



**CORPORATE CITIZENSHIP**

As a pharmaceutical company dedicated to vision and health, Santen contributes to society through donations and support to many organizations within the field of ophthalmology. We also carry out company-wide environmental activities in line with our Basic Environmental Policy to "hand the Earth to the next generation in the best state possible."

**PROTECTING THE JOY OF SIGHT**

With an increasingly aging population, more people are paying closer attention to healthy vision. Our mission is to develop superior pharmaceutical products to help people around the world maintain healthy vision and protect their "joy of sight."

To work for the benefit of the greater world beyond our business activities, we give donations and support to charitable organizations. For example, we have continued to donate funds to the U.S.-based Helen Keller International for more than 10 years, as well the Japan Eye Bank Association and the Japan National Society for the Prevention of Blindness. In the U.S., we also contribute regularly to Prevent Blindness America, in addition to a variety of other vision-related charitable organizations. In Asia, we support a variety of training programs for ophthalmologists, including a scholarship fund in China, as well as a fund jointly established with The Korean Ophthalmological Society, which supports young Korean ophthalmologists to attend training at Japanese medical institutions.

**HANDING THE EARTH TO THE NEXT GENERATION IN THE BEST STATE POSSIBLE**

Santen carries out a variety of activities to reduce the environmental impact of its business operations, including the introduction of co-generation facilities and low-emission vehicles, as well as the promotion of segregated waste disposal, recycling and ecologically friendly purchasing.

In March 2002, we established the Environmental Committee, chaired by a director responsible for social and environmental activities, as the top decision-making group for our company-wide environmental activities. This committee is a decision-making body and has developed the directions and the principles for our environmental activities. Based on these principles, our seven sites in Japan (Head Office, sales offices, the Research and Development Center, the Pharmaceutical Development Center, and the Noto, Shiga and Osaka plants) have implemented activities to meet their specific targets.

We also regard the environmental management system as an important tool to promote our environmental activities. With the certification of the Noto Plant in January 2003, all of our plants in Japan are certified with the ISO14001 environmental management system standards. Each of the plants has continued to reduce its environmental impact and sets annual goals for the reduction of electric power consumption, water use, recycling of plastics, papers and other materials, and reduction of industrial waste. For our non-manufacturing operations, we established our original environmental management system and have implemented activities since 2001.

During the year under review, internal audits were conducted for all of our sites in Japan, except for the three plants that were audited according to the ISO14001 requirements.



▲ Environmental Report 2003

To help our stakeholders better understand our environmental initiatives, we issued our *Environmental Report 2003*. This report is also available on our Web site and describes Santen's position on environmental protection, our Environmental Policy and guidelines, the environmental management system and activities at each plant and office. The report also includes a summary of our expenditures for environmental protection and the results of our efforts.

### STRENGTHENING COMPLIANCE

As we think it is essential for a company in the pharmaceutical industry to conduct business based on high ethical standards, we created the Santen Corporate Ethics Mission and established compliance guidelines for business activities in December 1999. We have also worked to strengthen and thoroughly ensure compliance by directors and employees through a new organizational structure and internal help line. Furthermore, in 2002 we established the Compliance Promotion Committee and started the Santen Compliance Program, which includes regular training, seminars and internal regulations. The Committee, playing a pivotal role, has developed compliance policies, action plans, preventive measures and countermeasures for violations.

### OPENING OUTSIDE HELP LINE

As part of our measures to strengthen the compliance program, we opened an external help line in September 2003. We use an external attorney, who has no vested interest in Santen, for consultations and reports. This service is designed to prevent compliance violations and is available to all employees ranging from directors to employees on short-term contracts and temporary staff members.

### IMPROVING COMPLIANCE TRAINING

It is very important that each and every employee be aware of our compliance requirements. To this end, we improved our compliance training and seminar programs during the year under review. In addition to introducing a training program for employees at the time of both employment initiation and promotion to management positions, we began a similar training program for all employees in management positions in the summer of 2003.

### RISK MANAGEMENT COMMITTEE

We have established the Risk Management Committee to identify, minimize and manage risks.

