



# Takeda's Position on Health Equity

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## Summary

Health equity is achieved when everyone can attain their full potential for health and well-being.<sup>1</sup> Everyone has the right to a fair and just opportunity to attain their highest level of health, regardless of their social position or socially determined circumstances.<sup>2</sup> As a global company that has been putting patients first for more than 240 years, Takeda is committed to helping create equitable health care for all. Takeda understands both the pressing social need to address health inequities as well as the impact on our global business. To meet the intricacies associated with these challenges, Takeda is leveraging its capabilities and resources to embed health equity across its value chain. Our organization is ready to ensure we deliver innovative medicines and products to more people and communities that need them.

## Background

Health inequities – the unfair and avoidable differences in health status seen between groups of people and countries<sup>3</sup> – are a multifactorial problem that have the potential to impact not just the health of an individual but the health of businesses, government, other entities, and societies at large.

In addition to health inequities being global in nature, their effects and impact can manifest differently in various parts of the world. For example, research shows that health inequities cost an estimated 1.4 percent of the European Union's annual Gross Domestic Product (GDP), which is almost equivalent to Europe's annual defense spending.<sup>4</sup> Ill health and premature mortality costs Africa nearly \$3 trillion<sup>5</sup>, and in the United States, health inequities cost \$320 billion annually.<sup>6</sup>

Health inequities are also not just linked to clinical care. Research confirms that clinical care only

contributes to approximately 20 percent of a person's overall health. The other 80 percent is determined by the conditions that are present where people are born, live, learn, work, play, worship and age.<sup>7</sup> These non-medical conditions are commonly referred to as social determinants of health. They include economic stability, access to quality education, health care, and a person's neighborhood and social communities.<sup>8</sup> They can impact a wide range of health, daily living functions, and quality-of-life outcomes and risks.<sup>9</sup> Social determinants of health also contribute to wide health disparities – a particular type of health difference that is closely linked with social, economic, and/or environmental disadvantages.<sup>10</sup>

Because health inequities and disparities are global issues, it will take private and public sectors, as well as non-governmental organizations (NGOs), collaborating and leveraging their unique capabilities and resources, to address them. These collective efforts can help create a more inclusive health ecosystem that enables people to engage with health care the way they need and want to, ultimately creating a healthier and more equitable world.

Takeda recognizes that meaningful change can start at the corporate level. We also understand the growing urgency and responsibility, now more than ever, to create the world we want to leave for future generations.

## Takeda's Perspective

As a leading values-based, R&D-driven biopharmaceutical company, Takeda is committed to translating science into highly innovative medicines and accelerating global, equitable access to medicines and vaccines. We are guided by our core values of Takeda-ism, which incorporate Integrity, Fairness, Honesty and Perseverance, and are brought to life through actions based on – Patient-Trust-Reputation-Business – in that order.

We believe, that, in order to continuously fulfill our purpose of bringing better health to people and a brighter future for the world, we must embed health equity into every aspect of our value chain – starting with research & development efforts, manufacturing processes, access strategy and global corporate social responsibility programs as well as partnerships.

Below are examples of ways we are embedding health equity across our value chain.

### **Embedding Health Equity Throughout Research & Development**

We believe building trust with communities is imperative in our ability to help provide broad access to medicines and care for patients. Enhancing diversity in and expanding access to clinical trials is one

significant way Takeda is building trust with and addressing health inequities in communities. To date, we are addressing and strengthening our internal structures and clinical trial protocols, have translated our trial guidelines into 34 languages and created a clinical trial diversity "playbook" that embeds diversity, equity and inclusion processes into clinical research planning for our workforce.

We are also launching new initiatives designed to help drive more diverse research and participation in Takeda clinical trials. The more we understand how a medicine impacts a broad range of individuals and communities, the more informed and equipped we can be to create the medicines that meet patients' diverse needs. Takeda also gathers diverse perspectives from patients, advocacy groups, providers, care takers, among other key stakeholders to help us better understand patients' unique journeys from discovery through commercialization.

This mindset and approach also align with our commitment to fostering diversity, equity, and inclusion (DE&I) within Takeda and across patient communities. We aim to ensure these critical considerations inform our planning for clinical trial and other research and development activities. We are confident that this will create a more inclusive health care ecosystem while strengthening trust and reputation with patients and other key external stakeholders.

### **Enabling Sustainable Health Equity Through Manufacturing**

Takeda is committed to ensuring a high-quality and reliable supply of our products. We continue to focus on manufacturing and distributing medicines sustainably, in line with our expectations and values, that will meet the needs of patients and communities. Our supply chain and manufacturing protocols also allow us to contribute to the wellbeing of the planet, enabling a more equitable world for generations to come.

