

NOTICE: This is a translation of a part of the notice issued on June 1, 2026 in Japanese and is provided for your convenience only. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

Securities code: 4536

June 1, 2026

(The commencement date of the measures for the electronic provision: May 25, 2026)

CONVOCATION NOTICE OF THE 114TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

We hereby inform you of the 114th Annual General Meeting of Shareholders of the Company to be held as set forth below.

For the information contained in the reference documents and other documents (except the Voting Rights Exercise Form) for this Annual General Meeting of Shareholders (*i.e.*, matters regarding measures for electronic provision), we have taken measures for the electronic provision of materials. As such, please access the same from the Company's website and confirm them thereat:

The Company's website: <https://www.santen.com/en/ir/stock/meeting>



The matters regarding measures for electronic provision are also subject to measures for the electronic provision on the website of the Tokyo Stock Exchange (TSE). To verify these matters, please access the TSE's website (TSE Listed Company Search) described below, enter and search "Santen Pharmaceutical" in the column "Issue name (company name)," or enter and search "4536" (half-width) in the column "Code," then select "Basic information" button, and "Documents for public inspection/PR information" tab in sequence.

TSE's website (TSE Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>



Please be advised that you may exercise your voting right via the Internet or in writing. To do so, after reviewing the "Reference Materials for the General Meeting of Shareholders," please exercise your voting right by either: accessing the website (<https://evote.tr.mufig.jp/>) designated by the Company for voting, and indicating thereat* your assent or dissent to the items on the agenda, or filling up the Voting Rights Exercise Form by indicating your assent or dissent to the items on the agenda, and sending it back to reach us by mail, in either case, by 17:30 on Monday, June 22, 2026 (JST).

Very truly yours,

Takeshi Ito

Representative Director, President & CEO

SANTEN PHARMACEUTICAL CO., LTD.

4-20, Ofuka-cho, Kita-ku, Osaka, Japan

*Please note that shareholders outside Japan may not directly use this means outside Japan.

AGENDA

- 1 Date and Time Tuesday, June 23, 2026 at 10:00 a.m.
(Start of admission at 9:00 a.m.)
- 2 Place Knowledge Capital Congrès Convention Center, Grand Front Osaka
(Second Basement, North Building)
3-1, Ofuka-cho, Kita-ku, Osaka, Japan
- 3 Agenda
- Reports:
1. Reports on the Business Report, Consolidated Financial Statements and Financial Statements for the 114th Business Term (April 1, 2025 to March 31, 2026)
 2. Reports on the Audit Reports by the Accounting Auditors and the Board of Corporate Auditors on the Consolidated Financial Statements for the 114th Business Term (April 1, 2025 to March 31, 2026)
- Items for Resolution
- Proposal No. 1 Appropriation of Surplus
Proposal No. 2 Appointment of Seven (7) Directors

4 Matters Determined concerning the Convocation

- (1) The written documents delivered to the shareholders also concurrently serve as the document stating the matters subject to measures for electronic provision in accordance with a request for delivery of documents. The matters described below are not stated therein pursuant to the provisions of laws and regulations as well as Article 16 of the Company's Articles of Incorporation. Please be informed that the Corporate Auditors and Accounting Auditors have audited the documents subject to audit stating the matters including those described below.
- | | |
|---|---|
| <Business Report> | Matters Regarding Rights to Subscribe for New Shares and the Like; System to Ensure Appropriateness of the Business and Status of the Operation of the Same |
| <Consolidated Financial Statements> | Consolidated Statements of Changes in Equity; Notes to Consolidated Financial Statements |
| <Non-Consolidated Financial Statements> | Non-Consolidated Statement of Changes in Net Assets; Notes to Non-Consolidated Financial Statements |
- (2) In cases where a voting right is exercised both by sending the written document (*i.e.*, Voting Rights Exercise Form) and via the Internet, the content exercised via the Internet shall be the effective one; and in cases where a voting right is exercised more than once via the Internet, the content of the right exercised last shall be the effective one.
- (3) If there is no indication of assent or dissent on the Voting Rights Exercise Form, it shall be treated as having indicated the intent of assent.

◎ Any changes in the matters regarding the measures for electronic provision shall be publicized via the Internet on the relevant website on which they were posted.

REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Board of Directors proposes to appropriate the surplus as follows:

Matters regarding the Year-end dividends

Basic Policy on Profit Distribution

Santen regards returning profits to shareholders as one of the most important management priorities. The Company's basic policy is to continue a progressive dividend policy in alignment with profit growth. In addition, Santen returns profits through flexible share buybacks.

Year-end dividends for the 114th Business Term

For the 114th Business Term, the Board of Directors proposes Year-end dividends at JPY 19 per share. Consequently, the total dividends for the annual business term, including the interim dividends previously distributed (JPY 19 per share), will be JPY 38 per share, which is a JPY 2 increase of dividend compared with that of the previous business term.

