Group 3: >50	10%
% new hires within the total workforce of Japan	10%
% new hires within the total workforce of U.S.	42%
% new hires within the total workforce of EUCAN	12%
% new hires within the total workforce of GEM	20%
Total global turnover rate ⁽⁴⁾	22%
Total global turnover rate - Women	27%
Total global turnover rate - Men	15%
Total global turnover rate - Age Group 1: <30	49%
Total global turnover rate - Age Group 2: 30 - 50	15%
Total global turnover rate - Age Group 3: >50	17%
Total global turnover rate - Japan	5%
Total global turnover rate - U.S.	34%
Total global turnover rate - EUCAN	11%
Total global turnover rate - GEM	20%
Total global involuntary turnover rate	7%
Total global voluntary turnover rate	14%
Ethics and Compliance	
Total percentage of employees trained on Takeda's anti-corruption policies and procedures ⁽⁵⁾⁽⁶⁾	98%
Total percentage of employees trained on Takeda's anti-corruption policies and procedures - Japan	99%
Total percentage of employees trained on Takeda's anti-corruption policies and procedures - U.S.	100%
Total percentage of employees trained on Takeda's anti-corruption policies and procedures - EUCAN	99%
Total percentage of employees trained on Takeda's anti-corruption policies and procedures - GEM	99%
Total number of incidents of corruption confirmed during the year, but related to previous years	1
Total number of incidents of corruption confirmed during the year, related to year	0
Total amount of monetary losses as a result of legal proceedings associated with labor law violations and employment discrimination (JPY Million)	3,986
Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments to delay bringing an authorized generic product to market	0
Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries – (JPY)	0
Total amount of monetary losses as a result of legal proceedings associated with false marketing claims – (JPY)	0
Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery – (JPY)	0
Total amount of monetary losses 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)	0
Quality Management	
Number of Class I recalls (in U.S.)	0
Number of Class II recalls (in U.S.)	0
Supply Chain	
Number of PSCI sustainability on-site audits conducted	6
Number of EcoVadis sustainability desktop audits conducted	317

Category/Metric	FY2022 Data ⁽¹⁾
Number of audited suppliers where at least part of their corrective action plan has been actioned during the financial year	67

- (1) April 1, 2022 to March 31, 2023
- (2) Number of employees in DEI metrics includes all regular and dispatched Takeda employees. Contingent workers, seasonal and unpaid leave of absence workers are excluded.
- (3) New hire rates only include regular and dispatched employees.
- (4) Turnover rates only include regular employees
- (5) Ethics and compliance training data is reflective of real time data on May 31, 2023
- (6) 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.