

astellas

For the Fiscal Year Ending March 31, 2025

Integrated Report 2025

Our Philosophy and VISION

Guided by our business philosophy, we are committed to the realization of greater VALUE for patients and healthcare systems around the world.

Philosophy

Raison D'être

Contribute toward improving the health of people around the world
through the provision of innovative and reliable pharmaceutical products

×

Mission

Sustainable enhancement of enterprise value

×

Beliefs

High Sense of Ethics　Customer Focus　Creativity　Competitive Focus

Our "beliefs" provide the code of conduct we prize at all times.
Astellas will always be a group of people who act upon these beliefs.

VISION

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

We are Astellas —Our Competitive Advantage

Astellas is a global life sciences company committed to turning innovative science into VALUE for patients. We provide transformative therapies in diverse disease areas and pioneer new healthcare solutions in areas of high unmet medical need.

All our activities are driven by our unwavering commitment to our VISION: "On the forefront of healthcare change to turn innovative science into VALUE for patients." We believe our competitive advantage is built on our proven history of innovation and will be reinforced by innovative and differentiated therapies shaping the pillars of our next-stage growth.

We remain committed to being a global pharmaceutical leader that continues to create and deliver VALUE and unlock healthy lives for patients through innovative science.

The following figure illustrates the big picture of our competitive advantage.

Rooted in VISION, bold to leap

VISION

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

Organization & Culture P.03

- Ever-evolving Organization Designed around the Patient
- Organizational Values & Behaviors

Core Capabilities P.04

- Adaptable Development and Commercialization
- Integrated Open Innovation and Partnership

Outcome P.05–06

- Track Record & Next Growth Engines

Astellas' products have reached more than **174.7** million patients in **103** countries and areas around the world.*





* Estimated cumulative number of patients prescribed Astellas products from 1994 to the end of FY2024: PADCEV, IZERVAY, VEOZAH, VYLOY, XOSPATA, XTANDI, EVRENZO, PROGRAF, HARNAL, VESICARE and mirabegron

We are Astellas—Our Competitive Advantage

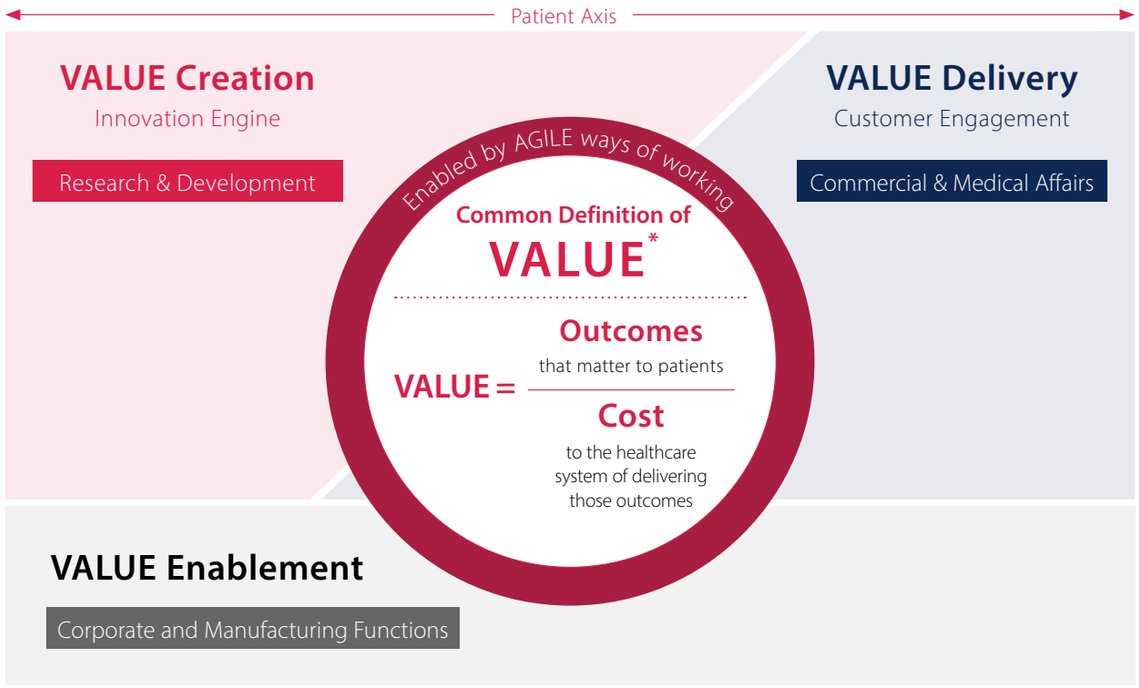
Organization & Culture

Ever-evolving Organization Designed around the Patient

At the foundation of Astellas' core capabilities, we have a strong culture and organizational structure that keeps evolving while always putting patients at the center.

In FY2025, we reframed our organizational structure. The new structure is not functional-based but rather centered on patients. This will allow us to move forward with end-to-end activities from early research through to commercialization. This approach fosters cross-functional collaboration and enables us to deliver our activities more effectively and efficiently, driving greater VALUE.

For details, please refer to P.09 "CEO Message."

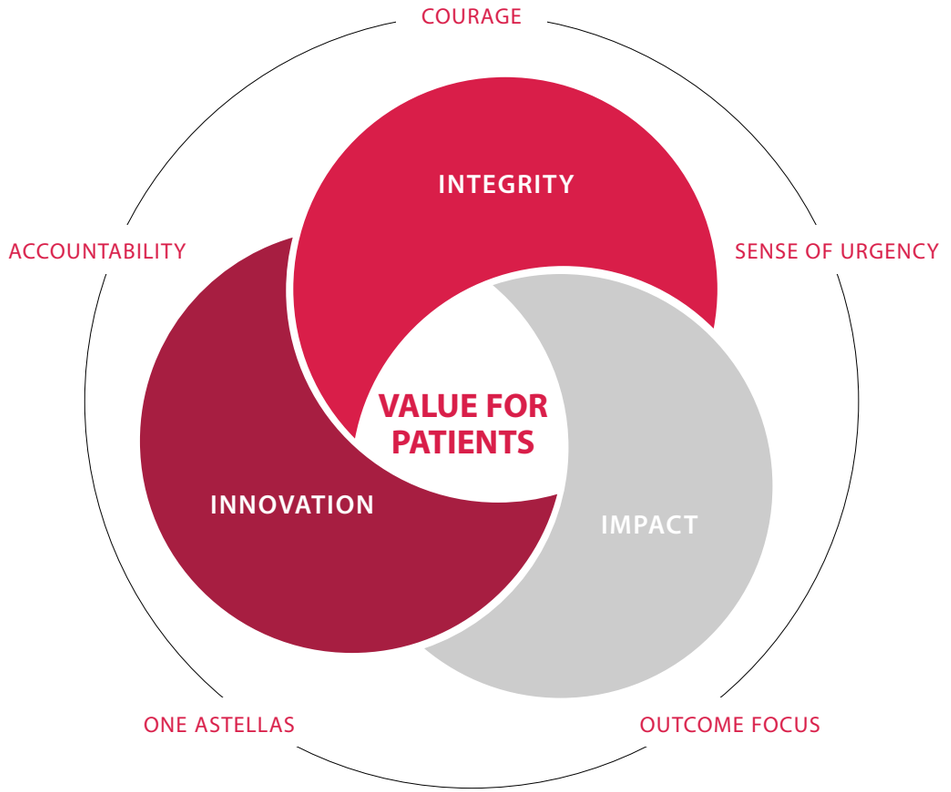


*Adapted from "What Is Value in HealthCare?" Porter, M.E. (2010). *New England Journal of Medicine*

Organizational Values & Behaviors

We are committed to further strengthening our culture we have built over the years with our recently renewed "Organizational Values & Behaviors" represented by three Values (Integrity, Innovation, and Impact) and five Behaviors (Courage, Sense of Urgency, One Astellas, Outcome Focus, and Accountability).

These cohesive and simplified guiding principles serve as the foundation of our ways of working and our "One Astellas" organizational culture.



We are Astellas—Our Competitive Advantage

Core Capabilities

Our track record is backed by the following two capabilities, which also make us confident in reproducing these excellent track records.

Adaptable development and commercialization

We possess the capabilities to reliably advance our assets and transform them into globally competitive products. When we identify the potential for innovation, we are not hesitant to leap into any field, even in disease areas or modalities where we have limited prior experience.

With boldness and flexibility, and by combining external expertise with our existing internal capabilities, we are able to maximize the VALUE of our assets and accelerate development and commercialization successfully and reliably.

Integrated open innovation and partnerships

We have robust internal R&D capabilities that not only create VALUE internally, but also enable us to identify, assess, and acquire external innovation. This allows us to uniquely integrate our enhanced in-house expertise with a wide variety of external innovations and accelerate the creation of transformative healthcare solutions.

Through a diverse range of partnerships, including in-licensing, technology alliances, and acquisitions, we can selectively and skilfully incorporate the technologies, seeds, and capabilities essential for our future growth. What sets us apart is our ability to seamlessly integrate these external innovations with our internal expertise, enabling us not only to harness their full potential but also to translate them into tangible, differentiated outcomes. This deliberate and agile approach allows us to consistently transform promising opportunities into VALUE for patients.

Created Innovation Lab to harness the best external science from academia, biotech, and VCs to create differentiated commercially viable medicines with strong biology underpinnings.



Developed a proprietary AI system, “Human-in-the-Loop” drug discovery platform, accelerating the drug research process by approximately 70%.

For details, please refer to P.60 “AI-Powered Drug Discovery.”



Building a strong network with key players in life science ecosystem through SakuLab™, which includes:
- Mitsubishi Research Institute
- Korea Institute of Startup and Entrepreneurship Development

Specialized manufacturing capabilities:
- In-house manufacturing capabilities to produce diverse modalities including small molecules, antibodies, cell and gene therapies
- Five technology centers managing production of both clinical trial materials and commercial production, accelerating drug development and product delivery.

Diverse range of partnerships:
- We currently collaborate on main brands with Pfizer
- We have had successful mergers and acquisitions including Iveric Bio in 2023
- We recently announced a partnership with Chinese biotech Evopoint to develop ASP546C, a novel investigational clinical-stage antibody-drug conjugate (ADC) targeting CLDN18.2

Astellas has approximately 150 active R&D partnerships with some of the brightest minds from industry, biotech, world-renowned academic institutions, incubators and other partners.
Active strategic/academic partnerships with:
- Mass General Brigham
- Dana-Farber Cancer Institute
- Kyoto University



We are Astellas—Our Competitive Advantage

Track Record

Track record of building top brands that become the standard of care

Astellas has a track record of building top brands that become the standard of care for their targeted patient populations and delivering significant impact for patients.

In FY2024, Astellas achieved a record high revenue and core operating profit in its 20-year history. This growth was driven by 5 Strategic Brands (PADCEV, IZERVAY, VEOZAH*1, VYLOY, XOSPATA).

Rooted in our VISION, an unwavering spirit in pursuit of differentiating therapies in difficult-to-treat disease areas is deeply embedded in the company. We are bold to leap into any new areas where we see the potential of innovation and VALUE for patients, as shown in the unique journey of our business.

FY2024 Performance

Revenue

¥1,912.3 billion

Core operating profit / Core operating profit ratio to revenue

¥392.4 billion / 20.5 %

Strategic Brands total

¥336.4 billion

IZERVAY / avacincaptad pegol
for the treatment of age-related macular degeneration
¥58.3 billion



VYLOY / zolbetuximab
for the treatment of gastric cancer
¥12.2 billion



PADCEV / enfortumab vedotin
for the treatment of urothelial cancer
¥164.1 billion



VEOZAH / fezolinetant
for the treatment of VMS*2 due to menopause
¥33.8 billion



XOSPATA / gilteritinib
for the treatment of acute myeloid leukemia
¥68.0 billion



Track Record

Immunology PROGRAF
Urology Vesicare Myrbetriq
Uro-oncology XTANDI PADCEV
Oncology XOSPATA VYLOY
Gynecology VEOZAH
Ophthalmology IZERVAY

Unwavering pursuit of differentiating therapies in difficult-to-treat diseases

Primary Focus
● Genetic Regulation
◆ Targeted Protein Degradation
◎ Blindness & Regeneration
◈ Immuno-Oncology

Next growth engines
◆ ASP3082
◈ ASP2138
◎ ASP7317
Rare Disease ● AT845

Modality
Small Molecule | ADC*3 | Monoclonal Antibody | RNA aptamer
Cell Therapy | Gene Therapy | Targeted Protein Degradation | Bispecific Antibody

*1 VEOZAH: Approved as "VEOZA" in ex-US
*2 VMS: Vasomotor symptoms
*3 ADC: Antibody-Drug Conjugate

We are Astellas—Our Competitive Advantage

Next Growth Engines

Building on our capabilities, we are relentlessly accelerating innovation for our next phase of growth in addition to our robust in-line portfolio.
We have four Flagship Programs with achieved/expected Proof of Concept (PoC) from our unique Focus Area Approach in FY2025 as our next growth engines.

Primary Focus

For details about our Primary Focus programs, please refer to P.53 "R&D Strategy."



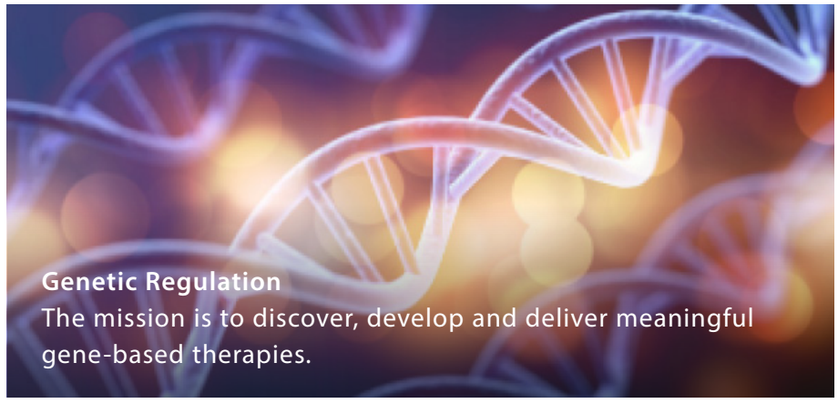
Immuno-Oncology
The mission is to discover, develop and deliver the best innovative cancer medicines to patients and ultimately cure cancer.

ASP2138

Bispecific antibody targeting Claudin 18.2 and CD3

Target disease: Gastric and GEJ (G/GEJ) adenocarcinoma, pancreatic adenocarcinoma

Anticipated PoC judgment timing: 1H/FY2025



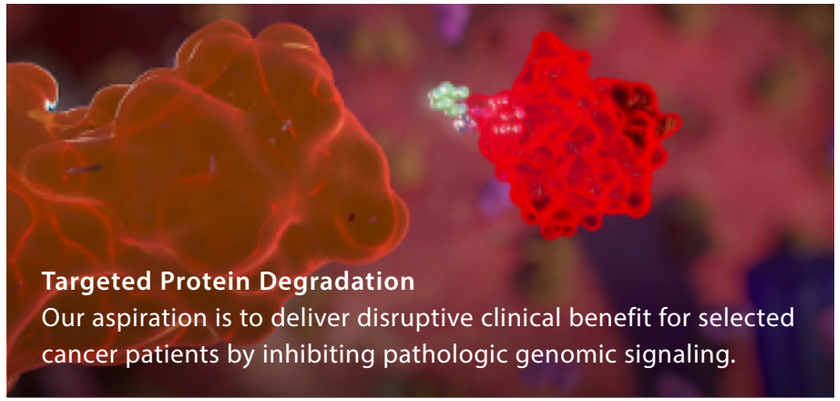
Genetic Regulation
The mission is to discover, develop and deliver meaningful gene-based therapies.

AT845

Recombinant AAV8 continuously expressing hGAA gene, specifically in muscle

Target disease: Pompe disease

Anticipated PoC judgment timing: 2H/FY2025



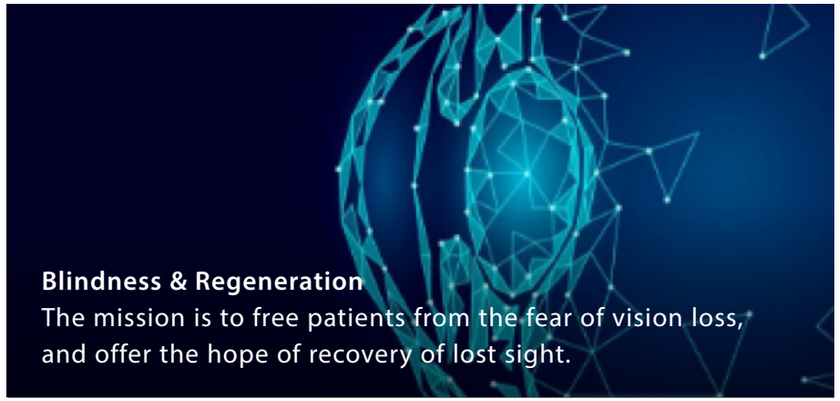
Targeted Protein Degradation
Our aspiration is to deliver disruptive clinical benefit for selected cancer patients by inhibiting pathologic genomic signaling.

ASP3082

Protein degrader targeting KRAS G12D mutant

Target disease: Cancers harboring KRAS G12D mutation

PoC achieved (Pancreatic cancer and non-small cell lung cancer)



Blindness & Regeneration
The mission is to free patients from the fear of vision loss, and offer the hope of recovery of lost sight.

ASP7317

Replacement therapy with retinal pigment epithelial cells aiming to maintain and restore visual functions

Target disease: Geographic atrophy secondary to AMD

Anticipated PoC judgment timing: 2H/FY2025

On Publishing Integrated Report 2025



Naoki Okamura
Representative Director,
President and CEO

Astellas publishes its Integrated Report to introduce our stakeholders to how our day-to-day efforts will enhance our enterprise value.

