



**Astellas Pharma Inc. 2025**

Sustainability Meeting 2025

February 26, 2026

## Event Summary

---

<b>[Company Name]</b>	Astellas Pharma Inc.	
<b>[Company ID]</b>	4503-QCODE	
<b>[Event Language]</b>	JPN	
<b>[Event Type]</b>	Meeting for securities analysts, institutional investors, and the media	
<b>[Event Name]</b>	Sustainability Meeting 2025	
<b>[Fiscal Period]</b>		
<b>[Date]</b>	February 26, 2026	
<b>[Number of Pages]</b>	34	
<b>[Time]</b>	10:00 – 11:21 (Total: 81 minutes, Presentation: 42 minutes, Q&A: 39 minutes)	
<b>[Venue]</b>	Webcast	
<b>[Participants]</b>		
<b>[Number of Speakers]</b>	5	
	Naoki Okamura	Representative Director, President and Chief Executive Officer (CEO)
	Katsuyoshi Sugita	Representative Director, Executive Vice President, Chief People Officer (CPO)
	Takashi Tanaka	Outside Director, Chair of the Nomination Committee, Chair of the Compensation Committee
	Shingo Iino	Vice President, Head of Sustainability
	Nobuko Kato	Chief Communications & IR Officer
<b>[Analyst Names]*</b>	Junko Yatsunami	Nissay Asset Management Corporation
	Yo Mizuno	Tokio Marine Asset Management
	Hidemaru Yamaguchi	Citigroup Global Markets
	Shinichiro Muraoka	Morgan Stanley MUFG Securities

\*Analysts that SCRIPTS Asia was able to identify from the audio who spoke during Q&A or whose questions were read by moderator/company representatives.

---

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)



## Presentation

---

**Kato:** Thank you for your understanding. You can choose the language of your choice from the Zoom webinar screen menu. If you select the original sound, you can listen to the original sound without simultaneous interpretation.

---

### Cautionary Statement Regarding Forward-Looking Information

In this material, statements made with respect to current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Astellas Pharma. These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: (i) changes in general economic conditions and in laws and regulations, relating to pharmaceutical markets, (ii) currency exchange rate fluctuations, (iii) delays in new product launches, (iv) the inability of Astellas to market existing and new products effectively, (v) the inability of Astellas to continue to effectively research and develop products accepted by customers in highly competitive markets, and (vi) infringements of Astellas' intellectual property rights by third parties.

Information about pharmaceutical products (including products currently in development) which is included in this material is not intended to constitute an advertisement or medical advice. Information about investigational compounds in development does not imply established safety or efficacy of the compounds; there is no guarantee investigational compounds will receive regulatory approval or become commercially available for the uses being investigated.

2

©2026 ASTELLAS PHARMA INC. AND ITS AFFILIATES



This is a cautionary statement.

This material or presentation by representatives of the Company and their answers and statements in the Q&A session include forward-looking statements based on assumptions and beliefs in light of the information currently available to management and are subject to significant risks and uncertainties.

Actual financial results may differ materially depending on a number of factors. They contain information on pharmaceuticals, including compounds under development, but this information is not intended to make any representations or advertisements regarding the efficacy or effectiveness of these preparations, promote unapproved uses in any fashion, or provide medical advice of any kind.

Let me present the Company representatives in this room: Naoki Okamura, President and CEO; Shingo Iino, Head of Sustainability; Katsuyoshi Sugita, EVP, Chief People Officer; Takashi Tanaka, Independent Outside Director, the Chair of the Nomination Committee and the Compensation Committee. We have four members here in person.

We would like to start the presentation. Okamura-san, please.

**Okamura:** Good morning, everyone. I'm Okamura from Astellas Pharma Inc. Thank you for joining us today at the sustainability meeting despite your busy schedules.

This is a cautionary statement, which was explained by Kato earlier, so I will skip reading it.

---

#### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptsasia.com](mailto:support@scriptsasia.com)



In the past four meetings, we have explained the progress of our initiatives to enhance sustainability, the outcomes of these efforts, and their relationship to enhancing corporate value. The fifth meeting will cover updates on the sustainability function, the human resources function, and corporate governance previously introduced, including the social impact of our initiatives.

Before proceeding to the main topic, I will explain Astellas' vision, our approach to sustainability, and our past initiatives and their outcomes.

## VISION

**On the forefront of  
healthcare change to turn  
innovative science into  
VALUE for patients**

Outcomes  
that matter to patients

**VALUE =** \_\_\_\_\_

Cost  
to the healthcare system of  
delivering those outcomes



Page four.

Astellas pursues its vision of being at the forefront of healthcare change to turn innovative science into value for patients, striving to create innovative healthcare solutions.

We clearly define this value in capital letters as the truly important outcomes for patients, dividing outcomes that matter to patients by the cost to the healthcare system of delivering those outcomes. We always consider the entire environment surrounding patients. Delivering value to patients means not only achieving better outcomes for them, but also contributing to cost management across the entire healthcare system.

---

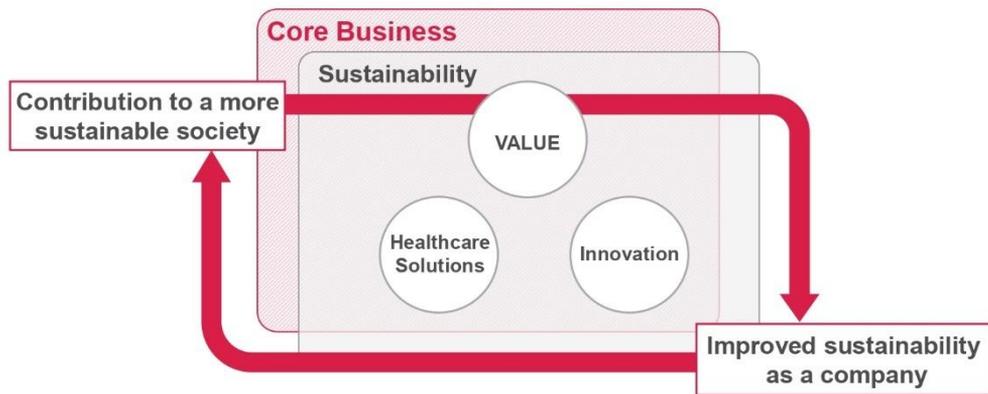
**Support**

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)

## Astellas' Sustainability

**Our approach to sustainability is to contribute to society through our core business first, and to create a positive cycle that improves the sustainability of both society and Astellas**



5

©2026 ASTELLAS PHARMA INC. AND ITS AFFILIATES



Page five.

Society strongly expects the healthcare sector to create innovative solutions in disease areas with high unmet medical needs.

For us, as a pharmaceutical company, the starting point for sustainability is addressing societal challenges through our core business to realize our vision. For us, sustainability means creating this virtuous cycle, earning the trust of our stakeholders, and further enhancing the sustainability of both society and Astellas.

Of course, we will also fulfill our corporate social responsibility by advancing initiatives that address climate change and other environmental issues, which are highly required by society.

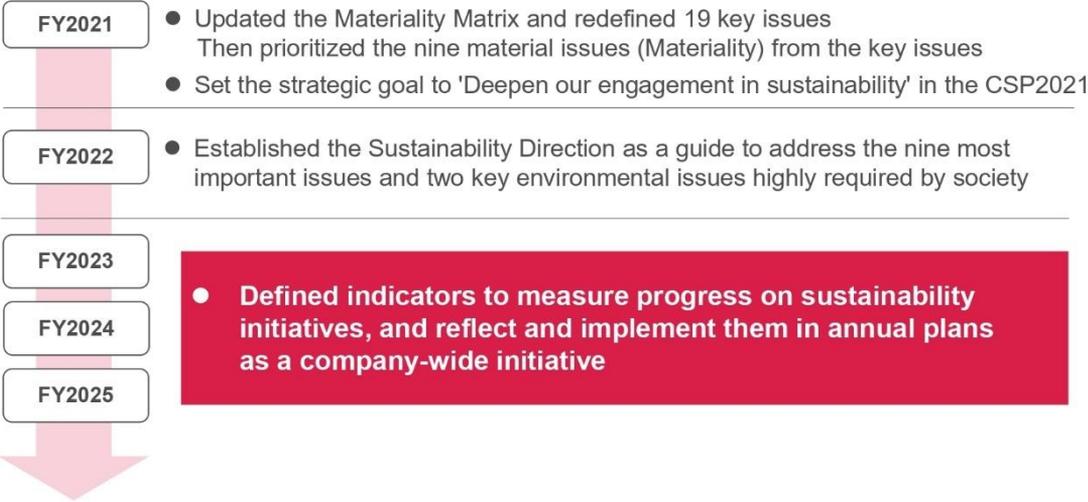
### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support [support@scriptsasia.com](mailto:support@scriptsasia.com)



# Initiatives for Evolving Sustainability



Page six. Now, let us review our initiatives for evolving sustainability.

First, in FY2021, we updated our materiality matrix, selecting 19 key issues and identifying nine material issues out of those. We aligned this with CSP2021 and established our sustainability direction in FY2022, building a foundation to connect strategy with the front lines.

Since FY2023, we have introduced indicators to measure progress on sustainability initiatives, linking them to our annual plans, and executed and evaluated them company-wide.

## Key Achievements in Sustainability



### Sustainability Function

- Enhancing Access to Health and reducing our environmental burden
- **Visualizing our non-financial initiatives**



### Human Resources Function

- Ensuring psychological safety
- Strengthening the talent pipeline through succession planning
- **Introducing unified “Organizational Values & Behaviors” and embedding Organizational Health Goals**



### Corporate Governance

- Strengthened the Board with two independent outside Directors with global pharmaceutical experience
- **Enterprise Priority Monitoring group (EPM) fully activated, driving more strategic and rigorous enterprise oversight**
- **Deeper and more substantive Board discussions**

7

©2026 ASTELLAS PHARMA INC. AND ITS AFFILIATES



Page seven. I will now introduce to you notable specific initiatives and achievements.

