

Our Sustainability Commitment

We offer products and services to treat and prevent eye diseases based on our CORE PRINCIPLE of *Tenki ni sanyo suru*, or exploring the secrets and mechanisms of nature in order to contribute to people's health. As a company specialized in ophthalmology, we understand the needs of patients and healthcare professionals. We are committed to expanding our business across the globe, delivering high-quality products consistently, and making a meaningful contribution to as many people as we can. We will continue to pursue the Happiest Life for every individual, through the Best Vision Experience. We aim for the sustainable development of our company and society according to the following values.

Realization of Happiness with Vision

To be a company consistently valued by people over the long term

- Through initiatives related to the development, supply, and communication of products and services to eliminate or mitigate vision impairment, we bring patients the joy of clear vision, working together with medical professionals and their patients.
 - (Examples) • Developing a new drug for slowing the progression of myopia
 - Developing and marketing medicine and medical devices, and implementing initiatives to support ongoing treatment for glaucoma
- Increase the value of our contributions through **Commercial Excellence**, which is one of our greatest strengths

To supply products and services over the long term

- Commit to maintaining the highest levels of quality and safety in our products and services, and stable supply
- Develop and promote highly specialized personnel capable of advancing better eye health for people worldwide
- Utilize our intellectual property, IT, and other assets with the utmost diligence

To always earn the trust of society

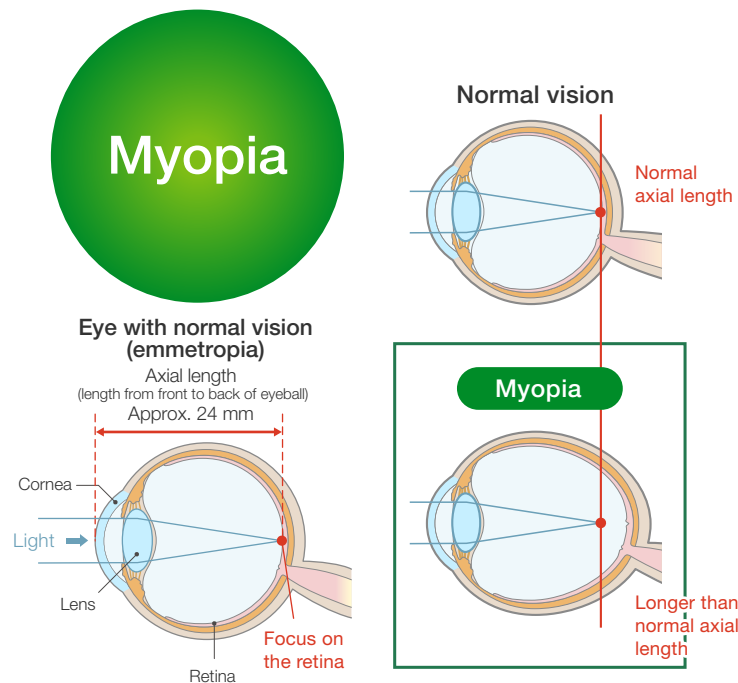
- Provide products and services friendly to the natural environment, ensuring the clear vision of a beautiful world for all
- Create and nurture highly transparent and appropriate relationships with stakeholders, including healthcare professionals
- Responsibility to respect human rights

Establish a reliable and transparent governance structure

- Achieving Sustainable Growth

Product Development Aimed at Expanding Contribution to Patients in New Areas

Santen is conducting research and development to provide products with new added value for patients. In order to help patients live more comfortably, we are actively pursuing R&D in disease areas for which drug-based treatments have not been the mainstay, as well as to improve existing products, such as by reducing the required frequency of administration. This section presents R&D activities aimed at slowing the progression of myopia in children and at treatment of acquired ptosis, which is mainly caused by aging.



The Rapidly Growing Worldwide Myopia Population

Myopia (commonly known as nearsightedness) is a condition in which the focal point for distant objects is in front of the retina, instead of directly on it, and is primarily caused by elongation of the axial length (front to back) of the eye. It is considered to have genetic and environmental causes, the latter including maintaining a prolonged focus on nearby objects or spending less time on outdoor activities, among other factors.¹ Once myopia develops, it progresses as the body grows. The condition is progressive and irreversible, affecting patient quality of life (QOL)—and when the patient is a child, that of their parents.^{2,3} Myopia progresses more rapidly per year in younger age groups,⁴ particularly those of school age. As such, for treatment it is considered crucial to suppress the progression of myopia during this period.⁵

At present, approximately 30% of the world population is estimated to have myopia, a figure that is expected to reach 50% in 2050.⁶ The rate of high myopia, which raises the risk of complications such as retinopathy and glaucoma that can potentially lead to blindness,⁷ is predicted to reach 10% of the world population by 2050.⁶ The global rise in the myopia population is a major social issue. This is particularly the case in Asia, where the prevalence of myopia is higher than average.⁶ China and Singapore are among the regions where government-led prevention efforts are under way, in view of myopia's negative potential impacts at a national level. Myopia is generally corrected with glasses or contact lenses. Outside Japan, the use of ophthalmic solutions, therapeutic contact lenses, orthokeratology, and other methods are being investigated as treatments for slowing the progression of myopia, and several have received regulatory approval.

• Achieving Sustainable Growth

Perception of myopia reported by parents of elementary school students with the condition⁸

I want my child to be able to go about daily life without needing glasses/contact lenses	80%
I want my child to be able to safely participate in hobbies and sports without wearing glasses/contact lenses	77%
I want to alleviate any anxieties my child has about their vision steadily declining with age	69%

In Japan, the number of children with visual acuity less than 1.0 (less than 20/20 vision) has been increasing every year, and the percentage is reported to be approximately 38% of primary school students and 61% of lower secondary school students.⁹ Santen conducted a survey of parents of elementary school students with myopia. Many responded that they wish for their children to be able to go about their daily lives with the minimum of inconvenience due to myopia. We hope to contribute to the QOL of many people, including those who live with and alongside patients, to which end we are conducting research and development in the myopia area.

¹ Lancet. 2012 May 5;379(9827):1739-48 ² Curr Eye Res. 2023 Dec;48(12):1189-1194 ³ Invest Ophthalmol Vis Sci. 2021 Apr 28;62(5):2 ⁴ Eye (Lond). 2014 Feb;28(2):134-41 ⁵ Sci Rep. 2022 Feb 21;12(1):2879

⁶ Ophthalmology. 2016 May;123(5):1036-42 ⁷ Invest Ophthalmol Vis Sci. 2020 Apr 9;61(4):49 ⁸ Santen surveyed 552 parents (22-55 years old) of elementary school students with myopia. Percentage of parents who responded "strongly agree" or "agree." Survey response options were "strongly agree," "agree," "somewhat agree," "somewhat disagree," "disagree," and "strongly disagree." (Survey items translated from Japanese for reference purposes only.)

⁹ Press Release: Publication of School Health Statistics (Fixed Figures) for the 2022 School Year. Ministry of Education, Culture, Sports, Science and Technology. https://www.mext.go.jp/content/20231115-mxt_chousa01-000031879_1a.pdf (Japanese only)

Toward Contributing to Pediatric Myopia Patients

We estimate 130 million potential pediatric patients with myopia in the four regions of Japan, China, Asia, and EMEA where Santen is developing its business.¹ We are developing STN1012700/01 (generic name: atropine sulfate) with a commitment to providing new treatment options for this entire patient population.

