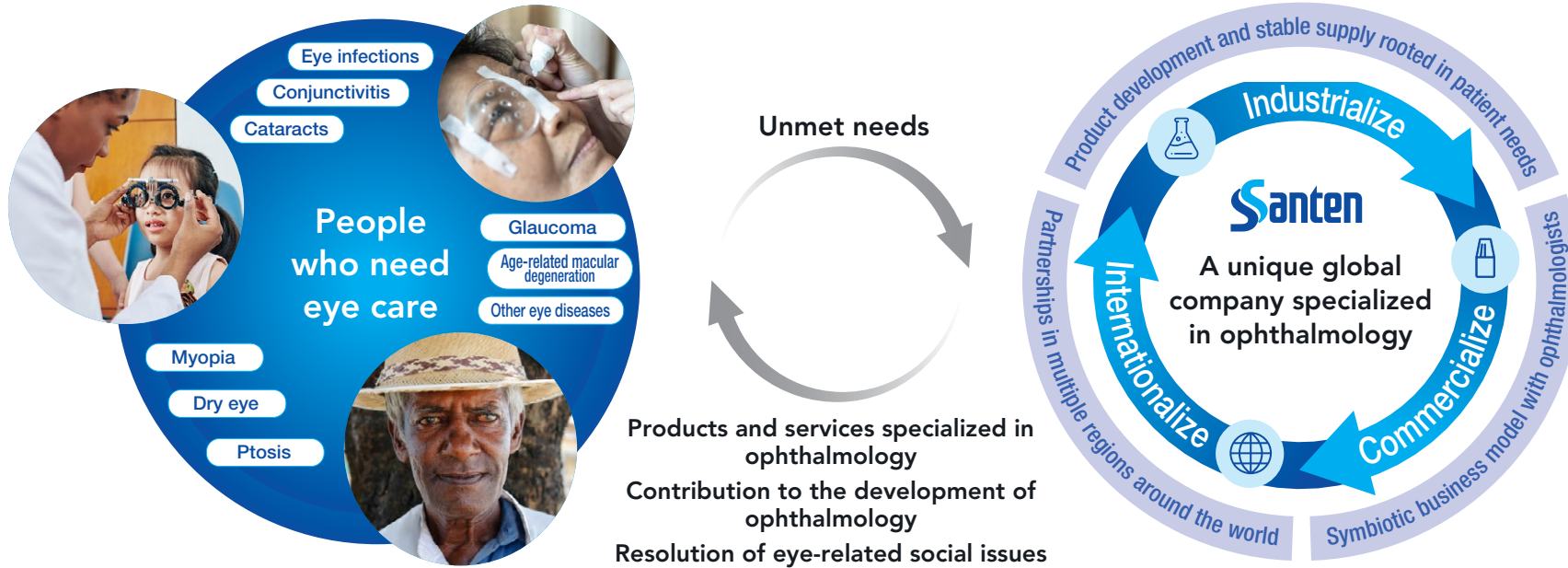


Value Creation Model

Santen specializes in ophthalmology and develops products and services from the patient's perspective. We will contribute to people's lives and achieve corporate growth, leveraging our strengths in industrialization, commercialization and internationalization, and incorporating digital technologies.



Specific strengths

Industrialize

- Ability to create products using formulation technologies based on an unparalleled understanding of the characteristics of the eyes as a specialized company with a history of more than 130 years
- Commitment to patient ease of use, from pharmaceuticals to eye drop containers
- World-class manufacturing volume capability of ophthalmic products that have contributed to approximately 43 million patients¹ worldwide

Commercialize

- A broad lineup of more than 70 products,² extensive and in-depth expertise in ophthalmology and proposal capabilities based on the patient's perspective
- High customer satisfaction (No. 1 in Japan³), resulting in steady product uptake
- Contribution to the development of ophthalmology in each country and region we serve through measures such as support for the establishment of diagnostic criteria for eye diseases and provision of training for medical professionals

Internationalize

- Rollout of our broad lineup of ophthalmic products, in-depth ophthalmology expertise and thoroughgoing patient perspective to more than 60 countries/regions worldwide
- A network of more than 120,000 ophthalmologists and wide-ranging partnerships, from ophthalmology research institutes to IT companies
- Strong presence as a unique global company specialized in ophthalmology, backed by our track record

