

Ethics & Compliance

Astellas believes that acting in accordance with the highest ethical standards, which includes obeying the letter and spirit of the law, is the cornerstone of all its activities. Accordingly, the Astellas Charter of Corporate Conduct expresses the Company’s business philosophy in terms of specific corporate behavior, and is shared globally. In addition, the Astellas Group Code of Conduct is a common global code for all officers and employees around the world, requiring them to conform to laws and regulations and maintain high ethical standards.

Astellas promotes compliance and acts in accordance with the highest ethical standards through the development, implementation and continuous enhancement of policies, processes, and our global compliance structures and thereby maintains the trust of society and enhances enterprise value.

exchanging information and opinions with relevant divisions on each issue. As our business expands globally, we continue to enhance global alignment and collaboration between functional lines, and maintain consistently high standards of compliance in everything we do.

To reinforce compliant operations globally, in April 2016 the legal and compliance functions were divided structurally in Japan, the Americas, and EMEA, and a separate compliance function was established in Asia & Oceania. The new organization is named Ethics & Compliance. Furthermore, we built a global compliance framework in which the regional compliance functions report to the the Head of Ethics & Compliance.

Astellas is committed to helping each employee to conduct business with the highest integrity, and in an ethical and legal manner. We continuously work to nurture a culture where everyone feels comfortable raising concerns without fear of retaliation.

Promoting Compliance Globally

Structure to Promote Ethics and Compliance

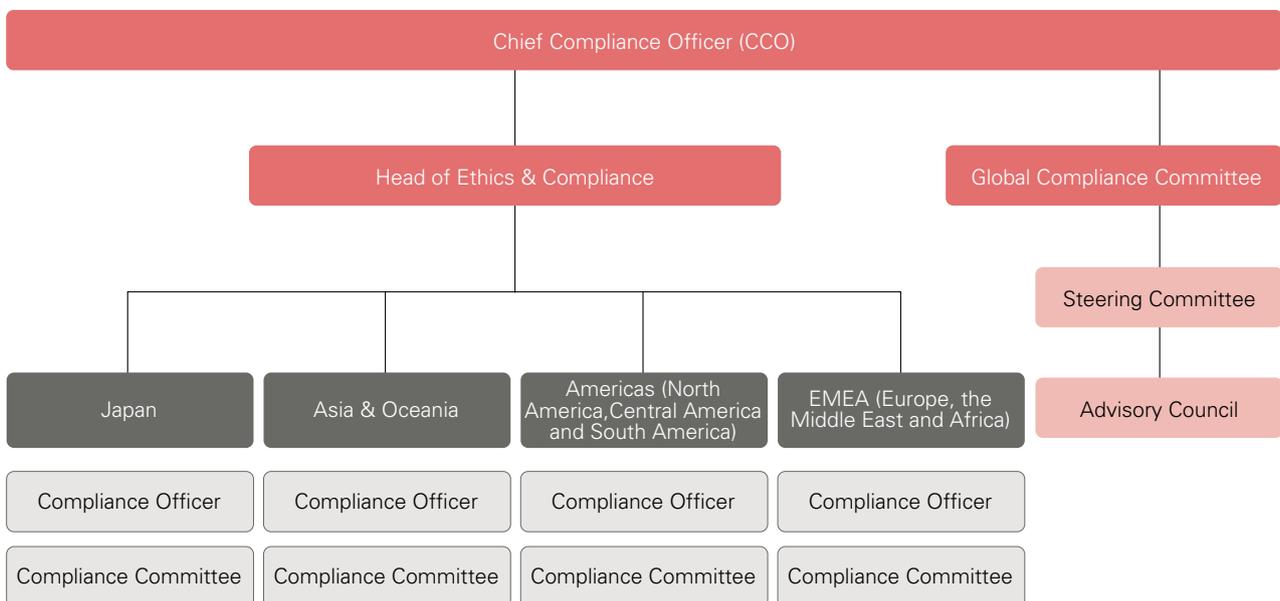
Astellas has maintained a robust compliance structure that includes a Chief Compliance Officer and Global Compliance Committee comprising regional compliance heads in the Americas, EMEA, Japan, and Asia & Oceania. Under the Global Compliance Committee, Astellas also has a Steering Committee that maintains close coordination globally to resolve compliance issues and an Advisory Council for