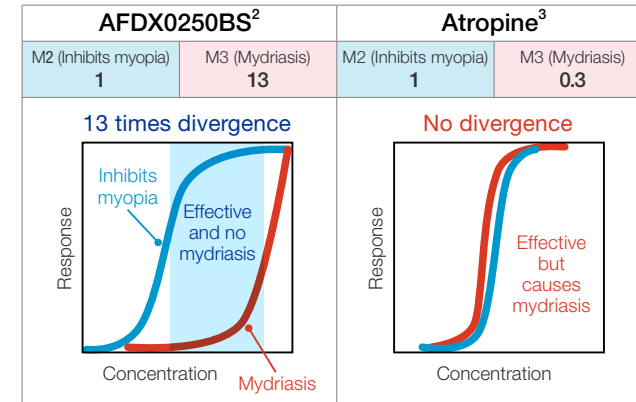
In February 2024, Santen filed for manufacturing and marketing approval of STN1012700 in Japan. We anticipate that it will be launched in fiscal 2025, ahead of other regions. If approved, it will be the first approved suppression treatment for myopia progression in Japan (among ophthalmic solutions, orthokeratology, and therapeutic contact lenses). In EMEA, Santen signed an

exclusive licensing agreement with Sydnexis Inc. in 2021 for an atropine formulation that is currently undergoing a Phase 3 trial in Europe and the United States, with the goal of launching the formulation in fiscal 2025. A Phase 2/3 trial in China is scheduled for completion in fiscal 2026. In Asia, we plan to file after obtaining approval in Japan.

We are also working on STN1013400 as a next-generation medication that aims to slow the progression of myopia. Atropine is a nonselective muscarinic receptor antagonist and increasing the concentration enhances its action on both the muscarinic M2 receptor (which inhibits myopia) and the muscarinic M3 receptor (which can lead to mydriasis), so it is crucial to set a concentration that balances therapeutic efficacy and side effects. AFDX0250BS is an active ingredient of STN1013400 that has divergent affinities for these two receptors compared with atropine.^{2,3}

We therefore expect that it will be more effective while also reducing side effects, and we are currently conducting a Phase 2a trial.

Comparison of Ki Value (Affinity) for M3 Receptor (Ki Value for M2 Receptor = 1)



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Comment from a Leading Ophthalmologist



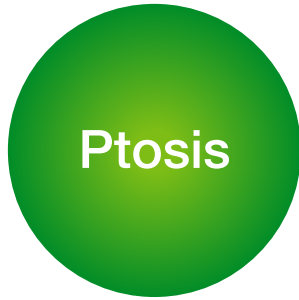
Kyoko Ohno-Matsui
MD, PhD

Professor and Chairwoman,
Ophthalmology and Visual Science,
Tokyo Medical and Dental University
President, Japan Myopia Society

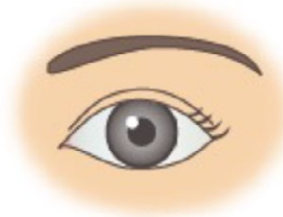
In recent years, myopia in children has been increasing worldwide and has become a social problem. In Japan, the number of children with visual acuity less than 1.0 (less than 20/20 vision) has been increasing, and the percentage is reported to be approximately 38% of primary school students and 61% of lower secondary school students.⁴ Myopia, even if mild, has been found to increase the risk of eye diseases such as glaucoma and retinal detachment in adulthood.⁵

Therefore, preventing myopia from developing and progressing in childhood is very important to maintaining long-term eye health. Besides recommendations for modifying everyday behaviors, such as increasing time spent outdoors or taking occasional breaks when performing a task that requires focusing on very close objects, the use of eye drops, contact lenses, orthokeratology, and other methods are being studied worldwide as treatments to slow myopia progression. I expect Santen, as a company specialized in ophthalmology, to contribute to resolving social issues through the creation of effective products and services.

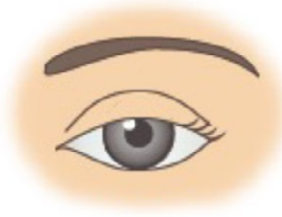
¹ Santen estimate. Countries and regions included: Japan, China, South Korea, Taiwan, Singapore, Thailand, Philippines, Hong Kong, Indonesia, Vietnam, Malaysia, the U.K., France, Germany, Spain, Italy, Switzerland, Austria, Netherlands, Denmark, Norway, Sweden, Finland, Ireland, and Portugal ² *J Pharmacol Exp Ther.* 1991;256(2):727-33 ³ *Life Sciences.* 1999;64(25):2351-58 ⁴ Press Release: *Publication of School Health Statistics (Fixed Figures) for the 2022 School Year.* Ministry of Education, Culture, Sports, Science and Technology. https://www.mext.go.jp/content/20231115-mxt_chousa01-000031879_1a.pdf (Japanese only) ⁵ *Invest Ophthalmol Vis Sci.* 2020 Apr 9;61(4):49



Normal



Ptosis



Ptosis as an Underrecognized Disease

Ptosis is a disease where the eyelids droop, making it harder to see. It is caused when the muscles that elevate the upper eyelid, or the tendons they are attached to, weaken. Symptoms include a restricted upper visual field, shoulder stiffness, headaches, and susceptibility to fatigue, as well as effects on physical appearance, such as making the patient “look sleepy.” Aging is considered to be the most common cause of acquired ptosis, and we estimate 391 million potential patients with acquired ptosis in the

four regions of Japan, China, Asia, and EMEA, where Santen is developing its business.¹ In the United States, there is an approved eye drop available, but in other regions surgery is the only treatment option.

Bringing New Treatment Options to the World

In 2020, Santen in-licensed an approved drug marketed for the treatment of acquired ptosis in adults in the United States and is developing it as STN1013800 (generic name: oxymetazoline hydrochloride). Oxymetazoline hydrochloride

is a direct-acting alpha adrenergic receptor agonist that acts on the α_2 adrenoceptor in the Müller’s muscle, and could potentially help to elevate the upper eyelid by inducing the muscle to contract.^{2,3,4} In a Phase 3 trial in Japan, there was a statistically significant improvement in the primary endpoint—change in MRD-1 (Marginal Reflex Distance-1, the margin distance between the upper eyelid and the center of the pupil) at two hours after the dose at 14 days of treatment—in both the 0.1% STN1013800 once-daily and twice-daily eye drop groups versus the placebo group. In the trial, safety and tolerability have also been investigated for up to 6 months. Based on these results, in fiscal 2024 we plan to file for manufacturing and marketing approval in Japan, and to begin Phase 3 trials in China and EMEA. In Asia, we plan to file for approval in fiscal 2026.

Achieving Sustainable Growth

(As of July 2024)

Indication	Generic name	Development code	Region	Clinical trial			Filed	Approved	Expected launch year
				Phase 1	Phase 2	Phase 3			
Myopia	Atropine sulfate	STN1012700/DE-127	Japan	[Progress bar]					FY2025
			China	[Progress bar]					FY2028
			Asia	[Progress bar]					FY2027
		STN1012701/SYD-101	Europe	[Progress bar]					FY2025
AFDX0250BS	STN1013400	Japan	[Progress bar]					FY2031 onward	
		China	[Progress bar]						
Ptosis	Oxymetazoline hydrochloride	STN1013800	Japan	[Progress bar]					FY2026
			China	[Dashed progress bar]					FY2029
			Asia	[Dashed progress bar]					FY2027
			Europe	[Dashed progress bar]					FY2027

¹ Santen estimate. Countries and regions included: Japan, China, South Korea, Taiwan, Singapore, Thailand, Philippines, Hong Kong, Indonesia, Vietnam, Malaysia, the U.K., France, Germany, Spain, Italy, Switzerland, Austria, Netherlands, Denmark, Norway, Sweden, Finland, Ireland, and Portugal

² *Ophthalmic Plast Reconstr Surg.* 1999 Mar;15(2):92-9 ³ *Fundam Clin Pharmacol.* 2010 Dec;24(6):729-39 ⁴ *Br J Pharmacol.* 1996 Jul;118(5):1246-52

Market Penetration of Products with Social Significance

The cornerstone of our growth strategy and the very reason for our existence as a company is the contribution we make to patients. This contribution includes addressing unmet needs by bringing innovations to products and services in the ophthalmology field, and our pursuit of Commercial Excellence. With the aim of achieving the sustainable development of the Company and society, we are striving for market penetration of products with social significance.