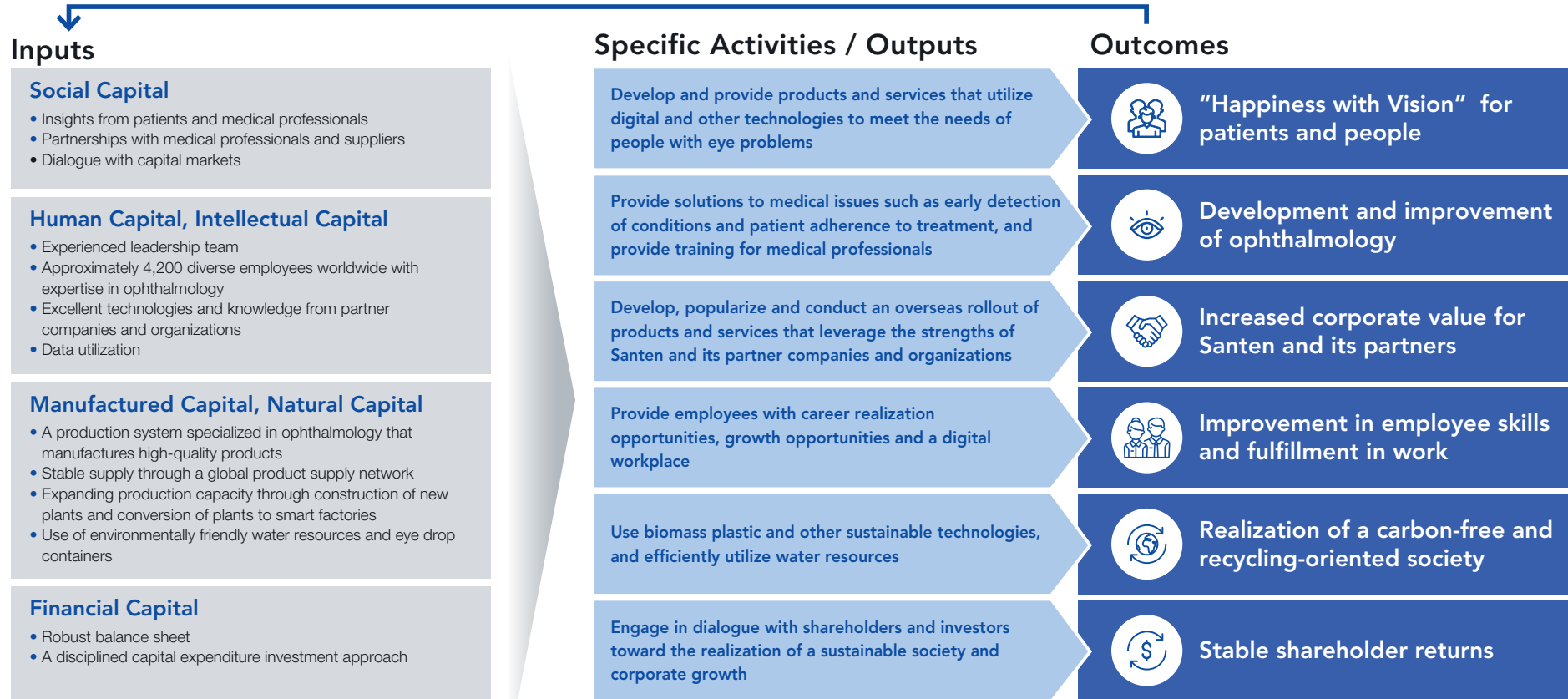
¹ Estimated total no. of patients to which Santen contributed (therapeutic areas: inflammation/allergies, cornea, glaucoma, cataracts) in FY2019 was approximately 43 million, calculated based on JMDC's estimated total number of patients for Santen's Rx products and Santen's shipment data

² Number of Rx products sold in Japan ³ Percentage of ophthalmologists rating Santen the first among companies providing ophthalmic prescription pharmaceuticals. Santen calculations based on external data.



Creating Shared Value

Santen's vision for 2030 and beyond is becoming a Social Innovator that orchestrates and mobilizes key technologies and players around the world to deliver happiness through vision. We are working to create shared value in collaboration with various stakeholders to resolve eye-related social issues and achieve sustainable company growth.



Work Environment (Page 42)

Stakeholder Engagement (Page 60)



Increasing population

Aging society

Lifestyle changes

Diversification of needs

Technological innovation and evolution

Increased environmental awareness

Social changes



Initiatives for Medium-to-Long-Term Value Creation

Enhance corporate value

MTP2025

Profit ratio improvement in core businesses

	Japan	China	Asia	EMEA
FY2025 revenue	JPY 150.0 billion	JPY 40.0 billion	JPY 35.0 billion	JPY 50.0 billion
Contribution profit ratio	+2pt (41%)	+1pt (42%)	+3pt (40%)	+3pt (30%)

(Figures in parentheses are contribution profit ratios for FY2020)

Expansion of new areas

Americas	New Disease
FY2025 revenue JPY 24.0 billion	Start of contribution to profit from new areas including ptosis (STN1013800)
Contribution profit ratio 54%	

Strengthening of foundation as a global company

Strengthening of product development capabilities	Strengthening of product supply infrastructure	Reflect strategies in company-wide financial KPIs and business KPIs	Establishing global platform
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Development and Stable Supply of Socially Significant Products and Services

- Aiming to reach over 60 million patients¹

Strengthening Governance, Contributing to the Realization of Fair and Equal Society

- Management effectiveness, diversity, compliance and respect for human rights

Encouragement of an Organizational Culture that Promotes Value Creation

- Promote diversity with a focus on gender, nationality, and the visually impaired

Conservation of the Global Environment

- Reduction of Scope 1 and 2 CO₂ emissions
- Shift to biomass plastic eye drop containers