1	Kind of dividend property:	Cash
2	Matters concerning the distribution of dividend property to shareholders and the aggregate amount thereof:	JPY 19 per share of the common shares of the Company, which amounts to JPY 6,112,437,769 in the aggregate.
3	Effective date of distribution of dividends from the surplus:	June 24, 2026

The term of office of all the six (6) Directors will expire at the close of this Annual General Meeting of Shareholders.


In order to further enhance the supervising function of and quality of discussions at the Board of Directors, it was determined to increase the number of Outside Directors by one (1), from a viewpoint of newly adding an Outside Director with a deep understanding of the life-science business and medical practice as well as an expertise in global management.

As such, it is hereby proposed to appoint seven (7) Directors.

The Board of Directors resolved to nominate the following candidates for Director after a sufficient deliberation thereon was made by the voluntary Nominating Committee, more than half of which is comprised of independent Outside Directors and which is chaired by an independent Outside Director, and based on the recommendation thereby.

The candidates for Director are as follows:

Candidate No.	Name		Positions and responsibilities currently held in the Company		
1	Takeshi ITO	Reappointed	Representative Director, President & CEO		
2	Rie NAKAJIMA	Reappointed	Director, Corporate Officer, COO		
3	Ippei KURIHARA	Reappointed	Director, Corporate Officer, Head of Japan Business, Business Development		
4	Masahiko IKAGA	Reappointed	Candidate for Outside Director	Independent Officer	Outside Director
5	Minoru KIKUOKA	Reappointed	Candidate for Outside Director	Independent Officer	Outside Director
6	Yukiko KURODA	Reappointed	Candidate for Outside Director	Independent Officer	Outside Director
7	Tetsuya UEKUSA	Newly appointed	Candidate for Outside Director	Independent Officer	—


Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
<p>1</p>	<p>Takeshi ITO (July 16, 1959)</p>  <p>Number of years served as Director: Nine (9) years* *as at the closing of this Annual General Meeting of Shareholders</p> <p>Attendance at Board of Directors meetings: 13 out of 13 meetings (100%)</p> <p>Number of the Company's shares owned: 110,472 shares</p>	<p>April 1982 Joined the Company July 1999 General Manager, Business Development Group, Business Development Division May 2001 General Manager, Corporate Development Group, R&D Strategic Integration Department December 2002 Head of R&D Integration Department, R&D Division April 2007 Head of Surgical Division April 2012 Corporate Officer, Head of Prescription Pharmaceuticals Sales Department, Sales & Marketing Division, Prescription Pharmaceuticals April 2014 Senior Corporate Officer, Head of Japan Sales & Marketing Division, Prescription Pharmaceuticals April 2016 Executive Corporate Officer, Japan Business, Head of Japan Sales & Marketing Division, Prescription Pharmaceuticals June 2017 Director April 2019 Head of Japan Business, Head of Japan Sales & Marketing Division April 2022 Representative Director, Executive Vice President September 2022 Representative Director, President & CEO (incumbent)</p> <p>Material posts concurrently held in other juridical persons: Not applicable</p> <p>Reasons for the appointment of the candidates for Director: As regards Takeshi Ito, he has an understanding of Santen's Values and the underlying ethos thereof, and besides that, he has experienced various divisions including R&D, surgical, sales & marketing, prescription pharmaceuticals, and since September 2022, he has generally assumed the command of the management as the Representative Director, President & CEO; and contributed to the sustainable enhancement of the corporate value of the Company. Furthermore, he has served as the chairperson of the Board of Directors and appropriately operated it, and he has contributed to the effective enhancement of decision-makings and supervision thereof. Considering the foregoing, the Board of Directors proposes his continuous appointment as a Director.</p>

Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
2	<p>Rie NAKAJIMA (December 12, 1977)</p>  <p>Number of years served as Director: Two (2) years* *as at the closing of this Annual General Meeting of Shareholders</p> <p>Attendance at Board of Directors meetings: 13 out of 13 meetings (100%)</p> <p>Number of the Company's shares owned: 59,843 shares</p>	<p>April 2000 Joined TOYOTA MOTOR CORPORATION August 2008 Joined Boston Consulting Group August 2011 Joined MSD K.K. January 2015 Head of Cardiovascular Lipid and Atherosclerosis Marketing Department of MSD K.K. June 2016 Corporate Officer, Head of Corporate Strategy Department and in Charge of Long-Term Listed Product Business of MSD K.K. January 2017 Corporate Officer, Head of Corporate Strategy and Commercial Excellence Department, and in Charge of Long-Term Listed Product Business of MSD K.K. January 2018 Corporate Officer, Head of Corporate Strategy and Commercial Excellence Department and in Charge of Long-Term Listed Product Business and Distribution of MSD K.K. January 2019 President of MSD Taiwan November 2020 Vice President, Strategy Innovation Lead of Organon of Merck & Co., Inc. June 2021 Vice President, Strategy Innovation Lead of Organon & Co. March 2023 Joined the Company Corporate Officer, COO June 2023 Corporate Officer, COO and Head of North America Business April 2024 Corporate Officer, COO and Head of China Business June 2024 Director, Corporate Officer, COO (incumbent)</p> <p>Material posts concurrently held in other juridical persons: Director of Santen Holdings U.S. Inc. Director of Santen Inc. Chairman and Managing Director of Santen China Investment Co., Ltd. Chairman and Managing Director of Santen Pharmaceutical (China) Co., Ltd</p> <p>Reasons for the appointment of the candidates for Director: As regards Rie Nakajima, she has an understanding of Santen's Values and the underlying ethos thereof, and besides that, she has served as the Director, Corporate Officer & COO since June 2024; and she has contributed to the enhancement of the corporate value of the Company. Furthermore, she has contributed to enhancing the quality of the discussions in the Board of Directors by expressing her opinions actively throughout the proceedings at meetings, and she has contributed in the decision-makings thereat. Considering the foregoing, the Board of Directors proposes her continuous appointment as a Director.</p>

Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
<p>3</p>	<p>Ippei KURIHARA (January 2, 1981)</p>  <p>Number of years served as Director: Two (2) years* *as at the closing of this Annual General Meeting of Shareholders</p> <p>Attendance at Board of Directors meetings: 13 out of 13 meetings (100%)</p> <p>Number of the Company's shares owned: 21,075 shares</p>	<p>April 2005 Joined CYBIRD Co., Ltd. March 2008 Joined A.T. Kearny Inc. April 2013 Joined K.K. Hay Consulting Group (currently, Korn Ferry (Japan) Ltd.) April 2015 Joined the Company April 2018 Head of Surgical Development and Strategy April 2019 Integration Department, Surgical Division Head of Strategic Planning Department, Japan Business April 2021 Corporate Officer, Head of Marketing Department Japan Sales and Marketing Division September 2022 Corporate Officer, Head of Japan Business, Head of Japan Sales and Marketing Division and Head of Marketing Department April 2024 Corporate Officer, Head of Japan Business May 2024 Corporate Officer, Head of Japan Business, Global Commercial Strategy June 2024 Director, Corporate Officer, Head of Japan Business, Global Commercial Strategy October 2025 Director, Corporate Officer, Head of Japan Business, Business Development (incumbent)</p> <p>Material posts concurrently held in other juridical persons: Not applicable</p> <p>Reasons for the appointment of the candidates for Director: As regards Ippei Kurihara, he has an understanding of Santen's Values and the underlying ethos thereof, and besides that, he has served as Director, Corporate Officer, Head of Japan Business and Global Commercial Strategy since June 2024, and Director, Corporate Officer, Head of Japan Business, Business Development since October 2025; and he has contributed to the enhancement of the corporate value of the Company. Furthermore, he has contributed to enhancing the quality of the discussions in the Board of Directors by expressing his opinions actively throughout the proceedings at meetings, and he has contributed to the decision-makings thereat. Considering the foregoing, the Board of Directors proposes his continuous appointment as a Director.</p>

Reappointed


Candidate for
Outside
DirectorIndependent
Officer

Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
4	<p data-bbox="389 517 580 584">Masahiko IKAGA (May 14, 1955)</p>  <p data-bbox="320 1137 612 1267">Number of years served as Director: Two (2) years* *as at the closing of this Annual General Meeting of Shareholders</p> <p data-bbox="320 1301 644 1379">Attendance at Board of Directors meetings: 13 out of 13 meetings (100%)</p> <p data-bbox="320 1402 644 1480">Number of the Company's shares owned: 0 shares</p>	<p data-bbox="675 353 1390 1093"> October 1979 Joined Tohmatsu Awoki & Co. (currently, Deloitte Touche Tohmatsu LLC) March 1988 Registered as Certified Public Accountant May 1988 Director of Tohmatsu Touche Ross Consulting Co., Ltd. (currently, ABeam Consulting Ltd.) May 1990 Partner of Tohmatsu Awoki & Co. (currently, Deloitte Touche Tohmatsu LLC) April 1993 Director of Tohmatsu Consulting Co., Ltd. (currently, Deloitte Tohmatsu LLC) March 2000 Representative Director and President of Tohmatsu Consulting Co., Ltd. October 2010 Director and Chairman of Tohmatsu Consulting Co., Ltd. November 2013 CSO of Deloitte Touche Tohmatsu LLC March 2016 Retired from Partner of Deloitte Touche Tohmatsu LLC April 2016 Representative Accountant, Masahiko Ikaga Certified Public Accountant Office (incumbent) May 2016 Representative Director of PrajnaLink Co., Ltd. (incumbent) June 2016 External Audit & Supervisory Board Member of MORINAGA MILK INDUSTRY, CO., LTD. March 2017 Outside Audit & Supervisory Board Member of Yamaha Motor Co., Ltd. June 2017 Outside Director of RYOBI LIMITED (incumbent) June 2022 Outside Corporate Auditor of the Company June 2024 Outside Director of the Company (incumbent) </p> <p data-bbox="675 1133 1390 1272">Material posts concurrently held in other juridical persons: Representative Accountant, Masahiko Ikaga Certified Public Accountant Office Representative Director of PrajnaLink Co., Ltd. Outside Director of RYOBI LIMITED</p> <p data-bbox="675 1294 1390 1664">Reasons for the appointment of the candidates for Director and expected roles: As regards Masahiko Ikaga, he has expertise concerning financial and accounting affairs as a certified public accountant, as well as extensive international experience and knowledge including promoting globalization as a corporate executive. Considering that he has given appropriate advice from the company-wide point of view at the meetings of the Board of Directors, and he has contributed to enhance the quality of the discussions therein by expressing his opinions actively throughout the proceedings, the Board of Directors believes that he is well-qualified to be an Outside Director, and proposes his continuous appointment as such. The number of years he served as the Outside Director of the Company will be two (2) years as at the time of close of this Annual General Meeting of Shareholders.</p> <p data-bbox="675 1686 1390 1794">Other Special Notes: The Company designated Masahiko Ikaga as “Independent Officers” set forth in Article 436-2, Paragraph 1 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. and has filed his name therewith.</p>

