

「Multiple Stakeholder Policy」

In light of the importance to corporate management of value co-creation not only with shareholders but also with many diverse stakeholders, including employees, suppliers, customers, creditors, and local communities, SUNDRUG will strive for appropriate cooperation with our multiple stakeholders. As such, we believe that the appropriate distribution to those multiple stakeholders of the profits and outcomes generated by value co-creation and productivity improvements will help maintain the momentum for wage rises and the sustained development of the economy. From this perspective, we will promote the following initiatives based on the importance of returns to employees and consideration of trading partners.

Details

1. Returns to Employees

SUNDRUG will concentrate its efforts on the maximization of added value by striving for sustainable growth and productivity improvements through the priority injection of management resources into growth areas and through the development and improvement of employees' skills and abilities. Based on the profits and outcomes thus generated, we will raise wages in a way that is appropriate to the Company's circumstances in line with the fundamental principles of wage determination. In addition, as an improvement to other general conditions as well, we will aim for sustained returns to employees through actively working on investment in human resources in order to contribute to the enhancement of employee engagement and further improvements of productivity.

(Individual points)

Specifically, in addition to working seriously on increasing wages through consultation between labor and management, in terms of human resources investment, we will strive to enhance the knowledge, skills, and abilities that each and every one of our employees possesses through off-the-job training, on-the-job training, and self-development, so that they can demonstrate those capabilities to the fullest in their work.

2. Consideration of trading partners

We will continue to work on complying with the content of the Declaration of Partnership Building.

- Date of registration of Declaration of Partnership Building

May 8, 2023

- Link to Declaration of Partnership Building (in Japanese)

[【https://www.biz-partnership.jp/declaration/29295-10-00-tokyo.pdf】](https://www.biz-partnership.jp/declaration/29295-10-00-tokyo.pdf)

3. Initiatives concerning other stakeholders

Based on its corporate philosophy, SUNDRUG will strive for sustained enhancement of corporate value with the aim of realizing healthy, rich lives for the people of Japan.

We will steadily work on these initiatives while checking the state of their progress.

May 12, 2023