First, the outcomes of activities promoted by the sustainability function. We have steadily advanced initiatives identified as top priorities in our Materiality Matrix, such as enhancing access to health and reducing our environmental burden. Additionally, since last year, we have focused our efforts on the visualization of these activities. Sustainability activities are meaningful initiatives for both society and the Company.

To clearly demonstrate the connection between the resulting social impact and the creation of corporate value, we believe it is important to present quantitative information along with qualitative information. As one effective means to achieve this, we are working on visualizing social impact.

At the last sustainability meeting last year, we presented the social impact generated by our cancer awareness activities in Malaysia, converted into monetary value. Today, based on our previous report, we will broaden the scope and introduce our efforts to visualize social impact by converting the effects of our activities on society into monetary value.

Next are the achievements of the human resources function. We work to ensure psychological safety for employees by frequently holding sessions where employees can ask top management anything and by conducting training for managers aimed at improving their management skills.

Furthermore, to continuously foster innovation, we are focusing on developing next-generation leaders. In the development program introduced at the last sustainability meeting, 41 individuals selected globally participated this year, tackling real business challenges.

Additionally, we simplified and consolidated our Astellas Way culture foundation, introducing “Organizational Values and Behaviors.” This enables each employee to act with a clear shared understanding, strengthens collaboration, and enhances our ability to create value for patients. These initiatives, based on the organizational health goals set in CSP2021, are steadily fostering a culture that promotes innovation.

Sugita will later introduce recent concrete results and findings from the Global Engagement Survey.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)



The last one is corporate governance. In June 2025, we welcomed Andreas Busch and Mark Enyedy as our first independent outside Directors with pharmaceutical industry backgrounds and foreign nationality.

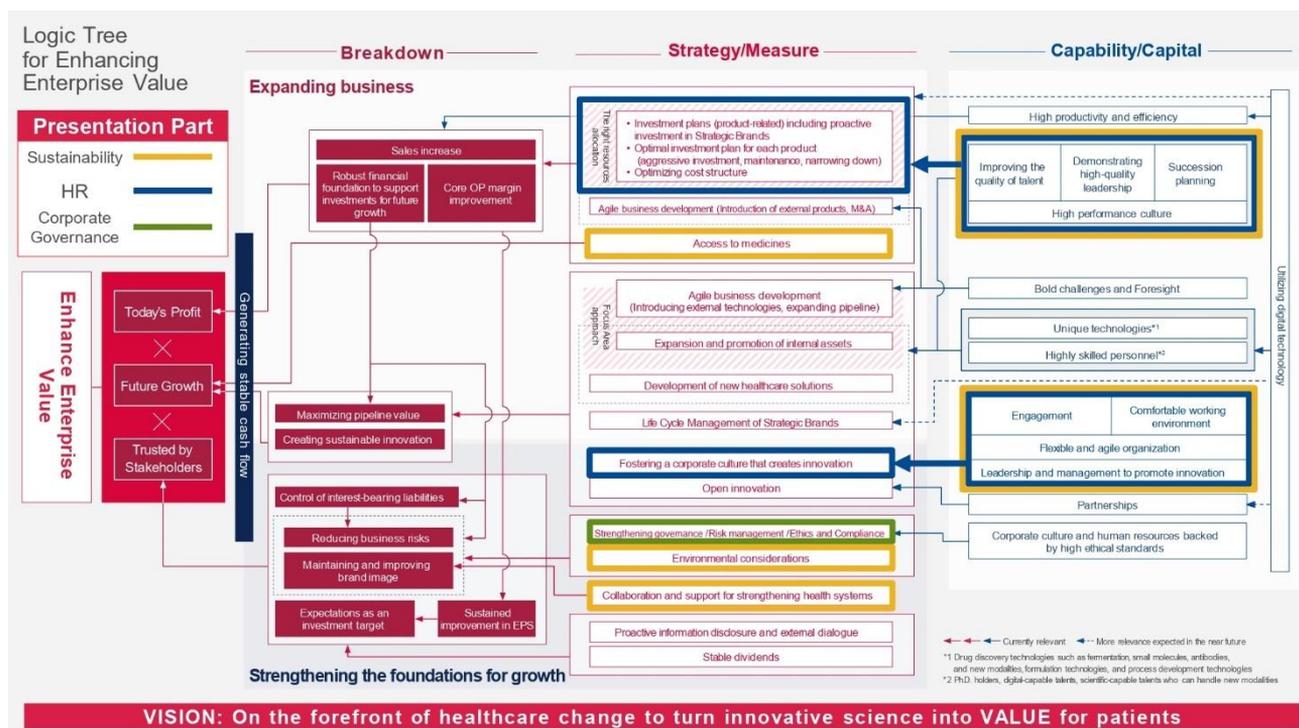
The Enterprise Priority Monitoring, or EPM, composed solely of independent outside Directors, including these two, discusses company-wide priorities from an objective standpoint and provides feedback to the Board of Directors. This further strengthens the Board's oversight function and effectiveness.

Personally, I perceive several changes. Firstly, the addition of members from the pharmaceutical industry has enabled more equal consultation and discussion.

Additionally, the format of board discussions has shifted from the traditionally Japanese formal style, where speakers ask questions only after the chairperson designates them, to a Western-style approach, where members speak without waiting to be called on.

Including our long-standing Japanese independent outside Directors, I feel the Board's overall discussions have deepened while better leveraging each member's expertise.

Today, Mr. Tanaka, an Independent Outside Director and EPM Chair, will explain EPM's activities and the changes in the Board.



Page eight. This shows the logic tree for enhancing enterprise value.

This logic tree visualizes how Astellas' financial and non-financial initiatives contribute to enhancing corporate value. The content introduced today is highlighted in colored boxes within the diagram.

Among the initiatives for enhancing sustainability, the yellow indicates sustainability function-related efforts and will be introduced by Iino. The blue sections are HR function initiatives related to organizational health goals and will be introduced by Sugita. The green sections involve corporate governance initiatives and will be introduced by Mr. Tanaka, an independent outside Director.

**Support**

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com



Through today's presentation, we aim to convey how Astellas is working to enhance corporate value and the outcomes that these efforts are achieving.

---

## Agenda



**Visualization of  
Astellas' Corporate Value**

**Shingo Iino**  
Head of Sustainability



**Updates on  
Organizational Health Goals**

**Katsuyoshi Sugita**  
Chief People Officer (CPO)



**Updates on Corporate Governance**

**Takashi Tanaka**  
Independent Outside Director

9

©2026 ASTELLAS PHARMA INC. AND ITS AFFILIATES.



Page nine shows today's agenda.

Now, Iino, Head of Sustainability, will begin his presentation.

**Iino:** Thank you.

I am Iino, Head of Sustainability. Today, under the title "Visualization of Astellas Corporate Value," I will discuss our efforts to quantify non-financial value and the strategic insights gained from this work.

---

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support [support@scriptsasia.com](mailto:support@scriptsasia.com)



# Source of Corporate Value: Importance of Non-Financial Value

Today's roots (non-financial value) support tomorrow's great tree (financial value)



### Trunk and Branches: Financial Value

- The visible “trunk and branches” on the ground represent the “results” of activities from the past to the present
- Current achievements (sales and profits) are verifiable through financial statements

### Root: Non-Financial Value

- The “roots” spreading underground are invisible, yet they are the “source” that creates the future
- They form the foundation of a company and serve as leading indicators for predicting its future corporate value over the medium to long term

### Significance of Non-Financial Value Visualization

By demonstrating the solidity of our foundation through “numbers” rather than “feelings,” we visualize and quantify invisible value, transforming it into confidence for sustainable growth

Page 11.

As Okamura explained earlier, the sustainability function is advancing initiatives to visualize non-financial activities. At last year's sustainability meeting, we introduced the social impact generated by our cancer awareness activities in Malaysia, part of our efforts to improve access to healthcare.

This time, we expanded our scope and converted the impact of Astellas' corporate activities on society into monetary value. We believe that quantification will allow us to more clearly demonstrate the influence our non-financial value has on corporate value.

First, I will explain how we perceive corporate value using the analogy of a single tree. The trunk and branches visible above ground represent current results, meaning financial value such as sales and profits, which are verifiable through financial statements. These are the visible results of activities from the past to the present.

On the other hand, the roots spreading underground are invisible but represent the non-financial value that forms the foundation of this company. We believe these roots are the source that generates future corporate value over the mid to long term and serve as leading indicators for predicting growth.

The significance of visualizing non-financial value lies in quantifying the certainty of these invisible roots, not as a feeling, but as objective numbers. By visualizing the non-financial value that forms the foundation for generating business outcomes like sales and profits, this project aims to further enhance your expectations for Astellas' sustainable growth.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

# Social Impact Calculation Process

## Monetary valuation of the social impact generated by Astellas' materiality

Materiality	Impact Evaluation Item	Adapted items	International Framework	Range of Impact
1 Access to health	<b>Product Impact</b> The impact of Astellas' product prescriptions on patients, their families, healthcare institutions, and others	The medical value created by the product	Modified IWA <sup>*2</sup>	+
2 Talent and organizational culture for realizing innovation				
3 Fulfilling unmet medical needs by creating novel healthcare solutions	<b>Human Capital Impact</b> The impact of employment fairness and appropriate wages on employees	Career Advancement	IWA	+/-
4 Transformative treatment through innovative therapeutic methods		Opportunity Across Job Categories	IWA	0/-
5 Value-based pricing		Adequate Wages	IFVI <sup>*3</sup>	+/-
6 Compliance and ethical business practices		Diversity	IWA	0/-
7 Responsible supply chain management	<b>Environmental Impact</b> Environmental impacts arising from business activities	Occupational Health & Safety	IFVI	-
8 Product quality assurance and product safety		Air Pollution	IFVI	-
9 Safe and appropriate use of products		Water Consumption	IFVI	-
10 Reduction of environmental burden	<b>Access to Health Impact</b> Impact on patients, their families, medical institutions, and others through activities that contribute to improving access to healthcare	Waste	IFVI	-
11 Climate change and energy		GHG <sup>*1</sup> Emissions	IFVI	-
	Excluded from company-wide impact calculation	For the foundation of business activities, not linked to impact evaluation items		

\*1 GHG: Green house gas  
\*2 IWA: The Impact-Weighted Accounts  
\*3 IFVI: The International Foundation for Valuing Impacts  
\*4 VBA: Value Balancing Alliance

Page 12.