Initiative Promoting Compliance

Revised Code of Conduct

In June 2016 we revised and enhanced the Astellas Global Code of Conduct to make it easier to understand for all employees and formulated the Astellas Group Code of Conduct to apply uniformly throughout the world.

Global Compliance Structure (as of April 2016)



Global Policy Development

In fiscal 2015, representatives from each region formed global task teams to address issues identified and formulated as part of our Global Compliance Initiatives for 2015. Each task team formulated global policies regarding compliance, including anti-harassment, data privacy, and medical affairs and commercial activities.

Compliance Training

Training based on plans developed by our global task teams nurtures a compliance mindset among all employees. In the anti-harassment training, case studies about sexual harassment and power harassment are included to further promote understanding and prevention of harassment. Data privacy training provides points to note when employees process personal information in business operations.

Tone from Top Management to Raise Employee Awareness

In fiscal 2015, ethics and compliance messages were delivered to employees through various means in order to enhance their ethics and compliance awareness. For example, information is delivered by email and on an in-house website in Japan and in Asia & Oceania. In the Americas, information bulletins were issued throughout the year. In EMEA, a compliance week was established to provide a concentrated communication of information.

Helpline for Employees

Astellas has external helplines in each region, which enable employees to report and receive advice on how to react in the event they discover actual or suspected misconduct. These helplines are available in employees' local languages. In many countries, an external helpline has also been put into place, and employees also receive training on how to use the helplines.

Astellas fosters an environment that encourages employees to use the helplines. There is a strict policy of non-retaliation against those who raise a concern or report a suspected compliance breach in good faith, even if the concern or report is not substantiated.

In Japan, a separate sexual harassment helpline is also available.

In fiscal 2015, our helplines received consultation requests in each region. Matters raised included potential harassment and promotional code violations. In response, we conducted thorough investigations and took appropriate actions.

Global Compliance Initiative for 2015

	Financial		Information	Human
	Transfers of Value	Anti-bribery		
Policies	Global Policy Development		Medical Affairs and Commercial Activities	
	Astellas Group Code of Conduct		Protection of Confidential Information	
Control Process	Transparency	Anti-bribery	Record Information and Management	
	External Funding			
Training and Communication			Data Privacy	Conflicts of Interest
			Social Media	Anti-harassment
Issues and Investigations	Issue Management Program			
	Global Investigation Process			
Third Parties	Vendor Compliance Management			

Delivering Appropriate Medical and Product Information

In April 2016, Astellas implemented the Global Policy on Medical Affairs and Commercial Activities. The establishment of this policy reflects Astellas' continuing commitment to conducting business throughout the world with high ethical standards and in compliance with applicable local laws, rules, regulations, codes and guidelines.

To respond to the needs of all stakeholders, including patients, ethical collaboration and interaction in medical affairs and commercial activities complies with all regulations to advance understanding and appropriate use of Astellas products. Astellas is committed to providing appropriate scientific and medical information in compliance with applicable laws, rules, regulations, codes and guidelines in all areas.

Anti-bribery/Anti-corruption Initiatives

As business has become increasingly globalized, countries around the world have been stepping up their response to corruption and bribery. Enforcement authorities have prosecuted cases involving direct corruption and bribery as well as cases involving bribery that occurred through the actions of a business partner or third-party agent. Astellas is continuing to strengthen its compliance awareness to prevent corruption not only at Astellas but also at third parties with whom we conduct business.

