

Multi-Stakeholder Policy

We, Santen, are committed to appropriately work with multi-stakeholders, in the context in which collaborative value creation not only with our shareholders, but also with our employees, business partners, customers, creditors, local communities and other various stakeholders has become important in our business management. In practice, we will proceed with the following efforts based on the importance of return to our employees and consideration for our business partners, from the perspective that appropriate distribution of the revenue and the outcome resulting from the collaborative value creation and productivity improvement to multi-stakeholders, will keep the momentum for a wage increase and lead to sustainable economic growth.

1. Return to our Employees

We will strive to maximize the added value while achieving sustainable growth and productivity improvement through priority allocation of management resources to growth sectors, enhancement of our employees' potentials and improvement of their skills. Based on the revenue and the outcome resulting from our efforts, we will increase wages in accordance with "Fundamental principles on deciding wage" in an appropriate manner taking our business conditions into account, as well as improve other overall working conditions mainly through active investment in human resources to contribute to increasing our employee engagement and further enhancing productivity, and consequently aim for sustainable return to our employees.

(Particular Efforts)

Through annual spring labor-management consultations, we have been working to raise wages in an appropriate manner in accordance with our own evaluation and compensation system, while deepening mutual understanding between labor and management regarding social and economic conditions, business environment, and the achievements and contributions of employees.

In April 2022, we unified our personnel systems globally and introduced a new "grading system," "evaluation system," and "compensation system". Based on the principle of pay for performance, we strive to fairly distribute wages according to the results and contributions of employees. We have also expanded the number of days of accumulated leave that can be used for childcare, nursing care, and other purposes, and developed a Work from Anywhere system that allows employees to choose the most suitable place to work with the permission of their department managers, thereby improving overall working conditions and creating a comfortable work environment.

Regarding investment in human resources, we are working to promote diversity, equity, and inclusion, and to strengthen the management skills of managers who are responsible for transformation-related leadership and training. We are also expanding opportunities for dialogue between supervisors and subordinates in the workplace and with outside career consultants, and conducting career training to foster a sense of career autonomy in each employee.

2. Consideration for Business Partners

We will continue our efforts to comply with the contents of the Declaration of Partnership Building.

Date of registration of the Declaration of Partnership Building

April 24, 2023

URL of the URL of the Declaration of Partnership Building

<https://www.biz-partnership.jp/declaration/28574-05-08-osaka.pdf> (Japanese only)

May 1, 2023

Takeshi Ito

President and Chief Executive Officer

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