Next, I will introduce the calculation process, specifically how we visualized and quantified these values.

This fiscal year, we monitored the evaluation of the social impact generated by Astellas' materiality initiatives. Specifically, we evaluated the following four areas.

For product impact, we calculated the medical value that Astellas' product prescriptions provide to patients, their families, and healthcare institutions. Please note that this does not refer to the product sales figures themselves.

For human capital impact, we evaluated the impact of employment fairness, appropriate wages, career advancement and opportunities on employees.

For environmental impact, we calculated the negative environmental impacts, such as greenhouse gas emissions and waste, generated by business activities.

For access to health impact, we evaluated the positive impact on society through initiatives that strengthen healthcare systems.

This monetary valuation was performed based on international impact accounting frameworks, such as IWA, IFVI, and VBA, to ensure objectivity and transparency.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptsasia.com

# Monetary Value of the Social Impact Generated by Astellas

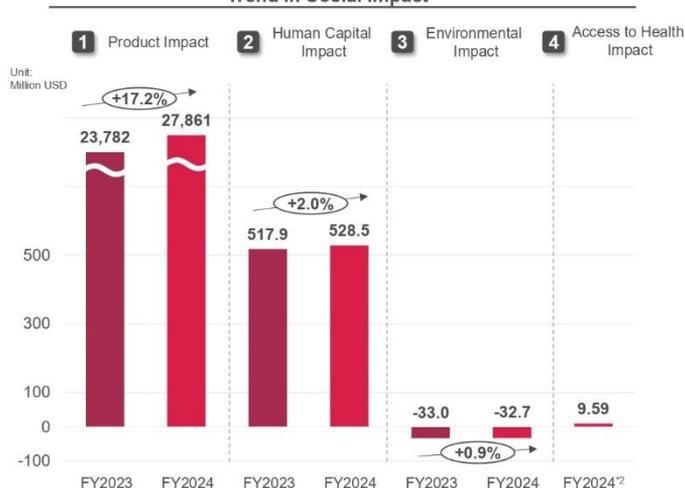
The magnitude of the social impact created by Astellas:  
**Product >> Human Capital > Environment > Access to Health**

## Monetary Value Conversion Results of Social Impact Unit: Million USD

Social Impact	FY2023	FY2024
<b>1 Product Impact</b>	23,782	27,861
<small>6 products<sup>*1</sup></small>		
<b>2 Human Capital Impact</b>	517.9	528.5
<small>Career Advancement</small>		
	14.3	24.6
<small>Opportunity Across Job Categories</small>		
	-38.4	-32.8
<small>Adequate Wages</small>		
	617.6	595.0
<small>Diversity</small>		
	-69.9	-52.3
<small>Occupational Health &amp; Safety</small>		
	-5.8	-5.9
<b>3 Environmental Impact</b>	-33.0	-32.7
<small>Air Pollution</small>		
	-0.1	-0.1
<small>Water Consumption</small>		
	-15.8	-16.7
<small>Recyclability</small>		
	-4.3	-3.5
<small>GHG Emissions</small>		
	-12.7	-12.3
<b>4 Access to Health Impact</b>		9.59 <sup>*2</sup>
<small>4 Healthcare System Strengthening Programs<sup>*3</sup></small>		

\*1 6 Products: PADCEV, XOSPATA, XTANDI, HARNAL, VESICARE, mirabegron  
 \*2 Cumulative amount since program start  
 \*3 4 HSS Programs: BEAUTY & Health, AMP Access to Health, MAP International, E-City

## Trend in Social Impact



Page 13. This shows the monetary value of the results for FY2023 and FY2024.

The table on the left displays the figures for the four impact evaluation categories and their components, while the bar chart on the right illustrates these values. Notably, the product impact is overwhelmingly significant. For FY2024, it reached USD27.861 billion, increasing by about 17% YoY. This demonstrates that six products, including PADCEV and XOSPATA, deliver substantial medical value to society.

Regarding human capital impact, we view this as an indicator that serves as the source for continuously creating future innovative healthcare solutions. The value generated by career advancement and fair wages creates a positive impact of USD5.28 billion.

On the other hand, environmental impact was calculated at a negative USD32.7 million. We recognize this as an ongoing challenge requiring our continued attention.

Across all categories, product stands out as having the largest impact, followed by human capital, environment, and access to health.

### Support

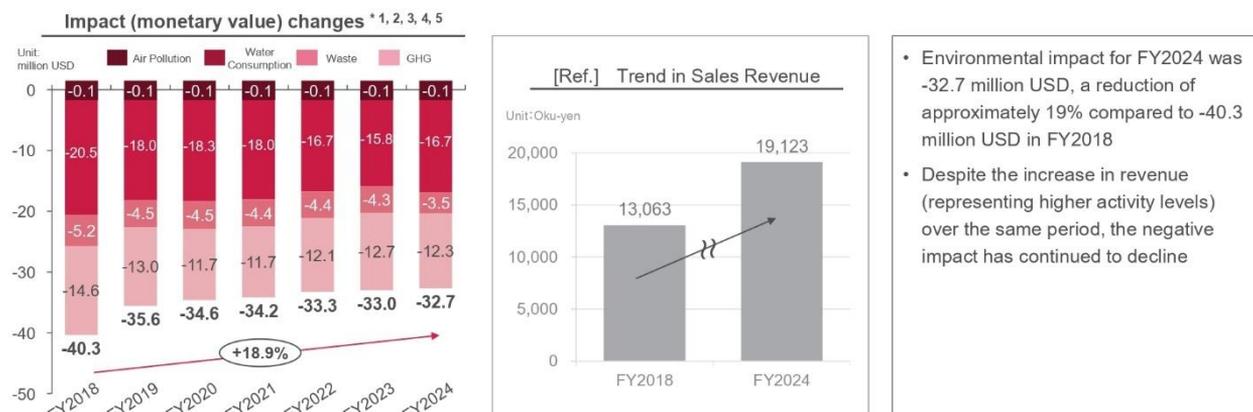
Japan 050.5212.7790  
 Tollfree 0120.966.744

Email Support support@scriptasia.com



### 3 Environmental Impact

Reflecting Astellas' environmental initiatives, negative environmental impacts continue to decrease even as sales (equivalent to activity volume) increase



\*1 All 4 items have a negative impact. \*2 Due to data availability, "water pollution" is not included in the impact items. \*3 Countries covered include Japan, the United States, the United Kingdom, Ireland, China, and the Netherlands \*4 Items except "GHG emissions" were included as of the relevant fiscal year, even if a location has already undergone business transfer or similar transactions. \*5 The scope is Astellas only (Scope 1, 2).

#### Page 14.

Today, I will explain the important sustainability activities related to environmental impact and access to health impact.

First, regarding environmental impact, the far right of the left graph showing impact trends represents the latest FY2024 figure, which was minus USD32.7 million. The figure has improved annually since FY2018, with FY2024 showing a reduction of about 19% compared to FY2018. Looking at individual metrics, we can confirm that further reduction potential exists for water consumption, waste, and GHG emissions.

Since the environmental impact is highly influenced by our activity levels, we also referenced the revenue trends. We confirm that despite increased revenue, meaning higher activity levels during the same period, the negative impact continued to decrease. We believe this demonstrates that Astellas' efforts to reduce environmental impact are yielding steady results.

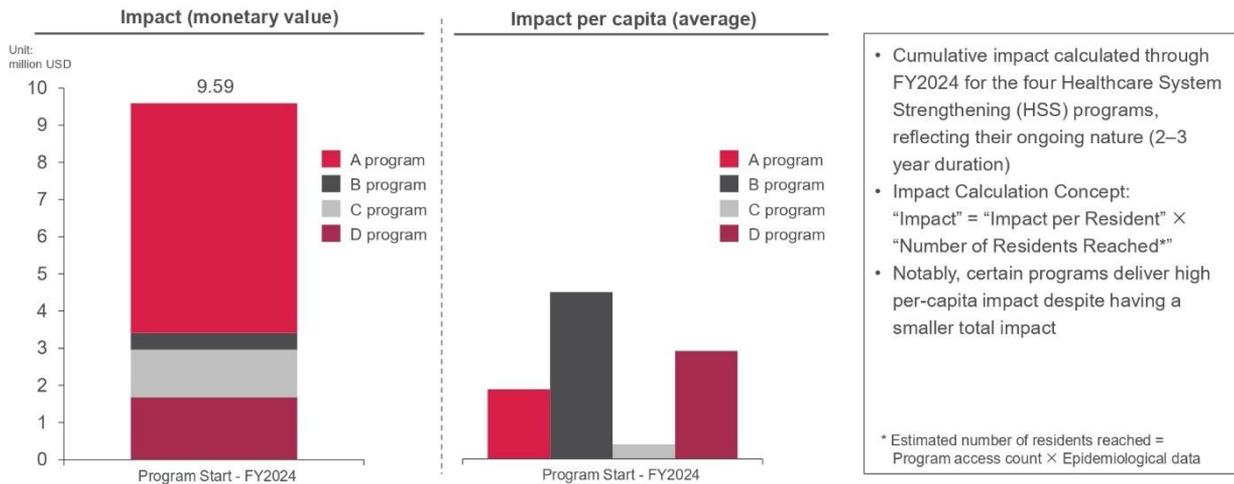
#### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

## 4 Access to Health Impact

ATH Impact aim to expand its total impact by considering both the number of residents reached and the magnitude of impact per resident



Page 15. Next is access to health, or the improvement of access to healthcare.