■ Policies, Procedures, and Training for Preventing Corruption

As a system to prevent bribery, Astellas has established the Astellas Group Code of Conduct, which sets forth rules to prevent bribery and corruption. Furthermore, Astellas has a Global Anti-Bribery and Anti-Corruption Policy that elaborates on these rules globally and in each region. By establishing and implementing these rules, Astellas is working to ensure that bribery and corruption are not part of how we conduct our business.

To foster deeper understand around this issue among employees, Astellas implements a training program on anti-corruption and anti-bribery. In fiscal 2015, this training was attended by approximately 3,000 employees in Japan, 4,500 in the United States, 1,300 in EMEA, and 2,200 in Asia & Oceania.

■ Addressing Third-Party Risk

Astellas has established guidelines designed to prevent bribery occurring through third parties in each region and globally, and based on these guidelines, conducted due diligence screenings of key third parties in the Americas, Europe, and Asia. Screening of third parties will be continued in fiscal 2016.

Commitment to Fair Competition

Except in cases where the legal department has confirmed beforehand that there is no legal issue with doing so, Astellas does not agree with its competitors regarding sales conditions, such as prices, sales plans and strategies, and market and customer shares. In addition, when talking to competitors, we avoid any conversation concerning these topics, as it might be construed to reflect such an agreement even when there is none. If a competitor brings up these subjects in conversation, we refuse to discuss it, end the conversation immediately and unequivocally, and report the incident to the legal department.

In fiscal 2015, there were no incidences of government authorities taking legal action against Astellas for anti-competitive, anti-trust, or monopolistic practices, or of authorities imposing significant fines or other sanctions for non-compliance with laws and regulations.

For further information on Astellas' ethics and compliance activities, please visit the following website:

 <http://www.astellas.com/en/corporate/compliance/>

Message from the Head of Ethics & Compliance

We promote a high standard of ethics and compliance in every country where we do business.

I'm very proud and honored to lead Astellas' new Ethics & Compliance organization, which was set up in April 2016.

As a new global function, we will provide leadership, tools, and resources to our employees to help them put integrity and compliance at the forefront of everything we do at Astellas. We are independent of the business functions, but have an important role as a strategic business partner to help our people be successful the right way. The establishment of Ethics & Compliance is a substantial investment in sustaining our success for many years to come and continuing to maintain the trust of our stakeholders.

Strong senior leaders for ethics and compliance have been appointed in each of our regions—the Americas, EMEA, Japan, and Asia & Oceania. Our new organization also includes a global lead for Anti-bribery and Anti-corruption, in recognition of the vital role of a globally integrated anti-bribery program to tackle this issue in a global organization.

Astellas operates in about 50 countries with varying laws, regulations, and codes of practice, and we want to ensure that we uphold Astellas' high standards in each country. We also recognize that we rely upon third parties in a number of countries, and that they pose a risk of non-compliance. Our role is to support these vendors and help them to maintain the high ethical standards of Astellas.

We have also begun to set up a system to help us ensure that we provide a global standard for all of our companies with policies, processes, training, monitoring tools, and resources. Our Ethics & Compliance professionals in place locally will help to inculcate our global standards, while ensuring we can comply with

any local laws, regulations, and codes of practice.

A number of global compliance programs are currently in the planning phase, and we have just launched a global compliance initiative called Integrity in Action. This program provides enhanced compliance resources and works to establish a corporate culture where our leaders and employees act as the voice and model of integrity as true compliance champions. Our message is that employees who show integrity in the workplace not only understand how to do things right, but also practice it in everything they do and they take responsibility, act ethically, and lead by example. This helps to reinforce the culture of compliance at Astellas.

Finally, even prior to becoming a new organization, we worked very hard throughout the past year with our internal stakeholders to revise and enhance the Astellas Global Code of Conduct. Our revised Astellas Group Code of Conduct replaces all regional and local codes of conduct. It embodies our commitment to operating ethically and with integrity toward improving the health of people around the world and provides a basis for us to make the right choices and take the right actions.



Catherine Wertjes

Senior Vice President,
Head of Ethics & Compliance