Climate change is one of the biggest threats facing humanity and has become a global health emergency. The effects of climate change are having a disproportionate impact in areas that lack adequate health resources, perpetuating health inequities such as the displacement and migration of people, food insecurity and economic instability. To work towards healthier outcomes for patients, Takeda continues to act with urgency to minimize our environmental impact, create sustainable solutions to improve public health, and work with our peers and strategic partners to foster responsible innovation to protect the planet. Our manufacturing and supply operations center around efforts that are environmentally sustainable, enabling Takeda to foster and support the conditions needed for patients, communities and people to attain their full health potential. Takeda's commitment to patients, people, as well as the planet, propels us on the right path toward achieving sustainable health equity.

## **Infusing Health Equity into Our Access Strategy**

At least half of the world's population does not have access to essential health services, and nearly 100 million people are being pushed into extreme poverty each year due to the out-of-pocket health expenses they must pay.<sup>11</sup> In addition, more than two billion people around the world still do not have access to medicines, with low- and middle-income countries (LMICs) often facing the highest burden of disease.<sup>12</sup>

Takeda believes everyone deserves access to the care and medicines they need. Our access strategy and approach are centered on meeting patients' unique and diverse needs. For us, access begins at the discovery phase and continues throughout commercialization and lifecycle management.

To support this approach, Takeda has numerous initiatives, such as our patient Charitable Access programs, Pre-Approval and Early Access programs, tiered pricing model, Value-Based arrangements and Patient Assistance programs, that aim to provide patients with access to medicines when and where they need them. For example, our pricing philosophy is focused on grouping countries by critical economic factors such as Gross Domestic Product (GDP), health care system maturity, out-of-pocket expenditures and policies covering vaccinations or care for rare diseases. This is designed to allow for adjustments in what we charge for our medicines around the world so that as many patients can gain access to them as possible. For more information, please see Takeda's positions on [Access to Medicine](#), [Global Pricing](#) and [Value-based Health Care](#).

## **Mobilizing our Philanthropic Efforts and Partnerships to Achieve Health Equity**

Through our philanthropic, [Global Corporate Social Responsibility Program](#), we are supporting activities in developing and emerging countries that prevent disease, train health workers, strengthen supply chains and improve access to quality diagnosis and treatment. We strategically identify global organizations and NGOs that have proven track records of addressing global health problems in innovative and enduring ways, including our program with Ipas – which aims to improve access to women-centered care and clinical training resources in Ethiopia, Indonesia and Pakistan.

We are constantly seeking innovation and partners to nurture it, wherever it resides. Takeda believes partnerships with the private and public sectors, as well as NGOs that have shared interests, are instrumental to advancing health equity. These partnerships bring together resources and civil and governmental expertise to create reciprocal social impact. Specifically, building the capacity of local entities to meet community-level needs is one way we're helping advance health equity.

We are actively partnering globally with NGOs, universities, and other entities across sectors that are addressing global health problems in innovative, enduring ways. Through these partnerships, we work to help health care providers and researchers build their capabilities to address health inequities in their communities and create sustainable, self-sufficient infrastructures for the future. For more information, please see [Takeda's Annual Integrated Report](#).

## Conclusion

Rooted in its corporate values, Takeda is dedicated to embedding health equity across the value chain to help deliver its innovative medicines and therapies to more people and communities that need them. Businesses play a prominent role in communities around the world and embedding health equity across their operations helps both address health inequities and improves their bottom line.

## About Takeda

Takeda is focused on creating better health for people and a brighter future for the world. We aim to discover and deliver life-transforming treatments in our core therapeutic and business areas, including gastrointestinal and inflammation, rare disease, plasma-derived therapies, neuroscience, oncology and vaccines. Together with our partners, we aim to improve the patient experience and advance a new frontier of treatment options through our dynamic and diverse pipeline.

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### References:

<sup>1</sup> World Health Organization, Health Equity (2023)

<sup>2</sup> Centers for Disease Control and Prevention, Health Equity, What is Health Equity? (2023)

<sup>3</sup> McCartney, G., et al., Defining Health and Health Inequalities. Public Health, 172, 22–30. (2019)

<sup>4</sup> Renjen, P., Why ESG must include health equity, Deloitte Health Forward (2022)

<sup>5</sup> World Health Organization Regional Office for Africa, A heavy burden: the productivity cost of illness in Africa. (2019)

<sup>6</sup> Davis, A., et al. US health care can't afford health inequities, Deloitte Insights (2022)

<sup>7</sup> Magnan, S., Social Determinants of Health 101 for Health Care: Five Plus Five. (2017)

<sup>8</sup> World Health Organization, Social determinants of health, (2022).

<sup>9</sup> Hood, C, et al. County health rankings: Relationships between determinant factors and health outcomes. American Journal of Preventive Medicine 2016 50(2):129-135.

<sup>10</sup> U.S. Department of Health and Human Services, Health Equity in Healthy People 2030 (2021)

<sup>11</sup> United Nations, Half the world lacks access to essential health services – UN-backed report, (2017)

<sup>12</sup> World Health Organization, Access to medicines: making market forces serve the poor, (2017)