Here, we calculate the cumulative impact of the four healthcare system-strengthening programs currently in operation. The left graph shows the total impact across all four programs, while the right graph shows the impact per resident for each program. We found that even programs with a small total impact, like the B program, can have a large impact per resident.

Moving forward, we believe we need to aim to expand total impact by considering both the number of residents reached and the magnitude of impact per resident.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

## Summary of Visualizing Astellas' Corporate Value



Page 16. Here, I summarize the insights gained from this visualization initiative.

Analysis confirmed that product impact is overwhelmingly significant. This reaffirms that our core business, innovative drug discovery itself, delivers the greatest societal impact. Therefore, our efforts to deliver innovative solutions to patients through our core business are crucial, and we recognize this as a key source of our corporate value.

On sustainability activities, especially the environment and access to health will be focused on.

For environmental impact, a strategic implication is that we must aim to reduce negative impacts exceeding the increase in sales revenue. In other words, the expansion of our activities. Specifically, we will concentrate efforts on areas with significant reduction potential, such as water consumption, waste, and GHG emissions, aiming to minimize negative impacts.

For access to health, we must enhance the social impact we make in communities through program partners like NPOs and NGOs. Considering both the number of beneficiaries reached and the magnitude of impact, we will strive to expand our total impact.

Astellas intends to continue nurturing and strengthening these invisible roots of non-financial value, aiming to connect them to significant future financial value.

Next, we'll move on to the explanation by Sugita from human resources. Thank you.

**Sugita:** Hello, everyone. I'm Chief People Officer Katsuyoshi Sugita.

I'm going to talk about the progress of our initiatives toward achieving organizational health goals, which are part of CSP2021.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

# Actions and Results of Organizational Health Goals

Linkage between Corporate Strategy and HR Strategy

**Labor Productivity**  
(Core OP\* / Number of employees)

FY2020→FY2024 **1.6x** | FY2025 (revised forecast) **2.1x**

**Engagement**

FY2021→FY2025  
**+3pt**

VISION

Identify Issues

Develop OHG

Implement Priorities

## Organizational Health Goals 1 Brave ideas pursue ambitious outcomes

<b>Organizational culture change</b>	<ul style="list-style-type: none"> <li>Foster psychological safety through direct dialogue with top management</li> </ul>
<b>Flatter organization</b>	<ul style="list-style-type: none"> <li>Reduced the number of layers from CEO to staff-level employees from 10 to 6</li> </ul>
<b>Creating a comfortable workplace</b>	<ul style="list-style-type: none"> <li>Implementation a full remote work policy</li> </ul>
<b>Improved meeting efficiency</b>	<ul style="list-style-type: none"> <li>Quarterly business review attendees: -81%, Number of objectives: -41%, Meeting time: -54%</li> <li>Consolidated management meeting materials into a single page</li> </ul>
<b>Employee behavior change</b>	<ul style="list-style-type: none"> <li>Implementation of employee-initiated business proposal program</li> <li>Launched a researcher recruitment program for startup biotech companies</li> </ul>

\* Core OP: Excluding 'Amortisation of intangible assets', 'Gain on divestiture of intangible assets', 'Share of profit (loss) of investments accounted for using equity method', 'Other income' and 'Other expenses' from Full OP

## Organizational Health Goals 2 Talent and leadership thrives

<b>Talent Development</b>	<ul style="list-style-type: none"> <li>Launched the Next-Generation Leadership Program and promoted participants (FY2024 outcomes: 8% assigned to new roles, 30% promoted)</li> <li>Launched and rapidly expanded short-term overseas assignments</li> <li>Shifted talent management from a headcount-based to a budget-based approach to empower junior talent</li> </ul>
<b>Talent Review</b>	<ul style="list-style-type: none"> <li>Thorough Implementation of succession planning</li> <li>Appointed 70%+ new talent as Functional Unit Heads (vs. FY2021)</li> </ul>
<b>Flexible Career Development</b>	<ul style="list-style-type: none"> <li>Transitioning to a multi-track personnel system to evaluate experts and cross-functional leaders</li> <li>Increase in Internal Job Postings: 25 (FY2020) → 129 (FY2024)</li> </ul>
<b>Driving Diversity &amp; Inclusion (D&amp;I)</b>	<ul style="list-style-type: none"> <li>Non-Japanese: 64% of Functional Unit Heads</li> <li>Female: 44% at Manager level, 32% at Functional Unit Head level and above</li> </ul>

## Organizational Health Goals 3 We excel as One Astellas

<b>Objective Setting</b>	<ul style="list-style-type: none"> <li>Careful cascading from enterprise objectives to individual objectives</li> <li>Setting and evaluation of shared, cross-functional objectives</li> </ul>
<b>Rewards</b>	<ul style="list-style-type: none"> <li>Changed the bonus calculation factor from divisional performance to company-wide performance</li> <li>Shifted the calculation basis for executive compensation to 100% company-wide performance</li> </ul>
<b>Delegation of authority</b>	<ul style="list-style-type: none"> <li>Delegated authority for goal setting and evaluation, as well as budget and staffing planning, from functional unit heads to cross-functional teams.</li> </ul>
<b>Culture foundation</b>	<ul style="list-style-type: none"> <li>Established "Organizational Values &amp; Behaviors" based on business needs</li> </ul>

18 ©2026 ASTELLAS PHARMA INC. AND ITS AFFILIATES



Page 18, please. This is a summary of our actions and results of OHG, organizational health goals.

In CSP2021, we set up OHGs and have implemented a variety of initiatives to achieve them.

Overall, our employees' productivity increased 1.6x from FY2020 through FY2024. We are expecting labor productivity to go up 2.1x based on the FY2025 earnings forecast. We believe we have been able to promote initiatives which are directly linked to business outcomes. With various transformations, our engagement score has risen in stages from 70 to 73 over five years.

For organizational health goals 1 through 3, there has been a lot of progress and many achievements. Let me share some of them.

First, for OHG 1, we promoted a flatter organization, implemented a full remote work policy, ensured improved meeting efficiency, and worked on the transformation to build an organization with high productivity. I will give you an actual example later. The transformation resulted in changes in employee behavior. Some of these are paving the way for their own careers. Innovations are accelerating in the field.

As for OHG 2, succession planning, which we have strongly promoted, is now bearing fruit. We are promoting the appointment of many new talents and enriching their diversity. Now that we have a larger talent pool of successor candidates, under a fair annual assessment, we have been able to appoint optimal senior leaders to each position.

Also, in the next-generation leadership program, we are achieving outstanding results. Program participants are taking on the challenge of being assigned to new roles and being promoted to assume higher responsibility. We are steadily enhancing their level.

We are also focusing on human resource development with short-term overseas assignments as well. Longer-term overseas assignments of experts would cause a lot of burden on both the Company and employees. But in the case of shorter-term assignments, the hurdle to clear is lower for such assignments. It's possible to accumulate global experience through the actual work.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com



We are also supporting younger talent in their career development internally as well. In Japan, transfers of employees with internal job postings are increasing substantially. We hope that more employees will be able to develop their careers internally going forward as well.

Regarding OHG 3, by changing the bonus calculation factor from divisional performance to company-wide performance, we have put in place the foundation of the organization, pursuing outcomes beyond divisions under One Astellas.

Now we are also promoting the delegation of authority from functional unit heads to cross-functional teams. We will incorporate the voice of our employees and create an environment so that we can achieve results more rapidly.

In addition, in April 2025, based on business needs, we established “Organizational Values and Behaviors” as a culture foundation. We have been able to steadily solidify our foundation so that we can excel as One Astellas.

With all of these initiatives working in sync, we have been able to build a strong organization for sure. We believe this will lead to further leaps forward from FY2026 onwards.

## Creation of Innovation through Organizational Values & Behaviors

**Innovative Outcomes**

**ASP5834**

- **First subject dosed in Phase 1 trials in a record 27 days after Investigational New Drug application clearance, versus a 3-month target**

**5 Keys to Success**

<b>Accountability</b>	<ul style="list-style-type: none"> <li>• Clear roles with shared objectives and accountability</li> </ul>
<b>One Astellas</b>	<ul style="list-style-type: none"> <li>• Seamless integration of clinical, medical safety, pharmacokinetics/ pharmacodynamics (PK/PD) and research insights, with teams contributing to a holistic understanding of the asset’s risk-benefit profile</li> </ul>
<b>Sense of Urgency</b>	<ul style="list-style-type: none"> <li>• Early engagement with investigators to provide feedback on protocol design and feasibility of study conduct and implementing investigator recommendations into the final protocol where possible</li> <li>• Fit-for-purpose peer review which avoided delays and ensured that key issues could be resolved before the protocol was written</li> </ul>
<b>Courage Outcome Focused</b>	<ul style="list-style-type: none"> <li>• Ambitious goals and effective collaboration across teams to pursue and achieve desired outcomes</li> </ul>

Page 19, please. I will give you one example of the creation of innovation in the field.

As Okamura also talked about “Organizational Values and Behaviors,” this example I'm going to share is exactly the innovation outcome through action based on this culture foundation.

This year, for ASP5834, a pan-KRAS degrader program in a primary focus area, targeted protein degradation, we achieved first subject dosing in Phase I trials in a record 27 days after IND, investigational new drug application, clearance. We achieved this goal in just one-third of our three-month target at a record-fast speed.

This case represents the achievement after the R&D reorganization in the current fiscal year. I'd like to add that we were able to realize this through seamless collaboration across the organization.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

We think there are five keys to success behind this achievement. All of them are based on the culture foundation, “Organizational Values and Behaviors.”

First, we set clear roles with shared objectives and accountability. Next, we collaborated through seamless integration of each person's expertise as One Astellas, with teams contributing to a holistic understanding of the asset's risk-benefit profile.