We published our first Integrated Report in FY2022, which explained the progress of implementing Corporate Strategic Plan 2021 (CSP2021—our medium-term management plan starting from FY2021), while conveying how we create and deliver VALUE for patients under our VISION to be "on the forefront of healthcare change to turn innovative science into VALUE for patients."

FY2025 marks the final year of CSP2021. In this "Integrated Report 2025," Astellas' Top Management describes their insights in their own words regarding the outcome of CSP2021 and future challenges. The report also introduces Astellas' competitive advantages and the enhancement of drug discovery capabilities using AI technology. Additionally, it features the real voices of employees who have taken on the challenge of visualizing the social impact of initiatives aimed at improving Access to Health, as well as a roundtable discussion with employees who participated in the next-generation leadership development program.

This year's outside Director dialogue features Mr. Takashi Tanaka and Ms. Mika Nakayama. In November 2024, the Enterprise Priority Monitoring group (EPM) was newly established within the Soto Yaku Kai (外役会), which consists of independent outside Directors only, to further enhance outside Directors' objective oversight. Mr. Tanaka, Chair of EPM, and Ms. Nakayama, Co-chair, share insights on the background of EPM's establishment, the progress of Enterprise Priorities, and their expectations for Astellas going forward.

I hope that this Integrated Report 2025 will help promote dialogue with our stakeholders while also furthering their understanding of Astellas.

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Key Points of Integrated Report 2025

Special Feature — We implemented various initiatives in each of our strategies in FY2024. Among the actions we took, the Special Feature section of this report highlights the latest information we would particularly like to share with shareholders and investors.

2025 Highlight

Key points of our governance initiatives are included throughout Integrated Report 2025, but we have created a 2025 Highlights page to enable shareholders and investors to even more quickly grasp crucial points regarding FY2024 initiatives.

How to use navigation buttons

Using Category Tabs



Click to go to first page of each category

Using Navigation Buttons

- Return to top page
- Forward one page
- Return one page
- Search PDF content
- Return to previously viewed page

Scope of the Report

Period covered: Fiscal year ending March 2025 (April 1, 2024 - March 31, 2025)

- As much as possible, we have included the latest information available at the time of publication.
- The period and scope of coverage may vary depending on the subject. We have noted each such case individually.
- Organizations covered: Astellas Pharma Inc. and its consolidated subsidiaries in Japan and overseas (referred to in this report as "Astellas")

Cautionary Note

In this integrated report, 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. 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 integrated report 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.

CEO Message

Astellas continues to make progress toward the Mature State that we set in Corporate Strategic Plan 2021 (CSP2021). Our new operating model, centered on the "Patient Axis," will enable us to gain further trust from our stakeholders and drive future growth.



Naoki Okamura
Representative Director,
President and CEO

CEO Message

During FY2024, which marked the fourth year of CSP2021, we made significant progress with each of our Performance Goals. These achievements moved us closer to the Mature State that we have been pursuing.

Delivering record high revenue and core operating profit in FY2024, driven by strong growth of our Strategic Brands.

FY2024 revenue was ¥1,912.3 billion and core operating profit was ¥392.4 billion, both representing the strongest performance in the history of Astellas. This is because sales of Strategic Brands*1, which more than doubled year on year to approximately ¥340 billion, contributed significantly to the company's profits. We expect sales of Strategic Brands to reach ¥470 billion in FY2025. Furthermore, although more than 10 years have passed since the launch of XTANDI, its sales are still expanding across all regions. We believe that Performance Goal 1 of CSP2021, which is to grow sales of XTANDI and Strategic Brands to at least ¥1.2 trillion in FY2025, is attainable.

*1 Strategic Brands: PADCEV, IZERVAY, VEOZAH, VYLOY, XOSPATA

For details on our Strategic Brands, please refer to P.50 "Commercial Strategy."

Achieving the first clinical Proof of Concept (PoC) with ASP3082 among our Primary Focus flagship programs

Regarding the improvement of our pipeline value, we acknowledge that it will be difficult to build the pipeline sufficiently by the end of FY2025 to achieve Performance Goal 2, which is to generate at least ¥500 billion sales from our Focus Area programs in FY2030. This is due in large part to the termination of projects that were already under development at the time of the announcement of CSP2021. However, the flagship program of Primary Focus Targeted Protein Degradation, ASP3082 (KRAS*2 G12D protein degrader) achieved clinical PoC*3 in pancreatic adenocarcinoma in FY2024, marking a major step forward. ASP3082 also achieved PoC in non-small cell lung cancer at the beginning of FY2025, and we will make PoC judgment in colorectal cancer during FY2025 as well. Additionally, we expect steady progress toward PoC judgment for several flagship programs of other Primary Focuses in FY2025: ASP2138 (anti-Claudin18.2 and anti-CD3 bispecific antibody) from Immuno-Oncology, AT845 (recombinant AAV8*4 continuously expressing the hGAA gene, specifically in muscle*4) from Genetic Regulation, and ASP7317 (retinal pigment epithelial cells) from Blindness & Regeneration. I have high hopes that these programs will achieve clinical PoC.

*2 KRAS: Kirsten rat sarcoma viral oncogene homologue
*3 PoC: Proof of Concept
*4 AAV: Adeno-associated virus

For details about our Primary Focus programs, please refer to P.53 "R&D Strategy."

Securing cost optimization of ¥40 billion through Sustainable Margin Transformation, restoring core operating profit margin to more than 20%

Performance Goal 3 aimed to increase our core operating profit margin to 30% or more in FY2025. Although this will be difficult to achieve by the end of the fiscal year, we achieved cost optimization of ¥40 billion through initiatives under Sustainable Margin Transformation—one of our three Enterprise Priorities. As a result, our core operating profit margin restored to just over 20% in FY2024.

We know that capital market participants want to see Astellas efficiently build cost structures that can generate profits. There is no prescribed end-date for our cost optimization efforts. Going forward, we will continue to implement various company-wide initiatives to achieve our goal of a core operating profit margin of 30% or more.

For the progress of Corporate Strategic Plan 2021 and future initiatives, please refer to P.35 "Progress of Corporate Strategic Plan 2021" and P.37 "Financial Strategy."

CEO Message

Pursuing our aspirational Mature State by promoting our three Enterprise Priorities

With a view to achieving sustainable growth after the loss of exclusivity for XTANDI, we have developed three Enterprise Priorities (3EPs) consisting of Growth Strategy, BOLD Ambition, and Sustainable Margin Transformation. We began fully implementing these initiatives in FY2024.

- **Growth Strategy:**
  Maximize the VALUE of Strategic Brands that are essential to future revenue growth
- **BOLD Ambition:**
  Accelerate R&D and increase our pipeline value to drive long-term growth
- **Sustainable Margin Transformation:**
  Pursue cost optimization and aim for a core operating profit margin of 30%

We identified KPIs*5 for each of these initiatives, clearly defining who will do what, and by when. If we steadily implement these plans, we will automatically draw closer to achieving the Performance Goals set in CSP2021.

We established a structure, the Enterprise Priority Monitoring group (EPM), to strengthen independent outside Directors' objective oversight of the 3EPs. The EPM was established within the "Outside Directors' Meeting," a dedicated forum for discussion among independent outside Directors. Its role is to review and discuss progress in implementing the 3EPs and reflect the results in Board of Directors deliberations. This has proven an effective mechanism both for objective oversight of the 3EPs and for independent outside Directors to further deepen their understanding of Astellas' current initiatives and outlook.

*5 KPI: Key Performance Indicators

For details about the three Enterprise Priorities, please refer to P.35 "Progress of Corporate Strategic Plan 2021."



Expecting every employee to demonstrate leadership as we implement CSP2021

There has been considerable change in our organizational culture since the start of CSP2021. For example, the development team responsible for ASP3082 (which achieved clinical PoC in FY2024) advanced research and development at an incredible speed right from the outset, achieving great results at a pace that would not have been possible if traditional processes had been applied. A culture of boldly embracing innovative approaches is rapidly spreading across Astellas, with employees taking spontaneous actions in many areas. I believe that we are getting closer to the Organizational Health Goals we have set out.

There is, however, still room for improvement in terms of leadership. "Leadership" is an ability that anybody can demonstrate in response to a given situation, regardless of their position within the company. It has a different meaning from the position implied by "leader." All Astellas employees are expected to fully grasp this distinction and demonstrate leadership within their role, even when not designated as a leader. The role of leaders, by comparison, is not to rely on their own abilities to achieve goals but rather to work as a team to maximize performance. To further embed this way of thinking, we will be reinforcing in-house training for our managers.

In addition, in the FY2024 Global Engagement Survey, which monitors Astellas' organizational health, our score decreased relative to the previous fiscal year. We take this result seriously and have set out to identify the causes and take action to deliver improvements.

For details about our human resources strategy, please refer to P.41 "People Strategy."

CEO Message

Creating and Delivering greater VALUE centered on the "Patient Axis" with an end-to-end approach

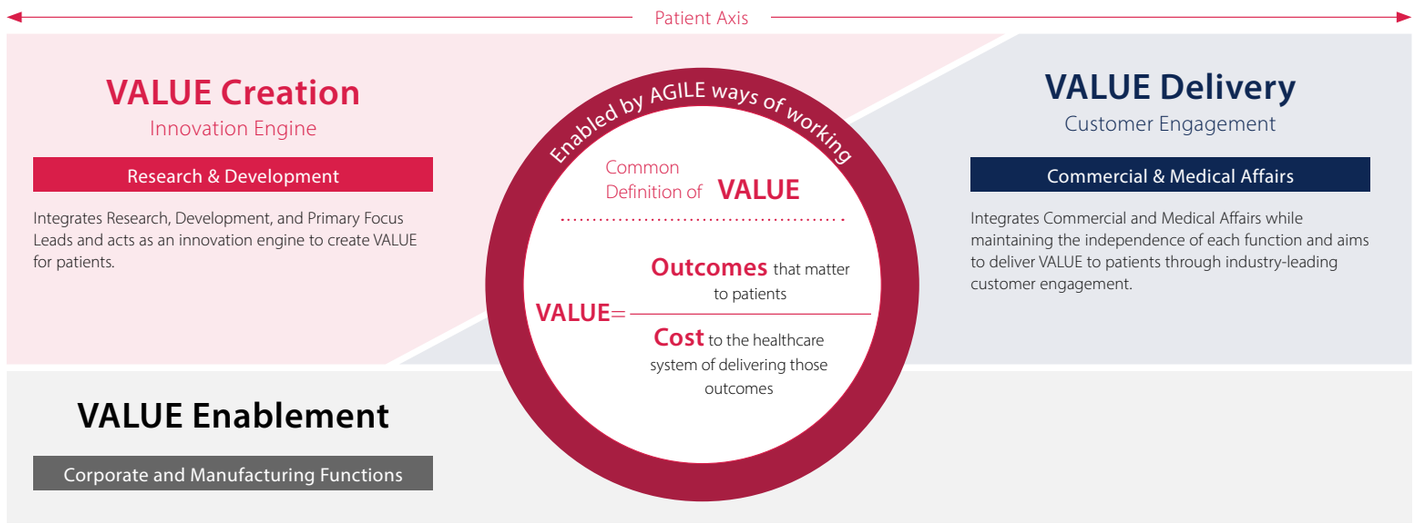
Astellas strives to create and deliver VALUE, which we define as "Outcomes that matter to patients" divided by the "Cost to the healthcare system of delivering these outcomes." To reinforce this, we launched two new structures in April 2025: VALUE Creation and VALUE Delivery. By further shifting the main axis of management at Astellas, which has transitioned from a region-centered axis to a function-centered axis, and now toward a patient-centered axis, we aim to create and deliver greater VALUE faster by breaking down the barriers between functions and strongly encouraging agile ways of working, where an empowered cross-functional team can operate in an autonomous and end-to-end manner.

Working together as One Astellas, we have been able to strengthen links between the key drivers of VALUE Creation and VALUE Delivery, as well as VALUE Enablement which represents the corporate and manufacturing functions that enhance all of these activities.

Previously, the focus of our functionally aligned organization was on how to execute clearly defined business plans. In the new operating model, centered on the "Patient Axis," empowered teams can autonomously identify and solve problems and move forward. I believe that this brings us quite close to an ideal state for our organization.

End-to-End Activities Along Patient Axis

Promote activities swiftly and efficiently from early research through to commercialization and LCM



CEO Message

Strengthening One Astellas with our Organizational Values and Behaviors.

In April 2025, we replaced our code of conduct, the Astellas Way, with a new set of "Organizational Values and Behaviors." Our company culture has thus far been shaped by the Astellas Way, but our business expansion and diverse needs have engendered as many as 66 derivative versions across the company, rendering the entire system more complex and bringing several issues to light. The Organizational Values and Behaviors were developed as a result of going back to the basics and engaging in discussions among many employees, including Top Management, about what we commonly value and what behaviors are required to enhance those values.

"Organizational Values and Behaviors" and the new patient-centric organizational structure are initiatives geared toward attaining Organizational Health Goal 3—"We excel as One Astellas." Since the start of this fiscal year, I consistently emphasize the importance of teamwork in every setting. I believe we can create more impact, and achieve greater VALUE faster, by collaborating as one team centered around patients.

For details about our "Organizational Values and Behaviors," please refer to P.03.

Improving the sustainability of society and our company by delivering VALUE through our core business

For pharmaceutical companies like Astellas, the starting point for sustainability is to deliver VALUE to patients and contribute to the sustainability of society through our core business. Also, by earning the trust of society through these initiatives, we will make Astellas' business more sustainable, allowing us to make even greater contributions to the sustainability of society. Creating this virtuous cycle is what sustainability means to us.

In FY2024, as part of our program to improve Access to Health, we sought to visualize the social impact of our activities (donations) by converting their effect and influence into a monetary value and disclosed the results at our Sustainability Meeting. We also earned high recognition from outside the company for our efforts in areas such as decarbonization and natural capital. Through initiatives like these, Astellas is making steady progress in our sustainability activities.

For details on sustainability, please refer to P.62 "Sustainability Strategy."

Enhancing governance with the appointment of new, highly specialized outside Directors

Starting in FY2025, we are pleased to welcome Andreas Busch and Mark Enyedy as new outside Directors. Both bring extensive careers in the pharmaceutical industry, and I have long believed that having professionals from this field on Astellas' board is essential. I am confident that their expertise will enhance discussions regarding management of Astellas and continue to evolve the Board of Directors' ability to make accurate and swift decisions.

For details on corporate governance, please refer to P.77 "Corporate Governance."

CEO Message

Improving enterprise value by earning the trust of stakeholders

I view enterprise value as a combination of three elements: "Today's Profit," "Future Growth," and "Trust by Stakeholders." The concepts of "Future Growth" and "Trust by Stakeholders" constantly remind us of the need for a medium- to long-term perspective. For Astellas today, it is important to pursue our three Enterprise Priorities and achieve our goal of a core operating profit margin of 30%, with an eye toward sustainable growth after the loss of exclusivity for XTANDI. During CSP2021, we downgraded the peak annual sales forecast of a Strategic Brand and recorded impairment losses. We take very seriously that, as a result of these actions, we were unable to deliver results that met stakeholders' expectations, thereby eroding their trust. Going forward, we will strive to earn more trust from our stakeholders by consistently securing current profits and repeatedly meeting our targets.

FY2025 marks the final year of CSP2021, and a new Corporate Strategic Plan will begin in the upcoming fiscal year. To realize our VISION of being "On the forefront of healthcare change to turn innovative science into VALUE for patients," we will seek to fulfill each promise with a view to gaining the trust of stakeholders and further improving our enterprise value. We look forward to working with our stakeholders and partners around the world to make this goal a reality.



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Our History of Value Creation

Shifts in the Corporate Strategic Plan (CSP) and strategic areas

Our VISION is updated in CSP2015 | CSP2018 | CSP2021

Global Category Leader model

2005–2010 Urological disease, transplant fields

From 2010 onwards Urological disease, transplant fields, oncology platform

Focus Area Approach

→ P.53

Apr. 2005 — **2010** — **2015** — **2018** — **2021** — **2023** — **2025**

Astellas Pharma Inc. was established

Urological disease field
- VESICARE
  Target disease: Overactive Bladder

Transplant field
- PROGRAF
  Immunosuppressant

Dec. 2007
Astellas acquired Agensys, Inc.
↳ Acquisition of antibody-drug conjugate

Sept. 2011
Astellas launched BETANIS
Target disease: Overactive Bladder

○ **Entered field of cancer biology**

Sept. 2012
Astellas launched XTANDI
Target disease: Prostate cancer

Xtandi (enzalutamide)

Dec. 2019
Astellas launched PADCEV
Target disease: Urothelial cancer

PADCEV (enfortumab vedotin-ejfv)

Dec. 2018
Astellas launched XOSPATA
Target disease: Acute myeloid leukemia

XOSPATA gilteritinib

June 2010
Astellas acquired OSI Pharmaceuticals, Inc.
↳ Acquisition of oncology platform in the US

Dec. 2016
Astellas acquired Ganymed Pharmaceuticals AG
↳ Acquisition of late-stage product zolbetuximab

June. 2024
Astellas launched VYLOY
Target disease: Gastric cancer

VYLOY zolbetuximab for injection 100mg vial

ogeda

May 2017
Astellas acquired Ogeda SA
↳ Acquisition of late-stage product fezolinetant

May 2023
Astellas launched VEOZAH
Target disease: Vasomotor symptoms associated with menopause

VEOZAH (fezolinetant) tablets 45mg

○ **Acquisition of new revenue-generating pillar**

IVERIC BIO

July 2023
Astellas acquired IVERIC bio, Inc.
↳ Acquisition of avacincaptad pegol (ACP)
↳ Acquisition of foundational ophthalmology

Sept. 2023
Astellas launched IZERVAY
Target disease: Geographic atrophy secondary to age-related macular degeneration

izervay (avacincaptad pegol intravitreal solution) 2 mg

○ **Entered cell therapy platform**

Feb. 2018
Astellas acquired Universal Cells, Inc.
↳ Acquisition of universal donor cell technology

Universal Cells

OCATA THERAPEUTICS

Feb. 2016
Astellas acquired Ocata Therapeutics, Inc.*1
↳ Acquisition of pipeline and leading-edge core technology position in ophthalmology and cell therapy

Dec. 2019
Astellas acquired Xyphos Biosciences, Inc.
↳ Acquisition of next-generation cancer immunotherapy technology

XYPHOS

○ **Targeted Protein Degradation (TPD)**

2022
Selected TPD as a new Primary Focus, with the KRAS G12D degrader ASP3082 as lead program
↳ Established a technology platform allowing access to undruggable targets

○ **Entered genetic regulation platform**

Jan. 2020
Astellas acquired Audentes*2 Therapeutics, Inc.
↳ Acquisition of a foundation in adeno-associated virus (AAV)-based gene therapy (AT132, AT845)

AUDENTES

○ **Launched Rx+ business**

Oct. 2020
Astellas acquired Iota Biosciences, Inc.
↳ Acquisition of unique bioelectronics technology

iota BIOSCIENCES

Given major changes in the healthcare industry environment, Astellas is conducting its research activities while incorporating cutting-edge science from outside the Company, and continuously creates new valuable drugs. Astellas will continue to work on Focus Areas, where we have a competitive advantage, and turn innovative science into VALUE for patients.

