

Message from General Manager of Group Human Resource Department

Promoting efforts to secure and train diverse human assets indispensable for our growth strategy

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Promoting a human asset strategy based on the Medium-Term Business Plan

In the three-year Medium-Term Business Plan START 2024, we set the goals of further strengthening our generic drug business and entering into new business in different growth fields. To further strengthen the generic drug business, we must be the first to release and provide a stable supply of high-quality, high-value-added products, and what is particularly vital is strengthening our R&D and production functions. We must also possess creative, transformative human assets with unconventional ideas to promote new businesses in fields unknown to us.

We are working to secure and train outstanding human assets with diverse ways of thinking under the basic human resources philosophy of “fostering and leveraging the individual” with these types of business in mind.

While Japan’s labor market continues to be a seller’s market because of a shortage of workers, Sawai Pharmaceutical aggressively conducted recruiting in fiscal 2022 and hired 230 new employees, which includes new graduates. We also reinforced our R&D and production

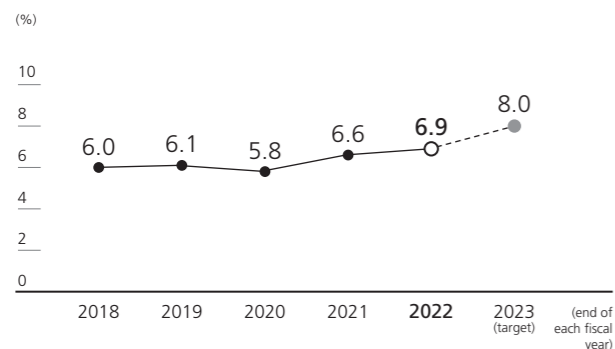
functions by adding about 400 employees, mainly R&D and manufacturing workers, from Trust Pharmatech, which joined the Group in April 2022.

As for human asset training, the main Group companies in Japan are working to create a system of employee evaluations and training, and one related initiative was preparing “skill requirement definition documents,” which stipulate items such as the skills and expected role for each job and grade. To achieve highly creative organization management, we are focusing on cultivating a culture of diversity that values diverse ways of thinking regardless of sex or age.

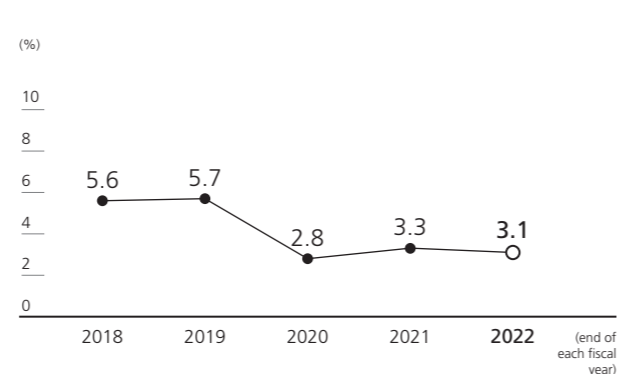
Valuing individuality and creativity and reinforcing engagement

In a seller’s labor market, retaining human assets is an issue for all companies, including us. Regarding this point, we value the individuality and creativity of each employee and work to strengthen employee engagement based on our basic human resources philosophy. Main Group companies in Japan offer opportunities for superiors and subordinates

Ratio of female employees in managerial positions (scope: Sawai Pharmaceutical)



Turnover rate (scope: Sawai Pharmaceutical)



to hold one-on-one discussions on such issues as performance and career several times a year, and it is our opinion that this contributes to greater motivation, an open work environment, and thus employee retention. Furthermore, on the in-house Intranet, which all employees can access, we provide not only management information, such as business plans and management figures, but also the thoughts of and daily routines of senior management.

These initiatives have been successful, and for many years, Sawai Pharmaceutical has been able to keep our employee turnover rate to less than 10%, while there are surveys that indicate a turnover rate of more than 30% for new graduate recruits over their first three years of work.

Cultivating a corporate culture of mutual acceptance of diverse values

We consider fostering a corporate culture in which people mutually accept various values and backgrounds an important element for growing the Company and individuals. At Sawai Pharmaceutical, which is aiming to become a company in which anyone, not limited by their sex, handicap, or other issue, can play an active role, one of the goals is to achieve the goal of having women account for at least 8% of managers and employees with disabilities account for at least 2.3% of our workforce by the end of fiscal 2023.

Furthermore, in July 2022, a company-wide project, composed of members from the various Group companies, was launched to examine measures to promote inclusion

and diversity. Because of this project, many issues for examination were proposed, such as providing training to transform the awareness of employees, including management, and we will develop concrete policies and a system to promote related initiatives in the future.

Focusing on promoting health and productivity management based on the corporate philosophy

Touting the corporate philosophy of “always putting healthier lives first” and with the idea that “better drugs are born from workplaces that are both mentally and physically healthy,” we are focused on creating an environment in which employees can work while maintaining their health.

We create an annual physical and mental health promotion plan and boast a system to implement that plan, and our main business offices in Japan offer an environment in which the physical and mental problems of employees can be quickly dealt with in collaboration with an occupational physician. Furthermore, so that all employees can enjoy their work, we are striving to eliminate harassment by clearly stating the corporate stance of ending harassment through employment rules and other items and operating a harassment helpline.

Because of these efforts, we were selected by the Ministry of Economy Trade and Industry—as a “Certified Health & Productivity Management Outstanding Organizations.” We hope to continue to focus on promoting health and productivity management.

Topics Action plan proposal to promote ID&E through an in-house project

The project was initially launched in July 2022 as the “Active Participation of Women Promotion Project” (tentative name), but based on the collective opinion of project members, related activities were broadened from ones only targeting women to ones for all employees. Furthermore, the project was named S-Wing, which embodies the idea of making it possible for Sawai (S) to move forward and offer pleasant workstyles without a bias in the “wings” that support us.

Because of an imbalance in the ratio of male and female project members, during the almost nine months of project activities, around thirty new project members were added as ambassadors in order to incorporate opinions regardless of gender. This made it possible to undertake activities that incorporate various perspectives. In March 2023, an action plan proposal regarding all employee activities was submitted to senior management. In response to the proposal, the Group will continue to promote inclusion, diversity, and equity (ID&E).



S-Wing Project
<https://www.sawai.co.jp/sawai-gender-action/project.html>
(Japanese language only)

Note: We use the term “ID&E” because we consider inclusion (I) an important foundation for promoting diversity (D), but also view equity (E) as an essential related idea.