Also, the project team had early engagement with investigators to reflect their feedback from the clinical settings on protocol design. Fit-for-purpose peer review enabled us to resolve key issues before the protocol was written and avoid delays. Ensuring a sense of urgency led to this final outcome.

Furthermore, this project team had the courage to set ambitious goals and promoted effective cross-functional collaboration to pursue and achieve desired outcomes. This outcome-focused approach was the biggest key to success. In this way, we are accelerating the creation of innovation in the field. We hope this will bring about further achievements for our business.

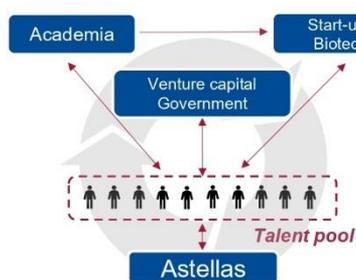
## Activating the Drug Discovery Ecosystem Through Talent Exchange

### Talent Challenges in Japan's Drug Discovery Ecosystem

- World-class scientific talent exists, but limited impact in drug discovery
- Limited talent mobility reduces opportunities to link the latest scientific insights with drug discovery know-how

### Our Outcomes and HR Initiatives supporting them

Astellas contributes to the drug discovery ecosystem through talent exchange with a diverse range of external institutions  
 Collaboration with major universities in Japan incl. talent exchanges, and development of talents who thrive in startups



#### Secondment Program

- Place Astellas researchers at key ecosystem institutions, including government agencies, AMED\*, Venture Capital

#### Cross-Appointments

- Academia → Astellas: Researchers maintain academic roles while contributing to advanced projects
- Astellas → Academia: Apply Astellas' expertise to boost academic research

#### Side Job System

- Part-time roles at startups and biotechs including CEO or CScO

#### Sabbatical Program

- Enables researchers to pursue entrepreneurship while staying employed at Astellas
- Allows secondment to launch a startup

\* Japan Agency for Medical Research and Development

On page 20, let me explain the research talent exchange Astellas is working on to activate the drug discovery ecosystem in Japan.

In Japan, world-class scientific talent exists.

On the other hand, the drug discovery ecosystem is not functioning sufficiently as a mechanism to continuously create new drugs through mutual collaboration among companies, academia, and start-ups. The impact of Japan's drug discovery capability is set to be limited, according to some. One reason behind this is low talent mobility.

Drug discovery cannot be completed anymore by a single company alone. A variety of capabilities, such as basic research, applied research, development, regulatory affairs, and clinical, must be combined first in order to enable the delivery of drugs to patients.

### Support

Japan 050.5212.7790  
 Tollfree 0120.966.744

Email Support support@scriptasia.com

That's the reason why talent mobility, which enables persons with the required knowledge and experience to thrive beyond organizations or sectors, is an important key to making the drug discovery ecosystem function.

In order to enhance the quality of the drug discovery ecosystem in Japan, Astellas is strategically promoting initiatives to increase talent mobility. We believe this will lead to new opportunities for Astellas researchers and the organization as well.

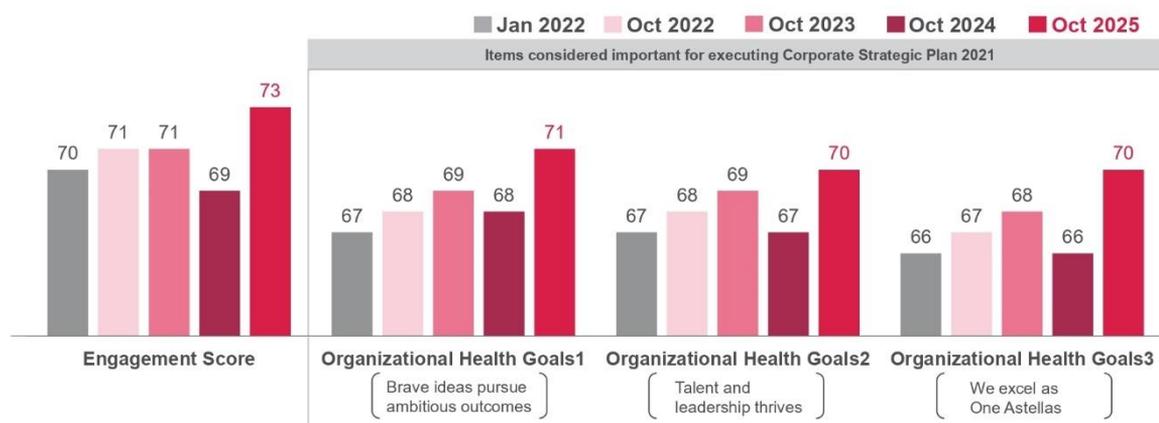
To realize this, we are leveraging the secondment program, side-job system, et cetera. Through these activities, we have actual case examples of collaboration between major universities in Japan and Astellas, as well as the development of talent who thrive at universities and start-ups while staying employed at Astellas.

Through these initiatives, new value creation beyond Astellas is making progress. As a result, a mechanism is being built where innovations are returning to Astellas as well.

Drug discovery and advanced medical care are positioned as one of the 17 strategic priority areas for future investments set by the Japanese government. While receiving support from these changes in the external environment, Astellas is aiming to exert active leadership in activating the drug discovery ecosystem.

## Global Engagement Survey: Record Engagement and Broad-Based Improvement

**The engagement score reached 73, the highest in the past five years, while the response rate increased to 87% (up 5ppt year-on-year), reflecting strong employee engagement and participation. Scores improved across all 43 comparable items versus the previous year, with no declines observed**



Next, page 21. I will explain the results of the Global Engagement Survey.

The engagement score in FY2025 reached 73, the highest in the past five years. The response rate increased to 87%, up by 5 percentage points YoY, reflecting strong employee engagement and participation. Scores improved across all 43 comparable items versus the previous year, with no declines observed.

Substantial improvement was seen in scores on items such as white space, resources, and collaboration. This is thanks to the effect of initiatives to enhance productivity, such as improved meeting efficiency we mentioned earlier.

On the other hand, again, in FY2025, items such as changed communication, paying for performance, and promotion practices were identified as opportunities for improvement because of relatively lower scores.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

These scores improved from the previous fiscal year, but these items had been listed previously as issues to be addressed, so we will continue to reinforce our current initiatives.

Over the past five years, we have been able to maintain or improve engagement overall. Productivity as an organization has been substantially enhanced over the past five years. We believe this is the outcome of a transformation we have promoted based on organizational health goals.

## Actions to Enhance Engagement

**Launched a cross-functional task force in FY2024 to deepen analysis of survey results and strengthen engagement initiatives**  
**Focused on developing management capabilities based on the analysis findings**

 <ul style="list-style-type: none"><li>• Conducted a pulse survey in June 2025 to enhance employee listening</li></ul>	 <ul style="list-style-type: none"><li>• Launched programs for managers to develop management capability</li><li>• Conducted interviews with managers who demonstrate outstanding leadership and shared the findings as best practices across the manager community</li></ul>
 <ul style="list-style-type: none"><li>• Held multiple Ask Me Anything sessions led by CxO, along with in-person dialogue sessions at several locations</li></ul>	<ul style="list-style-type: none"><li>• Held Monthly Manager Connect sessions to support managers</li></ul>

Page 22 is the last page in my section.

In response to FY2024 Engagement Survey results, Astellas launched a cross-functional task force, including corporate communications, digital IT, and HR, to deepen the analysis of survey results and strengthen our engagement initiatives.

First, we conducted a pulse survey in June 2025 to enhance employee listening.

Furthermore, top management visited locations around the world in person, organized town hall meetings and small meetings, and increased opportunities to communicate with our employees. Through in-person dialogue sessions, we were able to gain deeper insights from feedback on the Company's policy and organization. We believe this was a very good initiative.

We, as a company, are promoting the enhancement of productivity, including a full remote work policy, but we also place importance on face-to-face communication. We will continue to maintain a good balance in running our organization.

As we have been saying from before, management is the key. We gained similar insights based on the survey analysis findings by the task force. We are working to enhance management capabilities as the most important initiative.

Specifically, we conducted interviews with managers who demonstrate outstanding leadership in certain items, such as communication, and shared other findings as best practices across the manager community.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

We also launched management capability enhancement training, focusing on capability development in communication in particular. We are also holding monthly manager sessions to support managers.

As I have explained by now, organizational health goals cannot be achieved overnight. There are still many things we have to work on toward further growth of Astellas, according to our understanding. Astellas, as a whole, will continue to be united in working to promote talent strategy, which is directly linked to our business outcomes.

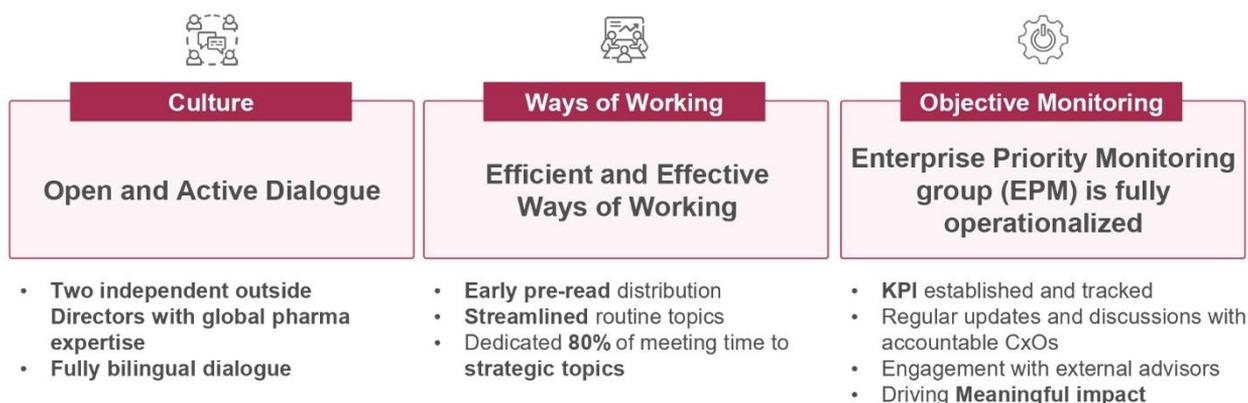
That's all for my presentation on the progress of our initiatives to achieve organizational health goals.