Reappointed


Candidate for
Outside
Director


Independent
Officer

Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
5	<p>Minoru KIKUOKA (September 8, 1962)</p>  <p>Number of years served as Director: Two (2) years* *as at the closing of this Annual General Meeting of Shareholders</p> <p>Attendance at Board of Directors meetings: 13 out of 13 meetings (100%)</p> <p>Number of the Company's shares owned: 0 shares</p>	<p>September 2004 General Manager, Business Planning Department of Nitto Denko Corporation and Vice President of Nitto Americas</p> <p>April 2006 General Manager, Membrane Business Department of Nitto Denko Corporation and CEO of Hydranautics (U.S.)</p> <p>July 2011 Administration Officer, Business Integration Department of Nitto Denko Corporation</p> <p>October 2014 Corporate Officer of Nippon Densan Co., Ltd. (currently, NIDEC CORPORATION)</p> <p>April 2017 Joined Japan Display, Inc.</p> <p>May 2019 Corporate Officer, CFO of Japan Display, Inc.</p> <p>September 2019 President, Representative Director and CEO of Japan Display, Inc.</p> <p>August 2020 President, Representative Executive Officer and CEO of Japan Display, Inc.</p> <p>January 2021 Senior Adviser of Ichigo Asset Management, Ltd.</p> <p>March 2022 Senior Corporate Executive, CFO of Astellas Pharma Inc.</p> <p>April 2023 Senior Advisor of Ichigo Asset Management, Ltd.</p> <p>June 2024 Outside Director of the Company (incumbent)</p> <p>Material posts concurrently held in other juridical persons: Not applicable</p> <p>Reasons for the appointment of the candidates for Director and expected roles: As regards Minoru Kikuoka, he has extensive knowledge and business experience concerning financial and accounting affairs as well as corporate management, which includes his leadership exercised as CFO or CEO at multiple global organizations. Considering that he has given appropriate advice towards the Company's global business expansion and the like at the meetings of the Board of Directors, and he has contributed to enhance the quality of the discussions therein by expressing his opinions actively throughout the proceedings, the Board of Directors believes that he is well-qualified to be an Outside Director, and proposes his continuous appointment as such. The number of years he served as the Outside Director of the Company will be two (2) years as at the time of close of this Annual General Meeting of Shareholders.</p> <p>Other Special Notes: The Company designated Minoru Kikuoka as "Independent Officers" set forth in Article 436-2, Paragraph 1 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. and has filed his name therewith.</p>

