

2026 Taskforce on Nature-related Financial Disclosures Statement

Fiscal year ended March 31, 2026

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Introduction

Takeda is a global R&D-driven biopharmaceutical company focused on discovering and delivering life-transforming treatments. We recognize that healthy ecosystems and biodiversity are fundamental to environmental integrity, human health and economic resilience. Takeda is committed to delivering a high standard of environmental leadership, as climate change and environmental degradation can negatively impact patient and human health. The pharmaceutical industry depends on critical ecosystem services that support supply chains and manufacturing operations. In recognizing these dependencies and as part of our continued focus on nature and climate change, we are sharing our initial disclosure utilizing the Taskforce on Nature-related Financial Disclosures (TNFD) framework.

The TNFD recommendations are structured around four key pillars: Governance, Strategy, Risk & Impact Management, and Metrics & Targets. These pillars guide organizations in identifying and managing nature-related Dependencies, Impacts, Risks and Opportunities (DIROs). This report outlines priority nature-related DIROs, along with the results of our initial assessment using the TNFD's LEAP (Locate, Evaluate, Assess, Prepare) approach. These insights deepen Takeda's understanding of our relationship with nature-based issues and will be integrated into our approach to environmental sustainability and enable the development of key initiatives and strategies over time.

Governance

Takeda's Board of Directors ("BOD") has responsibility for the oversight of our affairs, including those related to business risk and financial disclosures. The BOD delegates certain decision-making authorities to certain Directors, which enables the BOD to focus more on business strategies, internal controls and other important business matters of the Takeda Group. The matters delegated to the Directors are discussed and decided at appropriate executive-level management committees. The Business & Sustainability Committee ("BSC") oversees Takeda's corporate strategy and key risks, including decision-making related to the Enterprise Risk Management (ERM) program and the Company's sustainability goals and commitments including nature-related. The BOD receives regular updates from the President and CEO, other Takeda Executive Team ("TET") members, and the management committees.

The Sustainability/ESG External Disclosure Committee, whose chair is Head of Corporate Sustainability, and is comprised of internal subject matter experts, is responsible for ensuring timely and accurate disclosure of sustainability and environmental, social, and governance (ESG) data and other information. The committee reviews and confirms the accuracy, consistency and completeness of mandatory and key voluntary disclosures related to sustainability including nature-related.

As a signatory of the United Nations Global Compact, Takeda is committed to respecting internationally recognized human rights within every aspect of our business, across our value chain and the communities we serve. Our commitment is to do so in accordance with the United Nation Guiding Principles on Business and Human Rights (UNGPs) and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct.

Our commitment covers all internationally recognized human rights. We are continually aiming to enhance our processes to work toward fulfilling this commitment.

Takeda's Risk Sub-Committee (RSC) holds accountability for Takeda's Human Rights commitment. A dedicated Human Rights team within the Global Ethics, Legal and Compliance function is responsible for operationalizing Takeda's human rights commitment, collaborating closely with functional experts to embed human rights due diligence, in prioritized areas across our operations. Our human rights commitment is embedded within Takeda's Global Code of Conduct, which outlines what we stand for, how we conduct ourselves and applies to all our employees. Furthermore, we require third parties with whom we engage to agree to these same expectations as outlined within our Supplier Code of Conduct. Several of our policies, positions and procedures also reflect our human rights commitment.

Human Rights

Due Diligence and risk assessment

We have due diligence processes and management systems in place to identify and address potential and actual human rights impacts. We recognize that human rights due diligence is a process of continuous improvement, and we review and refine our approach on an ongoing basis. Additional information can be found in our publicly available disclosures and corporate website.

Informed by the outcome of our global human rights impact assessment (HRIA) which was updated in 2025, we have identified four prioritized human rights :

- Health: Promoting and protecting the health of patients and donors, participants in clinical trials, communities and other groups we interact with.
- Safe, healthy, just and favorable conditions of work: Promoting adequate working conditions and occupational health and safety for employees within Takeda operations and workers within our value chain.
- Freedom from discrimination: Promoting fair, non-discriminatory and inclusive practices within Takeda and our value chain.
- Clean, healthy and sustainable environment: Promoting environmental sustainability across our operations, value chain and communities we serve.

Potential risks for local communities may primarily relate to impacts on their right to a healthy environment by pollution or GHG emissions from manufacturing operations (see *strategy*). For indigenous populations, potential impact to their right to a healthy environment may exist further upstream in our value chain in connection with the sourcing of certain commodities such as raw materials, beyond direct third-party relationships.

