

# **Kyowa Hakko Bio**

# **SUSTAINABILITY DATA 2023**

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# Kyowa Hakko Bio Group's Sustainability Data

## Profile

		2019	2020	2021	2022
Sales revenue (¥100 million)	Kyowa Hakko Bio	749	573	530	511
Number of employees*1	Consolidated	1,949	1,999	2,015	2,041
	Japan	1,212	1,201	1,187	1,125
	Overseas	737	798	828	916

\*1 The figures are as of the end of each fiscal year. They include employees loaned from other companies but not to other companies. Due to this calculation method, the number of employees may not be consistent with figures in other reports such as the Kirin Holdings' report.

## The Environment

This table includes data from the following companies.

Japan: Kyowa Hakko Bio, Kyowa Pharma Chemical

Overseas: BioKyowa, Shanghai Kyowa Amino Acid, and Thai Kyowa Biotechnologies

		2019	2020	2021	2022
Water resources	Water use volumes (thousand m <sup>3</sup> )	38,465	28,520	23,743	23,963
	Japan	28,669	18,832	13,972	13,746
	Overseas	9,796	9,688	9,771	10,217
	Total recycled water use volumes in plants and offices (thousand m <sup>3</sup> )	95,542	81,329	76,287	57,561
Wastewater	Volume of wastewater (thousand m <sup>3</sup> )	43,512	31,670	28,035	25,993
	COD (t)	792	534	540	799
	Japan	202	74	96	94
	Overseas	590	460	444	705
	Nitrogen (t)	793	605	546	788
	Japan	208	89	102	97
	Overseas	585	516	444	691
	Phosphorus (t)	8	21	27	17
	Japan	8	7	8	6
	Overseas	0.09	14	19	11

Environmental management	Number of companies that conducted an environmental audit	8	0	2	2
	Manufacturing sites that acquired ISO14001 certification	Kyowa Hakko Bio, Kyowa Pharma Chemical, and Thai Kyowa Biotechnologies (as of July 2023)			

		2019	2020	2021	2022
Climate change	GHG emissions (thousand tCO <sub>2</sub> e)	481	403	386	359
	Scope 1 and 2	243	219	201	170
	Scope 1 (direct emissions)	47	44	41	40
	Scope 2 (indirect emissions from energy use)	196	175	161	131
	Scope 3 (other indirect emissions)	239	184	185	189
	GHG emissions intensity per unit of sales (tCO <sub>2</sub> e / million yen)	—	—	7.3	7.0
	Use of energy (TJ)	2,735	2,552	2,480	2,355
Waste	Amount of waste generated (thousand t)	55	43	39	39
	Amount of waste disposed on site (thousand t)	2	2	2	0
	Amount of recycled waste (thousand t)	52	40	36	38
	Final disposal volume (thousand t)	0.7	0.6	0.6	1.1
	Recycling rate (%)	98.7	98.7	98.5	97.1
	Amount of NOX emissions (t)	18	15	17	22
Air pollutants	Amount of SOX emissions (t)	4.9	1.4	2.8	0.6
	Methanol (t)	183	144	232	255
VOC*2	Acetone (t)	8	6	4	5
	Substances subject to PRTR Act (t)	49	35	47	40
	Ethyl acetate, etc. (t)	74	57	110	85
	Total (t)	314	242	393	385

\*2 The item covers manufacturing sites in Japan (Kyowa Hakko Bio and Kyowa Pharma Chemical).

## Social

This table includes data from the following companies.

Japan: Kyowa Hakko Bio, Kyowa Pharma Chemical

Overseas: BioKyowa, Shanghai Kyowa Amino Acid, Thai Kyowa Biotechnologies,

Kyowa Hakko U.S.A., Kyowa Hakko Europe, Kyowa Hakko Bio Italia, Kyowa Hakko Bio Singapore, Kyowa Hakko (Guangdong) Pharmaceutical

(As of July 2023)

Quality Assurance	Manufacturing sites certified under the FSSC22000 certification	Kyowa Hakko Bio, BioKyowa, Thai Kyowa Biotechnologies
	Manufacturing sites certificated for compliance with pharmaceutical Good Manufacturing Practice (GMP) standards which are set by regulatory authorities in each country	Kyowa Hakko Bio, Kyowa Pharma Chemical, Shanghai Kyowa Amino Acid

		Indicator	2019	2020	2021	2022
Sustainable Procurement		Percentage of procurement personnel trained in supply chain policies (%) <sup>*1</sup>	—	—	100	100
		Reported number of incidents of child labor on supply chain	0	0	0	0
		Reported number of incidents of forced labor on supply chain	0	0	0	0
Employees	Engagement	Employee Engagement Score (%) <sup>*2</sup>	—	68	70	72
	Development	Percentage of employees receiving regular performance and career development reviews (%) <sup>*3</sup>	100	100	100	100
	Mobility	Average length of service (years/employee) <sup>*4</sup>	16.0	14.5	14.3	13.5
		Japan	19.5	19.7	19.7	19.1
		Overseas	6.8	6.9	6.9	6.4
		Male	16.3	14.9	14.7	13.9
		Female	14.9	13.1	13.0	11.9
		Turnover rate of employees (%) <sup>*5</sup>	6.4	8.2	10.5	10.9
		Japan	4.0	7.5	8.3	8.7
		Overseas	10.4	9.2	13.6	13.6
	Diversity	Percentage of female executives at Kyowa Hakko Bio (%)	0.0	0.0	0.0	20.0
		Percentage of female directors (%) <sup>*3</sup>	16.2	18.0	18.0	17.8
		Japan	8.4	10.5	10.9	12.1
		Overseas	30.5	30.2	29.6	31.4
		Percentage of female employees (%) <sup>*3</sup>	23.9	24.0	23.9	24.1
		Japan	23.4	23.0	22.7	22.3
		Overseas	24.8	25.5	25.7	26.4
		Percentage of female employees among new hires (%) <sup>*3</sup>	27.5	23.0	23.6	27.1
		Japan	37.1	34.5	39.2	36.2
		Overseas	24.6	18.4	18.6	25.3
		Percentage of employees by age group (%) <sup>*3</sup>				
		Under 30 (%)	18.6	19.3	19.8	19.9
		30 to 49 years old (%)	54.0	54.5	54.1	54.0
		50 years old and over (%)	27.4	26.2	26.0	26.1
		Percentage of employees with disabilities (%) <sup>*3</sup>	1.6	1.6	1.6	1.4
		Japan	2.2	2.3	2.4	2.2
		Overseas	0.5	0.5	0.5	0.4