Reappointed

Candidate for
Outside
DirectorIndependent
Officer

Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
6	<p data-bbox="379 439 592 506">Yukiko KURODA (September 24, 1963)</p>  <p data-bbox="320 981 611 1111">Number of years served as Director: One (1) year* *as at the closing of this Annual General Meeting of Shareholders</p> <p data-bbox="320 1133 652 1223">Attendance at Board of Directors meetings: 10 out of 10 meetings (100%)</p> <p data-bbox="320 1245 652 1335">Number of the Company's shares owned: 0 shares</p>	<p data-bbox="675 349 1394 931"> Profile April 1986 Joined Sony Corporation January 1991 Representative Director of People Focus Consulting Co., Ltd. June 2010 Outside Audit & Supervisory Board Member of Astellas Pharma Inc. March 2011 Outside Director of CAC Co., Ltd. (currently, CAC Holdings Corporation) April 2012 Director and Founder of People Focus Consulting Co., Ltd. June 2013 Outside Director of Marubeni Corporation June 2015 Outside Director of Mitsui Chemicals, Inc. June 2018 Outside Director of Seven Bank, Ltd. June 2018 Independent Director of Terumo Corporation June 2022 Independent Director of OBAYASHI CORPORATION (incumbent) August 2022 Outside Director of Oracle Corporation Japan (incumbent) April 2024 Advisor and Founder of People Focus Consulting Co., Ltd. (incumbent) April 2025 Outside Director of the Board of Sekisui House, Ltd. (incumbent) June 2025 Outside Director of the Company (incumbent) </p> <p data-bbox="675 976 1246 1111">Material posts concurrently held in other juridical persons: Advisor and Founder of People Focus Consulting Co., Ltd. Independent Director of OBAYASHI CORPORATION Outside Director of Oracle Corporation Japan Outside Director of the Board of Sekisui House, Ltd.</p> <p data-bbox="675 1133 1394 1514">Reasons for the appointment of the candidates for Director and expected roles: As regards Yukiko Kuroda, she has abundant experience of being engaged in corporate management as well as extensive experience and expertise regarding fostering global human resources. Considering that she has contributed to enhance the quality of the discussions therein by expressing her opinions actively throughout the proceedings from the viewpoint of a person with an experience in corporate management and based on profound wisdom attained in fostering of global human resources and in the area of sustainability, the Board of Directors believes that she is well-qualified to be an Outside Director, and proposes her continuous appointment as such. The number of years she served as the Outside Director of the Company will be one (1) year as at the time of close of this Annual General Meeting of Shareholders.</p> <p data-bbox="675 1536 1394 1738">Other Special Notes:</p> <ul data-bbox="675 1559 1394 1738" style="list-style-type: none"> • The Company designated Yukiko Kuroda as “Independent Officers” set forth in Article 436-2, Paragraph 1 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. and has filed her name therewith. • The full name of Yukiko Kuroda on her family register is Yukiko Matsumoto.

Candidate No.	Name (Date of birth)	Profile (Positions and responsibilities in the Company/other entities, and material posts concurrently held in other juridical persons)
7	<p style="text-align: center;">Tetsuya UEKUSA (March 5, 1964)</p>  <p>Number of the Company's shares owned: 0 shares</p>	<p>April 1986 Joined DENTSU INC.(currently, Dentsu Group Inc.) November 1996 Joined Boston Consulting Group July 2005 Managing Director & Partner of Boston Consulting Group July 2015 Managing Director & Senior Partner of Boston Consulting Group (incumbent)</p> <p>Material posts concurrently held in other juridical person: Managing Director & Senior Partner of Boston Consulting Group</p> <p>Reasons for the appointment of the candidates for Director and expected roles: As regards Tetsuya Uekusa, he has considerable insight into the life-science business as well as medical practice and understanding of patients, which are indispensable for a basic understanding of the Company's business. Besides, considering that he is familiar with global management and has abundant knowledge amassed through his long experience in the consulting business, and in addition thereto, he is expected to express appropriate opinions at the meetings of the Board of Directors, the Board of Directors believes that he is well-qualified to be an Outside Director, and proposes his appointment as such.</p> <p>Other Special Notes:</p> <ul style="list-style-type: none"> • Although Tetsuya Uekusa currently serves as Managing Director & Senior Partner of Boston Consulting Group with which the Company has a transactional relationship, the transaction value in the fiscal year 2025 amounted to less than 1% of the consolidated net sales of either entity, and as such, it will not cause any impact to his independency as Outside Director. • The Company, through a filing, has informed the Tokyo Stock Exchange, Inc. that, upon the approval of the appointment of Tetsuya Uekusa under this Proposal, he will become "Independent Officers" set forth in Article 436-2, Paragraph 1 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc.

(Note 1) The above candidates for Director have no special interest in the Company.

(Note 2) Among the candidates for Director, Masahiko Ikaga, Minoru Kikuoka, Yukiko Kuroda and Tetsuya Uekusa are candidates for Outside Director.

(Note 3) Facts regarding cases of unjust execution of business of another stock company during the preceding five (5) years where candidates for Outside Director were in his or her office as a director or corporate auditor at such company:

It was found that OBAYASHI CORPORATION (“OC”), for which Yukiko Kuroda has been serving as an Independent Director from June 2022, with regard to the industrial accident that occurred on October 4, 2024, at "Minamikoma Tunnel No.4 (east construction area)", which is under construction by a joint venture in which OC serves as the representative member, OC and two of its employees have received summary orders, in connection with the fact that employees of OC provided explanations to the competent Labor Standards Inspection Office that differed from the actual facts, from the Kajikazawa Summary Court dated March 24, 2026, for violations of the Industrial Safety and Health Act, and each was ordered to pay a fine of JPY 200,000. Yukiko Kuroda, during her service as the Independent Director of OC, had prevented occurrence of violation of law through reports or the like at the meetings of its Board of Directors since long before the occurrence of such incident, by way of monitoring and supervision of the execution status of respective directors as well as operation of its internal control system. Furthermore, following the discovery of the incident, she has sufficiently fulfilled her duty through making a recommendation to perform effective measures towards prevention of recurrence.