Implement strategic investments and shareholder returns of one-third or more of operating cash flow²



Financial KPIs

(FY2025)

Revenue	≥	JPY 315.0 billion
Operating profit ratio (IFRS basis)	≥	21%
Operating profit ratio (core basis)	≥	24%
ROE	≥	13%
Overseas sales ratio	≥	50%

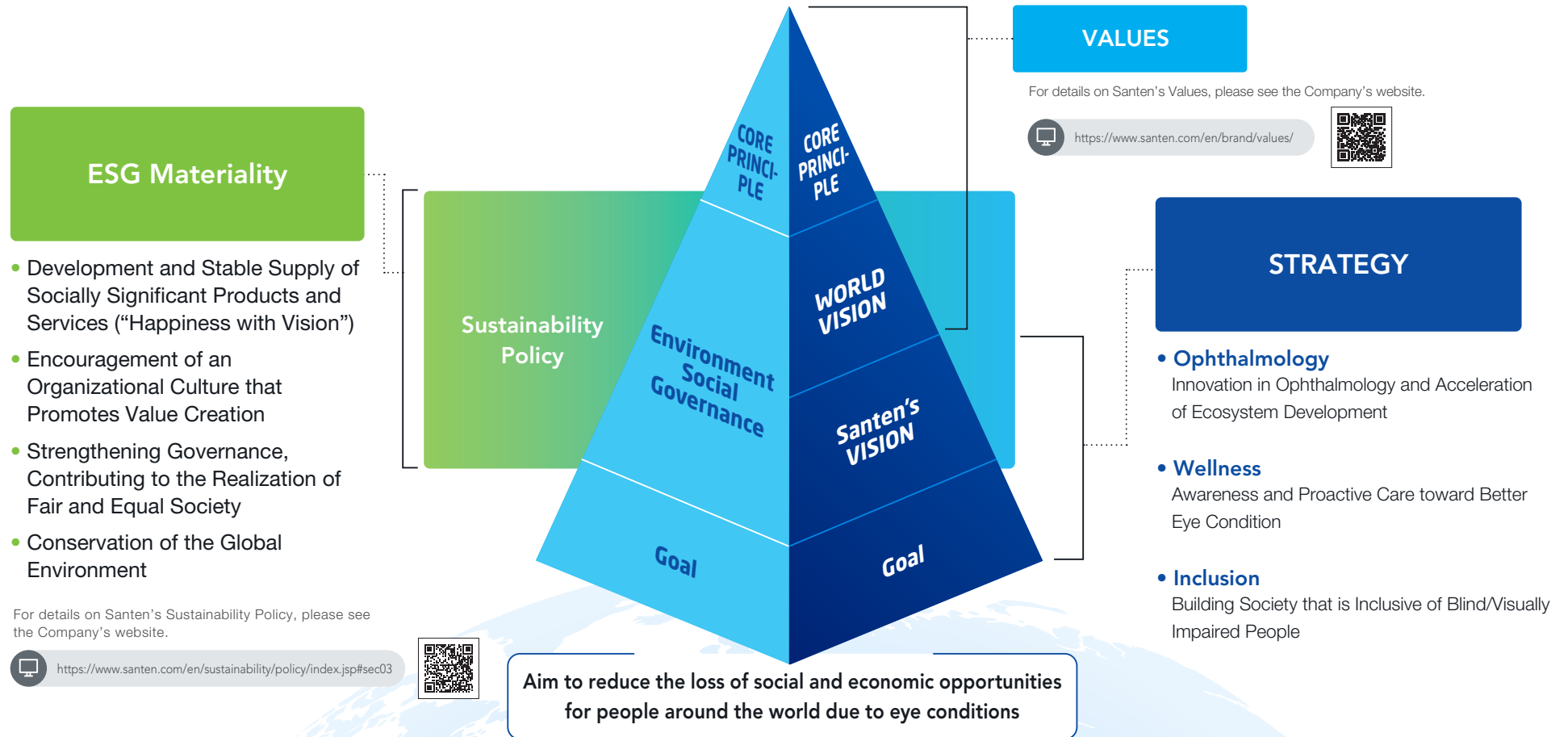
Santen 2030
Become A Social Innovator

¹ Estimated total number of patients to whom Santen has contributed (therapeutic areas: inflammation/allergies, cornea disorders, glaucoma, cataracts) as of FY2019 was approx. 43 million, calculated based on JMDC's estimated total number of patients for Santen's Rx products and Santen's shipment data

² Secure a dividend payout ratio of at least 40%, and flexibly return surplus funds through share buybacks

Materiality

Santen is pursuing the three strategies set forth in its STRATEGY to resolve social issues. Additionally, the four ESG materialities aim at improving medium-to-long-term corporate value. These seven areas constitute the key issues and materialities to be addressed by Santen's management.



Relevant SDGs Starting with contributing to achieving Goal 3, “Ensure healthy lives and promote well-being for all at all ages,” Santen is contributing to the achievement of the following United Nations’ Sustainable Development Goals (SDGs) through its materiality-related initiatives.