Ippei Kurihara

Director, Corporate Officer,
Head of Japan Business,
Global Commercial Strategy

Strengths in Japan

I always stress to my colleagues at Santen's Japan business that we must continue to be a "leading company" in eye health. This means more than simply us having the No. 1 market share,¹ it also entails being a thought leader when considering the kind of company we should be and what is most important in providing new value for the eye health of patients. By continuing to develop new markets through

this approach, we will contribute to eye care in blue ocean areas (i.e., where there is limited competition) that will constitute our main domain. In turn, this will enable us to broaden our contribution to reach new patients.

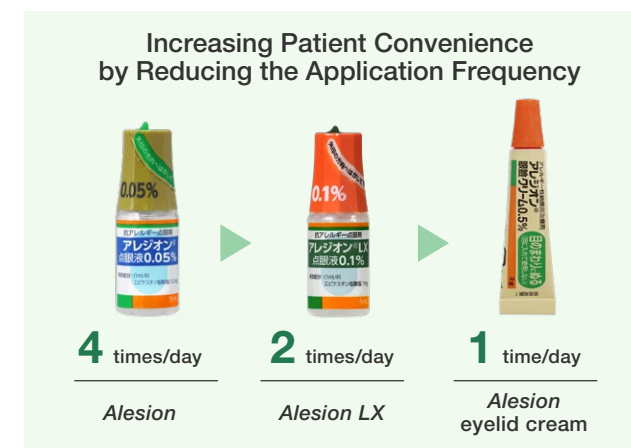
To continue to be a leading company, the most important thing is to provide new value from the perspectives of patients and consumers. It is essential to provide and propose blueprints for the kind of world that will be realized once such new value has been disseminated. By successfully doing so we will realize business growth. Throughout our history, various departments (not only R&D but also sales and marketing functions, including ourselves) have held the same vision and continued to strive for the same goals, starting from the development phase. This has enabled us to achieve market penetration for our products that offer new value, leading to significant results. Such cross-departmental collaboration is a strength of Santen's Japan business and a driver of Santen's Commercial Excellence.

Offering New Value to Drive Business Growth

Providing new value is not limited to launching a new compound. Improvements to enhance the value of existing drugs (life cycle management (LCM)) and the provision of services that support patients and healthcare professionals

are also essential. These are activities that only Santen, a company specialized in ophthalmology, can accomplish. Below we introduce LCM for anti-allergy eye drops as an example of specific activities to provide new value.

Allergic conjunctivitis is a condition in which allergens such as pollen adhere to the surface of the eye, causing inflammation of the conjunctiva. Many patients suffer from symptoms such as severe itching and redness of the eyes, which leads to decreased quality of life (QOL). The first line of treatment is typically anti-allergy eye drops. Conventional treatment in Japan generally involves the use of eye drops to suppress itching only after itching is felt. Seeking to develop the best allergy treatment for patients and enhance their QOL, Santen arrived at the concept of an "itch-free world;"



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¹ Source: Copyright © 2024 IQVIA. JPM 2023.4–2024.3; Santen analysis based on IQVIA data. Reprinted with permission.

the idea being to prevent the onset of itching. Because recurrent itching can also impact a patient’s personal life and leisure time, Santen concluded that preempting symptoms before they appear was critically important.

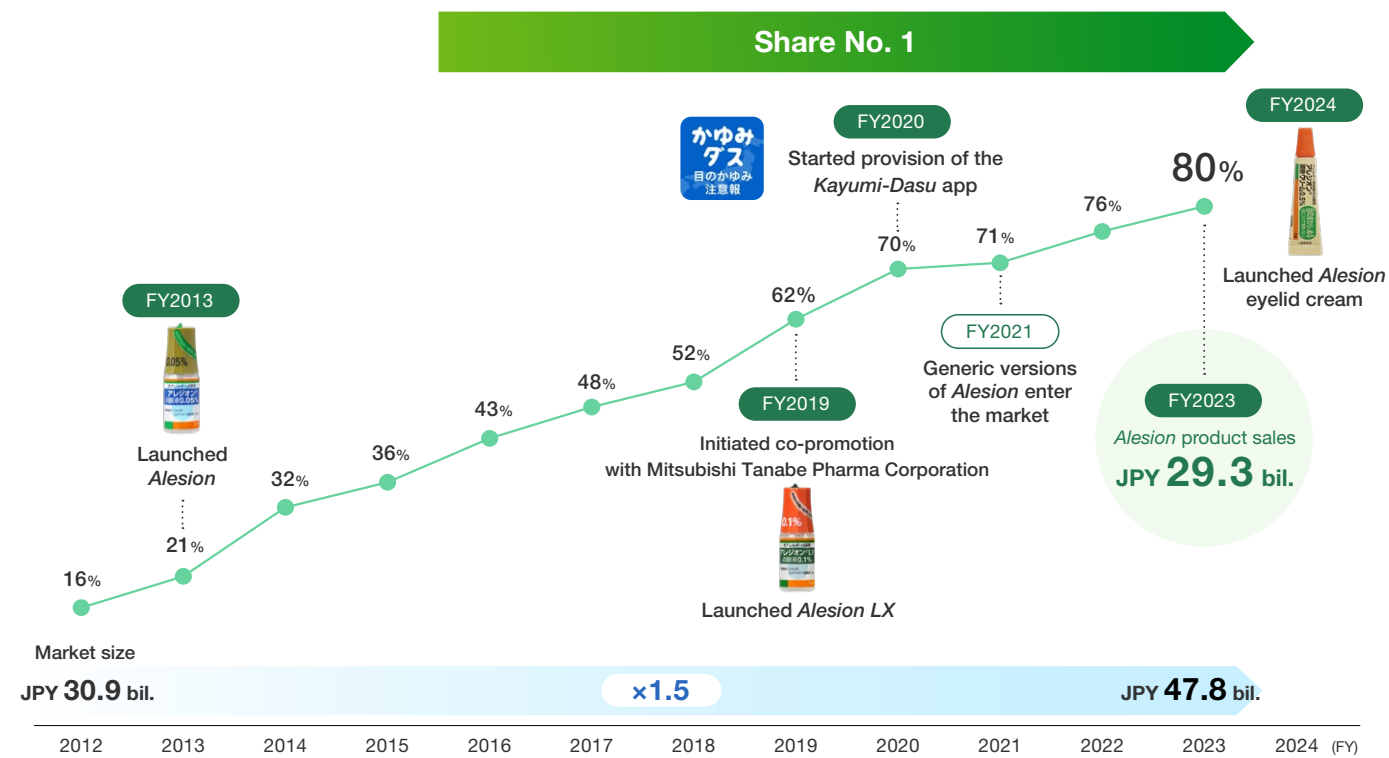
Achieving the indicated treatment efficacy is dependent upon the patient following the recommended administration method and dosage. With the aim of making it easier for patients to instill eye drops according to the appropriate regimen, we developed and launched *Alesion LX*, a twice-a-day instillation that reduces the frequency of administration from *Alesion*, which required a four-times-a-day instillation. However, interviews with patients and doctors, together with information from academic papers and other sources, revealed that many patients were still using eye drops only when their eyes felt itchy, while others could not use eye drops during the day due to constraints at work or school, or other factors—including young age or physical disability—and struggled to adhere to application instructions. Realizing the need for a dosage form that facilitated patient adherence, we began a new LCM development project. The result was the launch in May 2024 of *Alesion* eyelid cream, the world’s first cream-type allergic conjunctivitis treatment requiring just once daily administration to the upper and lower eyelids. In parallel with the improvements these new formulations offer, we have collected data to demonstrate the efficacy of proactive eye drop use¹ in order to help disseminate our ideal of an “itch-free world.” We also developed *Kayumi-Dasu* under the supervision of an ophthalmologist as a software app for

patients.² We are co-promoting *Alesion* products with Mitsubishi Tanabe Pharma Corporation to enhance market penetration outside ophthalmology clinics.