*1 Renamed Astellas Institute for Regenerative Medicine
*2 Renamed Astellas Gene Therapies

Value Creation Model

Based on our business philosophy to "Contribute towards improving the health of people around the world through the provision of innovative and reliable pharmaceutical products," Astellas is striving to continue to create innovation and deliver innovative medical solutions that meet the needs of patients.

Input → P.18

Financial Capital
- Invested capital
- Flexible financing for business opportunities

Manufacturing Capital
- Research facilities
- Manufacturing facilities covering commercial production of cell and gene therapies

Intellectual Capital
- Patents
- Know-how for global drug development and commercialization
- Technical capabilities for various new modalities

Social and Relational Capital
- Corporate brand
- Human network
- Collaboration / alliance

Human Capital
- Highly skilled talent
- DE&I

Natural Capital
- Natural resources
- Reusable energy
- Biodiversity

Philosophy

Raison D'être | Mission | Beliefs

VISION → P.01

Key Issues and Materiality → P.22

Business Activity

Business Model

Fulfill the unmet medical needs by creating and delivering innovative treatments

Cutting-edge, VALUE-driven life science innovator → P.21

- **"VALUE Creation"** through research and development activities
- **"Value Delivery"** through later stage development and commercialization activities

Strategy

Corporate Strategic Plan 2021 accelerating realization of VISION → P.35

Strategic Goals
1. Enable patients to achieve better outcomes
2. Translate innovative science into proven VALUE
3. Advance the Rx+ Business
4. Deepen our engagement in sustainability

Talent and Organization which Create Innovation

- Environment where diverse individuals can succeed
- "Right person in right position" globally

Organizational Health Goals
1. Brave ideas pursue ambitious outcomes
2. Talent and leadership thrives
3. We excel as one Astellas

Governance

Corporate Governance, Risk Management, Compliance → P.76

Output

XTANDI and Strategic Brands



→ P.50

Products derived from Focus Area approaches including cell therapy and gene therapy

Primary Focus
- Immuno-Oncology
- Genetic Regulation
- Targeted Protein Degradation
- Blindness & Regeneration

→ P.53

Rx+® Healthcare Solutions
- Near-Infrared Fluorescence Imaging Agent
- Implantable Medical Device
- Digital Therapeutics for Heart Failure and Diabetes Management

Solving social issues

Social issues and requests from society

Outcome

Maximize VALUE → P.26

Common Definition of **VALUE**

$$VALUE = \frac{\text{Outcomes}}{\text{Cost}}$$

Outcomes that matter to patients

Cost to the healthcare system of delivering those outcomes

Performance Goals → P.34

Impact

Enhance sustainability of society and Astellas

Realization of sustainable society

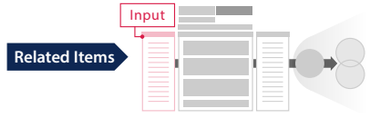
Providing value to stakeholders → P.27

Sustainable enhancement of enterprise value

Earning trust from stakeholders

Enhancing management capital

Astellas' Management Capital



Astellas' management capital is an indispensable source of VALUE that we have accumulated and cultivated over many years of steady growth aiming for both sustainable enhancement of enterprise value and realization of a sustainable society.
We will create new innovative medical solutions and provide VALUE for people around the world by leveraging, maintaining, and strengthening these capitals.

Capital and Features	Key Indicators	Efforts for enhancement of management capital
Financial Capital • Invested capital • Flexible financing for business opportunities	• Share capital: **¥1,513.3 billion** (FY2024) • Interest-bearing debt*1: **¥831.4 billion** (FY2024)	Setting a target of achieving a core operating profit margin of 30% or higher as an aspirational state, and while investing in R&D for medium-long-term enhancement of enterprise value, we will strictly prioritize the allocation of our resources and thoroughly identify expenses that will not contribute to our future growth. We will also manage our cash flow and interest-bearing debt appropriately to maintain financial discipline and financial soundness while aiming for flexible capital allocation and capital enhancement.
Manufacturing Capital • Research facilities • Manufacturing facilities covering commercial production of cell and gene therapies	• R&D sites: **15** • Manufacturing sites: **11**	Having our own manufacturing sites in Japan, Europe, the U.S., and Asia, and in collaboration with CMO partners, we have developed a foundation for a stable supply of our products to the global market (P.57, through Manufacturing & Supply Strategy). We are strengthening our basis for creating innovation by introducing cutting-edge technologies such as robotics and automation, along with facilities that accommodate diverse modalities including cell and gene therapy products.
Intellectual Capital • Patents • Know-how for global drug development and commercialization • Technical capabilities for various new modalities	• Number of patent applications published*2: **42** (FY2024) • Cumulative number of active ingredients and formulations newly approved in any country globally: **27** (from April 1, 2007 to March 31, 2025) • Cumulative number of countries and areas in which above active ingredients and formulations have been approved: **112** (from April 1, 2007 to March 31, 2025) • Commercialization of various modalities*3, clinical trial experiences	We possess not only patents related to our products, but also intellectual capital that sustains VALUE creation, such as know-how in global new drug development and commercialization, and technological capabilities to handle a variety of new modalities. We continue to pursue innovative drug development with high unmet medical needs, with our strength in responding to cutting-edge modalities such as cell and gene therapies.
Social and Relational Capital • Corporate brand • Human network • Collaboration / alliance	• Companies/organizations acquired or partnered with in FY2024: **6**	To provide innovative therapies for patients in need in an optimal way, we have established a partnering structure and strategy with our internal global capability and flexibility & agility, and we are actively seeking opportunities in all stages from discovery research to commercialization. In the area of open innovation in drug discovery research, we are actively working on open laboratories and strategic collaborations at early development stage. In addition, we are further strengthening our social and relational capital through the know-how and trust gained from a track record of our partnerships.
Human Capital • Highly skilled talent • D&I	• PhDs (globally): **1,409***4 (as of March 2025) • Employees engaged in research in cell therapy, gene therapy, and regenerative medicine: **370** (as of June 2025) • Employees engaged in digital science (highly skilled digital talent): **574** (as of June 2025) • Ratio of non-Japanese and female division heads*5: **61%** non-Japanese (31/51), **24%** female (13/51) (as of August 1, 2025) • Succession planning	Astellas established the Organizational Health Goals in CSP2021 and is working on creating an environment that makes the most of the power of people. We are actively recruiting and developing talents who play an important role in cutting-edge areas including cell and gene therapy. We are also proactively engaged in succession planning. Successor candidates are identified globally (giving consideration to both internal and external candidates) to ensure the most suitable candidates for positions at the VP-level and above are being selected. By taking a balance of external recruitment and internal development, we are working to further strengthen our human resources.
Natural capital • Natural resources • Reusable energy • Biodiversity	• Volume of water resources withdrawn (1,000 m³): **6,883***6 • Water resource productivity (billions of yen per 1,000 m³): **0.28** • Renewable energy rate within total energy used: **19%**	We are working to strengthen environmental sustainability to enhance the sustainability for both society and the company. At our Yaizu site, we have concluded an off-site physical power purchase agreement (PPA) for electricity generated from solar power, and the amount of electricity procured in FY2024 was 1,980 MWh. This is equivalent to approximately 4% of the purchased electricity at Yaizu. Also, we analyze business activities in all fields that have an impact on ecosystems and monitor the degree of improvement using the Biodiversity Index as an indicator.

*1 Total of corporate bonds, commercial paper, and bank loans
*2 Patent Cooperation Treaty (PCT) applications wherein Astellas Pharma Inc. and/or one or more of its subsidiaries is an applicant. Joint patent applications are included. In-licensed patent applications are not included
*3 Synthetic drug, antibody, cell therapy, gene therapy
*4 Based on data self-reported by employees; includes directors
*5 Includes those also serving as CxO. Those simultaneously heading multiple divisions counted as one person
*6 Production facilities and R&D sites in Japan and overseas

External Environmental Analysis to Realize Our VISION —To grasp changing medical care (healthcare) —



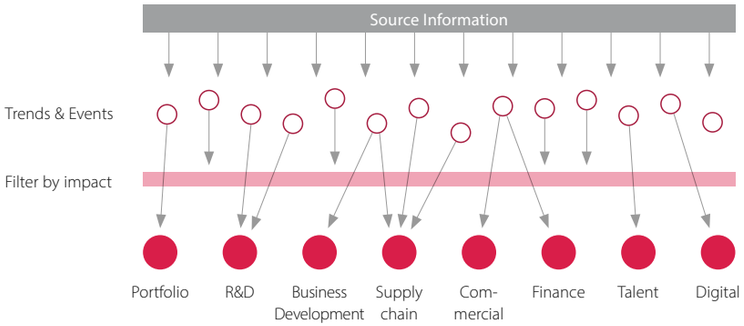
External Environmental Analysis

Astellas regards external environment changes as fundamental input to the Materiality Matrix as the business guidance and Corporate Strategic Plan and positions it upstream of its value creation model. When developing or revising each of these, we use the appropriate cut-off point for the content, in conjunction with our internal environmental analysis, as one of the decision-making tools.

In addition to when we formulate these, we also conduct environmental analysis as needed as part of our internal projects. The aim of the environmental analysis is to provide suggestions and insights for the consideration of future internal policies and strategies, including Corporate Strategic Plans. To do that, we analyze the environment surrounding the healthcare industry, including the internal environment.

Overview of the Analytical Framework

The outline of the analysis framework is shown in the diagram below. We conduct analysis based on various internal and external information sources to extract medium- to long-term trends and cutting-edge events. We then examine topics that we believe will have a particularly significant impact on Astellas and analyze the impact that each topic will have on the strategic elements. When selecting each topic, we take a long-term perspective, considering the possibility that factors currently perceived as having low impact may exponentially increase in significance.



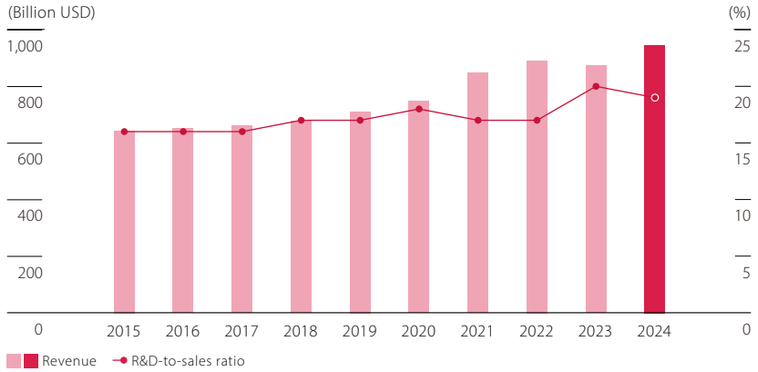
Examples of External Research Findings and Insights

1. The trends of Revenue and R&D-to-sales ratio in the pharmaceutical industry

The graph below depicts Revenue and R&D-to-sales ratio at leading pharmaceutical companies. Since the continuous creation of innovative products is a key to growth in the pharmaceutical industry, R&D-to-sales ratio is relatively higher compared to other industries. Securing sufficient R&D expenses is an ongoing management issue for the entire industry, and the ratio of R&D expenditure to sales has been increasing year by year. Astellas is consciously investing in R&D by allocating ample resources to R&D to continuously deliver "VALUE" to society.

Astellas will continue to invest in its business for growth in line with its capital allocation policy.

Trend of Revenue and R&D% in Top 25 Pharma

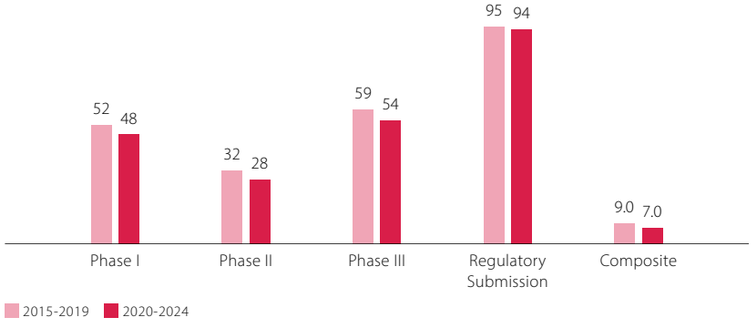


Source: Evaluate Pharma® June 2025, © Evaluate Ltd

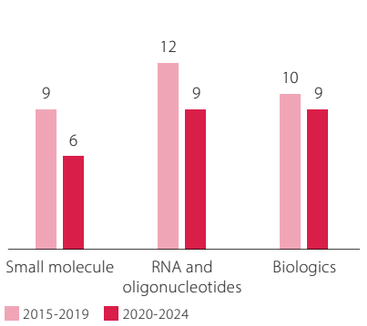
2. Cell and gene therapy product development pipeline

We monitor pharmaceutical industry research productivity across different disease areas and modalities. In cell and gene therapy, which is an area of focus for Astellas, the success rate is low in absolute terms but shows a clear upward trend.

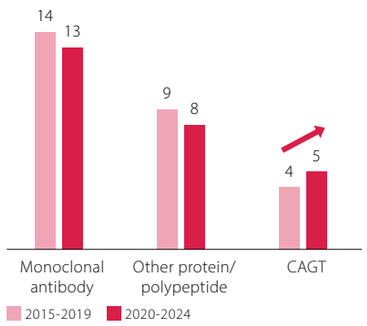
Program composite and between phase success rates, Phase I to approval, 2015–2024



Composite success rate by modality



Composite success rate by major biologic class

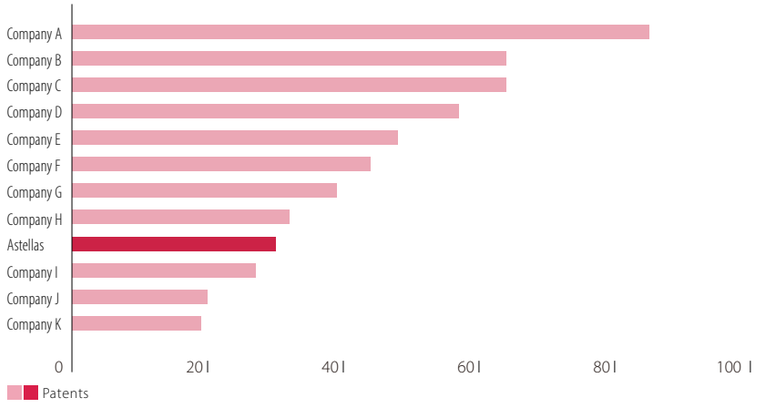


Source: Citeline Pharmapremia, Jan 2025
Created by our company based on Global Trends in R&D 2025, IQVIA INSTITUTE

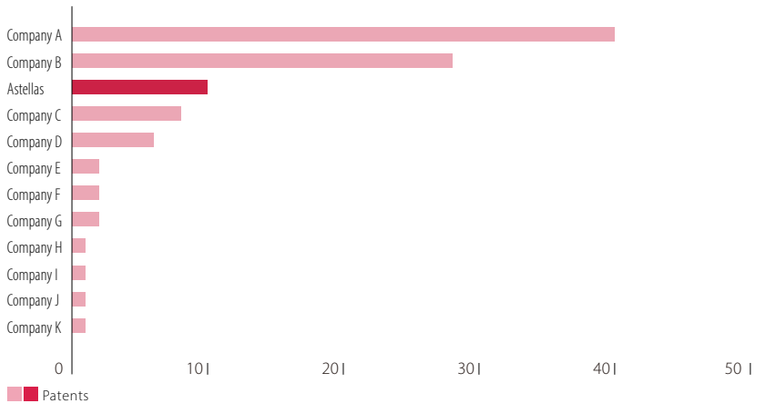
External Environmental Analysis to Realize Our VISION —To grasp changing medical care (healthcare) —

Astellas pays due consideration to changes in the external environment as it conducts R&D, and to that end we are strengthening our patent portfolio. In cell and gene therapy, where the success rate is exhibiting an upward trend, we are ranked among the top global pharmaceutical companies in the number of patents obtained, including those for viral vectors and embryonic stem (ES) cells.

Number of published patents related to viral vectors



Number of published patents related to embryonic stem (ES) cells



Source: Period: Since 1995, IPC code: C12N 15/86

3. Formulating R&D strategies that embrace the latest trends

Astellas always seeks to remain abreast of the latest scientific advances, and currently we are observing accelerated progress in in vivo gene therapy. In 2025, for example, an infant in the United States was diagnosed with the fatal and ultra-rare genetic disorder, carbamoyl phosphate synthetase 1 (CPS1) deficiency, and just six months later was administered a fully customized N-of-1 (single-patient) gene editing therapy. The rapid design, manufacturing, and subsequent FDA approval under a single-patient IND were made possible using CRISPR, mRNA, and LNP technologies. This marks the world's first administration in clinical research, demonstrating the potential for disruptive innovation.