(Note 4) Agreement with the Outside Directors to limit their liability:

To further ensure the Company’s objective and transparent management through the invitation and appointment of capable and competent persons for the post of Outside Director, it is provided in Article 27 of the Company’s current Articles of Incorporation that the Company may enter into an agreement with any Outside Director to limit his or her liability for any damage suffered by the Company. Pursuant to such provision, the Company has previously entered into agreements with Masahiko Ikaga, Minoru Kikuoka and Yukiko Kuroda respectively, the candidates for Outside Director, to limit their liability for any such damage. Upon the approval of the reappointment of these Outside Directors under this Proposal, the foregoing agreements are planned to be renewed. Also, upon the approval of the appointment of Tetsuya Uekusa, the candidate for Outside Director, under this Proposal, the Company is scheduled to enter into similar agreement with him to limit his liability for any such damage.

(Note 5) The Directors and Officers (D&O) Liability Insurance Policy:

The Company has entered into a D&O liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, whereby the loss to be incurred by the insured due to damages, litigation expenses and the like will be indemnified. Provided, however, that there are a certain exclusions, *e.g.*, any loss arising out of an act committed knowing that it is an illegal act shall not be indemnified. Note that the Company bears all of the premium costs for all of the insureds described above.

Upon the approval of this Proposal without any amendment, and if candidates assume their respective offices as Directors, each candidate shall be included as an insured in the said insurance policy, which is expected to be renewed during the period of his or her office.

For Your Reference:

The Company's Policy and Procedures for the Appointment of Candidates for Director and Corporate Auditor

(1) Appointment of Candidates for Director

In the Company, the Nominating Committee, which is a voluntary committee comprised of inside Directors and Outside Directors, deliberates on the selection of candidates for Director, and based on its recommendation, the Board of Directors determines the candidates for Director. Upon deliberation by the Nominating Committee, on the premise that each nominee has an understanding of Santen's Values and the underlying ethos thereof, as set forth in the Skill Matrix which is separately disclosed, the guiding principle for the selection of candidates for inside Director is that each nominee must have credentials such as superb expertise, ability to participate in decision-making from a managerial standpoint and supervise execution of the duties by directors, while the guiding principle for the selection of candidates for Outside Director is that each nominee must have credentials such as being capable of contributing to enhance the quality of the discussions in the Board of Directors with experience in managing companies or a specialized understanding of corporate management, and satisfies the criteria of independence established by the Company.

(2) Appointment of Candidates for Corporate Auditor

In the Company, the Nominating Committee, which is a voluntary committee comprised of inside Directors and Outside Directors, discusses the recommendation of candidates for Corporate Auditor, and then the Board of Directors determines the nominees as candidates for Corporate Auditor after it obtains the consent of the Board of Corporate Auditors. Upon consent by the Board of Corporate Auditors, on the premise that each nominee has an understanding of Santen's Values and the underlying ethos thereof, as set forth in the Skill Matrix which is separately disclosed, the guiding principle for the selection of candidates for inside Corporate Auditor is that each nominee must have credentials such as having ethical values and a sense of fairness, while being experienced in performing high-level duties in any field, while the guiding principle for the selection of candidates for Outside Corporate Auditor is that each nominee must have credentials such as being experienced in academic pursuits, the legal profession, accounting or management as well as having a wealth of experience and high expertise in each field, and satisfies the criteria of independence established by the Company.

Criteria of Independence of Outside Directors and Outside Corporate Auditors

As regards the criteria to determine whether "independence" is retained, the Company has established, from the viewpoint of further strengthening corporate governance as well as enhancing the transparency and objectiveness of management, the following criteria, in addition to the Independence Criteria prescribed by the Tokyo Stock Exchange, Inc., in determining that each of the Outside Directors and Outside Corporate Auditors has no interest in the Company and its affiliate companies (collectively, the "Santen Group"), and that each of them is "independent."

- (1) In the past, the relevant director/corporate auditor has never been a director, corporate auditor or employee of the Santen Group (excluding independent officers).
- (2) The relevant director/corporate auditor is not a consultant, accounting expert or legal expert, regardless of whether he/she/it is an individual or a juridical person, who has ever been directly involved in the business of the Santen Group, and has never obtained money or other assets in an amount of JPY 10 million or more per year therefrom, during the past three (3) years.
- (3) During the past three (3) years, the relevant director/corporate auditor has never been a director and the like (including a corporate officer or other person equivalent thereto; hereinafter, the same shall apply) of a company with sales to the Santen Group amounting to 2% or more of the annual sales

of such company. Also, during the past three (3) years, the relevant director/corporate auditor has never been a director and the like of a company with sales by the Santen Group amounting to 2% or more of the annual sales of the Santen Group.