As a result of our continued pursuit of enhanced QOL for patients since we launched our first *Alesion* formulation in 2013, we have led the expansion of the anti-allergy drug market as well as achieved significant expansion of our own

share, enabling us to reach No. 1.³ Sales have grown significantly beyond our initial expectations. Going forward, the Japan business will continue Santen’s contributions to ophthalmology as a leading company by providing new value for the eye health of patients. At the same time, we will grow the business to stably support Group performance.

Santen’s Share of the Japan Anti-Allergy Prescription Ophthalmic Market³ (Value basis)



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¹ Using eye drops in compliance with the dosage guidelines during symptom onset, even if itching has not yet begun, to reduce the frequency of itchy eyes.

² The *Kayumi-Dasu* smartphone app helps people deal with itchy eyes caused by pollenosis. It provides information on caution levels and countermeasures for itchy eyes and other eye symptoms based on the daily weather forecast, and includes an eye drop notification function to support “proactive eye drop use” during the onset period. (Available in Japanese only.) ³ Source: Copyright © 2024 IQVIA. JPM 2012.4–2024.3; Santen analysis based on IQVIA data. Reprinted with permission. *Alesion* product sales according to Santen data.

Enhancing the Lives of Glaucoma Patients in EMEA with a Wide Range of Products

Glaucoma is a disease in which damage occurs to the optic nerve that transmits information from the eyes to the brain, leading to narrowing of the visual field. In many countries it is one of the main causes of visual impairment, including vision loss and blindness.^{1,2} The primary risk factor for glaucoma progression is the elevation of intraocular pressure (a measure of eyeball hardness) beyond an individual's pressure tolerance.^{1,2} Because the disease is generally progressive and irreversible, having a significant impact on a patient's life, early detection and treatment to control the progression are crucial. Lowering intraocular pressure has been shown to be an effective means of reducing the prevalence of damage to the optic nerve.^{3,4} There are various treatments, such as drug therapy, laser therapy, and surgery, that apply different mechanisms of action or surgical techniques. In many cases, lifelong treatment is necessary, with methods personalized to the condition of each patient.

As it does in Japan and Asia, in EMEA Santen offers an end-to-end portfolio for the treatment of glaucoma, including ophthalmic pharmacological solutions containing single drugs or combination drugs, as well as a medical device. There is also a high need for preservative-free glaucoma medicines, and approximately 70% of EMEA glaucoma medicine sales are preservative-free. *PRESERFLO MicroShunt*, launched in 2019,⁵ is an implant device that requires only minimally invasive glaucoma surgery and is made of highly biocompatible material. As a result, we have expanded our contribution in the field of glaucoma surgery. In fiscal 2022, Santen launched *Roclanda* in Europe. *Roclanda* is the first glaucoma treatment applying a new mechanism of action in the last 25 years in Europe.⁶ *Catiolanze*, which has already been approved by the European Commission and is scheduled to be launched in fiscal 2024, is a preservative-free latanoprost eye drop that uses the core technology of cationic emulsion—a technology also used in other Santen-marketed products, including artificial tears for dry eye. We have supporting evidence that *Catiolanze* improves the ocular surface in glaucoma patients with associated ocular surface disease (OSD). Given reports

that approximately 60% of patients with open-angle glaucoma or ocular hypertension show signs and/or symptoms of OSD in one or both eyes,⁷ we expect *Catiolanze* to be a valuable new treatment option in patient care across EMEA.

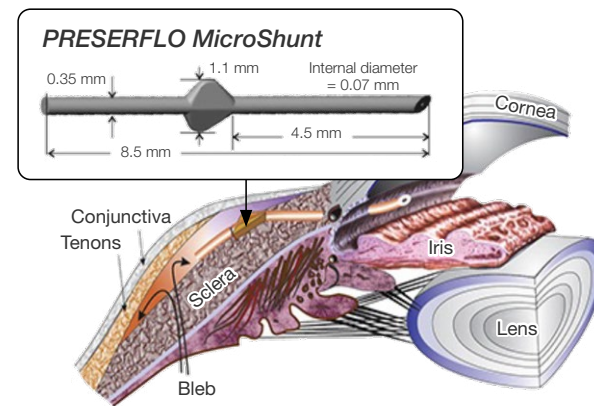
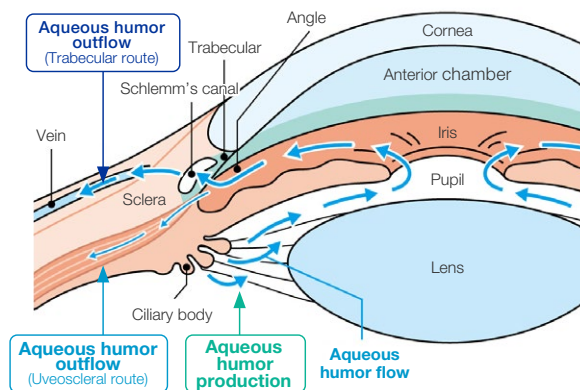
With its broad and innovative portfolio offering, Santen leads the glaucoma market in EMEA and will further enhance and expand its contribution to patients by continuing to provide products that address various unmet clinical needs.

Typical Treatment Options Provided by Santen in EMEA

(As of June 2024; status of approval and launch varies by country; product names are those mainly used globally)

	Brand name	Generic name	Mechanism of action (MOA)
Single drugs based on various MOAs	<i>Tapros</i>	Tafuprost	Prostaglandin F _{2α} derivative ● Facilitate uveoscleral outflow
	<i>Timoptol</i>	Timolol maleate	β-blocker ● Suppress aqueous humor production
	<i>Trusopt</i>	Dorzolamide hydrochloride	Carbonic anhydrase inhibitor ● Suppress aqueous humor production
Combination drugs based on multiple MOAs	<i>Rhopressa (Rhokiinsa)</i>	Netarsudil mesilate	ROCK inhibitor ● Facilitate trabecular outflow
	<i>Cosopt</i>	Dorzolamide hydrochloride/ timolol maleate	Carbonic anhydrase inhibitor/ β-blocker ● Suppress aqueous humor production
	<i>Tapcom</i>	Tafuprost/ timolol maleate	Prostaglandin F _{2α} derivative/ β-blocker ● Facilitate uveoscleral outflow ● Suppress aqueous humor production
Minimally invasive glaucoma surgical device	<i>Rocklatan (Roclanda)</i>	Netarsudil mesilate/ latanoprost	ROCK inhibitor/ prostaglandin F _{2α} derivative ● Facilitate trabecular outflow ● Facilitate uveoscleral outflow
	<i>PRESERFLO MicroShunt</i>	—	Implantation from the subconjunctival space into the anterior chamber creates an artificial aqueous outflow route between the anterior chamber and the extraocular space, allowing intraocular pressure reduction

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¹ Lancet Glob Health. 2017 Dec.;5(12):e1221-e1234 ² Lancet Glob Health. 2021 Feb.;9(2):e144-e160 ³ Ophthalmology. 127.12 (2020):1642-1651 ⁴ Arch Ophthalmol. 2002 Jun.;120(6):701-13 ⁵ PRESERFLO MicroShunt was launched in 2019 after being marketed to some glaucoma surgeons including key opinion leaders (KOLs) ⁶ Drugs. 2019 Jul.;79(10):1031-1036 ⁷ J Glaucoma. 2008 Aug;17(5):350-5

Improving Access to Healthcare

Santen is creating a mechanism to raise the quality and productivity of ophthalmic care teams in developing countries to make eye care accessible to more people.

Challenges in Access to Ophthalmic Care

We are striving to deliver Happiness with Vision to people around the world. To achieve that, we need to develop products with social significance and create systems for making such products available to more people. Many developing countries lack sufficient healthcare resources—for example, the number of ophthalmologists per million people¹ is only 16.5 in Vietnam and 8.7 in Indonesia, in contrast to 89.6 in Japan. To alleviate such shortages, we are collaborating with external partners to promote education and training of ophthalmologists and allied eye care professionals such as nurses and orthoptists in developing countries.

