Slavery and Human Trafficking Statement for the Year Ended 31 March 2017

1. Introduction / Background

This statement is made by Astellas Pharma Inc., Astellas Pharma Europe Ltd. and Astellas Pharma Ltd. (collectively referred to as “Astellas” in this statement). It is a statement made in accordance with Section 54 of the Modern Slavery Act 2015 and covers the financial year from 1 April 2016 to 31 March 2017. It also includes work undertaken in the period from 1 April 2017.

Astellas is dedicated to improving the health of people around the world through the provision of innovative and reliable pharmaceutical products.

Astellas Pharma Inc. is the ultimate holding company of the Astellas group, incorporated in Japan and listed on the Tokyo Stock Exchange. Astellas Pharma Europe Ltd., incorporated in England & Wales, is the EMEA regional headquarters. Astellas Pharma Ltd., incorporated in England & Wales, is the sales and marketing affiliate for the UK.

Astellas’ supply chain is comprised of (i) suppliers of direct materials (active pharmaceutical ingredients, manufacturing and packaging) and (ii) suppliers of indirect services (professional services, facilities, sales and marketing agencies and clinical research organisations).

To find out more about what we do and our values, please go to: https://www.astellas.com/en

Astellas Pharma Inc. is a signatory to the United Nations Global Compact which demonstrates our existing voluntary support for achieving sustainable growth, including our respect for internationally proclaimed human rights and our desire to ensure that we are not complicit in human rights abuses. In fiscal 2016, Astellas Pharma Inc. was included in the FTSE4Good Sustainability Index and the Dow Jones Sustainability Asia Pacific Index, both of which include human rights and labour standards as part of its selection criteria.

We know that slavery, human trafficking, servitude and forced labour (Modern Slavery) is a global and increasing challenge for governments and business.

2. Our Existing Policies on Slavery and Human Trafficking

As a business we recognise our responsibility to be aware of the risks of Modern Slavery within our own organisation and supply chain. We have, therefore, taken the following steps:

- The Astellas Group Code of Conduct states our commitment against forced labor and, in the selection of business partners, their commitment to human and labor rights.
- The Astellas Position on Human Rights, which emphasises and expands on our commitment to human rights and high labor standards, was disclosed in April 2017.
This is a commitment that supports embedding respect for human rights throughout the Astellas Group.


- On 28 March 2017 the members of Astellas’ CSR Committee organised and attended a lecture ‘Meeting Global Expectations: Human Rights, Understanding and Responding to Risk’ commissioned from external experts.

- The Astellas Business Partner Code of Conduct references the human rights of workers and specifically that suppliers shall not use forced, bonded or indentured labor, involuntary prison labor or child labor. We request our suppliers to acknowledge it and cooperate to promote the Astellas Business Partner Code of Conduct in writing.

- We also have a speak up culture. Astellas personnel are required to promptly report any known or suspected violation of the Astellas Group Code of Conduct or other illegal or unethical behavior or business practice. Therefore, if there are any concerns relating to Modern Slavery these can be raised in confidence without fear of retaliation through independent third party and internal whistleblowing helplines.

3. Risk Assessment and Due Diligence Processes

Reflecting the United Nations Guiding Principles on Business and Human Rights (UNGPs), our activities to combat slavery and trafficking, described below, are risk based and will continue to correspond with the level of risk identified. We have undertaken or begun the following risk assessment and due diligence processes in our business and supply chains during the period:

- In fiscal 2014, Astellas Pharma Inc. implemented a Global Risk Management (GRM) program to proactively identify and manage business risk. The GRM program identified supplier management as a potential risk and mitigation plans have been implemented to enhance our processes and procedures to ensure that suppliers follow company policies. Senior management is regularly updated on the progress of GRM risk mitigation activities.

- The Astellas Business Partner Code of Conduct and an associated questionnaire have been circulated to selected suppliers globally by Astellas Pharma Inc. As at 31 March 2017, answers to the questionnaire have been received from around 850 suppliers. There is no negative answer to the critical questions regarding human rights issues.

- From fiscal 2013 Astellas Pharma Inc. has conducted annual paper surveys at all group companies globally to monitor the awareness of human rights issues in our workplaces. In the year ended 31 March 2017 there were no urgent human rights issues reported.

- In the period from 1 April 2016 we undertook a supply chain risk assessment of Modern Slavery risks within Astellas Pharma Europe Ltd. and Astellas Pharma Ltd. This looked at around 4,000 suppliers to develop a list of high risk suppliers in respect of Modern Slavery issues. We benchmarked using key information such as the supplier type and geographical location and we have also reviewed
independent and regulatory employment risk assessment resources¹. The results produced supplier risk ratings enabling us to prioritise future due diligence within our supply chain.

- We will continue to review any potential higher risk relationships based on our risk assessment process outcomes described above and determining the extent to which it is appropriate to take any further precautionary measures to minimise the risk of slavery and trafficking where we have a direct relationship with those organisations.

4. **Measuring Effectiveness – Performance Indicators**

In order to monitor the effectiveness of the steps we have taken to seek to prevent slavery and trafficking taking place in our business and supply chains we will continue to:

- Review the responses to the questionnaires received from suppliers;
- Monitor Modern Slavery concerns raised with whistleblowing helplines;
- Develop a corrective and preventative action plan, including auditing, where we assess that there may be a heightened risk of slavery and trafficking at specific suppliers.

During the year under review performance indicators did not disclose any heightened risk of slavery and trafficking.

This statement was approved by the board of directors of Astellas Pharma Inc. on 28 September 2017 and by the boards of directors of Astellas Pharma Europe Ltd. and Astellas Pharma Ltd. on 18 and 11 September 2017 respectively. Astellas Pharma Europe Ltd. and Astellas Pharma Ltd. have delegated signing of the statement to Astellas Pharma Inc.

Yoshihiko Hatanaka

President and CEO

Astellas Pharma Inc.

28 September 2017

¹ US State Department – Trafficking in Persons and Workers Rights Report, Global Slavery Index 2014, Labour Exploitation Legal Resources and Corruption Perceptions Index 2014