- (4) The relevant director/corporate auditor is not a director and the like of a company, 10% or more of the aggregate number of outstanding shares of which is held by the Santen Group, or a company holding 10% or more of the aggregate number of outstanding shares of the Company.
- (5) The relevant director/corporate auditor has never taken office as a director and the like of the Santen Group's main bank, lead managing securities companies, main life insurance company or main non-life insurance company.
- (6) The relevant director/corporate auditor is not a director/corporate auditor of the Santen Group (excluding independent officers), a spouse or another relative within the third degree of kinship of any person classified under any of items (1) to (5) above.
- (7) There is no matter concerning the relevant director/corporate auditor that may raise a material conflict of interest in his/her performing the duties of an Outside Director/Outside Corporate Auditor, or any relationship that may affect his/her judgment as an Outside Director/Outside Corporate Auditor.

Results of the Evaluation of the Board of Director's Effectiveness

The Company's Board of Directors has conducted an evaluation of its effectiveness in the fiscal year of 2025, with the aim of further enhancing the role and function of the Board of Directors. The overview of the results of the same is as follows:

(Evaluation Method)

First, an assessment questionnaire to Directors and Corporate Auditors was conducted on the items described below. The said questionnaire took a method under which a four-level quantitative evaluation of each question and free writing of comments will be made. Additionally, to further understand in more depth the contents of the responses to the questionnaire, individual interviews of all of the Directors and Corporate Auditors were made; and based on the foregoing, the evaluation results were discussed at the meeting of the Board of Directors held in February and March 2026.

[Major Categories of the Questionnaire Items]

1. The constitution and operation of the Board of Directors
2. The managerial strategy and business strategy
3. Corporate ethics and risk control
4. The monitoring of achievements and evaluation-based remuneration for the executives
5. Conversations with shareholders and other stakeholders

Measures were taken to make qualitative progress in the evaluation by earning the support of third-party organizations in the implementation and analysis of the evaluation of effectiveness.

(Summary of Results)

As a result of the evaluation, it was ascertained that the Company's Board of Directors is functioning highly effectively in general for the fiscal year of 2025 as well. The assessment indicating "effective" and "mostly effective" exceeded 90% for all questionnaire items. With regard to each item, the formation and operation of the Board of Director are [assessed as] good following from the previous year, and the progress in corporate ethics and risk management was especially acclaimed.

Also, steady progress was observed in issues extracted from the evaluation of the effectiveness in the previous year, such as an improvement of effectiveness of discussions at the meetings of the Board of Directors concerning nomination and remuneration for executives, and a strengthening of monitoring of key measures and policies in the course of implementation of the Medium-Term Management Plan.

More specifically, upon the deliberations concerning nomination and remuneration for executives, a practice has been gradually established in which the details of the review at the respective committees and explanation of background information have been shared with the Board of Directors as early as possible, which has entailed deepening of the understanding of the backgrounds of proposals and other information as well as improving the effectiveness of discussions at the meetings of the Board of Directors. As for the aspects of monitoring, we have been able to continue discussing the progress of sustained improvement in corporate value and the challenges to that improvement through, among other things, highly concentrated reviews at the Corporate Strategy Committee concerning a strategy for product supply, and confirmation of the progress in efforts towards promotion/sophistication in utilizing generative AI in digital and IT areas as well as towards ensuring information security.

On the other hand, in this evaluation, an effort was made to share the recognition that decision making and supervision are two roles of the Board of Directors; and based on that recognition, it was confirmed that construction of a story that binds the Company's original medium- to long-term business model with solutions to social issues and enhancement of corporate value, and reviews of important strategies and supervision of the status of execution thereof towards the realization of such construction, will serve as a central function of the Board of Directors. From now, the Board of Directors will engage in more fulfilling discussions when deliberating on individual themes such as R&D and personnel strategy, from

the perspective of the tasks the Board of Directors should undertake in the medium- to long-term to enhance corporate value.

(Initiatives Going Forward)

Based on the foregoing results, we will promote the following actions to be taken to further improve the role and functions of the Board of Directors:

- **Engage in more fulfilling discussions that connect medium- to long-term strategy and individual projects**

We expect the Board of Directors will deliberate on individual projects such as R&D and business development aiming for greater heights that connect the Company's business model with solutions to social issues and enhancement of corporate value, while considering the entire picture of the strategy more consciously. More specifically:

- Attempt to engage in more fulfilling discussions in terms of both quality and quantity in deliberating the mid- and long-term R&D pipeline strategy at the meetings of the Corporate Strategy Committee and increase the resolution of the strategies of the Board of Directors as a whole.
- Formulation of the monitoring items for pipelines along the Medium-Term Management Plan and the progress management thereof.
- Thorough review of orientation and progress of individual projects from the viewpoint of their impact on the Medium-Term Management Plan (in terms of sale, profit, cash allocations and the like).