Creating a New Mechanism for Developing Ophthalmic Care Teams through Training of Allied Eye Care Professionals

In Asia, demand for ophthalmic care is expanding with population growth and aging, and in many regions there is a shortage of ophthalmologists. To address this problem, we are focusing on the role of allied eye care professionals. In ophthalmology, given that the equipment used in examinations and the treatment flow is specialized and varied, the skills of allied eye care professionals are critical to the smooth provision of treatment. The results of a study showed that roughly 30% of the work done by

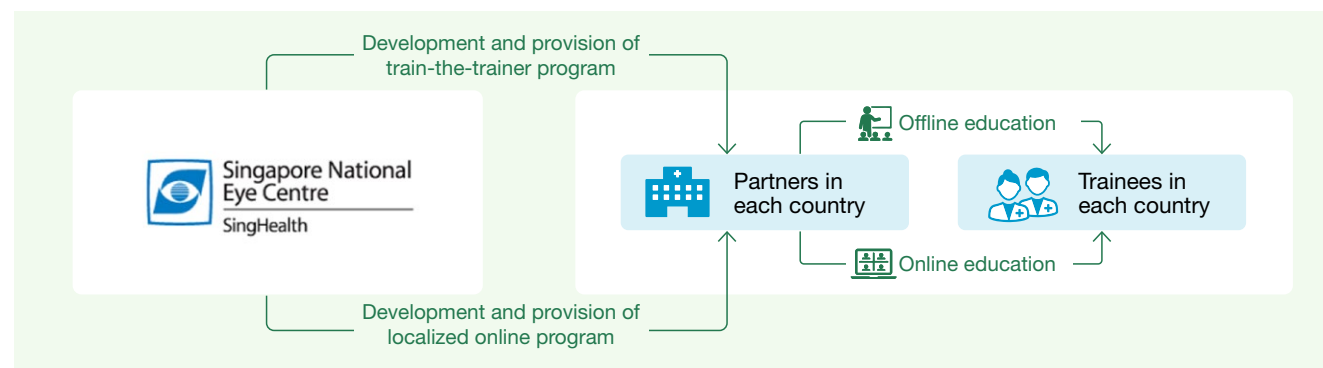
ophthalmologists could be transferred to properly trained nurses and orthoptists. Transferring that work enables doctors to devote their time to caring for more patients and developing their own expertise, and enhances the capability and productivity of the whole medical team.

However, many regions do not have comprehensive training systems specifically for allied eye care professionals. Therefore, we have entered a strategic partnership with Singapore National Eye Centre (SNEC), a global leader in ophthalmology research and education. Under this partnership, we have digitalized SNEC’s training programs for allied eye care professionals and created an online-offline hybrid training model. We are also cultivating local trainers and building a framework for providing this internationally certified program through ophthalmic educational institutions in Southeast Asia.

In 2022, 10 people became qualified as trainers through the program at Vietnam National Eye Hospital, which is the central hospital under the jurisdiction of Vietnam’s Ministry of Health and serves as a clinical training facility for Hanoi Medical University. The following year, a pilot program in Vietnamese was developed, and 40 trainees participated. The plan is to train 600 ophthalmic nurses by the end of 2030, and we estimate that the additional resource capacity thus created will be equivalent to 180 ophthalmologists. In Indonesia, we are conducting similar activities at Dr. Cipto Mangunkusumo National Central Public Hospital, which is affiliated with the University of Indonesia, and the Indonesian Clinical Training and Education Center. Through these activities, we are training 15 trainers and have started a program in the Indonesian language.

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Overview of Mechanism for Providing Educational Programs to Eye Care Professionals



¹ Estimated by Santen based on information disclosed by academic societies in each country



Committed to Establishing Self-Sufficient Training Programs in a Sustainable Format

In this partnership with SNEC, we place particular emphasis on ensuring that programs are not short-lived, but that they will ultimately be able to sustain themselves. We believe that in order to build an effective medical ecosystem, it is essential that local educational institutions run the program independently and that the program is self-sufficient, including in terms of profitability. Therefore, in principle, the expenses required to run the program should be covered by tuition. Tuition fees are set at the lowest level possible, such that they can be recouped by the allied eye care

professionals who took the course through their contribution to the improved productivity of ophthalmologists and the overall revenue of the hospital. In regions where there is significant economic disparity between urban and rural areas, trainees can also use the online program to lessen the financial burden of accommodation and other expenses.

Improving the quality and productivity of ophthalmology in Asia will contribute to the eye health of more people, and will also lead to the creation of a sustainable business foundation for Santen. In emerging markets, we will contribute to society in ways that only Santen can, and pursue further business growth through those contributions.

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Project Member's Voice



Hiroaki Kurashima

Head of Patient Journey Solutions, Alliance Cluster, Santen Pharmaceutical Asia Pte. Ltd.

Functioning as the project management office in the strategic partnership with SNEC, we lead the development of regional expansion strategies, support partnering and pilot activities, and formulate and implement business plans in preparation for the full program launch, working with a wide range of internal and external stakeholders. The project management and business development experience provided by Santen was a major driving force for the launch of the business. Challenging situations often arose because of differences in laws and regulations, language, and business customs in each country, but the support of the Asia local members and their in-depth knowledge of the region played a significant role in resolving those issues. We have also built invaluable, constructive relationships with healthcare professionals for the future of ophthalmology in each country. We are passionate about continuing this initiative, which will in turn contribute to the foundation for Santen's sustainable business growth.



Team members in Asia who supported the project

A Work Environment Where Diverse Employees Can Thrive

To foster an organizational culture that promotes value creation, we are enhancing well-being and establishing work environments and systems where anyone can thrive, regardless of characteristics such as gender, nationality, and disability.

A Positive Work Environment

Starting in 2021, we have been advancing New Work Style initiatives that are aligned with Santen's values. These initiatives center on "flexible workplace," "digitalized processes," "well-being and lifestyle," "flexible worktime," and "community contribution." Today, many employees use the option to work from home, and can carry out their roles while meeting with team members online, regardless of global location.

Furthermore, the flextime system allows employees to deal with responsibilities such as dropping off and picking up children, or caring for a family member at home, enabling them to build their career while still fulfilling their private responsibilities.

Expanding the Leave System to Enable More Flexible Work Styles

In Japan, we expanded the accumulated annual leave system¹ in 2024. Now, in addition to reasons such as

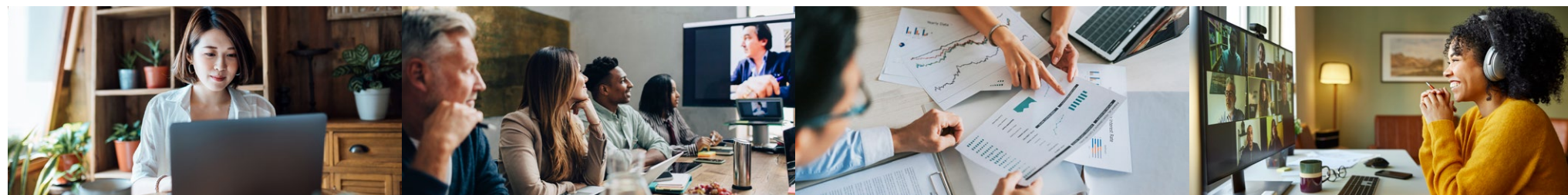
sick leave, family care, childcare, prenatal checkups, refreshment leave, and volunteer activities, employees are able to use their accumulated leave for such purposes as women's health issues (menstrual period, premenstrual syndrome), fertility treatment, follow-up checkups, cancer screening, comprehensive checkups, eye examinations, nursing care, self-improvement, and reskilling. Leave for health-related reasons is collectively referred to as "wellness leave," allowing employees to use the system without having to declare a specific reason to their supervisor/colleagues. Family care and nursing care has been expanded to include not only care for spouses, children, and parents, but also for grandparents and siblings. For childcare, accumulated leave can be used for children, and grandchildren through lower secondary school age, as well as for school events and medical checkups.

Diversity, Equity & Inclusion (DE&I)

Organizations that leverage diversity bring in a variety of perspectives, ideas, and creativity, which promotes innovation and better decision-making. Gender diversity in particular is a key theme, and to that end we held DE&I webinars for our global employees. We expect this to lead to the development of workplaces where employees can work with excitement and enthusiasm, making full use of their individual abilities while reflecting on their everyday actions and accepting each other's differences.

In our efforts to promote empowerment of women in the workplace, we held seminars for employees in Japan, where the need to address this issue is more pronounced than in other regions. Our ratio of female managers in Japan was 19.0% at the end of fiscal 2023, compared with our target of 20% by 2025. Moreover, female managers have been playing an increasingly active role, including in sales departments.

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¹ Instead of expiring after two years, unused leave is carried over as "accumulated leave"

Contribution of Special Subsidiary to Corporate Value



Claire Co., Ltd. is a special subsidiary of Santen. Claire employs persons who have intellectual disabilities, providing them with opportunities and places to engage in fulfilling and meaningful work. Its business consists primarily of cleaning of antibacterial, sterile, and dustproof clothes, which are indispensable in the manufacture of eye drops, as well as cleaning and light work at production plants. In this way Claire is contributing to high-quality production activities.

Leveraging the Characteristics of Diverse Members

The cleaning of clothing must consistently meet deadlines of one or two days. Furthermore, the work volume varies daily and is unknown until it arrives. Therefore, to enable the flexible assignment of staff according to the volume of work, Claire has expanded the types of work contracted to include tasks such as cleaning and manufacturing preparation at plants. As such, it has built a structure in which each person can handle multiple tasks and where there is greater workforce mobility. In addition, Claire employees perform Mail Center¹ work and other tasks, not only at Santen’s plant site in Shiga, but also at its corporate headquarters in Osaka. To ensure that employees with various disabilities can make the most of their abilities in the most suitable roles, and considering the need for multiple people to perform certain work tasks, Claire is simplifying and visualizing work processes as much as possible and **expanding the scope of work it engages in.**

Individual Growth Strengthens the Organization

Employees from Claire also engage in manufacturing preparation work and a number have acquired forklift and building maintenance qualifications. Furthermore, joining the plant

production line requires certain qualifications, so employees must first receive training in Good Manufacturing Practices (GMP)² standards for manufacturing and quality management of pharmaceutical products. Studying hard, they check work processes during downtime, think about how they can carry out tasks faster and more accurately, and practice repeatedly. **Claire’s strength is its people who are serious and filled with ambition to improve themselves.**

Pride in Contributing to Society Is a Source of Strength

Keeping in mind our task of contributing to end-users (i.e., patients) through the manufacture of ophthalmic solutions, employees at Claire strive to acquire qualifications and learn every day so that they can fulfill and broaden the scope of their role. Because of that, the quality of its cleaning services is high, and it often receives inquiries from the manufacturing departments of other companies. **With their ingenuity and sustained efforts, Claire’s employees will continue contributing to Santen’s business and society, and make the most of their strengths.**

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Left: Claire’s cleaning team / Top right: Cleaning team at work / Bottom right: A member of the manufacturing preparation group at work

Comment from a Plant Manager

We contract with Claire for a variety of work, including cleaning of work uniforms, and general cleaning, product consolidation, and material shipping at the plant. Their team’s attention to detail, strong commitment, and dedication, along with the stability they provide through their long-term service, are one of the advantages of keeping production processes within the Santen Group. We appreciate Claire as a valuable partner that is essential to our production activities.



Left: Atsushi Tanemoto (Plant Manager, Shiga Plant, Manufacturing Division)
Right: Miwako Asai (President, Claire Co., Ltd.)

¹ A function that handles tasks such as receiving, sorting, collection, and forwarding of mail and parcels delivered to the Company ² Standards for manufacturing control and quality control of drugs and quasi-drugs

Deepening Understanding of Our CORE PRINCIPLE

We will enhance corporate value through ongoing initiatives to ensure that all employees understand and embody our CORE PRINCIPLE, as well as share the best practices that they or their team/organization have developed.

For more than 130 years, we have continued to conduct business activities based on our CORE PRINCIPLE of *Tenki ni sanyo suru*. To realize the CORE PRINCIPLE, in each area of our business—from research and development, to production, sales and marketing, and administration—employees practice understanding, acceptance, and cooperation on a day-to-day basis.

In that regard, we launched the Santen Value Award program in fiscal 2020 to commend this behavior. This award program is intended to encourage the implementation of our CORE PRINCIPLE globally. With awards presented by the President and CEO, the program promotes the sharing, mutual understanding, and utilization

of examples of excellent initiatives in each region and division, and connects those initiatives to enhancement of corporate value.

In fiscal 2023, entries encompassing a wide variety of themes were submitted. As a result of a fair and impartial evaluation carried out by the project team (led by the President and CEO), five themes received the Santen Value Award.

First, the *Tenki Ni Sanyo Suru Award* (the grand prize) was given for “Work Leading to Approval of *Alesion* eyelid cream 0.5%.” This award recognized the process in which the departments involved—chiefly sales and marketing and R&D—cooperated to identify and fully understand patient

needs for allergic conjunctivitis treatments, and reflected the results in product development.

Given the difficulties of developing a cream preparation that is applied to the eyelids and acts on the conjunctiva, teams went through a trial-and-error process to overcome many challenges, which ultimately led to approval as the world’s first cream-type allergic conjunctivitis treatment.

This product was awarded the grand prize in recognition of the new treatment choice it provides patients and medical professionals who sought a formulation with reduced application frequency or a drug therapy alternative to eye drops. We expect it to contribute to patients’ quality of life.

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Comment from Winners of the *Tenki Ni Sanyo Suru Award*

Team representatives

Shinji Koyama, Yuka Haruma, and Yusuke Sano

The success of this project was the culmination of the efforts of various Japan business departments and the R&D department. They have worked closely together since the original development of *Alesion* and *Alesion LX* ophthalmic solutions, consistently applying our CORE PRINCIPLE over the long term. This has provided the foundation for understanding and respecting each other’s intentions, including over the course of internal and external negotiations, which has helped in selecting the optimal courses of action. The result—developing and launching a product based on a new concept—is one that every member of the project team is proud of.

In the future, we hope to reach as many allergic conjunctivitis patients as possible with our products.



Award winners with President & CEO Takeshi Ito at the ceremony

Besides the grand-prize winner, entries under four themes received awards.

Under “Third-Party Due Diligence System/Process,” we built a system focused on conducting due diligence of specific potential high-risk third parties with regard to anti-bribery and anti-corruption measures, from the perspective of strengthening fundamental governance. In addition to ensuring compliance with laws and regulations, the program will promote internal and external understanding of Santen’s compliance practices among the people involved in its business.

Both the “EMEA Learning Festival (creation of self-directed learning opportunities)” (▶ Page 26) and “Flux China HR Team: A Resource Centre for Driving Organizational Effectiveness” originated with ideas that came from the results of an engagement survey. To improve job motivation and satisfaction, we assessed the

current situation in each region, generated ideas, and then systematically put them into action. Specifically, we rolled out educational programs for professional skills development (e.g., computer skill improvement tools and presentation skills training). In addition, sales departments strengthened their leadership approach through talent discovery/development, and promoted mutual understanding of diverse values, which is helping to build the foundation for human capital management.

In “Rapid Recovery from Noto Earthquake,” (▶ Page 65) with efforts centering on the manufacturing department, local employees worked hard to restore operations while themselves recovering from the personal effects of the disaster, driven by a strong commitment to Santen’s mission of ensuring stable product supply. On-site staff calmly and precisely assessed and reported the damage, and a restoration plan was quickly drawn up and implemented.

Following the earthquake, which occurred on January 1, 2024, we established a framework for surveying the damage and maintaining stable supplies, while prioritizing the safety of employees. As a result, all but one of the production lines had resumed operation by the end of March.

Through these and other initiatives, **employees have the opportunity to deepen their understanding of our CORE PRINCIPLE and how their daily work benefits consumers and patients. Building on this foundation, we will encourage all employees to share their activities and results.**

We will continue to create mechanisms to increase synergy across our global operations based on our CORE PRINCIPLE.

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A Commitment to Company-wide Digital Transformation (DX)

Medium- to long-term enhancement of corporate value is crucial to realizing Happiness with Vision. To achieve that goal from a digital perspective, we are strategically implementing multifaceted measures, including development of digital talent, to increase productivity through DX.











In fiscal 2023, we began introducing generative AI. Currently, we are using a generative AI chat solution in all but a few regions, which is reducing the number of hours spent on routine work such as summarization, translation, and proofreading. We also use it as a sounding board for ideas, drafting document outlines, gathering information, and other tasks to create output faster. In the future, generative AI will be able to develop processes for personalized medical care, design marketing strategies, and optimize clinical studies, and we believe it will drastically alter our approach to achieving market penetration of products with social significance. To make that happen, many employees are working ambitiously on further applications. All of our employees will incorporate generative AI into their work as a matter of course, which will dramatically advance our DX.

We are also focusing on the promotion of robotic process automation (RPA),¹ and have conducted training and workshops globally. Business departments and the Digital & IT Division are cooperating in the automation of

routine work using RPA tools. More than 80 programs are already running, and are contributing to reduction of human error and more efficient use of human resources. To further apply RPA, we are centrally collecting application examples and know-how, and have established a system that enables the Digital & IT Division to provide appropriate support for consultations and requests from employees who use RPA.

To make maximum use of generative AI, RPA, and other new digital tools to create new value, it is essential to enhance the ability of employees to utilize them effectively. By motivating employees who are interested in utilizing IT and setting up training opportunities for them to interact, we are building a framework in which knowledge and skills are independently transmitted to divisions and teams. We will also promote citizen development² to accelerate Company-wide DX, not just at the Digital & IT Division. With individual employees becoming “doers” themselves, we aim to utilize digital technology to quickly create new measures from ideas and underlying needs.

Initiatives to Promote Use of Generative AI at Santen

-  • Released guidance for internal use of generative AI
-  • Launched generative AI chat globally
-  • Held regional and division-based learning sessions
-  • Held generative AI chat briefing sessions
-  • Released instructional video on using generative AI chat
-  • Published prompts
-  • Conducted survey on use of generative AI chat
-  • Held regional and division-based workshops
-  • Held open-format Q&A sessions
-  • Global pilot use and feasibility verification of a generative AI-based business support tool
- • Use case contest

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¹ A mechanism for using software robots to automate routine business processes

² Development by non-engineers (who have no specialized programming or software development knowledge) using tools to make simple work apps and implement automation

Application Examples



As we work to shape sales strategies and to deploy them at the divisions that will execute them, we get ideas from generative AI on what kind of storylines can be used to explain them effectively. It can change our thinking as it gives us insight into possible perspectives that we may not realize on our own and helps to organize talking points. We plan to develop the use of AI in field operations as well as in staff divisions, and expect that to lead to further enhancement of our sales capabilities, which are already one of Santen's strengths.

Miho Kamei

Sales Planning Team, Sales Planning and Promotion Group, Sales Department, Japan Sales and Marketing Division, Japan Business



In Japan, maximum limits on working hours and overtime work are determined by law and labor-management agreements, and proper management of those hours and prevention of excessive working hours are seen as natural obligations of companies. At the human resources division, the process for extraction of data from the working time management system, detection of employees who may exceed their maximum working hours, and notification of those employees and their supervisors, which had been done manually before, has been automated using RPA. We have reduced compliance risk by preventing human error and by sending timely notifications, and succeeded in improving work efficiency by 276 hours annually. We will continue to seek opportunities to leverage digital technology to make the best use of our human resources.

Soshi Ito

Head of Labor Relations, HR, Japan Region, Human Resources

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Chemistry, Manufacturing and Control (CMC)¹ involves a wide range of activities from the non-clinical phase to post-marketing. To that end, we are required to collect a variety of information, ranging from scientific literature to overseas pharmaceutical regulations. Using generative AI allows us to obtain summaries and citation sources in half the time it took previously. It also plays a role in broadening our intellectual curiosity because it is easier to look up information on areas outside our own expertise, and the time we save can be used for experimental work.

Shinya Umezaki

Pharmaceutical Development, Pharmaceutics and Pharmacology Department, Product Development Division



Asia Commercial Operation Team
Upper left: Chee Wai Yow
Upper right: Tae-Won Han
Lower left: Michelle Tan
Lower right: Sayako Manabe

We have automated the report creation process using accumulated data to optimize customer engagement. This is achieved through a combination of a customer relationship management system and RPA. Specifically, we have automated data output, report generation, and email distribution using RPA. As a result, we reduced additional costs for system functionality by USD 20,000 and anticipate an annual savings of 1,152 work hours. Additionally, we will continue to enhance the customer experience by utilizing available digital platforms.

Chee Wai Yow

Regional Senior Commercial Execution Manager, Asia Commercial Operations, Asia CFU Function Santen Pharmaceutical Asia Pte. Ltd.

¹ The function of developing products, manufacturing processes and quality assessment methods to enable a constant supply of pharmaceuticals of appropriate quality

Conservation of the Global Environment

We adopt an integrated approach to realizing a carbon-free and recycling-oriented society and protecting biodiversity. On that basis, we will contribute to the development of a sustainable society while strengthening our ability to achieve sustainable business growth.

Building Our Value Creation Capabilities

Santen's CORE PRINCIPLE of *Tenki ni sanyo suru* means exploring the secrets and mechanisms of nature in order to contribute to people's health. The "secrets and mechanisms of nature" are the very origin of life science and the starting point for our mission. As such, maintaining the rich underlying ecosystems is an important responsibility, and we are promoting integrated activities including those related to the protection of biodiversity.

Negative impacts on the environment, including the emission of greenhouse gases, are unavoidable in the value chain from product manufacturing to supply. To build sustainable value creation capabilities, it is important that we minimize negative impacts. We have established an environmental vision, Santen Vision for the Earth 2050, which sets concrete targets for accomplishing that objective.

We view climate change as a key management issue that presents both risks and opportunities. Based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which we endorsed in

June 2022, we identified related risks and opportunities and conducted scenario analysis to measure the financial impact of climate change. Accelerating the transition to low-carbon energy, which is a major transition risk, comes with financial risks in the form of increased investment and costs, but reviewing processes for efficient use of resources can also be a driver for ongoing improvement and innovation. Through a cross-organizational task force, we are already proposing and examining measures for realizing carbon-neutral factories.

Furthermore, we recognize that regulation of plastics used in eye drop containers and other packages and securing the water resources necessary for product manufacturing are key elements for our business continuity. We will promote recycling and reduction of plastic materials, the switch to using biomass plastics for containers, and efficient use of water resources, among other measures to reduce those risks and contribute to the realization of a recycling-oriented society.

TCFD | TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

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Toward a Carbon-Free Society

Our greenhouse gas emission reduction targets for fiscal 2030, which we set as a milestone on the path to achieving net-zero greenhouse gas emissions by 2050, have been scientifically determined and approved by the Science Based Targets initiative (SBTi). One measure to achieve these targets is switching all purchased electricity for our plants and laboratories in Japan to electricity from renewable energy sources. CO₂ emissions (Scope 1 and Scope 2 total) in fiscal 2023 decreased 36% compared with fiscal 2019, the base year.

In October 2023, we began solar power generation at the Suzhou Plant in China. Using 1,784 solar panels with a total annual power generation capacity of approximately

1 million kWh, the plant is able to cover about a tenth of its total power consumption with green energy. We expect this to reduce annual CO₂ emissions by about 700 t-CO₂. In Japan, we have set a goal of improving energy consumption intensity by 1% a year to promote efficient use of energy, and are upgrading to more efficient equipment that uses the latest technologies, mainly at production sites, after ascertaining cost effectiveness.

We will continue to study action plans targeting further reduction of CO₂ emissions and energy consumption, as well as switching to lower emission energy sources, and will work to mitigate climate change and realize a carbon-free society.



Solar panels installed at the Suzhou Plant



The Suzhou Plant solar photovoltaic project team

Comment from a Project Member



Xiaolong Bi (First from right)
 Project Leader, Suzhou Plant Solar Photovoltaic Project
 Director of EHS Management, Santen Pharmaceutical (China) Co., Ltd.

Santen's Suzhou Plant strives to help mitigate climate change by reducing CO₂ emissions utilizing low-carbon resources and energy sources and other means, as well as to create a great place to work. The photovoltaic project construction process involved significant high-risk work, including working at height, operations involving fire hazards, and digging operations. Nevertheless, by ensuring that the safety awareness and conduct of construction workers satisfied Santen site safety management requirements and by identifying and effectively controlling risks during the large-scale construction, the project was successfully completed. We will continue our efforts to implement sustainable production activities in the future.

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Moving toward a Recycling-Oriented Society

Our targets for fiscal 2030 for environmental load reduction include water consumption per unit of production of 12.4 m³/10,000 bottles or less, a 98% or higher recycling rate (non-landfill disposal rate), and a 15% reduction (versus fiscal 2019) in plastic used for wrapping and packaging. By installing equipment for reusing water resources and recycling wherever possible, our water consumption per unit of production was 12.9 m³/10,000 bottles, and the recycling rate was 99.6% in fiscal 2023.

To establish sustainable product supply capability, it is important to enhance functions for reducing environmental impact in parallel with the expansion of production capacity. Since more than 80% of our waste is generated at our production bases, in completing construction of a new building at the Shiga Product Supply Center we also built a new recycling building in 2022, as part of our focus on waste management including recycling and reducing waste. For example, the manufacturing process of eye drop containers is our main source of waste plastics. To reduce and recycle waste plastics, we analyzed the process, and finely categorized these plastics according to properties

such as adhesion of pharmaceutical ingredient residues, the presence of colorants, and shape. We then established appropriate disposal methods in cooperation with waste disposal service providers. As a result, we were able to recycle the entire volume of waste plastics. Having improved the efficiency of the waste separation process and transport methods, some waste can now be sold as valuable materials, which also helps to reduce costs. Furthermore, we have begun examining measures for reduction of waste alkali and other forms of waste generated in large volumes.



Recycling building at the Shiga Product Supply Center

As a measure for the product-use stage, we have decided to reduce plastic medication dispensing bags that come with ophthalmic solutions from fiscal 2024, except in cases where they are necessary to preserve the quality of the formulation, for example by protecting the solutions from light or preventing moisture loss. We support the recommendations of the Japan Ophthalmic Pharmaceutical Manufacturer's Association, and industry-wide efforts are expected to lead to elimination of most disposable plastic bags used in conjunction with ophthalmic solution prescriptions.



Eye drop bottles pulverized for disposal

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Protecting Biodiversity

We established the Santen Group Biodiversity Policy in July 2024 with the aim of maintaining a healthy natural environment and protecting biodiversity. In addition to incorporating conservation of the environment into our business activities, we also adhere to rules for the use of biological resources, including genetic resources. As a pharmaceutical company, we are committed to business growth in harmony with the environment.

Santen Group Biodiversity Policy

The Santen Group contributes to sustainable global environments based on our CORE PRINCIPLE, *Tenki ni sanyo suru*. We recognize the importance of biodiversity, the fountain of benefits derived from ecosystems, including water, which is the most important element in ophthalmic solutions. We pursue the following activities toward becoming nature positive.

Integrated Efforts	We strive to preserve biodiversity, foster decarbonize societies, and create recycling-oriented societies in an integrated manner, ensuring the clear vision of a beautiful world for all.
Impact Assessment	We assess the impact of our supply chain and other business activities on biodiversity.
Business Activities and Conservation	We conduct business activities in consideration of ecosystems, preventing water, air, and soil pollution, and avoiding forest destruction. We avoid and reduce impacts in areas related to our business that are highly important from the perspective of biodiversity.
Use of Ecosystem Services	We aim for sustainable procurement and the sustainable use of ecosystem services in our business activities.
Use and Management of Genetic Resources	As a company that develops and supplies pharmaceuticals around the world, we use and manage genetic and other biological resources appropriately, complying with local and international rules.
Communication and Partnerships	We communicate with domestic and international NGOs, educational and research institutions, local governments, supply chains, etc., seeking collaboration and cooperation in conserving biodiversity.
Education	We conduct education and awareness-raising activities for employees regarding biodiversity conservation.

To increase the sustainability of our business operations, it is important to understand external expectations and requests through dialogue with stakeholders, and to reflect them in our activities. For protection of biodiversity, in March 2024 we invited Dr. Shin-ichi Meguro (Senior Researcher, Japanese Center for International Studies in Ecology, Institute for Global Environmental Strategies) to talk with senior management of our manufacturing and sustainability divisions. First, he explained the connection between securing water resources, which are essential for eye drops, and protecting biodiversity, and exchanged ideas on what measures to start with to accomplish that. In addition, he shared his thoughts about the intensification of natural disasters due to erosion of ecosystem functions,

and commented that proactive measures are expected, given that environmental protection aligns with the mission of pharmaceutical companies in terms of protecting life. After the dialogue, Dr. Meguro gave a lecture on the topic of “biodiversity and true nature” to raise the awareness of employees. The lecture covered how vegetation is the basic foundation of ecosystems, so its destruction or degradation may harm forests, which can in turn impact our ability to secure rich water resources. The lecture also addressed ways to restore vegetation. After hearing his thoughts on natural systems, the participating managers were able to reaffirm our stance of starting with what we can do for protecting biodiversity.



Dialogue session

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Stakeholder Engagement

Santen aims to create shared value with its stakeholders by building relationships based on mutual trust and communication.



Shareholders and Investors

For institutional investors and securities analysts, we hold financial results briefings, one-on-one meetings, and other events. In addition to the face-to-face dialogue we hold in and outside Japan, we also work to enhance communication opportunities (▶ Page 67) and make active use of a web conferencing system. At the Capital Markets Day on Overseas Business briefing, held in March 2024, we disclosed our efforts in pursuit of Commercial Excellence and our growth strategy for overseas businesses, which are pillars of future growth. We have also been continuing our engagement initiatives, including through shareholder dialogue at Board of Directors meetings.



Employees

We hold town hall meetings at our sites in Japan, EMEA, Asia, China, and the Americas. These meetings provide opportunities for dialogue between employees and management. Furthermore, for more detailed discussion on the business environment and our strategies, the Head of Japan Business and department heads conducted a “caravan” across Japan. As a forum for regular dialogue between management and the employee union in Japan, we held meetings of the labor-management council, where both sides work to resolve issues. The aim is to strengthen organizational capabilities through discussions that support autonomous career development and build organizational culture. In addition, we conduct an employee engagement survey globally (▶ Page 25) to help inform organizational reform.



Town hall meeting in Japan

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Suppliers

To maintain a stable supply of pharmaceuticals and fulfill our responsibility to society throughout the supply chain, we strive for dialogue with our suppliers. We ask critical suppliers to respond to our supplier evaluations on a regular basis and encourage all suppliers to comply with the Santen Group Sustainable Procurement Policy and Guidelines. Furthermore, we have worked to confirm matters related to respect for human rights, and disclosed a Modern Slavery and Human Trafficking Statement in August 2024.



Partnerships to Realize a More Inclusive Society

In collaboration with Houkago NPO Afterschool, we developed an educational program for elementary school students called “Take Care of Your Eyes! Blind Challenge.” This program encourages children to consider the importance of vision and inclusion by sharing in what it is like to experience the world without sight. We continue to conduct the program in conjunction with local governments, schools, and after-school organizations throughout Japan. In addition, we organized an event for employees and their families to deepen understanding of our CORE PRINCIPLE and enhance employee engagement.



Employees and their children participating in the “Take Care of Your Eyes! Blind Challenge” event