Next up is Mr. Takashi Tanaka. He is an outside Director and chairs the Nomination Committee and the Compensation Committee. Tanaka-san, please.

**Tanaka:** Hello, everyone. I'm Takashi Tanaka, an outside Director.

I will give you FY2025 updates on Astellas' corporate governance. In particular, I will explain the strengthening of the Board of Directors' function and activities by the Enterprise Priority Monitoring Group, EPM for short, which we reported on at its establishment in the previous Sustainability Meeting.

## Enabling the Board to Focus on What Matters Most



**This positions the Board to deliver stronger governance and long-term value**

On page 24, the first topic is the Board of Directors' structure.

I will share three highlights related to the Board over the past year based on three axes.

The first axis is the culture of the Board. In FY2025, we welcomed two independent outside Directors, both global leaders with deep insights into the pharmaceutical industry. With their participation, we are now having fully bilingual, open, and active dialogue more than ever before.

The second axis is the evolution of ways of working. In order to enable effective and efficient discussions, the Board incorporates new ways of working. Early pre-read distribution is ensured to provide enough time for review. Concise presentations on the day of the meetings allow us to streamline routine topics. As a result, we can dedicate about 80% of meeting time to strategic topics.

### Support

Japan 050.5212.7790  
Tollfree 0120.966.744

Email Support support@scriptasia.com

The third axis is to strengthen objective monitoring by fully operationalizing the EPM. EPM is a group that consists of independent outside Directors only and was established in November 2024. It sets and tracks KPIs for the three enterprise priorities. Through regular updates from accountable CXOs, EPM is beginning to drive meaningful impact.

These three axes, functioning organically, position the Board to deliver stronger governance and long-term value.

## Enterprise Priority Monitoring group (EPM) focus

**EPM conducts structured KPI reviews and targeted strategic discussions with CXOs**  
**EPM's insights enhance Board oversight and decision quality**

### EPM Activity Summary

(since establishment in Nov 2024)

- 12** Meetings
- 8** Times CxO invited
- 1** External advisor invited\*

\*Theme: Market Trends and Astellas Valuation Perspectives

### EPM Focus



#### Maximize Revenue

Led by Claus Zieler,  
CCMAO

- Commercial P/L
- Sales: Strategic Brands and XTANDI
- Market trends



#### Accelerate Pipeline

Led by Tadaaki Taniguchi,  
CRDO

- R&D program milestones
- Progress/risks on flagship projects
- Initiatives to enhance R&D productivity



#### Operational Efficiency

Led by Atsushi Kitamura,  
CFO

- Cost optimization to deliver 150 Billion JPY recurrent savings by FY2027
- Progress/risks on major initiatives

25

©2026 ASTELLAS PHARMA INC. AND ITS AFFILIATES



Next, page 25.

Regarding EPM, our new initiative by independent outside Directors, I will explain specific EPM activities and their focus today.

EPM conducts structured periodic KPI reviews and targeted strategic discussions with CXOs. EPM's insights contribute to the enhancement of Board oversight and decision quality. As a track record of its activity since its establishment in November 2024, EPM has organized 12 meetings in total so far. CXOs were invited 8 times for discussions.

Also, an external adviser was invited to discuss the theme of market trends and Astellas' valuation perspectives. EPM is incorporating multi-angle perspectives.

At present, EPM is mainly discussing three enterprise priorities.

The first is to maximize revenue. This is led by our CCMAO, Chief Commercial and Medical Affairs Officer, Claus Zieler, to monitor sales of our strategic brands, XTANDI, and market trends.

The second is to accelerate the pipeline. This is led by our CRDO, Chief R&D Officer, Tadaaki Taniguchi, to discuss R&D program milestones, progress, and risks on flagship projects, as well as initiatives to enhance R&D productivity.

The third is operational efficiency. This is led by our CFO, Atsushi Kitamura.

### Support

Japan 050.5212.7790

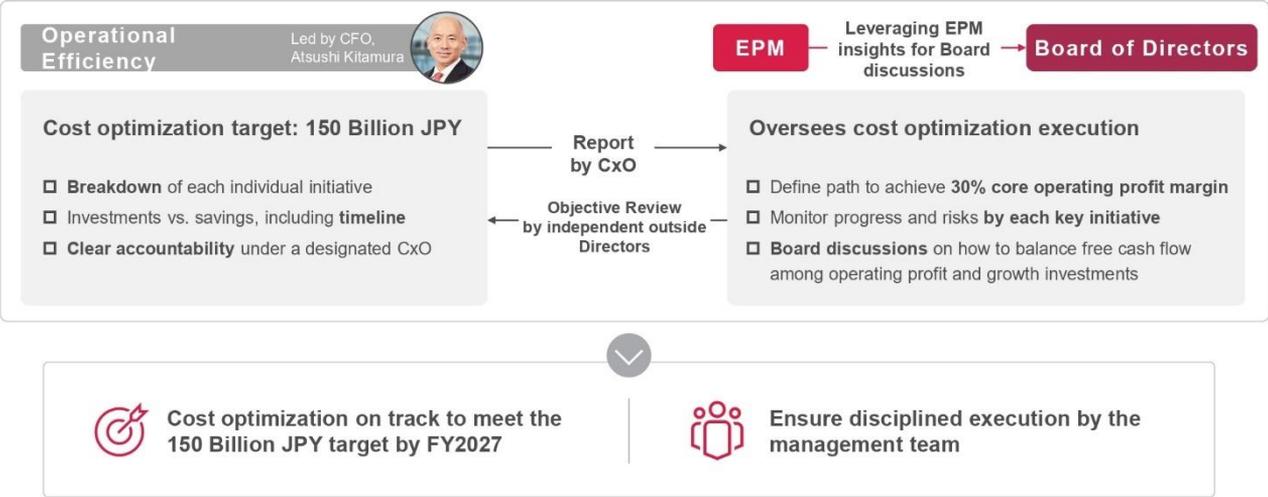
Tollfree 0120.966.744

Email Support support@scriptasia.com



# EPM's impact on strengthening Board oversight & business outcomes

## EPM in action: delivering disciplined execution of Sustainable Margin Transformation (SMT)



Next page, please.

I will explain a specific example of strengthening Board oversight in our third focus, operational efficiency.

We have a cost optimization target of JPY150 billion by FY2027. EPM is overseeing the disciplined execution of sustainable margin transformation. To achieve this target, EPM is breaking down cost optimization initiatives and tracking the amount of investments and savings with clear accountability under a designated CXO.

Through discussions with CFO Kitamura, EPM defines the path to achieve a 30% core operating profit margin for board discussions on free cash flow allocation strategies. In this way, EPM is not just tracking KPIs, but is also reflecting the insights it has gained in board discussions and ensuring disciplined execution by the management team to enhance the oversight and executive function.

That's all from me.

**Kato:** This concludes the presentation from us.

## Question & Answer

---

**Kato [M]:** Now we would like to entertain questions from the audience.

If you have any questions, please press the “Raise Hand” button that you can find at the bottom of the Zoom screen. If you’re joining through your smartphone, tap Details, and then you can find the “Raise Hand” icon, so please press it. I’m going to call up the name. Once your name is heard on your screen, please unmute yourself and mention your name and affiliation to start the question. Let’s start this.

The first question: Nissay Asset Management, Yatsunami-san, please.

**Yatsunami [Q]:** Nissay Asset Management, Yatsunami speaking.

Thank you very much for such a detailed update and also for highlighting achievements in your explanation.

My question is about the Organizational Health Goals so that I can have a deeper understanding.

Within the goals, the flattening of the organization at the disclosure of the HR strategies and the innovative HR approach is what you have been working on. As a result, productivity, labor productivity improvement, and also pipeline progress, improvement of progress in terms of execution, are described. From the perspective of reforming or changing the organization, how do you evaluate the current situation?

Thinking about the coming five years and plotting the organization, you have achieved a certain goal, or are you trying to excel further? What are you trying to do? Would you please share with us your insight?

Also, at the same time, innovation, the organization, and execution capability are something you would like to improve, and that is exactly where you see the outcomes. From Sugita-san’s perspective for the coming five years, what is the area that you would like to reinforce further or see outcomes in? Sorry, this is a really vague, abstract question, but it would be great if you could give us your opinion.

**Okamura [A]:** Thank you very much, Yatsunami-san. Before Sugita, I would like to give a bit of an explanation.

For this type of approach initiatives, I believe there is no completion. For example, what will be the layers? What about the number of subordinates under one manager? Yes, we can come up with such indicators, but that will never be the completion.

Also, since last April, for the management of the pharmaceutical industry, region, country, and also HR and finance development, the regional axis, functional axis, and product technologies and events axis, those are the three axes.

When Astellas was established, the region and the geographic aspect were the highest axis, but that is now shifting toward function. With that, what can happen?

The organization can become more layered and siloed, so collaboration among the functions becomes difficult. One Astellas becomes more and more difficult. Rather, we put up the patient axis access at the very top.

Thanks to that, we are now able to have cross-functional organizations. They set up the challenges and objectives on their own, and they execute what they need to. If they find something needs to be changed, they modify it. 5834, 27 days, that is a record high and the shortest, but I think we can make it shorter further. That's what I've been saying to the team.

---

### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support support@scriptasia.com

In this way, overall, we always have the next, and working on those one by one is leading to an organizational innovative culture.

Innovation, as you know, if you do the same thing, nothing can be regarded as innovation. You have to do something different, something different from others and from the past. You learn, you accumulate, and you think about the next. That is the culture we need to develop. Sorry, this is a long answer from me.

