

13 Sep, 2022

Script for conference call regarding Change of Representative Director of the Board (change in CEO)

Time: 7:30-8:00am, 13 Sep, 2022

Speakers:

Akira Kurokawa Representative Director Chairman

Takeshi Ito Representative Director of the Board, President and CEO

Yutaro Shintaku Outside Director

【Kurokawa】 Opening

I am Akira Kurokawa, Representative Director of the Board and Chairman. Thank you for joining us today.

As described in yesterday's announcement pertaining to a change in Representative Director of the Board and change in CEO, Mr. Taniuchi resigned from his position as Representative Director of the Board, President and CEO, and the Board of Directors approved the appointment of Mr. Ito, Representative Director of the Board, Executive Vice President, as President and CEO.

I will pass it over to Mr. Shintaku, Chairperson of the Nominating Committee, to provide further details on this change.

【Shintaku】 Explanation on resignation and selection & appointment

I am Yutaro Shintaku, Chairperson of the Nominating Committee.

Mr. Taniuchi, Representative Director of the Board, President and CEO, resigned from his position at the Board of Directors, and the Board appointed, effective yesterday, Mr. Takeshi Ito, Representative Director of the Board and Executive Vice President, as the new Representative Director of the Board, President and CEO.

Mr. Taniuchi offered to resign from his position due to personal reasons, and the Board of Directors accepted his offer.

The Nominating Committee was held to discuss and consider potential candidates deemed to be qualified for the new position of Representative Director of the Board, President and CEO. As a result, the Committee proposed Mr. Ito, Representative Director of the Board and Executive Vice President, as the new Representative Director of the Board, President and CEO. Consequently, the Board of Directors approved the proposal to appoint Mr. Ito at the Board of Directors meeting held yesterday.

【Kurokawa】 Introducing Mr. Ito, Representative Director of the Board, President and CEO

Mr. Ito, the newly appointed President and CEO, has been involved in the management of the entire company including the overseas business as Executive Vice President. Moreover, he has been overseeing our over all business as Head of Japan Business and Head of Japan Sales and Marketing Division.

Regarding the Japanese business, a core area for Santen, he had been leading it since 2012 as Corporate Officer, Head of Prescription Pharmaceutical Sales Department, Sales and Marketing Division, Prescription Pharmaceuticals, and after 2016 as Head of Japan Business, contributed to the growth of ophthalmology business sales in Japan.

Mr. Ito has a diversity of experience. He started his career as an MR building on field experience and further developed his exposure in business development and R&D. During his time in the R&D department, he partook in a selective and focused decision-making for development areas, and accelerated the optimization of business resources leveraging Santen's core strength. He is someone who has built experience in pipeline development and sales & marketing team development, which consist of important value chains for a pharmaceutical company.

In order to increase Santen's enterprise value through the promotion of necessary changes to ensure continuous growth and the transformation into a company capable of further value creation, the abilities to have a holistic picture of the healthcare market of ophthalmology, to identify key

opportunities, and to seize them through the implementation of a thorough action plan are prerequisites. We have assessed Mr. Ito as the appropriate person for the position of Representative Director of the Board, President and CEO, as he possesses these abilities and has a proven track record.

As Chairman, I will continue to support Mr. Ito, as Representative Director of the Board, President and CEO, so that we can achieve further growth. I look forward to your understanding and continued support.

【Ito】 Aspirations and considerations as new President and CEO

I am Takeshi Ito, appointed Representative Director of the Board, President and CEO. I am highly conscious of the magnitude of responsibility and task my new role entails. I intend to dedicate all my time and efforts to contribute to Santen's further growth.

Under our CORE PRINCIPLE, "Tenki ni sanyo suru (Exploring the secrets and mechanisms of nature in order to contribute to people's health)", we have been aiming to be at the service of our patients and their loved ones. As a speciality company focusing on ophthalmology, we contribute to realizing people's "Happiness with Vision" by providing valuable products and services to patients and medical professionals around the World.

I have a deep conviction on Santen's large potential, and its capabilities and talent that will allow it to achieve renewed and sustainable growth.

I feel I am responsible and capable to put the company back on its growth trajectory for investors, for Santen which has a long-standing history, and for employees who support it. This is why I took on this new role, and I believe I can achieve the goal.

Until now, I have always considered it my mission to provide "important value not previously provided through products and services" to people and patients. My engagement to fulfill this mission is what motivates me and also what has driven my work at Santen.

I have yielded results since 2012 when I was appointed as Head of Prescription Pharmaceuticals Sales Department, Sales and Marketing

Division, Prescription Pharmaceuticals, despite what was deemed to be a difficult business environment in Japan. Up to now, the number of our domestic MRs remains at about 400, and has not greatly varied, but I have increased Japan ophthalmology business sales significantly from approximately JPY 90 billion to JPY 160 billion, by enhancing development pipeline, building an efficient and effective sales network, and thoroughly implementing KPI management and PDCA cycle. Although the global environment is challenging, in a similar manner to what I experienced concerning Japan, I perceive many growth opportunities that can be exploited.

Thus far, we have not been able to meet your expectations in terms of our earnings. I also have my own understanding and evaluation on Santen's challenges and I intend to make all the efforts necessary to meet your expectations.

As a first step, I will map out a detailed action plan. An evaluation of the challenges we faced looking back at our 3 previous years, and assessing what we have done well and what we have done poorly will allow us to return to our growth trajectory.

I believe that under my leadership and responsibility as President and CEO, taking the right actions and carrying out business execution with a greater sense of urgency in decision-making, and a thorough and systematic KPI management will be crucial. I strongly believe thorough execution is what allowed me to realize sales growth in Japan under my previous responsibilities. The plan now is make the necessary changes in policies under my leadership and to provide you an update at a later date.

Finally, in this rapidly changing world, in order for Santen to keep contributing to society as a top runner in ophthalmology, managing with speed and thorough execution is primordial. As a member of the management team at Santen for numerous years, it is my deep conviction that Santen has that ability.

I thank you for your continued support.