Elsewhere, GLP-1 receptor agonists have proven effective in treating Type II diabetes and obesity, and are now expected to find use in treating a range of other conditions including chronic kidney disease, hypertension, psoriatic arthritis, and alcohol-related liver disease. In this manner, explosive growth in use of GLP-1 receptor agonists is likely to affect development strategies and prescription trends in a variety of disease areas, not limited to diabetes and obesity. We will be closely monitoring the impact on development areas where Astellas is active.

We intend to continue monitoring cutting-edge technologies, not only in order to improve our technological standards, but also to constantly monitor how drugs that could significantly alter prescription trends will affect our portfolio, and ensure that our R&D strategies are formulated accordingly.

GLP-1 actions

↓Albuminuria
↓Atherosclerosis
↓Body weight
↑Blood flow
↓Blood pressure

↑Cell survival
↓Cell death
↓Fibrosis
↓Glucose
↓Gut motility

↓ Inflammation
↓↑Islet hormone secretion
↑ Natriuresis
↓ Oxidative stress
↑ Plaque stability

↓Platelet aggregation
↓Postprandial lipaemia
↓Thrombosis

Established indications

- Obesity
- Type 2 diabetes
- Obstructive sleep apnoea
- **Cardiovascular disease**
  - Myocardial infarction
  - Heart failure
  - Stroke
- Metabolic liver disease
- Diabetic kidney disease
- Osteoarthritis

Investigational indications

- **CNS disorders**
  - Neurodegenerative disorders
  - Substance use disorders
  - Neuropsychiatric disease
  - Monogenic obesity
- Type 1 diabetes
- Allergic airways disease
- Peripheral artery disease
- Chronic kidney disease
- Hypertension
- Psoriatic arthritis
- Alcohol-related liver disease

Source: https://www.nature.com/articles/s41573-025-01183-8

Astellas' Initiatives to Address Changes in the External Environment

Examples	Details of the initiative
Introducing Organizational Values and Behaviors	In the context of diversifying work styles and advancing business, we have replaced the Astellas Way and various adaptations with one consolidated and cohesive set of Organizational Values and Behaviors. Through this transformation, we ensure each employee acts and collaborates with a clearer common understanding so that we enhance our ability to create and deliver 'VALUE' for patients. → P.41 People Strategy
Contract for the establishment of a joint venture with YASKAWA Electric Corporation	The path to commercializing cell therapy has challenges such as complex operational processes and the need for manufacturing precision. To address these challenges, we have signed a definitive agreement with YASKAWA Electric Corporation to establish a joint venture for developing and providing a cell therapy product manufacturing platform by utilizing the dual-arm robot "Maholo." → P.41 People Strategy
Establishing three Global Capability Centers	In light of the evolving external environment and the need for greater operational efficiency, we are consolidating certain currently dispersed activities into three global capability centers located in Poland, India and Mexico. This initiative not only aims to optimize our operations but also positions us to leverage a diverse talent pool, enhancing our agility and fostering innovation in a rapidly changing market.
Becoming Agile in Everything We Do	The most critical enabler for our transformation has been the adoption of an operating model and ways of working powered by an agile mindset. We have redefined "How we turn innovative science into VALUE for patients" by forming self-organized cross-functional teams who have full autonomy, appropriate authority and accountability to make customer-focused decisions, deliver impactful outcomes, while adapting and improving continuously. → P.41 People Strategy
Next Gen Leadership Program	As the importance of strategic talent development continues to grow, this program was launched in April 2024 to foster leadership capabilities. Fifty globally selected future senior leader candidates collaborated to address business opportunities. This initiative reflects the company's commitment to individual growth and a second generation is also planned. → P.41 People Strategy
Revisiting insourcing in the cost review	As part of our company-wide cost optimization and agility enhancement efforts, we are revisiting outsourcing and insourcing for selected operational activities. For example, in the execution of clinical trials, we aim to build internal capabilities and implement optimal systems, not just collaborate with external vendors. → P.37 Financial Strategy

Astellas' Business Model for Creating Innovation

Related Items 

At Astellas, we are relentless in our pursuit of innovative science and in identifying unmet medical needs by monitoring changes in healthcare from multiple perspectives.
We are achieving VALUE creation and realization for patients through development of innovative new drugs and healthcare solutions,
and enhancement of patient access to healthcare and outcomes around the world by leveraging our strengths.

Business Model

Fulfill unmet medical needs by creating and delivering innovative treatments

Cutting-edge, VALUE-driven life science innovator

VALUE Creation
through research and development activities

×

VALUE Delivery
through later stage development and commercialization activities

This is the simplest answer to the question: "who do we want to be?"
Created in parallel with the 5-year CSP2021, the "Mature State" description of Astellas is an evolving, longer-term image of the Company we expect to become as we strive to realize our VISION. We have distilled the sentiment of the Mature State into one phrase and it should be understood as follows:

Cutting-edge: We operate at the forefront of scientific and technological advances to create novel healthcare solutions.

VALUE-driven: Our common definition of VALUE means that everything we think and do is informed by what leads to more and better outcomes that matter to patients.

Life science innovator: We leverage and evolve our capabilities to exploit the greatest opportunities across the prescription biopharmaceutical business and beyond, and then continuously bring innovation to life.

Astellas' Materiality

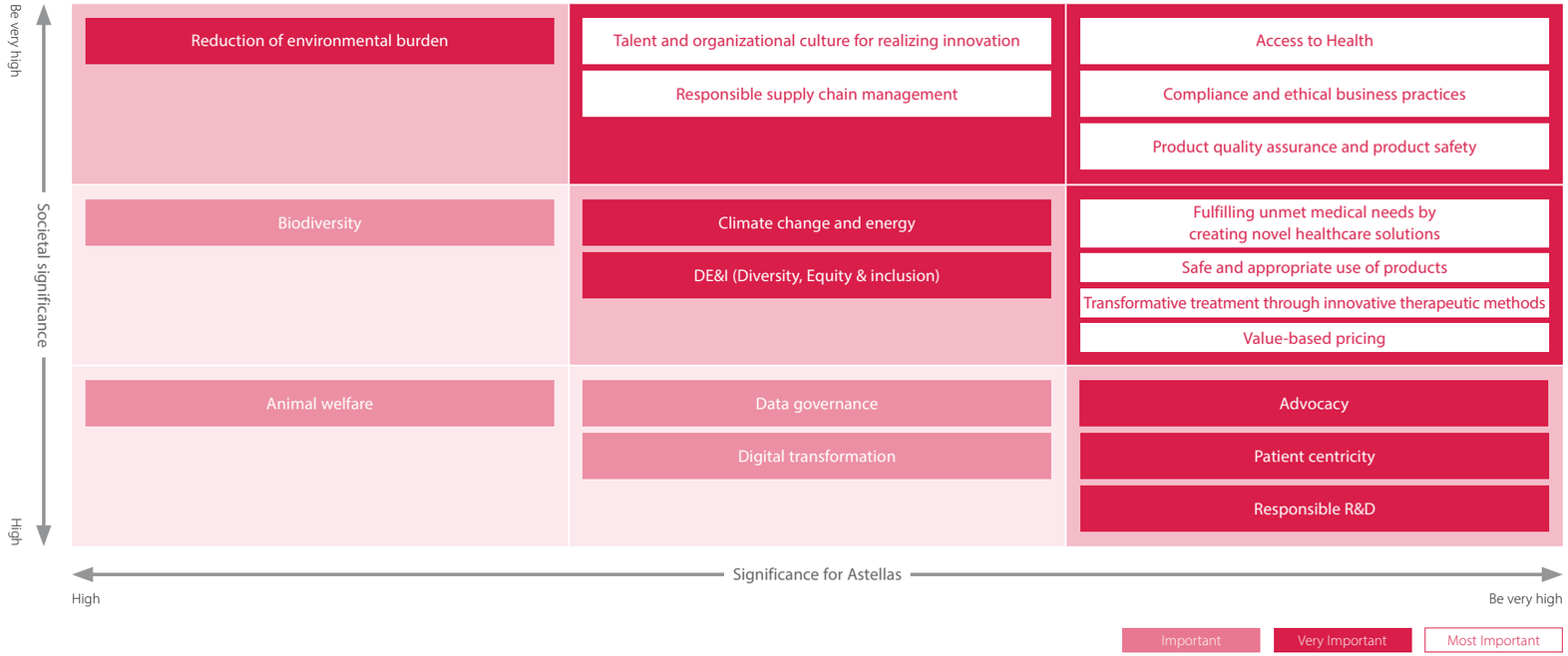
Click here to learn more about the definitions of the key issues (PDF).
https://www.astellas.com/content/dam/astellas-com/global/en/documents/definition-of-key-issues-en-2022-0.pdf

Related Items Materiality

Astellas' Materiality Matrix

Astellas recognizes that our efforts to evolve sustainability will lead to increased enterprise value. The environment surrounding both society and business has changed significantly. In response to this shifting landscape, in FY2021 we identified and prioritized key issues and updated our Materiality Matrix as a guide to our sustainability efforts.

In this update, Astellas identified 19 key issues. We then prioritized nine material issues (Materiality) from this group. Now, we are addressing these material issues in order of priority, which we hope will set Astellas on the path to "transforming to be a cutting-edge, VALUE-driven life science innovator," and "strengthening resilient and sustainable business operations to meet the expectations of society," and in turn lead to improved sustainability for both society and Astellas.



Steps in identifying Materiality

STEP 01 Issue identification

To identify key issues, Astellas analyzed various references, such as SDGs-related frameworks, stakeholder engagement and communication, and topics covered by ESG ratings. When updating Materiality Matrix in FY2021, we surveyed the shifts in sustainability trends. We also ensured alignment with Corporate Strategic Plan 2021 (CSP2021) and acknowledged industry-specific issues. As a result, we identified 19 key issues.

Viewpoints for identifying key issues

#1 Alignment with CSP2021
#2 Shifts in sustainability trends
#3 Industry-specific issues we must address as a pharmaceutical company

STEP 02 Issue prioritization

We prioritized the key issues identified from the perspectives of significance to society and Astellas. Societal Significance, shown on the vertical axis of the matrix, was determined by considering the depth of interest from global stakeholders and the scale of economic losses caused by social issues. Significance for Astellas, shown on the horizontal axis, was determined by assessing Astellas' opportunities for utilizing its capabilities and assets to contribute to the resolution of issues. The assessment also included management perspectives based on interviews with Top Management.

STEP 03 Review and finalization

The prioritized key issues were refined and validated through the information provided by various stakeholders and a series of interviews with experts. The Sustainability Committee, a cross-organizational advisory body, held further discussions before the Executive Committee reviewed and deliberated on the findings. Finally, the Materiality Matrix was approved by the Board of Directors.

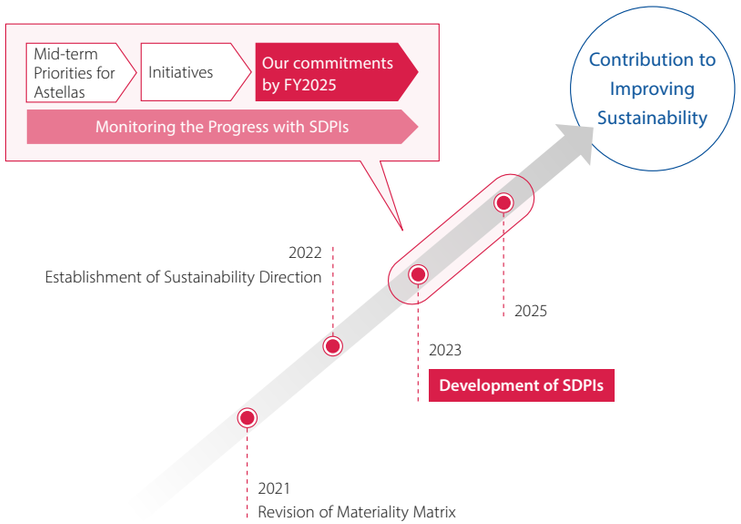
Astellas' Materiality

Strengthening Astellas' Commitment to Materiality

Astellas is committed to deepening its engagement in sustainability through addressing Materiality and key issues.

In FY2022, Astellas established its Sustainability Direction as a medium-term sustainability plan to take the company through to FY2025. Guided by this direction, which is closely aligned with CSP2021 and our Materiality Matrix, we formulated the "Mid-term Priorities for Astellas," "Initiatives" and "Our Commitments by FY2025" to address Materiality and key issues related to environmental sustainability.

In FY2023, we set Sustainability Directions Performance Indicators (SDPIs) to visualize progress toward these commitments, steadily advancing our Sustainability Direction by disclosing measurable and appropriate tangible actions. In FY2025, which marks the final year of these commitments, we plan to review our achievements and progress thus far, as well as updating our Materiality and Sustainability Direction accordingly and setting new SDPIs. In the process, we will formulate a new medium-term sustainability plan and strengthen our commitment to Materiality.



Establishing our Sustainability Direction

In establishing our Sustainability Direction in FY2022, Astellas performed a gap analysis by referencing global standards and precedents in each issue. We also conducted discussions in the Sustainability Committee and identified the initiatives in need of improvement. We then categorized each issue into two pillars and environmental sustainability and collaborated closely with relevant divisions to summarize "Mid-term priorities for Astellas," "Initiatives" and "Our commitments by FY2025." Finally, we established our Sustainability Direction.

Astellas intends to step up sustainability advocacy both internally and externally to ensure that stakeholders and society gain a deeper understanding of Astellas' sustainability initiatives.

Process of establishing our Sustainability Direction

Key issues related to environmental sustainability and Materiality identified in Materiality Matrix

Gap and opportunity analysis

Gap analysis
As part of our Materiality initiative, we referenced stakeholder interviews, global standards and best practice to gauge Astellas' performance and identified the area in need of improvement by gap analysis.

Sustainability Committee
We solicited opinions on the sustainability initiatives that could be further enhanced from the employees' perspective.

Establishment of Sustainability Direction

Sustainability Direction

Relationship between Materiality and two pillars and environmental element of Sustainability Direction

Two pillars for evolving sustainability

01 Transforming to be a Cutting-Edge, VALUE-driven life science innovator

- Access to Health
- Fulfilling unmet medical needs by creating novel healthcare solutions
- Talent and organizational culture for realizing innovation
- Transformative treatment through innovative therapeutic methods
- Value-based pricing

02 Strengthening resilient and sustainable business operations to meet the expectations of society

- Compliance and ethical business practices
- Responsible supply chain management
- Product quality assurance and product safety
- Safe and appropriate use of products

Environmental Sustainability

- Reduction of environmental burden
- Climate change and energy

Sustainability Direction Performance Indicators (SDPIs)

Expectations for companies that contribute to improving the sustainability of society are increasing. Astellas believes that it is important to meet the expectations from society and will disclose the performance and progress of its sustainability activities appropriately.

We have established approximately 50 Sustainability Direction Performance Indicators (SDPIs) to clearly measure the outcomes and progress of our Sustainability Direction. These SDPIs are integrated into our annual plans and implemented by the relevant departments as a company-wide initiative.

Astellas' Materiality

Only key indicators were extracted for the Sustainability Direction Performance Indicators (SDPIs). See the corporate website for the full set of indicators.
https://www.astellas.com/en/sustainability/sdpis

Sustainability Direction, Key Indicators, and Achievements

Two pillars for evolving sustainability

01 Transforming to be a Cutting-Edge, VALUE-driven life science innovator

	Sustainability Direction			Sustainability Direction Performance Indicators (SDPIs)	
Material Issues	Mid-term Priorities for Astellas	Initiatives	Our Commitments by FY2025	Main Indicators	FY2024 Achievements
Access to Health	Translate innovative science into VALUE through the Focus Area approach to R&D, introducing novel therapies and modalities to treat diseases with high unmet medical needs.	Addressing unmet medical needs for provision of solutions that produce better outcomes than previously possible.	Aim to improve the lives of patients and caregivers around the world and contribute to reducing the overall load on the health-care system.	• Number of IND*1 filed new drug candidates	1
				• Number of new drugs launched	5 (Cumulative total since FY2023)
Talent and organizational culture for realizing innovation Fulfilling unmet medical needs by creating novel healthcare solutions	• Maximize patient access to Astellas' innovations and enable them to achieve better outcomes. • Beyond the biopharmaceutical space, develop and commercialize novel healthcare solutions.	• Providing comprehensive access programs throughout the product lifecycle. • Supporting healthcare system-strengthening programs in partnership and Astellas Global Health Foundation.	• Provide as many patients as possible with access to our products. • Impact more than 36 million people (cumulatively) by 2025 by improving disease awareness, prevention, and access to healthcare services.	• Number of patients treated through various access programs*2	11,000
				• Lives impacted through access to healthcare programs by the Astellas Global Health Foundation (AGHF)	31.9 million (Cumulative total since 2018)
Transformative treatment through innovative therapeutic methods Value-based pricing	Advocate a value-based pricing for stakeholders to ensure innovative medicines in new modalities contribute to the health of patients around the world and realize the sustainable healthcare system.	Advocating for value-based pricing as a basis to support access to medical innovations.	Contribute to sustain healthcare systems through advocating for value-based pricing.	Number of implementations of value-based innovative pricing solutions to address value, affordability or access	5 cases
	• Create an environment within Astellas that fosters innovation. • Align strategy with the right capabilities, embraced in a culture that promotes innovation.	Optimizing the number of people under one manager's control and reducing layers, reinforcement of succession planning, and cultivation of a culture ensuring psychological safety and encouraging active feedback.	Foster talents and an organizational culture with trusted capabilities to deliver innovation.	• Percentage of organizations with six hierarchical levels or less from the CEO	79%
				• Average span of control for all departments*3	6
				• Engagement score	69

*1 IND: Investigational New Drug
*2 For details, please visit the following website https://www.astellas.com/en/sustainability/access-to-medicines
*3 Span of Control: Number of subordinates managed by one manager

Astellas' Materiality

Only key indicators were extracted for the Sustainability Direction Performance Indicators (SDPIs). See the corporate website for the full set of indicators.
https://www.astellas.com/en/sustainability/sdpis

02 Strengthening resilient and sustainable business operations to meet the expectations of society

Material Issues	Sustainability Direction: Mid-term Priorities for Astellas	Sustainability Direction: Initiatives	Sustainability Direction: Our Commitments by FY2025	Sustainability Direction Performance Indicators (SDPIs): Main Indicators	Sustainability Direction Performance Indicators (SDPIs): FY2024 Achievements
Compliance and ethical business practices Product quality assurance and product safety Responsible supply chain management	Sustains a resilient business that continuously supplies products during unpredictable or emergency situations.	• Enhancing energy sourcing through investigating reinforcement of emergency power generation and introduction of renewable energy such as solar panels to own facilities. • Enhancing material sourcing and product supply networks through the various means including double sourcing and diversified distribution bases.	Establish a more sustainable and resilient value chain.	• Key remarkable finding related to stable supply	Continued variable activities to strengthen partnerships with suppliers.
				• Progress for alternative sourcing preparation in terms of geopolitical issues	• XTANDI: Mitigation actions for impacted materials completed and regulatory approvals received. • VEOZAH: Alternate source qualification completed, regulatory approvals in progress. • PADCEV: Alternate sources identified for both impacted materials. Qualification for one material completed, qualification for second material ongoing for completion in FY2025. • IZERVAY: Assessment completed and no risks identified.
Safe and appropriate use of products	Further enhance capability to secure patient safety and product quality as well as optimizing customer interaction for maximizing VALUE for patients.	• Fostering a Culture of Quality through leadership commitment, employee engagement and patient centric mindset. • Evolving customer experience with coordinated omnichannel engagement leveraging digital.	Ensure patient safety and product quality by fostering a Culture of Quality and by evolving customer experience.	• Completed Culture of Quality scorecard for commercial manufacturing facilities	Completed the design of a common quality culture questionnaire construct and identified target challenges to focus on for FY2025.
				• Lean Six Sigma* materials and tools shared across communication platforms	• Enhanced the Lean Six Sigma White Belt course based on feedback received and incorporated material on Agile. – Conducted two live sessions for employees to discuss Lean Six Sigma, Agile mindsets, and Operational Excellence within Astellas. – Approximately 120 Astellas employees obtained Lean Six Sigma certification through the course.

* Lean Six Sigma: Lean Six Sigma Program is a pillar of the Culture of Quality Program and a leadership approach to maximize efficiency, create whitespace (resources needed to explore new ideas) and reduce cost within Astellas

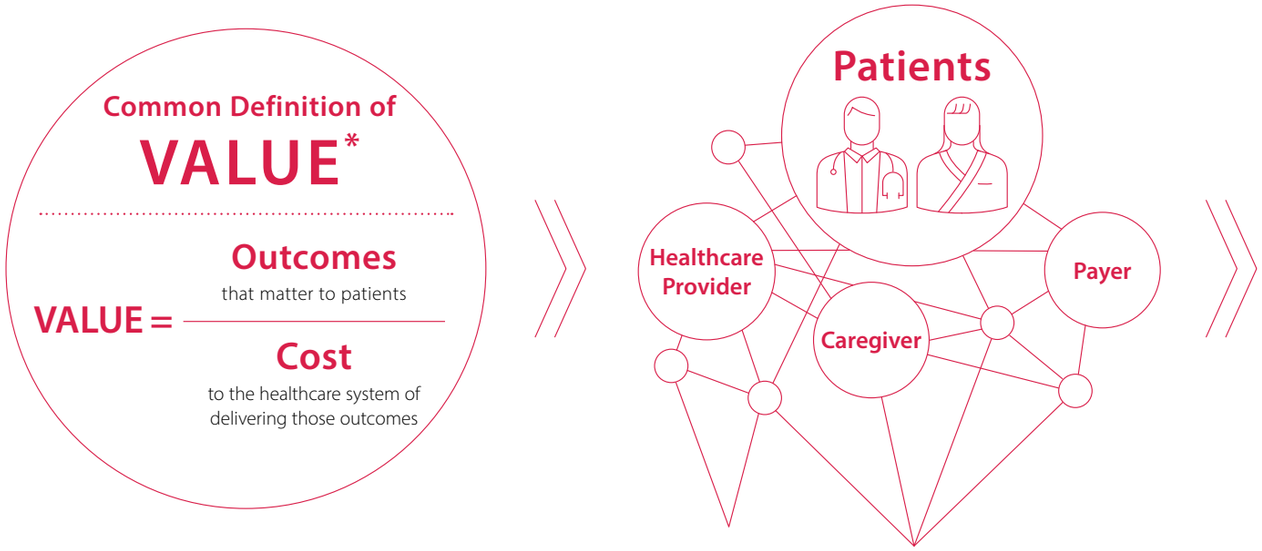
Environmental Sustainability

Material Issues	Sustainability Direction: Mid-term Priorities for Astellas	Sustainability Direction: Initiatives	Sustainability Direction: Our Commitments by FY2025	Sustainability Direction Performance Indicators (SDPIs): Main Indicators	Sustainability Direction Performance Indicators (SDPIs): FY2024 Achievements
Reduction of environmental burden Climate change and energy	Reduce greenhouse gas emissions toward a goal consistent with the Paris Agreement's and achieve net-zero emissions by 2050.	• Enhancing energy efficiency and shifting to renewable energy sources such as solar and wind power. • Reducing the carbon footprint of the supply chain.	Achieve by FY2025 the amount of reasonable reduction of greenhouse gas emissions target.* * GHG emission reduction targets by FY2030. Scope 1+2 63% reduction (base year: FY2015). Scope 3 37.5% reduction (base year: FY2015).	GHG emission reduction ratio (Scope 1+2)	46%
				GHG emission reduction ratio (Scope 3)	7%

The VALUE that Astellas Provides

Our Common Definition of VALUE is the Foundation to Realize Our VISION

For Astellas to realize its VISION, we work with a "Common Definition of VALUE" (see graphic below) to clearly communicate and share our aspirations with diverse stakeholders.



* Adapted from "What Is Value in HealthCare?" Porter, M.E. (2010). *New England Journal of Medicine*



VALUE

for patients

With "outcomes that matter to patients," Astellas is committed beyond the safety and efficacy of treatments. We seek to understand and optimize our products, and their subsequent use, to maximize improvements in quality of life (QOL) and to minimize the burdens they create.

For "costs to the healthcare system of delivering those outcomes," we are looking at the individual costs borne by the patient, the healthcare costs borne by insurance companies and public institutions, as well as the indirect costs and burdens imposed on the patient's family and caregivers.

For example, if a drug proves effective in treating a disease that has conventionally required surgery, the outcome for the patient will be significant. It will not only lessen the physical burden on the patient, but also the mental and lifestyle burdens generally experienced by patients.

These benefits are not limited to the patients alone. They will ripple out across society, from the patient's families and friends to medical institutions as a whole. With lower hospitalizations and surgeries, these institutions can care for a higher number of patients. Therefore, reducing the denominator in our Common Definition of VALUE equation can affect a positive change across society.

We believe that by placing this concept at the core of our business and adapting it to all divisions and regions, Astellas will be able to make a greater contribution to healthcare.

Corporate Strategic Plan 2021 (CSP2021) is based on this "VALUE" equation, with an overall aim to increase VALUE for patients and realize our VISION.

Providing Value to Stakeholders





» Value provided

- Improving people's quality of life and enhancing community healthcare by creating innovative new medicines
- Improving technology level, development of healthcare industry
- Recommendations for better healthcare policy
- Participating in economic and industry associations and various external initiatives

» Value provided

- Find new knowledge from research data to create scientific innovation
- Applying cutting-edge research findings to medical care
- Training researchers

» Value provided

- Social contribution activities and donations
- Environmental conservation
- Job creation
- Increasing awareness and understanding of diseases and medical care

Examples of activities

- Symposium targeting general public (once/FY2024)
- Open event targeting general public (once/FY2024)
- Programs targeting university students (seven times/FY2024)
- Ran booths at various exhibitions (nine times/FY2024)
- Published articles on related websites (47 times/FY2024)

» Value provided

- Fulfilling unmet medical needs by creating innovative medicines and medical solutions
- Providing information on safety and efficacy
- Improving Access to Health (ATH)
- Ensuring a continuous stable supply of investigational drugs and commercialized products
- Support for patient organizations
- Reducing the burden on families and the entire healthcare system

» Value provided

- Opportunities and places for self-development and self-actualization
- Places, co-workers, and resources for solving social issues and contributing to the health of people around the world
- Job satisfaction
- Good working environment (work style reforms, promotion of remote work, etc.)
- Compensation
- Healthy organizational culture

Dialogue results

- Ask Me Anything* (20 times/FY2024)

* Ask Me Anything: Large interactive sessions designed to promote two-way communication between management and all employees

» Value provided

- Sustainable enhancement of enterprise value
- Stable shareholder dividends
- Timely and appropriate information disclosure
- Engagement with investors

Dialogue results

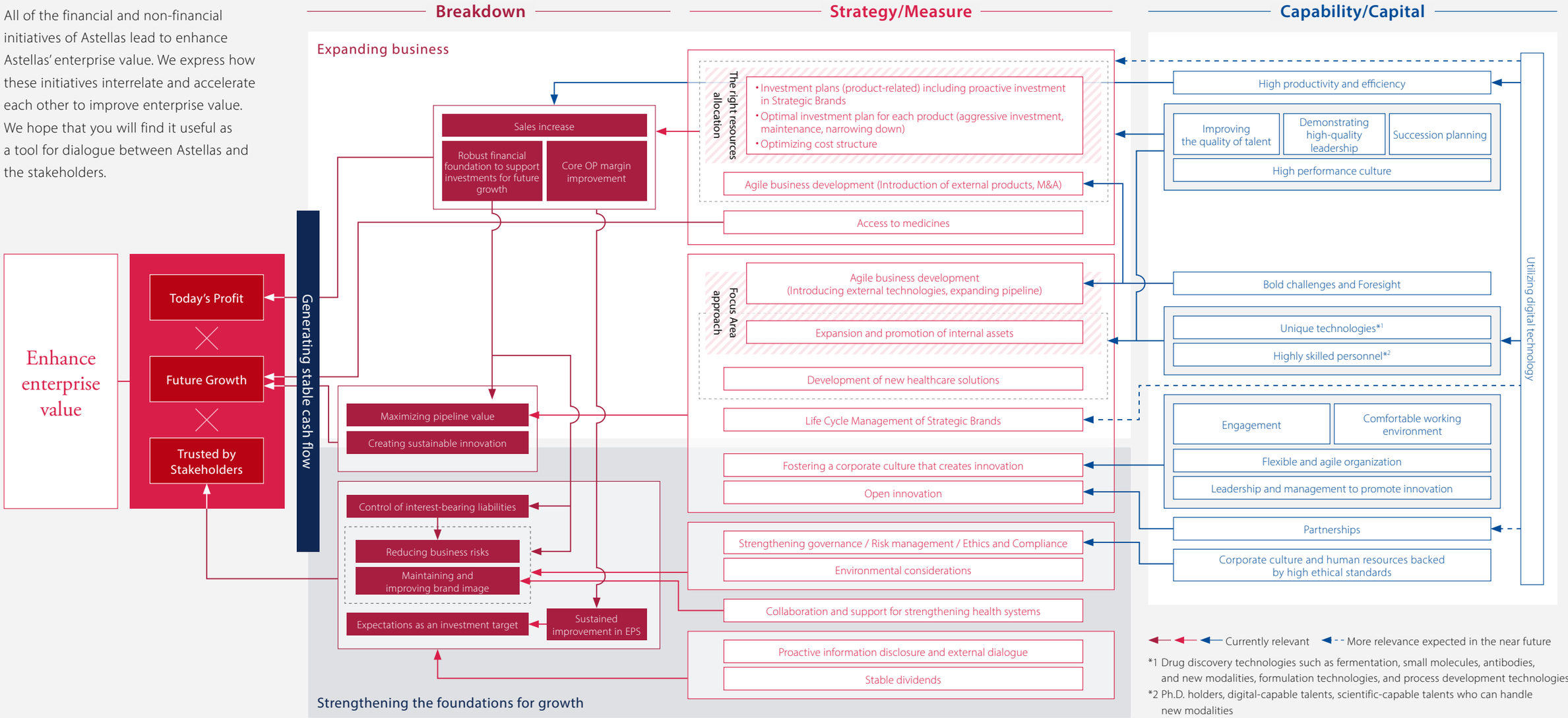
- Meetings with securities analysts and institutional investors (approx. 360 times/FY2024)
- Earnings calls and IR events (Targeted Protein Degradation Online Meeting, Sustainability Meeting 2024) (six times/FY2024)

» Value provided

- Driving innovation and creating new value through collaborations with Astellas and integration of capabilities

Logic Tree for Enhancing Enterprise Value

All of the financial and non-financial initiatives of Astellas lead to enhance Astellas' enterprise value. We express how these initiatives interrelate and accelerate each other to improve enterprise value. We hope that you will find it useful as a tool for dialogue between Astellas and the stakeholders.



Currently relevant More relevance expected in the near future

*1 Drug discovery technologies such as fermentation, small molecules, antibodies, and new modalities, formulation technologies, and process development technologies

*2 Ph.D. holders, digital-capable talents, scientific-capable talents who can handle new modalities

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

The Ideal Company Astellas Aims to Become

Astellas has established an ideal state for the Company from a longer-term perspective to realize our VISION.

VISION

The Ideal State for the Company from a Longer-Term Perspective

The Ideal State

Astellas Is Aiming For

Corporate Strategic Plan 2021

For details, please refer to P.35 "Progress of Corporate Strategic Plan 2021."

In order to realize our VISION,

we are striving to be a cutting-edge, VALUE-driven life science innovator.

We will realize sustainable growth by pursuing innovation and VALUE for patients rather than the level of revenue alone.

Astellas will grow as a company that creates and delivers VALUE through healthcare solutions, not only pharmaceuticals

- Focus Area Approach consistently and efficiently creates and delivers high VALUE pharmaceuticals
- VALUE is created through a range of healthcare solutions that go beyond pharmaceuticals
- Astellas will not compromise on VALUE for patients in order to drive growth
- Astellas will be a Partner of Choice and acquire or leverage attractive technologies and assets

Astellas will excel by purposeful allocation of its resources

- High operating profit will be achieved without sacrificing R&D investment sufficient for future innovation
- Astellas will keep strong discipline in controlling expenses, including Cost of Goods Sold and SG&A

Astellas will have an innovative culture and organization

- Bold decision-making will be supported by intelligent risk-taking
- Organizational design will continuously evolve to meet business priorities
- An increasingly diverse team will be built to drive innovation

Astellas will contribute meaningfully to the sustainability of society with a focus on improving Access to Health and protecting the environment



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Top Management (as of October 2025)

For details about Top Management, please visit the following website.
https://www.astellas.com/en/about/leadership



Claus Zieler
Chief Commercial & Medical Affairs Officer (CCMAO)

Tatjana Dragovic
General Counsel and Chief Ethics & Compliance Officer (GC & CECO)

Tadaaki Taniguchi
Chief Research & Development Officer (CRDO)

Naoki Okamura
Representative Director, President and Chief Executive Officer (CEO)

Katsuyoshi Sugita
Representative Director, Executive Vice President, Chief People Officer (CPO)

Rao Mantri
Chief Manufacturing Officer (CMfgO)

Atsushi Kitamura
Chief Financial Officer (CFO)

Adam Pearson
Chief Strategy Officer (CStO)

Top Management (as of October 2025)

In order to build an optimal management system capable of agile and appropriate decision making, Astellas maintains a global organizational structure covering the entire Group across nearly all of its functions including those of Research, Development, Manufacturing, and administrative functions. Under the direction of Top Management, who oversees these activities, we will strive to continuously create and deliver VALUE while pursuing long-term growth.



Driving Innovation: Creating and Delivering Greater VALUE Faster with Our New Patient-Centric Operating Model

Naoki Okamura
Representative Director,
President and Chief Executive Officer (CEO)

CEO Message P.09



One Astellas in Action: Advancing Patient-Centric Transformation Through People, Culture, and Leadership

Katsuyoshi Sugita
Representative Director,
Executive Vice President,
Chief People Officer (CPO)

People Strategy
Interview with Chief People Officer P.41



Pioneering Science to Change Tomorrow

Tadaaki Taniguchi
Chief Research & Development Officer (CRDO)

R&D Strategy P.53

For patients living with serious diseases, science has the potential to change everything. That's why, at Astellas, we are pioneering science to change tomorrow. With a deep understanding of disease biology and patients' needs as our starting point, we're working relentlessly to drive forward a pipeline of potentially transformative therapies for serious, underserved diseases including hard-to-treat cancers, retinal diseases that can cause blindness and rare genetic conditions.

We currently have more than 20 active pipeline programs and over 150 R&D partnerships focused on discovering and developing new targets, cutting-edge modalities and precision approaches, ensuring we're powered to deliver the next generation of medicines at Astellas, and the generation after that.

The VALUE we create in R&D is the engine for Astellas' success, and, most importantly, it is VALUE that changes patients' lives.



Pursuing Evolution through Product Innovation, Digital Transformation and Operational Excellence to Deliver Greater VALUE to Patients Faster

Rao Mantri
Chief Manufacturing Officer (CMfgO)

Manufacturing & Supply Strategy
Interview with Chief Manufacturing Officer P.57

Top Management (as of October 2025)



Transforming for Growth. Evolving with Purpose. Delivering for Patients.

Claus Zieler
Chief Commercial & Medical Affairs Officer (CCMAO)

Commercial Strategy P.50

FY2024 has been a record-breaking year for Astellas—the strongest-ever revenue growth in our 20-year history. This achievement reflects the success of our Strategic Brands and the power of our transformation.

With four major launches underway and a unified Commercial and Medical Affairs organization, we are demonstrating what is possible when brand teams embrace an integrated, brand-centric model. This approach brings to life an industry-leading vision for customer engagement—delivering a seamless customer experience and lasting VALUE to patients' lives.

Our new operating model also enables Commercial, Medical Affairs, and Market Access to co-own development assets with R&D, from the first subject dosed to loss of exclusivity, allowing us to maximize the VALUE of our assets and bring our innovative medicines of today, as well as our breakthroughs of tomorrow, to the patients who are waiting.



Identifying Risks and Opportunities for Cost Optimization: Linking Efforts to Growth Investments and Sustainable Improvements in Profitability

Atsushi Kitamura
Chief Financial Officer (CFO)

Financial Strategy
Interview with Chief Financial Officer P.37



Shaping Astellas' Future: Patient-Centric Strategy for Sustainable Growth and Innovation

Adam Pearson
Chief Strategy Officer (CStO)

Progress of Corporate Strategic Plan 2021 P.35

In Astellas' strategic functions, our focus is to develop our next Corporate Strategic Plan, laying a sustainable pathway for profitable growth. Building on the framework of the three Enterprise Priorities, which has delivered strong business performance, we are taking a medium- to long-term perspective to create the optimal Business Model and Operating Model to realize our VISION.

We support VALUE creation by bringing external innovation to our assets, amplifying the patient voice across both our portfolio and pipeline, while embedding a sustainable approach to our business for stakeholders, society and patients. We continue to advance our Rx+ and iota products and bring them closer to patients.

The CStO functions are being enhanced by the close integration of strategy, transformation and digital capabilities. Agile collaboration across these teams will ensure we strengthen our operating model and maximize the promise of Digital and AI.



Building a Culture of Integrity and Innovation: A Commitment to Patients, Empowering Teams, Enhancing Collaboration, and Enabling Growth in an Evolving Healthcare Landscape

Tatjana Dragovic
General Counsel and Chief Ethics & Compliance Officer (GC & CECO)

Ethics & Compliance P.97

Our journey is about fostering a culture where integrity and innovation thrives, guided by urgency for patients. As GC & CECO, I am passionate about patients and leading with a strong patient focus that enables a culture of integrity, accountability, innovation, and empowerment. In an increasingly complex environment, integrity is vital for making the right decisions that positively affect patients and stakeholders. It serves as our compass, empowering us to innovate quickly and ethically while understanding our boundaries. The alignment of Legal, Intellectual Property, Quality Assurance, and Ethics & Compliance enhances agility in risk management, drives governance, and increases cross-functional collaboration, ultimately creating greater VALUE for patients. By leading with purpose and principled governance, we support enduring innovation and growth.

Progress of Corporate Strategic Plan

FY2015–FY2017 Corporate Strategic Plan 2015

Under CSP2015, we sought to sustain growth over the medium term while at the same time investing in further growth, working to maximize the value of core products, and steadily advancing development projects. We also allocated investments in new opportunities leading to long-term growth.

Financial Guidance

ROE	15% or more: Maintain and improve this level after the strategic plan period ► **15.1**%: Average for 3 years, FY2015–FY2017
Revenue	CAGR (%): Mid single-digit ► **+1.4**%*1
Core operating profit	CAGR that exceeds revenue ► **+7.5**%*1
R&D investment	Higher than 17% of revenue ► **16–17**% of revenue / improvement of cost structure
Core EPS	CAGR that exceeds CAGR of core operating profit ► **+13.2**%*1: Achieved EPS CAGR exceeding CAGR of core OP along with enhancement of capital efficiency
DOE	6% or more ► **5.7**%: Result of FY2017

FY2018–FY2020 Corporate Strategic Plan 2018

CSP2018 represented a major turning point as we implemented an entirely new business model. This involved shifting to the Focus Area Approach designed to identify drug discovery opportunities efficiently by combining cutting-edge biology with innovative modalities/technologies, paving the way for us to continue to offer products delivering meaningful VALUE for patients.

Major Initiatives and Accomplishments

1. Maximizing Product VALUE and Operational Excellence
- Sales of XTANDI and mirabegron steadily increased
- Six post-PoC projects: Achieved important milestones as planned
- Prioritize sales promotion expenses and promote global procurement efficiencies (approx. ¥50.0 billion*2 profit improvement)

2. Evolving How We Create VALUE: With the Focus Area Approach
- Enhanced utilization of innovative platforms among multiple Primary Focuses and produced multiple promising projects
- Strengthened capabilities through collaborations and acquisitions

3. Developing Rx+ Programs
- Achieved partnerships with various technologies from different fields
- Successfully advanced multiple programs toward commercialization

Financial Guidance

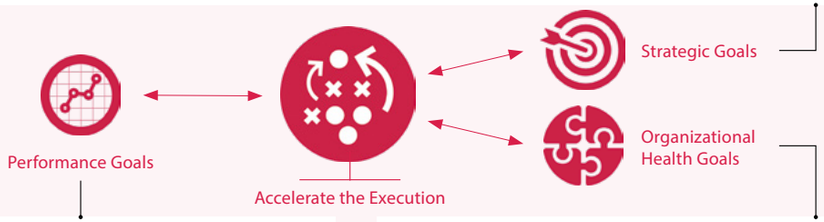
Revenue	FY2017 level (¥1,300.3 billion) ► ¥**1,249.5** billion **Not achieved**
R&D investment	More than ¥200.0 billion ► ¥**224.5** billion **Achieved**
Core OPS	Core Operating Profit margin 20% ► **20.1**% **Achieved**
EPS	Exceed FY2017 level (¥100.64) ► ¥**113.03** **Achieved**

FY2021–FY2025 Corporate Strategic Plan 2021

CSP2021 aims to further develop the enterprise foundation that we built over the three years of CSP2018, and ensuring it leads to results.

We have four Strategic Goals, and the first three goals focus on what we should do next following our efforts in CSP2018. Strategic Goal 4 is a newly introduced goal. Astellas aims to improve both its own sustainability and that of society by addressing social issues through its core business and earning trust from society as a result.

Strategic Goals
1. Enable patients to achieve better outcomes
2. Translate innovative science into proven VALUE
3. Advance the Rx+ Business
4. Deepen our engagement in sustainability



Performance Goals are set to measure successful execution of CSP2021 and indicate our ambitious goals in financial terms. We set goals from three aspects: revenue, pipeline value, and core operating profit margin. By achieving these Performance Goals, we aim to become a company with a market capitalization of more than ¥7 trillion in FY2025.

Performance Goals
1. Revenue: XTANDI and Strategic Brands*3 sales ≥ ¥1.2 trillion in FY2025
2. Pipeline Value: Focus Area projects expected sales ≥ ¥0.5 trillion in FY2030
3. Core Operating Profit Margin: ≥ 30% in FY2025

We have three newly established Organizational Health Goals in CSP2021. These aim to create the optimal internal environment to transform our organization, drive innovation, and pursue outcomes.

Organizational Health Goals
1. Brave ideas pursue ambitious outcomes
2. Talent and leadership thrives
3. We excel as One Astellas

- Fostering a corporate culture that aims to achieve ambitious goals
- Significantly improving our execution capabilities

In order to reliably execute Corporate Strategic Plan 2021 and establish a structure to overcome the loss of the market exclusivity of XTANDI, we have identified three enterprise priorities (3EPs), namely, "Growth Strategy," "BOLD Ambition," and "Sustainable Margin Transformation," and have begun full-scale initiatives from FY2024. For details about 3EPs, please refer to P.36.

*1 CAGR for 3 years starting from FY2014 results *2 Cumulative total of FY2018–FY2020
*3 PADCEV, XOSPATA, VYLOY, EVERENZO, VEOZAH, AT132 (As of May 2021)

Progress of Corporate Strategic Plan 2021 (as of March 31, 2025)

The underlying theme of CSP2021 is to build a structure that can overcome the loss of exclusivity for XTANDI, and we believe that it is extremely important to firmly establish such a structure during the remaining period of the plan.
The next two pages cover progress in the implementation of CSP2021.

Progress of Strategic Goals

Goals	Major Initiatives and Accomplishments in FY2024	Published page	Relationship to Material Issues
1. Enable patients to achieve better outcomes	• Making significant progress toward maximizing the VALUE of key growth drivers, including the expansion of indication for PADCEV, the approval of label update for IZERVAY, and the launch and approvals in new regions of VYLOY	→ P.50 Commercial Strategy	1, 2, 3, 4, 5, 6
2. Translate innovative science into proven VALUE	• Achieving PoC for ASP3082 from Targeted Protein Degradation in pancreatic adenocarcinoma based on 2nd and 3rd line data from a Phase 1 study • Making progress of AT845 from Genetic Regulation toward PoC judgment, anticipated for 2H/FY2025, with encouraging clinical data	→ P.53 R&D Strategy	1, 2, 3, 4
3. Advance the Rx+ business	• Initiating the first commercial pilot implementation of DIGITIVA, a non-invasive digital health solution aimed at heart failure management, in the US • Obtaining FDA approval for an implantable device for underactive bladder to enter an early feasibility study	https://www.astellas.com/en/science/digital-health-solutions/rx-business-accelerator	1, 2
4. Deepen our engagement in sustainability	• Advancing our sustainability initiatives in line with approximately 50 performance indicators established based on Sustainability Direction • Focusing on the analysis of the social impact of programs aimed at improving Access to Health and the effects of non-financial initiatives on corporate value as part of our efforts to make visible our sustainability initiatives	→ P.22 Astellas' Materiality → P.62 Sustainability Strategy	1 – 11

Progress of Strategic Goals

Goals	Major Initiatives and Accomplishments in FY2024	Published page	Relationship to Material Issues
1. Brave ideas pursue ambitious outcomes 2. Talent and leadership thrives 3. We excel as one Astellas	• Establishing a cross functional task force to identify and implement corrective actions in response to a decline in Global Engagement Survey scores related to our Organizational Health Goals • Supporting company-wide initiatives by fostering a culture that encourages innovation • Continuing to enhance the talent pipeline through succession planning initiatives, including Global Next Generation Leadership Program	→ P.41 People Strategy	9

Key Issues and Materiality

Astellas will evolve sustainability for society and Astellas by addressing the key social issues and materiality

1 Access to Health 2 Fulfilling unmet medical needs by creating novel healthcare solutions 3 Transformative treatment through innovative therapeutic methods 4 Value-based pricing 5 Product quality assurance and product safety
6 Safe and appropriate use of products 7 Compliance and ethical business practices 8 Responsible supply chain management 9 Talent and organizational culture for realizing innovation 10 Reduction of environmental burden 11 Climate change and energy

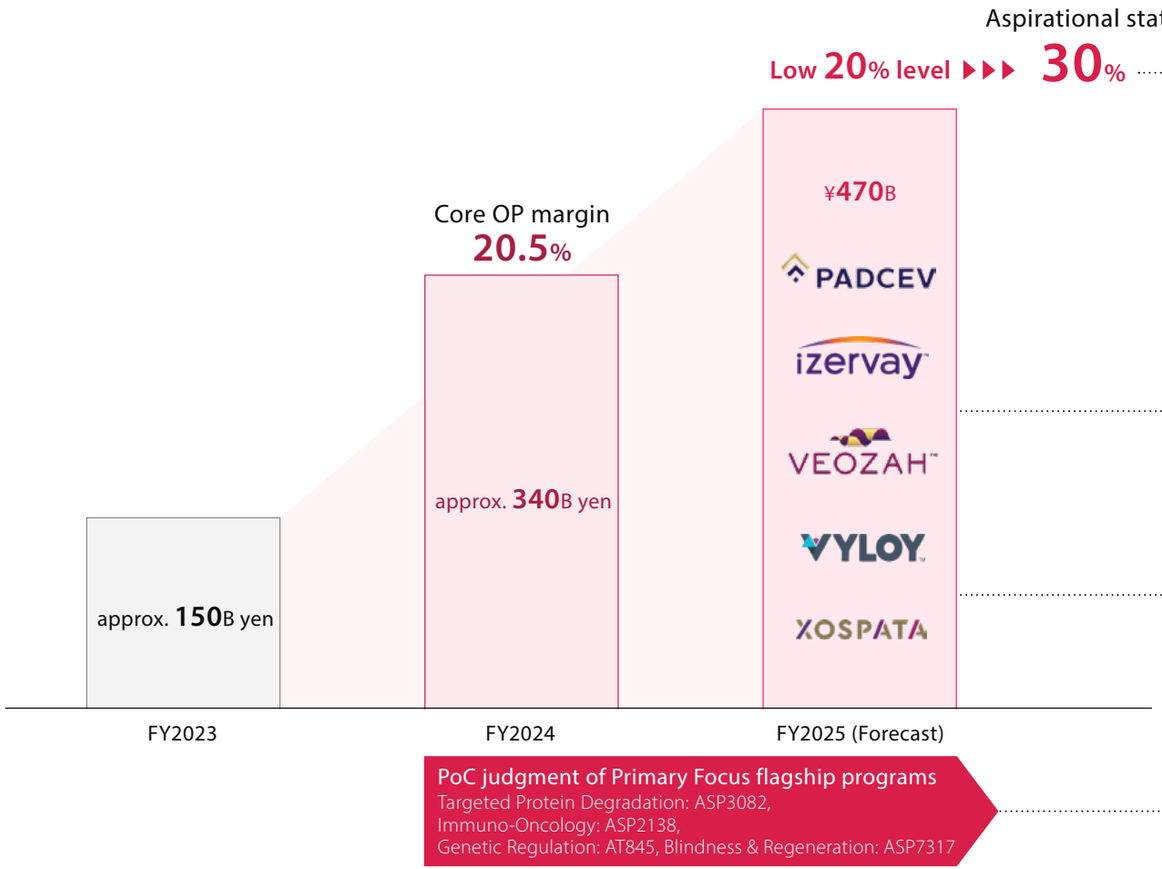
Progress of Corporate Strategic Plan 2021 (as of March 31, 2025)

Three Enterprise Priorities

In order to reliably execute Corporate Strategic Plan 2021 and establish a structure to overcome the loss of the market exclusivity of XTANDI, we have identified three Enterprise Priorities, namely, "Growth Strategy," "BOLD Ambition," and "Sustainable Margin Transformation," and have begun full-scale initiatives from FY2024. KPIs (key performance indicators) are set for each initiative and progress is strictly monitored and implemented. Furthermore, in order to further enhance the objective oversight by independent outside Directors of the implementation of the three Enterprise Priorities, an Enterprise Priority Monitoring group was established at the outside Directors' meeting (外役会. Soto Yaku Kai, a meeting attended exclusively by independent outside Directors) and began its activities in November 2024.

In FY2024, we were able to allocate resources generated through cost optimization, one of the initiatives of Sustainable Margin Transformation, to growth investments for Strategic Brands and Primary Focuses.

Please refer to P.77 (Corporate Governance section) for further details on EPM.



Sustainable Margin Transformation

P.37 Financial Strategy

- Company-wide cost optimization before the loss of exclusivity of XTANDI
- Fund growth investment and profit improvement

Accomplishments in FY2024

- Building critical in-house capabilities to reduce outsourcing and improvement of the efficiency of global operations resulted in the achievement of our cost optimization target of JPY 40 billion, with the core operating profit margin recovering to the 20% range
- Allocating resources generated by Sustainable Margin Transformation to growth investments

Growth Strategy

P.50 Commercial Strategy

- New operating model by brand level to maximize brand performance
- Agile ways of working to promote faster decision-making

Accomplishments in FY2024

- Achieving sales of Strategic Brands —PADCEV, IZERVAY, VEOZAH, VYLOY, and XOSPATA— more than doubled YoY, reaching close to JPY340 billion, an increase of approximately JPY180 billion or 110%
- Establishing a new organization to drive end-to-end activities centered on "Patient Axis" to further strengthen agile and cross-functional operations

BOLD Ambition

P.53 R&D Strategy

- Agile R&D model to accelerate from discovery to PoC, acquiring new assets, etc.
- Strengthening in-house capabilities for clinical trial execution and data-driven decision making

Accomplishments in FY2024

- Achieving PoC for ASP3082 from Targeted Protein Degradation in pancreatic adenocarcinoma. Progression of AT845 from Genetic Regulation toward PoC judgment, anticipated for 2H/FY2025, with encouraging clinical data
- Driving the internalization of development functions, including clinical trials that had previously been outsourced

Financial Strategy

Interview with Chief Financial Officer



"We will strive to further expand core operating profit and strengthen our balance sheet by accelerating growth of our Strategic Brands and optimizing costs."

Atsushi Kitamura
Chief Financial Officer (CFO)

Q. Looking back over FY2024, please tell us about Astellas' accomplishments and assessment of progress.

A. Both revenue and core operating profit reached record highs in FY2024, establishing a solid foundation to drive sustainable growth.

In formulating our financial guidance for FY2024, Astellas carefully established a baseline after thoroughly considering both our aspirational Mature State and current status. We then clarified risks and opportunities and identified specific means of avoiding/utilizing these, which were reflected in our forecasts. The company took a similar approach when considering cost-related initiatives. We generated significant outcomes by maximizing opportunities in terms of both revenue and expenses, and by keeping risks to a minimum.

A key highlight of FY2024 was the achievement of record-high revenue and core operating profit since the establishment of Astellas in 2005. Compared to the previous fiscal year, revenue increased by 19.2% and core operating profit increased by 41.7%, reflecting tangible progress in our growth trajectory. Notably, our five Strategic Brands achieved remarkable growth, with total sales more than doubling year on year to approximately ¥340 billion. Revenue growth gained further strong support from robust growth for XTANDI, which obtained approval for label expansion on the basis of favorable results from the Phase III EMBARK trial, and the positive impact of a United States court upholding the validity of our patent for mirabegron.

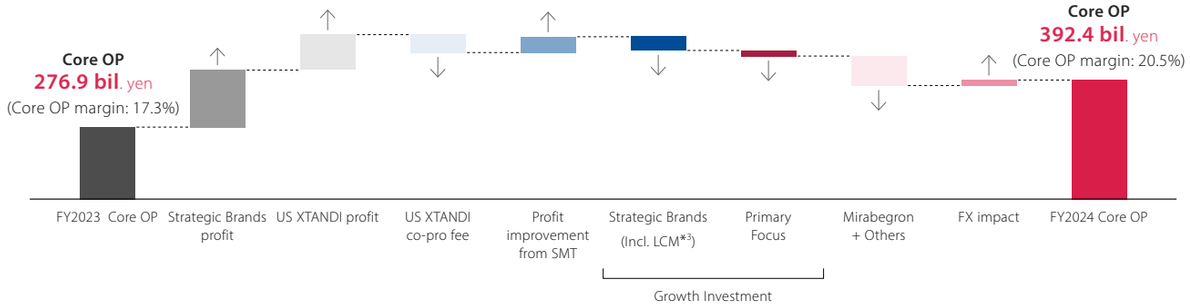
When it comes to core operating profit, cost optimization under our program of Sustainable Margin Transformation (SMT; one of our three Enterprise Priorities) proved effective, and we reached our target of ¥40 billion, mainly in the area of SG&A expenses. The SG&A ratio improved by 3.1 percentage points year on year, and the core operating profit margin also increased by 3.3 percentage points year on year to 20.5%. These results ensured expansion of profits. Although we have yet to fully realize our future state, I believe our achievements this year warrant a gratifying sense of progress in terms of management.

FY2024 Financial Results

(billion yen)	FY2023	FY2024	Change	Change (%)	FY2024 FCST
Revenue	**1,603.7**	**1,912.3**	**+308.7**	**+19.2%**	**1,900.0**
Cost of sales	292.5	349.2	+56.7	+19.4%	345.0
SG&A expenses	740.1	843.0	+102.9	+13.9%	845.0
US XTANDI co-pro fee	194.9	252.6	+57.7	+29.6%	255.0
SG&A excl. the above	545.2	590.5	+45.2	+8.3%	590.0
(SG&A ratio*1)	34.0%	30.9%	-3.1ppt		31.1%
R&D expenses	294.2	327.7	+33.5	+11.4%	340.0
(R&D ratio)	18.3%	17.1%	-1.2ppt		17.9%
Core operating profit*2	**276.9**	**392.4**	**+115.5**	**+41.7%**	**370.0**
(Core OP margin)	17.3%	20.5%	+3.3ppt		19.5%
<Full basis>					
Amortisation of intangible assets	98.8	136.8	+37.9	+38.4%	
Other income	8.7	20.3	+11.7	+134.1%	
Other expenses	167.8	235.8	+68.0	+40.5%	
Operating profit	**25.5**	**41.0**	**+15.5**	**+60.8%**	**11.0**
Profit before tax	25.0	31.2	+6.3	+25.1%	1.0
Profit	**17.0**	**50.7**	**+33.7**	**+197.7%**	**14.0**

*1 Excl. US XTANDI co-pro fee
*2 The definition of core-basis was changed from Q1/FY2024. In addition to the old definition's adjustments, 'Amortisation of intangible assets', 'Gain on divestiture of intangible assets' and 'Share of profit (loss) of investments accounted for using equity method' were newly excluded as new adjustment items.

Drivers of Core OP Growth



*3 LCM: Lifecycle management

Financial Strategy

Interview with Chief Financial Officer

Q. Please tell us about Astellas' business outlook for FY2025 and how you formulated this plan.

A. Our Strategic Brands continue to drive growth. We are also persisting with cost optimization through SMT, and we expect core operating profit to register double-digit underlying growth excluding the impact of exchange rates.

In FY2025, we expect to deliver continued growth in both revenue and profit, continuing the momentum from FY2024. On an underlying basis, excluding the impact of exchange rates, we expect revenue and core operating profit to increase by 7% and 11%, respectively. We also forecast ongoing strong growth for our Strategic Brands. In particular, we will work hard to further expand the markets for IZERVAY, by improving the diagnosis and treatment rates in the United States for geographic atrophy secondary to age-related macular degeneration, and for VYLOY, through global rollout of a drug that we first launched in June 2024. For XTANDI, we expect a negative impact from the redesign of Medicare Part D in the United States, but anticipate that increased volume will offset this impact, keeping sales on a par with FY2024.

From a cost perspective, we will continue to promote SMT with an eye to further improving the SG&A ratio. Additionally, we will prioritize capital investment in development projects that have obtained clinical PoC*1, while steadily building a foundation to expand our pipeline.

Against this backdrop, and as mentioned above, we established precise baselines for each key performance indicator and formulated forecasts reflecting the risks and opportunities we identified. For example, we set performance targets designed to ensure sufficient profits even when accounting for a degree of downside, with due consideration for rising international inflation risks and tariff headwinds. This approach reflects our firm commitment to both internal and external stakeholders, and while unforeseen events are inevitable in business, we remain focused on overcoming such challenges to ensure our goals are met.

*1 PoC: Proof of Concept

Q. There is a gap between core-basis and full-basis operating profit in your fiscal 2025 financial guidance. What are the reasons for this, and what is the outlook going forward?

A. This gap is mainly due to expenses related to intangible assets associated with M&A. We will work to narrow the gap by reducing impairment risk and growing core operating profit, which reflects our fundamentals.

In our FY2025 financial guidance, there is a ¥250 billion gap between core operating profit and full-basis operating profit. The difference is mainly attributable to amortisation of intangible assets and impairment loss risk recorded under "other expenses." Intangible asset amortisation consists primarily of amortisation for intangible assets associated with IZERVAY, developed by Iveric Bio, Inc. (hereinafter "Iveric Bio"), a U.S. biopharmaceutical company we acquired in FY2023. Although the amount is large, amortisation is moving ahead as scheduled, and we took this into account when formulating our business plan. With regard to the impairment loss risk recorded under "other expenses," there were no indications of such impairment losses as of April 2025, but in light of recent trends we incorporated a certain level of losses into our financial guidance. In our initial forecasts for FY2024, we similarly factored in a degree of impairment loss risk based on our analysis of prevailing trends. However, withdrawing our application for European marketing approval of IZERVAY had a significant impact, and we ultimately recorded an impairment loss substantially larger than our expectations. This was another one-time expense related to Iveric Bio, so it is not a recurring expense. However, it seems that the discrepancy between financial guidance and actual results led to some concerns among investors. Accordingly, our approach to formulating financial guidance was more prudent than ever in FY2025, in a bid to further enhance forecast accuracy.

Raising the level of core operating profit is essential if we are to improve full-basis operating profit, which includes intangible asset amortisation and impairment losses. Our inherent challenge is to achieve steady growth in core operating profit, which represents our business fundamentals. Ideally, we will deliver accompanying improvement in full-basis operating profit.

FY2025 Outlook

(billion yen)	FY2024 Actual	FY2025 FCST	Change (%)	Main Assumptions	FY2025 FCST*2
Revenue	**1,912.3**	**1,930.0**	**+17.7** (+1%)	• Strategic Brands: +133.6, XTANDI: -44.3, Mirabegron: -36.0	2,036.0 (+7%)
SG&A expenses	843.0	805.0	-38.0		
US XTANDI co-pro fee	252.6	229.0	-23.6	• Decrease in US XTANDI co-pro fee payment linked with sales decline	
SG&A excl. the above	590.5	576.0	-14.5	• Cost optimization through SMT: approx. -20.0	
(SG&A ratio*3)	30.9%	29.8%	-1.0ppt	• Cost increase due to inflation	
R&D expenses	327.7	342.0	+14.3	• Investment to Strategic Brands (LCM) and Primary Focus: approx. +15.0	
(R&D ratio)	17.1%	17.7%	+0.6ppt		
Core operating profit	**392.4**	**410.0**	**+17.6** (+5%)	• Forecast includes a certain level of potential business risk	435.0 (+11%)
(Core OP margin)	20.5%	21.2%	+0.7ppt		
<Full basis>				**Main adjustments excluded on core basis**	
Operating profit	**41.0**	**160.0**	**+119.0**	• Amortisation of intangible assets: approx. 140.0 • Other expenses: approx. 110.0 (risk of Impairment losses*4, expenses related to organizational restructuring, foreign exchange losses, etc.)	

*2 Underlying growth excl. FX impact *3 Excl. US XTANDI co-pro fee *4 No impairment indication as of April 2025
Strategic Brands: PADCEV, IZERVAY, VEOZAH, VYLOY, XOSPATA, SMT: Sustainable Margin Transformation, LCM: Lifecycle management

Financial Strategy

Interview with Chief Financial Officer

Q. As CFO, what is your current take on the significance of SMT and any associated initiatives?

A. SMT is not just about cost optimization. We also seek to transition to a lean and resilient corporate structure that will allow us to grow sustainably. This will take time, given the magnitude of the potential benefits at stake, but I believe we are making steady progress.

In FY2024, in response to calls from the investor expectations to demonstrate medium- to long-term cost management and quantitative targets for the same, we disclosed the specific initiatives and targets we have set for SMT. Rather than focusing on short-term cost reductions, SMT is designed to generate resources for future growth investments while driving a transformation toward a lean and resilient corporate structure. Through this transformation, we aim to enhance our core operating profit margin over both the short and medium to long term. While we expect some of the SMT initiatives to deliver outcomes relatively swiftly, many are geared toward achieving significant results over time, as our focus is on strengthening our organizational foundation rather than on near-term financial gains. For this reason, we have set ourselves a four-year period through FY2027 to achieve our targets. Our SMT initiatives fall into four categories.

1. **Build critical in-house capability to reduce outsourcing:** Our main focus is to strengthen our in-house capability and expand in-house functions. By bringing in-house some of the critical functions that were outsourced previously, we will build a framework for providing higher quality services more expeditiously and at lower cost.
2. **Further efficiency of global operations**: We seek to maximize economies of scale by consolidating and restructuring information and operations currently scattered both internally and externally, and by keeping them in one place. At the same time, we will invest heavily in digital tools to automate tasks and effectively enhance user satisfaction.
3. **Optimize selling expenses with ROI*1 focus:** Our business portfolio is changing dramatically due to rapid growth in sales of our Strategic Brands. In response to these changes in our business structure, we need to review the scale of each organization and our allocation of growth investments. In other words, further accelerating the growth of our Strategic Brands hinges on allocating investment resources according to our order of priority for product growth. Going forward, we plan to reorganize our global organization to suit our new portfolio.
4. **Continuous company-wide cost optimization:** We consider this initiative to be the starting point for company-wide cost optimization. There have been many instances of ideas conceived here evolving into cross-functional initiatives that have been applied to the other three SMT categories. Going forward, we remain committed to streamlining costs in all departments and deploying these initiatives across the entire company.

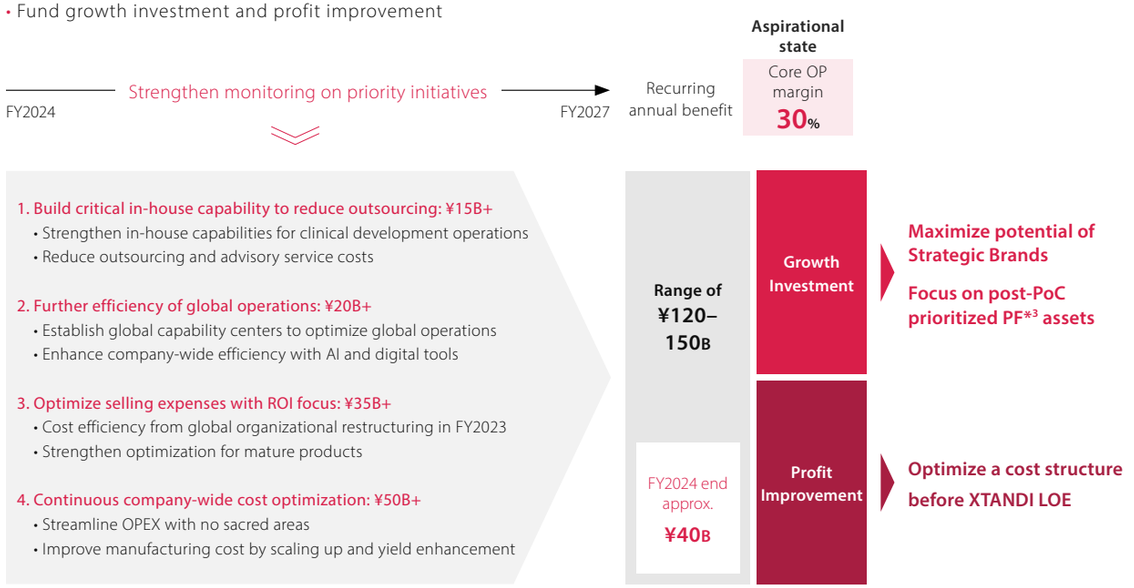
As part of our SMT initiatives, we are working to "Build critical in-house capability to reduce outsourcing." One example is the internalization of clinical trial operations, which is expected to accelerate development timelines. In the new technological fields that Astellas is exploring, there are issues with how long it takes to enroll patients in clinical trials. We aim to facilitate faster patient enrollment, by enabling employees to exchange information directly with lead investigators at clinical trial sites. With several Primary Focus projects in particular expected to advance to late-stage development, speeding up clinical trials is an urgent priority. Expanding our capabilities by bringing development in-house should greatly contribute to this cause. Personnel are also essential to building out our in-house capability, and we are looking at expanding recruitment. Given the nature of this initiative, it will take time for these initiatives to make a significant contribution to reducing costs.

The SMT program targets ¥120–150 billion in cost optimization by FY2027, and we achieved results in line with our plan in FY2024. In terms of the future outlook, we have plans in place to achieve about 70–80% of our final goal for cost optimization, and we are now entering a phase in which new initiatives will be launched to achieve the remaining 20–30%. When formulating goals and crafting new initiatives, we think it is important to incorporate insights from both management and frontline teams. Rather than choosing between a top-down or bottom-up approach, we believe a combination of both is needed to identify where opportunities lie.

The success or failure of SMT depends not only on the continuous generation of cost optimization ideas, but also on disciplined execution in line with our plan. It is equally important that the results of cost optimization feed through into growth investments and improved profitability. Cost optimization is by no means easy to achieve, but neither does it make sense for employees to be concerned solely with achieving short-term numerical targets as they go about their daily work. To ensure employee understanding of the intrinsic purpose of SMT, I strongly believe that a core responsibility for management, including myself, is to continue conveying the program's intent while also sharing progress and any issues we encounter.

Sustainable Margin Transformation

- Company-wide cost optimization of 120-150 billion yen before XTANDI LOE*2
- Fund growth investment and profit improvement



*1 ROI: Return On Investment (performance measure used to evaluate the profitability of an investment)
*2 LOE: Loss of exclusivity *3: Primary Focus

Financial Strategy

Interview with Chief Financial Officer

Q. From your particular perspective as CFO, what challenges or characteristics do you feel are unique to the pharmaceutical industry and Astellas?

A. The pharmaceutical industry presents unique challenges in that new drug development is a lengthy process that must comply with a complex regulatory environment. It therefore is essential to settle on the optimum combination of near-term, medium-term, and long-term initiatives and then steadily advance our strategic priorities.

When first examining Astellas' operations after my appointment as CFO, I discovered many slogans pertaining to cost optimization, but found that across the company there was no company-wide, integrated process with clearly delineated areas of responsibility. I came to the urgent realization that concepts alone would not bring about change in the current situation, and that practice sometimes deviated from theory. Upon thorough examination of the workplace, I observed instances in which tasks that should have been performed at 100% speed instead were being performed at 80%, and cases in which the direction of initiatives was misaligned, resulting in adverse outcomes.

Under the SMT initiative, cost optimization is not merely a slogan but a company-wide priority to be implemented throughout the organization. In addition to implementing short-term measures in FY2024, we also laid the groundwork for initiatives to be rolled out over the medium term.

As previously noted, the pharmaceutical business is uniquely characterized by the long time taken to develop new drugs and by a highly regulated environment. Along with safety considerations, these regulations make it difficult for the pharmaceutical industry to employ common cost-reduction measures such as raw material substitutions and cost pass-throughs.

Pharmaceutical companies seeking to stabilize performance therefore need to compensate for loss of revenue from any given product by growing revenue from other products. It is important also to thoroughly visualize risks and opportunities. When risks arise on the one hand, they must be acknowledged without delay and analyzed in as much detail as possible, with a view to seizing opportunities on the other. I plan to continue refining this management approach.

Q. What is your stance on capital allocation, including return on capital?

A. Our policy remains unchanged, in that we will continue investing in growth and returning profit to shareholders while also working toward financial soundness by achieving an appropriate level of Gross Debt/EBITDA.

Our capital allocation policy remains unchanged, giving highest priority to growth investments, followed by stable shareholder returns. When we have surplus funds, we will waste no time in returning these to shareholders through share buybacks and other means, while steadily restoring financial soundness through repayment of interest-bearing debt associated with the Iveric Bio acquisition.

As disclosed in our FY2024 earnings call, we consider 1.0–1.5x to be an appropriate level for Gross Debt*1/EBITDA*2, from the standpoint of using a degree of debt leverage to pursue growth investments while also maintaining sufficient financial soundness to engage in flexible and competitive fundraising, regardless of financial market conditions. Gross Debt/EBITDA was approximately 3.4x at the end of FY2023, after the acquisition of Iveric Bio, but improved significantly to roughly 2.2x at the end of FY2024, via a reduction in interest-bearing debt through optimization and consolidation of cash and cash equivalents. We are committed to practicing financial management that emphasizes capital efficiency. Of the more-than-¥300 billion in cash and cash equivalents reported at the end of FY2023, we determined that approximately ¥200 billion was required to finance operations, and we allocated all funds surplus to that amount to debt repayment, in our push to improve Gross Debt/EBITDA. In order to achieve the Gross Debt/EBITDA ratio of 1.0–1.5x that we consider appropriate, we will continue with the growth investments that hold top priority in our capital allocation policy, but for the time being think we have no choice but to focus also on reducing interest-bearing debt. That said, while we seek to continue reducing Gross Debt/EBITDA via further improvement in capital efficiency, we will also make every possible effort to restore sufficient financial soundness to respond flexibly and swiftly to any large-scale M&A opportunity that may arise.

