

May 13, 2021

For Immediate Release

Listed company name: **SANKYO CO., LTD.**
 Representative: Kimihisa Tsutsui
 President & COO
 (TSE 1st Sec. Code 6417)
 Contact: Yoko Oshima
 Executive Operating Officer
 TEL.: +81-3-5778-7777

Notice concerning Reduction of Directors' and Officers' Compensation

SANKYO CO., LTD. today announced that, at a meeting of the board of directors of the Company held today, it was resolved to reduce directors' and officers' compensation as described below in order to clarify management's responsibilities and to strive for a recovery of performance in the future in view of the fact that operating results in recent years have been hard and that for the fiscal year ended March 31, 2022 the Company's dividend will be ¥100 per share, the first decrease (excluding the decrease of the commemorative dividend) since the Company's listing. Moreover, some statutory auditors proposed that their compensation be reduced and the Company has accepted their proposal.

The period for reduction of compensation will be as shown below according to the terms of office of directors, statutory auditors, and operating officers.

1. Subject persons and details of reduction amount

Representative Director & CEO	50% reduction of annual compensation
Other Directors (excluding Outside Directors) Statutory Auditors who made a proposal Operating Officers (excluding those who were newly appointed in April 2021)	5-50% reduction of annual compensation according to titles

2. Applicable period

Directors and Statutory Auditors: July 2021 to June 2022 (1 year)

Operating Officers: April 2021 to March 2022 (1 year)

This material is an English translation of Japanese announcement made on May 13, 2021. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed.