

Editorial Note

Editorial Note for *Santen Report 2022*

Thank you for taking time to read *Santen Report 2022*.

We recognize that improving profitability in fiscal 2022 for medium- and long-term growth is a pressing issue for our company. Therefore, we structured this integrated report with a focus on our approach and efforts related to this issue. Of course, we also endeavored to incorporate external perspectives in communicating our ability to execute strategies toward greater corporate value over the long term, projected risks, and ESG initiatives.

Regarding strategy execution in particular, we have reconsidered and presented a number of topics, including:

- the business environment and our strengths in various regions
- the source of our strength in the Japan business and measures for future growth
- our pipeline supporting medium-to-long-term growth
- financial policies supporting improved capital efficiency and profitability

The non-financial information we present includes disclosures of KPIs for ESG materialities and related progress. Beyond providing more in-depth information on corporate governance, including specific initiatives to improve the effectiveness of the Board of Directors and descriptions of risks, *Santen Report 2022* includes information on environmental measures, including disclosures based on TCFD recommendations, which we endorsed in June 2022. We also provide information on improving access to healthcare and our human resource strategies.

In preparing this report, we have taken into consideration the opinions received through dialogues with investors and stakeholders. Project members and members of each area and function worked together to ensure that *Santen Report 2022* remains a report that shows the faces of the people behind Santen, a specialized company dedicated to ophthalmology.

The cover of our report includes photographs from Santen employees around the world.

I hereby declare that the process to prepare this integrated report has been appropriate and that its contents are accurate. We hope this report provides a deeper understanding of Santen and serves as a way to further dialogue with us.

We continue to support the United Nations Global Compact, and we incorporate the Ten Principles of the Compact in our daily business activities across the four areas of human rights, labour, environment, and anti-corruption. In this way, we endeavor for the development of sustainable societies.

We will continue to value opportunities for constructive dialogue with stakeholders and strive to contribute to society as we enhance corporate value through appropriate information disclosure.

We welcome your suggestions for improving future dialogues, including opinions related to this integrated report.

Takeshi Ito
President & CEO

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Reference Guidelines

The International Integrated Reporting Framework (International Integrated Reporting Council),
The GRI Sustainability Reporting Standards (Global Reporting Initiative), *Environmental Reporting Guidelines* (Japan's Ministry of the Environment) and *Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation* (Japan's Ministry of Economy, Trade and Industry)



Note on Accounting Standards

The Santen Group has adopted International Financial Reporting Standards (IFRS) from fiscal 2014, for the purpose of enhancing the international comparability of its financial information. Figures for fiscal 2013 have been restated to conform to IFRS for comparison and analysis purposes. Please refer to the link below for key differences between generally accepted accounting principles in Japan (Japanese GAAP) and IFRS, as well as core basis definitions.