We work to understand the potential risks associated with our global activities, including through collective action with the Pharmaceutical Supply Chain Initiative (PSCI) and will continue to enhance due diligence and monitoring for these activities.

Remedies and grievance mechanisms

We strive to create and maintain a safe place for workers and other stakeholders to raise any concerns about potential misconduct, including human rights violations, and we provide access to several channels for this purpose, including Takeda Ethics Line.

Engagement and advocacy

We are engaged in various collaborative efforts to address potential human rights risks in our value chain, such as that with PSCI the leading industry association for pharmaceutical and healthcare companies.

Strategy

Our environmental sustainability efforts focus on minimizing greenhouse gas (GHG) emissions within our operations and throughout our value chain, supporting natural resource conservation and embedding sustainability considerations into our product design and manufacturing. Takeda's environmental sustainability efforts currently consists of three programs:

1. Climate Change: Targeting net-zero emissions in our own operations (scopes 1 and 2) by FY2035 and across our entire value chain by FY2040 (scopes 1, 2 and 3).
2. Product Sustainability: Integrating environmental life cycle thinking within product design and development to minimize the environmental footprint across our value chain.
3. Nature: Reducing environmental impacts other than climate change from our operations and includes water conservation, responsible waste management and biodiversity protection.

In FY2024, Takeda conducted a foundational assessment of its potential impacts on biodiversity, water and waste, to inform its environmental initiatives and goals, aligned with the TNFD LEAP framework. This included impact assessments for our direct operations and upstream in our value chain.

Geospatial data and industry-standard tools were utilized, including the WWF Biodiversity Risk Filter (BRF) and WRI Aqueduct to evaluate key operational metrics such as energy use, land use, water consumption, water quality, soil pollution and waste generation against established third-party scientific datasets. This assessment identified water withdrawals and water quality impacts as the primary drivers of direct impacts on nature, referring to impacts that occur where operational activities interact directly with surrounding ecosystems. Energy use associated with these operations was identified as a leading driver of indirect impacts on nature, reflecting the influence of operational emissions on natural systems through climate change.

This underscores the importance of Takeda's linked climate and nature strategies. Based on TNFD's materiality rating for the pharmaceutical industry, this assessment identified water, pollination, pest control, and soil health as ecosystem services of high importance to Takeda's upstream activities.

Takeda also conducted a dependencies assessment to identify how its direct operations and upstream activities rely on nature-linked commodities and ecosystem services. The assessment focused on priority commodities and sites, identified through preliminary data and the Science Based Targets for Network (SBTN) High Impact Commodity List (HICL). Findings indicated that the majority of dependencies are concentrated in five nature-linked commodities.

Commodity	Key Applications
Maize / Corn	Fermentation media, ethanol, amino acids, starches, sweeteners, PLA polymers
Pulp-based	Pulp, cellulosics, paper, paperboard, cardboard, tissue
Wood-Based Materials	Packaging (secondary paper, corrugated boxes, folding cartons, labels, leaflets), pallets, office supplies
Cattle	Biologics media (FBS, BCS), gelatin capsules, drug substances (BAX801, NATPARA)
Sugarcane	Ethanol, sucrose excipients, HPMC capsules

Risk and Impact Management

Identifying, assessing and prioritizing nature-related Dependencies, Impacts, Risks and Opportunities (DIROs)

The identification and assessment of nature-related DIROs form part of Takeda's risk management processes. In 2024, Takeda initiated a LEAP assessment aligned with TNFD recommendations to identify priority nature-related dependencies, impacts and risks across its direct operations and upstream value chain.

The assessment evaluated the following indicators aligned with SBTN and TNFD frameworks:

a. Resource Exploitation: Water withdrawal and water consumption.
b. Pollution: Water eutrophication (nutrient discharge), freshwater ecotoxicity, soil pollution, and non-GHG air pollution.
c. Land Use: The physical footprint/ occupation of the site.

Conducting the assessment presented some challenges, particularly around data access and traceability, that may require further investigation. Takeda will continue to apply the LEAP methodology to strengthen traceability, refine prioritization and inform future nature-related actions in line with TNFD.

Takeda also recently conducted water risk and waste assessments to identify manufacturing sites with the highest reliance and impacts on nature to guide the company's adaptation and mitigation strategies.