If you look at the indicators, you might think, “This is good, that is good, this is a completion,” but that is not really the case. We have to continue to work to realize a better organization.

I’d like to hand things over to Sugita here so that he can share his view. Thank you very much.

**Sugita [A]:** Thank you for your question.

Okamura mentioned all the things I wanted to say in his answer, but let me share my view.

To begin with, the second question was about innovation.

Today, I talked about the 27 days from the acceptance of the IND to first patient dosing, and to activate the drug discovery ecosystem, we have talent exchange as one of our initiatives. These measures must be promoted. We need a mechanism for talent exchange.

This was not thought of by HR. Research and development leaders thought about this idea and brought it to us. When they came to us first, they had an idea like this. “According to the Company’s rules, can we proceed to consider this idea?” That was the question. I said, “Yes, no problem. Please consider.” That’s all.

Then R&D people discussed what kind of programs will function and succeed. If there is a certain program, research can be motivated to exchange with people outside, and we can invite talent from outside. Researchers themselves came up with this kind of idea.

Then, just a little bit, how to pay salaries and run a secondment program and system, that was supported by HR. But for the rest, business people, for their innovations, shared their ideas about what they would like to do and how to make it function. That is reflected in the innovation aspects.

Regarding the layer in your first question, as you can see on this page, various points are related to the layer. How many meeting participants, and how much reduction in the meeting participants, two boxes below. If there are deeper layers, we have more participants in meetings. Various people say they are related, and many of them will join meetings, but if we can do away with that, then we can enhance efficiency.

To the right, in OHG, as Okamura mentioned earlier, a cross-functional team has been established. As a company, those at a higher hierarchy [inaudible], experts, and cross-functional leaders are important. They have to play a main role in the business so that they can run the organization, and we have to reward them with compensation.

OHG is shown in the middle: flexible career development. Previously, if the size of the organization was large or the size of the budget was big, the grade tended to be higher for people. But rather, cross-functionally, those who lead cross-functionally and those with high expertise to contribute to the Company may not have any subordinates or any particular budget.

But still, we want to give them a higher grade and higher compensation. Hierarchical things are not so important anymore, but the ultimate impact, and the impact on the Company and society, should be high so that we can evaluate them highly.

---

**Support**

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support support@scriptasia.com



Regarding the layers, there is a mention of a reduction from 10 to 6, but it can be very difficult to implement this. We have come this far, so we have to make efforts not to increase these numbers. We have reorganization and budget formulation. We may reorganize our structure substantially at those times.

The number of layers is not increasing. We have a check item to see that there is no increase in the number of layers. It's now six. We have a system so that this number is not going to increase beyond six. This is what we'd like to do for the time being.

In the future, with IT advancement, the scope each person can manage can be expanded, but for the time being, we worked hard to reduce the number of layers to six. We'd like to keep this for the time being. That's our reality.

Thank you very much.

**Yatsunami [M]:** Thank you very much. The independent, autonomous organization is now turning around within the organization. I understand that quite well. Thank you very much.

**Kato [M]:** Next, Tokio Marine Asset Management. Mizuno-san, please.

**Mizuno [Q]:** Mizuno speaking from Tokio Marine Asset Management. Thank you very much.

I have a couple of things. These might be quite detailed questions.

First of all, now in the Board members, you've invited non-Japanese speakers with experience in the pharmaceutical industry. A couple of years ago, we talked about this with Okamura-san, and I believe he mentioned it was difficult to realize that. What changed? What made it possible? That's one question. Now it's realized, but is this fact also applied to other organizations within your company?

**Okamura [A]:** Thank you very much.

Ultimately, Tanaka-san will answer. But just like you mentioned, in the past, it was difficult. It might be difficult. But the reason why I said that is that pharmaceutical industry-related people and the Japanese serving as independent outside Directors, if we ask them to serve in this position, have some interests that we have to consider with the former company they worked for.

In Japanese companies with history, even if they left as management, in various ways, they maintain continuous relationships with their former companies. Therefore, among the Japanese population, it was difficult to get outside Directors who have experience in the pharmaceutical industry.

Then you would say, "Then why not non-Japanese?"

Well, this is the Board of Directors. Language-wise, manner-wise, and process-wise, things are getting more and more complicated. That is insufficient. On the other hand, they have the knowledge and experience.

Considering that balance and the trade-off, from this perspective, I said it was difficult. But now that we have these two non-Japanese outside Directors, as has been explained, or as I explained, once we did that, we learned it is quite possible and we can do it. That is the honest impression that I have.

In the past, we worried that if we did this, this and that would happen, or non-Japanese outside Directors might react in this way or that way. It is better not to say that. But once we started it, we are managing it quite well.

---

#### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)

Mr. Tanaka is exactly in the middle of such new ways of the Board of Directors, so I would like to hear a comment from him.

**Tanaka [A]:** Well, thank you. I would like to be frank here.

Just like Okamura-san mentioned, for the Board of Directors, it was really challenging because there were several challenges that we had to deal with. These two outside Directors are living overseas, so we have to take into consideration the time difference, the time zone difference, and how we can secure meeting times with them.

Now, considering those challenges, we came up with more than five solutions. But we just thought, why not give it a try? We decided to solve the issues one by one. As a result, what happened? Well, we ended up with great success. Just like Okamura-san mentioned in his presentation, 80% of the meeting time is now possible to be allocated to discuss strategic items, which is a great achievement.

Looking back at the past here, there are several factors that we can share with you.

First off, these BoD meetings are now the site of material discussions, so to secure that, we shifted or changed some parts of the discussion items.

This is a slightly different topic, but we have EPM here. Basic KPI monitoring and strategic discussions can be conducted. Therefore, these outside Directors from different fields have shared and common understanding and insight.

Third, needless to say, we welcome the two new directors. They have a pharmaceutical background, they have a lot of experience, and there is a lot of diversity. We now have two additional missing pieces to fill the gap.

In order to have good discussions on the Board, we use both Japanese and English, and we also need simultaneous translation. From the Company, the management team, we are receiving a lot of support. Various challenges have been resolved in organizing our Board meetings.

In the end, as a result, as Okamura-san said, we can do this. It was feasible. Until then, everybody made his or her effort. That's why it is now functioning very well and successfully. Personally, in this sufficient way and in this meaningful fashion, including global directors, we have been able to have such good discussions on the Board. These are the results we can be proud of.

That's something I'd like to say. Sorry for my long answer. That's all for me.

**Mizuno [Q]:** Thank you very much.

OHG action is taken by the Board itself to show results by taking on a challenge. That's my understanding.

In the field of R&D, sales DX is making progress, and you are using AI as well. Listening to the presentations, this is applicable to the Board and the OHG measures to reduce the number of layers. By leveraging AI, many things are going smoothly, and by applying AI in the future, you can expect further achievements. What do you think?

**Okamura [A]:** Thank you for your question.

Of course, we are using AI now as well as digital tools. However, the outcomes we are seeing so far are as follows. We use AI a lot for parts of drug discovery. We have been able to do something great in combination with robotics. For customer engagement, we're using AI to achieve great results. It's on an individual basis.

---

#### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)

Before, as Sugita explained, we reduced the number of layers in the organization to shift to cross-functional teams through delegated authority. We are changing our ways of working by human beings, and we have a lot of outcomes in terms of results.

Based on that, if you can do this, then we will democratize data and use AI to work further. It's easier to do so now. Before, it was a closed organization. Even if we used AI, we could only do something within the organization. But now, cross-functionally, we can use AI and digital tools, and we can achieve greater results.

That's my expectation. This is a pressure on my employees, although I don't know whether they are listening to this or not. Substantial innovation acceleration will occur, and we can also expand the impact on society as a result. That's my view.

**Mizuno [M]:** Very clear. Thank you very much.

**Kato [M]:** Thank you for the questions. Next, Citigroup Securities, Mr. Yamaguchi, please.

**Yamaguchi [M]:** Yamaguchi from Citigroup Securities. Can you hear me?

**Kato [M]:** Yes.

**Yamaguchi [Q]:** Thank you. I have two simple questions.

First, product impact and access to medicine. You showed specific numbers today. If possible, looking at the indicators for the impact, some products show a higher impact compared to sales and revenues. In access to medicine, there are a variety of things under that category. What kind of products would have a higher impact? And what kind of products would not have a higher impact? That's my first question.

**Okamura [M]:** Thank you very much. It's better that Iino explains this.

**Iino [A]:** Thank you very much.

The characteristics of the products this time, six products, are such that individual product results are not disclosed. But looking at all six products, therapeutic area-wise, there are only two: one is oncology, and the other is urology.

According to the currently available data, for urological diseases, the impact is likely to be easier to confirm. That is because the number of patients is larger. And also, the products have been launched on the market, and as more time passes, the situation is likely to be changed. That's what we've been discussing within our team.

**Yamaguchi [Q]:** If the number of patients is larger, then sales also become bigger. Or, if the number of patients is larger, before sales increase, the impact is likely to become more visible. What about survival?

**Iino [A]:** Well, this time, QALY is utilized as a base for the calculation. Your first question, comparison with the sales, the sales or the revenue, and the impact: the direct comparison is what has often been discussed in the impact accounting field. We cannot do the direct comparison. However, impact tends to show the bigger trend, and that is the situation. It would be appreciated if you could understand it in that way.

**Yamaguchi [Q]:** What about access to health?

**Iino [A]:** Access to health, that is going to be more complicated. Depending on the disease, depending on the country, depending on the region, the impact is going to be greatly different or completely different.

---

#### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support support@scriptasia.com

For Astellas especially, in the countries where the healthcare system is fragile or health literacy is lower, we prioritize those countries and regions to provide support. With such criteria, RFPs, requests for proposal, are placed by NGOs or NPOs as requests for support, and each one of them is a wonderful proposal.

It's very difficult to select one out of those. But we have certain criteria within our company so that we can select some. As a result of the impact analysis, what kind of programs are appropriate to be selected? We were able to get certain tips for that process.