		Indicator	2019	2020	2021	2022
Employees	Health and Safety	Return to work after maternity/parental leave (%) <sup>*6</sup>	100	100	100	95.5
		Male	100	100	100	100
		Female	100	100	100	91.9
		Percentage of employees covered by occupational health and safety policy (%)	100	100	100	100
		Occupational accident severity rate (%)	0.011	0.017	0.015	0.031
		Lost time injury frequency rate (LTIR) (number/ million hours) <sup>*7</sup>	1.07	1.01	1.82	1.50
		Japan	0.51	0.92	2.02	0.56
		Overseas	1.67	1.12	1.55	2.57
		Number of employee fatalities due to occupational accidents <sup>*7</sup>	0	0	0	0
		Percentage of employees covered by medical coverage (%) <sup>*3</sup>	100	100	100	100
		Percentage of employees taking periodic health checkups (%)	96.4	96.4	96.8	96.1
		Japan	100	100	100	100
		Overseas	90.4	90.9	92.1	91.2
		Stress check response percentage <sup>*1</sup>	90.0	89.8	90.6	92.6
		Aggregate results of stress checks (overall health risk) <sup>*1</sup>	95	88	86	86

Unless otherwise stated on this page (and in the indicator data of the same name on other pages), calculations are based on full-time employees.

<sup>\*1</sup> Scope includes only Kyowa Hakko Bio (non-consolidated).

<sup>\*2</sup> Scores from employee engagement surveys (including full-time employees, part-time employees, and dispatch and contract workers) are calculated as a weighted average based on the number of respondents.

<sup>\*3</sup> Kyowa Hakko Bio Singapore included from 2020.

<sup>\*4</sup> Shanghai Kyowa Amino Acid included from 2020. Kyowa Hakko Bio Singapore included from 2021.

<sup>\*5</sup> Number of permanent employees who left their jobs during the year / Number of permanent employees at the end of the year (resignations include voluntary resignations, company-initiated resignations, retirements, and deaths during employment).

<sup>\*6</sup> Kyowa Hakko Bio Singapore included from 2020. Shanghai Kyowa Amino Acid included from 2021.

<sup>\*7</sup> Scope includes all production sites of the Kyowa Hakko Bio Group.

		Indicator	2019	2020	2021	2022
Employees	Labor Practices	Percentage of employees covered by collective bargaining agreements (%) * <sup>1</sup>	70.6	70.7	71.5	72.0
		Japan	74.7	74.4	73.7	72.4
		Overseas	63.7	64.9	68.3	71.5
		Percentage of employees covered by human rights policy (%)	100	100	100	100
		Percentage of employees trained in human rights (%) * <sup>1</sup>	96.9	70.5	94.5	91.3
		Percentage of sites that provided opportunities for learning about human rights (%) * <sup>1</sup>	100	100	100	100
		Percentage of compliance training participants	—	—	—	93.0
		Percentage of sites conducting compliance risk assessments (%)	—	—	—	100
		Number of grievances related to labor practices or human rights impacts that were filed, addressed, and resolved through formal grievance mechanisms * <sup>1</sup>	2	6	4	3

Unless otherwise stated on this page (and in the indicator data of the same name on other pages), calculations are based on full-time employees.

\*<sup>1</sup> Kyowa Hakko Bio Singapore included from 2020.

## Definition of Disclosed Data

Unless otherwise indicated, the disclosed data is rounded to the appropriate number of digits. Since each item is rounded, the total may not match the sum of the breakdown.

## Environmental Data Calculation Methods

### Usage Factors

### Energy Use Conversion Factors

	Japan/overseas
Fuel	“Act on the Rational Use of Energy” Factors
Electricity	Used 3.6 (MJ/kWh), which is used by International Energy Agency (IEA) and other organizations
Steam	Theoretical calorific value (1 MJ/MJ) on the consumption side.

### Emission Factors for GHG Emissions

	Japan	Overseas
Fuel, steam	Emission factors from Greenhouse Gas Emissions Calculation and Reporting Manual (Ministry of Environment/Ministry of Economy, Trade & Industry)	“Act on the Rational Use of Energy” Factors
Electricity	Emission factors published by individual power companies → If none published: Emission factors by country from IEA's Emission Factors for the year in question	
Scope3	IDEA (Inventory Database for Environmental Analysis: LCA database provided by the National Institute of Advanced Industrial Science and Technology (AIST)) is used to the extent possible in calculations after 2019 (Using IDEA versions 2.3, 3.1 and 3.2). In addition, literature values such as the Ministry of the Environment's emissions intensity database and LCA reports for each industry are used. Additionally, we used literature values such as the Ministry of the Environment's emission factor database and LCA reports from various industries.	

### Calculation Method

The Kyowa Hakko Bio Group's GHG emissions are calculated in accordance with the GHG Protocol. In doing so, retroactive adjustments have been made to prior years' data to exclude Kyowa Hakko Bio's alcohol business (which was transferred to Mercian in 2020).