Managing Nature-related DIROs

Takeda has established processes to manage nature-related DIROs across our operations and value chain. We apply a context-based, risk-informed approach that prioritizes issues where our activities intersect most significantly with nature. These processes help us focus resources on high-priority locations and decisions, reduce environmental impacts and strengthen the resilience of our operations while supporting the responsible use of natural resources.

Highlighted Actions

Nature-related risks and opportunities are influencing Takeda's strategy and investment decisions. The following highlights illustrate how these strategic considerations are being translated into site-specific actions to manage nature-related risks, strengthen resilience and capture opportunities.

Our **Osaka manufacturing site** deployed advanced real-time sensors that optimize water use across cooling and cleaning operations. This investment **reduced freshwater consumption by over 2 million liters annually** at the site. Building on this success, additional water stewardship projects are underway.

In **Lessines, Belgium**, Takeda has installed a closed-loop wastewater treatment and reuse system to **recycle up to 90% of wastewater for reuse in our production processes.**

Waste management innovations are also advancing circularity. In **Covington/Hoover**, USA, Takeda is operating a specialized biomedical waste facility with **advanced sterilization and mechanical recycling equipment** that processes millions of plastic laboratory consumables annually, **converting biomedical waste into new materials** and supporting Takeda's zero-waste-to-landfill commitment.

Takeda has long-recognized the value of medicinal plants and established a large garden in **Kyoto, Japan** in 1933. Home to more than 3,000 species, the garden has evolved into an institute for collecting, preserving and **cultivating herbal plants used for educational and research purposes.** Biodiversity is an emerging element of Takeda's sustainability program.

Some of our manufacturing sites help provide habitats to native and endangered or rare species (e.g. natural ponds, beehives, planting trees or permaculture gardens).

Integration into Risk Management Processes

Risk management helps protect Takeda's people, assets and reputation while supporting Takeda's long-term strategy for growth and success. Sustainability risks including nature-related risks are identified to date are addressed through our existing global and site risk management processes. The overall Enterprise Risk Management (ERM) process is the responsibility of the Global General Counsel, with oversight from the Board of Directors. The Risk Sub-Committee (RSC) determines enterprise risk mitigation actions with relevant business leaders and escalates issues or insights to the BSC as needed. Principal enterprise risks and their mitigation effectiveness are approved by the BSC and Board of Directors on an annual basis

We embed risk management within all levels of Takeda through our enterprise risk assessment process in which risks, including those related to sustainability and nature, are identified, assessed and for which corresponding mitigations are implemented. This process is designed to generate a holistic view of risks for Takeda and drive a culture of risk-based decision making. Each relevant functional area within the business is responsible for managing its key risks and responses to them..

Metrics and Targets

Water (Thousand Cubic Meters)	FY23 Data	FY24 Data	FY25 Data
Water Withdrawal	10,761	10,350	10,439
› Water withdrawal in areas with “high” or “extremely high” water risk	1,720	1,550	3,267
› Water withdrawal in areas with “high” or “extremely high” water risk as % of total water withdrawal	16%	15%	31%
Water Consumed	2,387	2,250	2,110
› Water consumed in areas with “high” or “extremely high” water risk	259	234	622
› Water consumed in areas with “high” or “extremely high” water risk as % of total water consumption	11%	10%	30%
% of Manufacturing sites located in areas considered to have “high” or “extremely high” water risk	31%	31%	33%
Wastewater Discharged	8,374	8,100	8,329
Biodiversity			
Number of sites in or adjacent to protected areas and/or key biodiversity areas	29	29	27

Waste (Metric Tons)	FY23 Data	FY24 Data	FY25 Data
Total Waste Generated	98,520	92,040	97,777
› Total Hazardous Waste Generated	47,060	38,640	35,102
› Total Non-Hazardous Waste Generated	51,460	53,400	62,635
Percent Waste Recycled	37%	40%	36%
Percent Waste Sent to Landfill	22%	25%	26%

Takeda tracks progress through a combination of nature-related metrics and targets. These metrics align with our nature-related dependencies and impacts identified through the LEAP assessment and inform progress toward our nature-related commitments.

Key targets include:

1. By FY2030, achieve zero waste-to-landfill
2. By FY2030, reduce freshwater withdrawal by 10% from a FY2019 baseline
3. By FY2030, at least 95% of paper and fiberboard in secondary and tertiary product packaging by weight will be either recycled content or sustainable forest certified

For all comments and suggestions on this statement please contact us at:

www.takeda.com/contact-us

You can also write to us at:

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