- **Deployment of personnel initiatives and monitoring towards sustained enhancement of corporate value**

As regards an effort concerning human resources, we have already been implementing measures that are positioned as means to realize our business strategy, and we have improved various systems and deployed initiatives therefor. In order to continue and recreate the same over the medium to long term, we will proceed with and monitor the following efforts:

- Sharing and discussing the process of the appointment of CEO planned by the Nominating Committee with the Board of Directors.
- While proceeding with completion of infrastructure such as succession planning of key executives, review of an assessment system as appropriate, improvement of engagement, recruitment and ensuring human resources looking to cultivation of human resources, further clarification of the Company's story of human capital development concerning how such measures will lead to the ideal human resources profile.

In this fiscal year, the Company will focus on the above as key initiatives and will endeavor to enhance the effectiveness of the Board of Directors.

The Company believes that, for the continued enhancement of its corporate value as it addresses internal and external changes, it is crucial to improve the governance of the Board of Directors and other corporate organs. Based on these evaluation results, the Company endeavors to continuously improve the functions of the Board of Directors.

Skill Matrix of Directors and Corporate Auditors

The Company believes that, both of the following (i) and (ii) are important when establishing its effective governance system towards the sustainable enhancement of its corporate value: (i) in the meetings of the Board of Directors, Directors and Corporate Auditors are engaged in multifaceted deliberations on the appropriateness of business strategies, risks upon realization thereof and other aspects, and also they appropriately supervise the status of execution thereof; and (ii) the Corporate Auditors conduct the audit of the business execution of the Directors from the perspective of not only legality but also appropriateness of decision-making and effectiveness of governance, and make recommendations to strengthen the function of the Board of Directors and executive divisions.

Also, based on our Medium-Term Management Plan which was formulated last year, the Company endeavors to, as a global company dedicated to the ophthalmologic field, pursue further sound global growth by product development with a high degree of certainty and ensured profit, provide optimum ophthalmologic medical care through maximizing the product value, and realize innovations in ophthalmologic medical care.

As to Directors and Corporate Auditors, the Company seeks human resources that sympathize with the Core Principle and accord with the aforementioned business orientation, and considers that it is specifically important that such personnel have the knowledge, experience and ability described in the schedule below. In addition to the pillar life science business, global viewpoint and appropriate business management, the Company will place emphasis on fields such as sustainability, ensure balance and diversity by appointing personnel from various backgrounds, including those with expert knowledge and experience, to allow them to provide advice to and supervision of the management from a multifaceted point of view, and shall place importance on valuing individuals without any other distinctions such as gender, age, nationality, race or ethnic group. In addition, both in the Board of Directors and the Board of Corporate Auditors, in order to increase the objectivity of discussions as well as the independence and neutrality of audits, more than half of their respective constituent members are outside officers.

Directors and Corporate Auditors (both incumbent and candidates)			Corporate Management	Life Science Business	Understanding Medical Field and Patients	Global Leadership	Finance and Accounting	Legal Affairs and Risk Control	Sustainability
Director	Takeshi ITO (Representative Director)	Reappointed	●	●	●	◻	◻	◻	◻
	Rie NAKAJIMA (Director)	Reappointed	◻	●	◻	●	◻	◻	●
	Ippei KURIHARA (Director)	Reappointed	◻	●	●	◻	◻	◻	◻
	Masahiko IKAGA (Outside Director)	Reappointed	●	◻	◻	◻	●	●	◻
	Minoru KIKUOKA (Outside Director)	Reappointed	●	◻	◻	●	●	◻	◻
	Yukiko KURODA (Outside Director)	Reappointed	●	◻	◻	●	◻	◻	●
	Testuya UEKUSA (Outside Director)	Newly Appointed	◻	●	●	●	◻	◻	◻
Corporate Auditor	Hiroshi ISAKA (Standing Corporate Auditor)	◻	◻	●	●	◻	◻	◻	◻
	Junichi ASATANI (Outside Corporate Auditor)	◻	◻	●	◻	◻	●	●	◻
	Yaeko HODAKA (Outside Corporate Auditor)	◻	◻	◻	◻	●	◻	●	●
	Yuichiro MUNAKATA (Outside Corporate Auditor)	◻	◻	◻	◻	◻	●	●	●

Among skills respectively held, two to three skills (maximum three skills), which are specifically advantageous or those with strong relevance to the business of the Company, are described.

Strategic Shareholdings

The Company has set a maximum threshold amount for its overall holdings of investment securities, and within that scope, holds only the shares of business partners that are imperative for its business development as strategic shareholdings. Also, at least once a year, the Board of Directors verifies whether or not such shareholdings are within the threshold, and for each individual strategic-shareholding, evaluates the priority placed on the benefit of holding the shares to strengthen business relationships with the Company, taking into account the investment amount and investment risks involved therein. The Company will liquidate securities held as strategic shareholdings if the rationale of keeping these is deemed to be insufficient.

In the fiscal year of 2025, a sale of all shares in two (2) brands of security was implemented, thereby, post such sale, the ratio of strategic shareholdings in net assets has become 3.7%. While the ratio against the net assets is increased compared with the ratio in FY2024, that is due to the rising value of listed shares held by the Company.