This response might be a bit off from the actual intention of the question, but that is the current situation. Various factors engage with each other, so it's very difficult to respond within this limited time.

**Yamaguchi [Q]:** The next question is organizational health and sustainable margin transformation, SMT. Those are likely to collide with each other, but you are doing it quite well. If you can do it well, they are not colliding with each other. Because if you're trying to do that, it doesn't work. That is something happening in my organization.

**Okamura [A]:** Thank you very much.

I think we are looking toward the same direction, meaning that the organization becomes healthier.

As you know, we have missions, the VALUE of the patients in capital letters. That is something we would like to deliver. We put our best effort into that. If we want to do that, those are hindrances that should be reduced one by one, even if it is things, even people.

Looking at SG&A, those creating such value and delivering such value so that they can function better are supporting people, but at the same time, there are some breaking such activities, putting a break on such activities, saying that there is no precedent of that in the past, and so on.

Just like layers, we have these cross-functional teams. After discussion, we have good proposals. But before the execution of them, each member within each organization has to report to their boss, their boss's boss, and so on. When the outcomes come down to the very bottom of the team members, that good proposal is deviated from the original intention.

So within the team, it's going to be completely separated, and that's why they have to do real work. It is better to eliminate the layers, and with autonomous cross-functional teams, we can enhance organizational health and reduce something excessive. Rather, we can have a higher percentage of activities that bear the culture. Overall, SMT works well, and organizational health improves as well.

**Yamaguchi [M]:** Thank you very much.

**Kato [M]:** Thank you for the questions.

**Sugita [M]:** May I?

**Kato [M]:** Sugita would like to add. Please.

**Sugita [A]:** I'd be brief. Please show page 18.

Regarding the question we have just received, Okamura already explained the details. But on top of that, if you look at the top portion of this page, labor productivity per head, core operating profit per head, and engagement right next to it are shown here. There is a reason for this kind of slide.

---

#### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)

As Yamaguchi-san asked the question, engagement and organizational health items are listed here along with productivity. Generally speaking, it's difficult to achieve both in parallel, but what we wanted to do this time is as follows.

We want to enhance productivity and efficiency, but we would also like to enhance innovation and employee engagement to create a positive cycle. We aimed for a positive cycle and did a lot of things. We may not be perfect, but we are working on many things.

As you can see here, engagement and innovation are making progress, and productivity is being enhanced at the same time. In this direction, we'd like to contribute to our business, and employee innovation and engagement would also be enhanced. That's what we'd like to promote.

That's all from me.

**Yamaguchi [M]:** Thank you very much.

**Kato [M]:** Thank you for the question. Next, Morgan Stanley MUFG Securities, Muraoka-san, please.

**Muraoka [Q]:** Can you hear me? Muraoka from Morgan Stanley. Thank you very much.

I have a question about EPM. I'd like to ask a question to Tanaka-san.

An external adviser was invited by EPM once, according to the slide. The market trends and Astellas' valuation were the topics, according to the slide. I'm sure that you are paying a lot of attention to the stock price, so I was very pleased to see that.

I have a question for you. At EPM, this is the first time an external adviser has been invited, and you selected this market expert. What's the background behind this? What kind of people would be invited to hear their views going forward?

**Okamura [M]:** Tanaka-san, please.

**Tanaka [A]:** Thank you for the question.

We invited an external adviser because we wanted to know the market and also the perspective of an external adviser. We had a major objective to share that among the directors. That's why we invited an external adviser.

What is going to happen in the future? The stock price is trending higher these days. EPM has a target. The deadline is the end of this fiscal year, the end of CSP2021. That's our tentative goal or deadline. We are discussing the next CSP.

Accordingly, how we are going to think about this will be discussed from now on. Once the right timing comes, we hope you can ask the same question again so that we can respond. As of now, the next invitation has not been decided yet.

**Muraoka [Q]:** Do you have certain concerns you would like to address further?

**Tanaka [A]:** Not really. The next CSP is the main agenda item. After that, we are going to discuss those issues you have just mentioned.

**Muraoka [Q]:** Thank you very much.

Still, the stock price has risen this much, maybe because of the effectiveness of the EPM.

---

#### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)

I have another question for you.

On page 18, I think, regarding the reward system, the bonus calculation factor has been changed from divisional performance to company-wide performance. It's not just about Astellas, but pharmaceutical companies usually face LOE, and then the company-wide performance will decline because of patent expiry. Any company will face that.

With bonus calculation based on company-wide performance, R&D people may identify great things, but the bonus might be reduced. In our industry, that can be a source of dissatisfaction as a tendency. Are you approaching this timing to make ends meet, or to allow everyone to move in the right direction? What's your approach here?

**Okamura [A]:** Before Sugita, let me make a brief comment.

Let me explain what happened in the past. This is about compensation, especially the yearly rewards, and the recognition of individual contribution. In the past, there was division-wise evaluation and, after that, company-wide evaluation or recognition. We had those three layers. For those with lower grades, the individual aspect was high in terms of the percentage.

On top of that, the division and the Company as a whole were added. If you were higher in the layers rather than the individual, the division or company-wide evaluation portion was bigger. That's the past.

What does this mean, however?

The individual is important. However, rather than the individual, the division is more important. You tend to have such a culture. We remove such components. We have the individual and company-wide portions. The layer lower than the individual percentage is higher. If you are up in the layers, then, of course, there's a percentage for the individual, but company-wide or division-wide, function-wise, portion will be bigger.

Of course, LOE is one thing we need to think about, but basically, we have the target for this year. Whether you can achieve it or not is evaluated. The sales are reduced, so your evaluation is reduced. It's not that simple. The reduction of sales is predicted. However, to what extent you can stop that is positively evaluated. The performance ups and downs are not directly reflected in the evaluation.

Just like you mentioned, the sales worked this hard and we came up with this performance, but R&D didn't work well. Company-wide performance becomes this and that. Of course, that would happen. But we want to realize One Astellas. Nobody says something like that. We face something good, something bad, but everyone cheers up and supports each other.

Japan is good. US business is good. Sales division is good. R&D function is good. There are ups and downs. There are differences. However, as One Astellas, so that we can realize what would be the appropriate compensation method or approach, that's been the thinking.

**Sugita [A]:** I don't have much to say here, but the explanation was exactly right. The target is not absolute like YoY, this and that. We have the target or objectives for a while, and whether you achieve it or not needs to be considered. That's why LOE is also managed when we set up such organizational goals. There will be no problem.

Division performance or company-wide performance reflected in the bonus, the way of thinking differs depending on the organization. Whatever you do, there are always benefits and disadvantages.

What do we want to do? What do we want to promote this time?

---

## Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptasia.com](mailto:support@scriptasia.com)



It's not division-wise but company-wide. Cross-functional collaboration is good for the Company. It's good for myself and each individual. That is the mechanism we would like to establish. Each individual needs to think about the company-wide performance, total performance, and horizontal function performance.

If you think to that extent, then the benefit will come to you as well. It's not something where everything is okay if you think only about your own function.

Again, whatever method you introduce, there are always goods and bads. But for the company-wide organization, let's go toward that as One Astellas. That's what we wanted to realize. I hope you feel that.

What is easy for me is that, instead of me, Okamura can explain everything from this perspective, which means that we have a common understanding and we can do it as One Astellas. I understand our management is also One Astellas.

**Muraoka [M]:** Very well. Thank you very much.

**Kato [M]:** Thank you for the question.

I believe some are still waiting to ask questions, but this is the time to close. With this, we would like to close the Sustainability Meeting 2025.

Thank you very much for your participation despite your busy schedule.

[END]

---

#### **Document Notes**

1. *Portions of the document where the audio is unclear are marked with [inaudible].*
2. *Portions of the document where the audio is obscured by technical difficulty are marked with [TD].*
3. *Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.*
4. *This document has been transcribed based on interpreted audio provided by the Company.*

---

#### **Support**

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptsasia.com](mailto:support@scriptsasia.com)



## Disclaimer

SCRIPTS Asia reserves the right to edit or modify, at its sole discretion and at any time, the contents of this document and any related materials, and in such case SCRIPTS Asia shall have no obligation to provide notification of such edits or modifications to any party. This event transcript is based on sources SCRIPTS Asia believes to be reliable, but the accuracy of this transcript is not guaranteed by us and this transcript does not purport to be a complete or error-free statement or summary of the available data. Accordingly, SCRIPTS Asia does not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information contained in this event transcript. This event transcript is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal.

In the public meetings and conference calls upon which SCRIPTS Asia's event transcripts are based, companies may make projections or other forward-looking statements regarding a variety of matters. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the applicable company's most recent public securities filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are accurate and reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the anticipated outcome described in any forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE PUBLIC MEETING OR CONFERENCE CALL. ALTHOUGH SCRIPTS ASIA ENDEAVORS TO PROVIDE ACCURATE TRANSCRIPTIONS, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE TRANSCRIPTIONS. IN NO WAY DOES SCRIPTS ASIA OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BY ANY PARTY BASED UPON ANY EVENT TRANSCRIPT OR OTHER CONTENT PROVIDED BY SCRIPTS ASIA. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S PUBLIC SECURITIES FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS. THIS EVENT TRANSCRIPT IS PROVIDED ON AN "AS IS" BASIS. SCRIPTS ASIA DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, AND ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT.

None of SCRIPTS Asia's content (including event transcript content) or any part thereof may be modified, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of SCRIPTS Asia. SCRIPTS Asia's content may not be used for any unlawful or unauthorized purposes.

The content of this document may be edited or revised by SCRIPTS Asia at any time without notice.

Copyright © 2026 SCRIPTS Asia K.K. ("SCRIPTS Asia"), except where explicitly indicated otherwise. All rights reserved.

---

### Support

Japan 050.5212.7790

Tollfree 0120.966.744

Email Support [support@scriptsasia.com](mailto:support@scriptsasia.com)