When it comes to dividends, we place importance on continuous shareholder returns. Decisions are made based on our future cash flow plans for the next several years. Shareholder returns are an essential tool for management, and we will strive to provide them in a continuous and stable manner.

While acknowledging that ROE*3 and ROIC*4 are important financial indicators that illustrate Astellas' current situation, we make a practice of not obsessing over short-term figures, as the pharmaceutical industry operates on long-term horizons. That said, we acknowledge that ROE has remained at a relatively low level in recent years, and view this as a challenge to be addressed. To raise our ROE, we must improve full-basis operating profit, which in turn requires us to grow core operating profit. If we can steadily increase core operating profit in FY2025, we expect ROE to improve to 8% or greater.

*1 Gross Debt = Interest-bearing debt + Lease liabilities + Retirement benefit liabilities, etc.
*2 EBITDA = Profit before tax + Amortisation of Intangible Assets (incl. software, etc.) + Depreciation (PP&E) + Interest expenses + Other expenses
*3 ROE: Return On Equity (performance measure used to evaluate the profitability of Equity Capital)
*4 ROIC: Return On Invested Capital (performance measure used to evaluate the profitability of Invested Capital)

Capital Allocation

1. Top priority is investment for business growth
2. Raise dividend level aligned with profit / cash flow plan and actual performance throughout CSP2021 period
3. Flexibly execute share buyback by excess cash

Appropriate leverage level

Gross Debt/EBITDA of 1.0x to 1.5x
Continue to pursue further debt reduction in FY2025, while maintaining the priorities outlined in our Capital Allocation policy
Furthermore, in case of undertaking a large-scale investment deemed beneficial for enhancing corporate value even if it involves a temporary deterioration of our financial soundness, will adhere to the Gross Debt/EBITDA capped at around 3.0x, regardless of the aforementioned level

People Strategy

Interview with Chief People Officer



"Guided by our new "Patient Axis" organizational structure and the Organizational Values & Behaviors introduced in April 2025, we will rally our strengths as One Astellas and pursue an HR strategy that contributes to business results."

Representative Director, Executive Vice President
Chief People Officer (CPO)
Katsuyoshi Sugita

Q. From your perspective as CPO, please tell us your impressions of the organizational restructuring Astellas undertook in April 2025, and the progress made thus far.

A. I believe this was an example of the intelligent risk-taking that Astellas needs in order to sustain growth. Going forward, we will work together as One Astellas to build a patient-centric organization, leveraging existing benefits already evident from reducing the number of organizational layers.

In the four years since we formulated CSP2021, we have focused on achieving our Organizational Health Goals. This has brought about changes in many of our HR policies and HR-related initiatives. While several of these changes have produced the expected results, there still appears to be room for further improvement in some areas. In April 2025 we launched a new management structure built around the three areas of "VALUE Creation," "VALUE Delivery," and "VALUE Enablement," in a highly innovative move, characteristic of Astellas. We have transitioned from the previous "regional axis" to a functional "management axis". This organizational change in April will ultimately transform Astellas into a "patient axis" organization, capable of innovation and intelligent risk-taking through our foundation of integrity, exemplifying our One Astellas focus on the patient.

As groundwork for this realignment into a patient axis organization, we have focused over the past four years on reducing the number of organizational layers. We have also adopted a patient-oriented "monogoto (event) axis" for setting performance targets and conducting year-end reviews, introducing an organizational structure in which frontline teams in R&D, sales, and marketing can make autonomous decisions, rather than relying on the leader-driven approach to business of function-based organizations. In practice, it is not an easy matter to assign these teams authority and responsibility, as they are cross-functional teams that transcend divisions. Our challenge is to encourage decision-making at the frontline through the One Astellas approach that encompasses the back office. In line with this organizational restructuring, in June 2025 we also removed all individual offices and meeting rooms used exclusively by executives. All executives from the Chairman and President down now work in open spaces. More than a symbolic initiative, this also marks one of the final steps in our mission to reduce the number of organizational layers, with the aim of building an open and flat company culture.

Q. Please detail the background and aims of the Organizational Values & Behaviors introduced earlier this year in place of the original Astellas Way.

A. These Organizational Values & Behaviors were formulated to address the actual needs of the business frontline, replacing the numerous behavior principles that previously proliferated throughout the company, gaining in complexity without ever becoming fully entrenched.

Since the Astellas Way was introduced in 2010, many similar, but ever so slightly different, behavior principles have emerged gradually within the company. In drawing up the revised Organizational Values & Behaviors, we boldly reviewed these 66 guidelines, which had grown increasingly complex, before simplifying and integrating them into a single guideline to aid in realizing our vision of One Astellas. The introduction and company-wide deployment of the Organizational Values & Behaviors is one of our performance goals for FY2025, and a matter of top priority for Astellas' CxOs (Top Management) and Functional Unit heads. We have placed VALUE for patients at the center of this framework, as a starting point from which to pursue "Integrity" first, followed by "Innovation" and then "Impact." I believe that ethics and compliance are now all the more important as we foster a culture of pursuing high performance. We retain an unwavering commitment to engage with patients, and to that end intend to continue to prioritize compliance.

These refreshed Values and Behaviors are not led by our HR division. Rather, they address the aforementioned needs of the business frontline, also reflecting our CxOs' view that this kind of approach is needed as Astellas transitions to a patient axis organization. Of note, no external consultants were involved in formulating this code, which evolved out of more than a year of discussion between our CxOs, Functional Unit heads, and project team members. Imbued with a strong sense of ownership, our frontline CxOs and senior leaders are now engaged in deploying the Values and Behaviors across the company. We have already made solid progress in informing teams in various locations about our approach, which is seamlessly

People Strategy

Interview with Chief People Officer

becoming part of our DNA. We also used the Organizational Values & Behaviors as evaluation criteria when setting performance targets for FY2025, and the new guidelines also will serve as evaluation criteria for all awards offered across every Function and every region, as well as for personnel recruitment and training.

Q. In terms of progress toward Organizational Health Goals, please tell us about Astellas' achievements to date and plans for future undertakings.

A. We expect the Organizational Health Goals (OHGs) to play a key role in achieving our business objectives. Through the various initiatives involving our OHGs, we will work together as One Astellas to deliver even greater business results.

For Astellas, these OHGs are not independent goals to be achieved on a stand-alone basis. Rather, we expect the OHGs to play an important role in the pursuit of our business objectives. If asked to identify one benefit so far from the introduction of the OHGs, I would note an increase in the company performance index from 87% in FY2023 to 162% in FY2024 (driven by growth in sales and profits), and an associated increase in the value of bonuses paid to employees.

Conversely, the engagement score, an important performance indicator toward our business objectives, unfortunately decreased slightly between FY2023 and FY2024. I believe that this stems partly from insufficient communication to frontline employees in certain regions and teams about the various changes accompanying our large-scale reforms. In addition to implementing "Ask Me Anything" sessions with senior leaders, CxOs—including myself—have been visiting more affiliates and regions than ever before, as we seek to further engage with employees. We will continue striving for a good balance between remote and face-to-face communication in pursuit of overall improvement in the quality and quantity of our communication. In order to raise our engagement score, I believe that it is also important to enhance the working environment, including our employee benefits. Astellas has now developed a corporate culture in which men taking parental leave is accepted as a matter of course. We are now recognized annually by external entities as an excellent company in Japan's wellbeing space, and we remain committed to improve in this area.

Aside from enacting these engagement-enhancing measures, we are working to brand ourselves externally as a great place to work, guided by the aforementioned values and behaviors. We aim to become an "Employer of Choice: A company that is chosen by its current and future employees," and to that end, we engage in frequent discussions on how to achieve that goal. Through initiatives such as these, we seek to strengthen our unity as One Astellas to ensure a continuous contribution to overall business results.

In our future HR policies, we will focus on enhancing succession planning and promoting in-house talent, as well as maximizing opportunities for professional growth. As our succession planning improves, we will transition from a policy of proactively recruiting external talent to one built on nurturing in-house talent over the medium and long term. When it comes to the placement of talent, we are shifting from a job-based approach of "putting the right person in the right places at the right time" (in the sense of filling existing positions with personnel showing the necessary abilities), to one of "finding the right places for the right people at the right time". This involves deliberately assigning employees challenging roles with a view to nurturing their talent, even if they currently lack the skillset needed. In line with this, we are also conducting a partial review of job grades, salaries, and performance target-setting.



[Special Feature 1] Dialogue: Astellas' Transformation —Impact created by Next Generation Leaders—



* This dialogue was conducted on May 21, 2025

Name	Introduction of participants
01 Katsuyoshi Sugita (CPO)	Kats joined Astellas as Head of Human Resources in May 2021. In October 2022, he assumed the position of Senior Corporate Executive (Senmu Tantou-Yakuin), Chief People Officer and Chief Ethics & Compliance Officer (CPO & CECO), and Representative Director, Executive Vice President. Since April 2025, he has been taking responsibility as Representative Director, Executive Vice President, CPO.
02 Akihito Nakahara	Aki leads the Financial Planning and Analysis Center of Excellence team, providing globally standardized financial reports to business stakeholders and finance business partners and managing a managerial accounting-related system. The team also support the overall financial planning process led by the Enterprise Planning and Control team.
03 Michael Senical	As part of the US Commercial Functional unit, Mike serves as Strategy Lead for VEOZAH. The role involves determining how to sustain both near- and long-term growth for VEOZAH in the US while ensuring day-to-day operational excellence for the brand.
04 Qi Feng	A member of the DigitalX organization, Qi leads a cross-functional hub that delivers digital capabilities across the entire R&D organization. The hub brings together teams from Digital X and the broader R&D organization, working together to manage a range of technology and digital solutions, supporting the entire lifecycle of asset development.
05 Heather Halem	A member of the research and development strategy team under the new R&D joint division. The team develops holistic strategies for R&D.



Kats: All of you recently took part in the Next Gen Leadership program, an internally driven program focused on solving complex business challenges through innovation and team collaboration. Can you briefly describe the kinds of projects you worked on in the program?



Mike: The proposal I was involved in centered around the business challenge of expanding access to our medicines, so that we can drive company value.



Heather: Our challenge was to come up with a way to make drugs to treat rare diseases part of the Astellas pipeline and to generate better value out of that. We ended up making a proposal for a more commercially viable rare disease business.



Qi: Aki and I were on the same project team. Our challenge was to look at the operating model, especially from proof of concept to product reimbursement and commercialization, to see how we can deliver more value to patients and society. As we went along, we realized that we actually need to expand all the way up to the drug discovery phase. We looked at the entire R&D lifecycle, and came up with suggestions on how to improve the operating model.

Even though our proposal as a whole didn't officially get accepted, it was good to see that management put some of our recommendations in place—actually, I think our recommendations aligned with things the CxOs were already doing to address known challenges and with where the company was going.



Kats: Thank you. By the way, the CxOs were all pleased with your final proposals. I'd like to ask you to share your key learnings from taking part in your Next Gen Program project.



Heather: Apart from what we learned about the project itself, I gained a better appreciation not only of everybody else's function within Astellas but also of the diversity of our backgrounds. Although not all of us work directly in the area of rare diseases, for example, we all had some piece in our background that led us to be part of that particular project. It was interesting how well the team started to work together by letting each person be the expert in their area. I think, because we jelled so well and had different areas of expertise, this led to the success of our general proposal for innovative ways of solving the problem.

Because of that, now when I go around Astellas and talk to different people, I am much more cognizant of asking not just about what the person is doing today but where they've been and how that experience drives what they do. So often, the other person has expertise that I don't know about.



Kats: I agree. We often talk about diversity and inclusion in terms of certain categories, but I think diversity of opinions and backgrounds is also really important.



Aki: If I could add to that, I felt that the flip side to having a variety of backgrounds was the fact that many of Astellas' leaders were on the same page when it comes to company-wide issues. As Qi mentioned, our project team changed the scope of our challenge—in discussions, we realized that issues in the operating model are not

Special Feature 1

Dialogue: Astellas' Transformation

—Impact created by Next Generation Leaders—

limited to the journey after the proof of concept stage. The reason we could agree on this change is that we had similar thoughts about the issues Astellas is facing.

The other key learning for me was the need for a champion. We knew we had to agree on a revised problem statement for our project. Because of the variety of backgrounds in the team, there were sometimes differences of opinion and in solutions people put forward. Reaching full agreement was not always easy. Nick, the CxO lead for our project, suggested that we select and define a champion to be the final decision-maker. Doing this allowed us to have more productive discussions in a timely manner, providing value for our outcome.

I came away thinking that, in my actual work, in case I'm the final decision-maker, I need to make decisions quickly because that is helpful for all the team members.



Kats: That's an interesting point. We don't need to be overly consensus-driven, and there should always be people who are accountable for making decisions in their own areas. Qi, what was your key learning in the program?



Qi: What opened my eyes from this experience was the level of engagement I got from the different leaders across the company. To really understand our challenge and identify opportunities, we had to reach out to a lot of people in the organization, specifically in R&D. Everyone we reached out to was very open-minded, making an effort to talk with us, even coming to our team huddles to share suggestions and insights. I feel the relationships I built with these leaders and with my team members are really valuable in my current role. So, it didn't just help me understand the challenges facing Astellas but also gave me confidence that there are strong leaders in the company who are ready to support us.



Mike: I agree with what my colleagues have said so far. I took away a few things. A broader network exposed me to a lot of colleagues in different parts of the organization that I hadn't worked too much with, so a key learning was how the broader enterprise works. I also gained a better understanding of enterprise thinking beyond the world I live in, and how that connects to the broader enterprise.

I believe the most important learning for me was the value of unique perspectives. Aki and Heather mentioned this already, but just to give an example: Our initial team meetings were probably some of the most heated that I've ever been in at Astellas. It was uncomfortable, and unusual to have those types of discussions. But I think it helped us develop respect for one another and achieve a working style where it was okay to challenge one another in a respectful way to produce a better end result.



Heather: I had a similar experience in my team. We had a lot of different perspectives, but what made it work was that we were okay with disagreeing—the consensus culture you pointed out, Kats, was not what happened during this program. We all had to struggle and argue about what we were doing and what the final alignment would be. There was no single decision-maker. Ultimately, we all brought our own expertise, and we sought to argue and defend our thinking. A lot of us even changed our minds after hearing perspectives from people from areas we don't normally work in. And I think we ended up in a much better place because we were open to being challenged.



Kats: I heard similar feedback from other people. The experience was not always comfortable, but I think it was a good opportunity for personal and leadership growth. Seeing heated discussions as okay is also a good change in our corporate culture. We want to see more healthy debate in Astellas—debate that is respectful, of course.
Were there any surprises in the program or with your teams?



Qi: We had a team member who dropped out mid-way. That was a surprise, but we understood that the person had a different assignment that was very demanding. We just had to adjust and move on.



Kats: I actually expected several dropouts from this program, because we drew together the "best of the best" talent this time—and such talent is always in high demand, asked to take on more work or new or difficult work. Maintaining a workload balance can be a real challenge.



Mike: I personally felt that pressure. I was running the product business in the US while taking part in the program, and a lot of events occurred that pulled my attention in other directions. For me, the biggest surprise was more process-related. Once we had the kickoff and formed the team, we quickly realized it was up to us to decide which direction to go, and how we wanted to manage the project. No one came in to schedule meetings for us or tell us what we needed to accomplish next. It was like a nine-month blank sheet of paper, for us to figure out and prepare for the final outcome. That was a little confusing at the start but, in retrospect, I feel like that was part of the development: As leaders, it was up to us to decide our approach to the project. We needed to ask the right questions to the right people to get clarity, but it was on us to drive the project forward.



Kats: One surprise for me was that some teams came to us asking for the information they needed to make appropriate proposals to the management team, such as the company-wide financial situation or information on corporate-wide strategy. This came from the team side rather than, say, a program coordinator or senior leaders providing information they thought was important. I think this also reflects a kind of change in the corporate culture.



Heather: Yes, I think if you don't have the information you need to get the task done, you need to speak up and say, "help us so that we can give you the right answer." Our team initially went out and interviewed lots of people. While many of them were happy to talk to us, some people were anxious about speaking to our team about corporate strategy. We needed information that was not necessarily easy to share. But we formed a close relationship with Adam, our team sponsor, and he helped us smooth over some of the ruffled feathers. We eventually got a lot of participation, including feedback from Naoki, the CEO, and Claus, the Chief Commercial and Medical Affairs Officer. That was very valuable, giving us perspectives and suggestions that helped to shape our final presentation.



Kats: Aki, did you want to add something?



Aki: I was surprised by the number of people assessing our presentation. We thought the final decision-maker might be the CxO. When the CEO provided the insights of the presentation style at a presentation lecture session, we still thought the CxO would be doing the assessment. So, we were surprised to find out that a lot of stakeholders

Special Feature 1

Dialogue: Astellas' Transformation

—Impact created by Next Generation Leaders—

would be evaluating our presentation. But that made us think more broadly about the message and style of our presentation—speaking not just to Astellas management but to a wider audience that might not understand as well the story we presented.



Kats: You point to a key area where we can still work on Astellas' corporate culture change. Though many people in Astellas often respect CxO's decisions, I believe that people should be encouraged to make more decisions by themselves. This is because they know the field and their projects much better than CxOs.

In the end, people have to take ownership for their own projects, deciding for themselves how to accept and adapt suggestions from the top in ways that make sense in their context.

The last thing I wanted to ask is, did you notice any changes before and after taking part in the program, such as in your leadership style or your engagement level with the company?



Heather: I noticed two things. One was, coming from the research and science side, I developed a better appreciation for the commercial side of things, which I find difficult to understand. Not simply in terms of the need to have value and sell products. But, actually, how do you decide what an asset is worth? How do you weigh the pros and cons of going through with a business development deal and how do you build value? I didn't really appreciate a lot of those issues before.

Two of our team members spent a long time working on the commercial model for our proposal. Although I didn't do that part of the proposal, watching them work on it gave me a better appreciation for what goes into creating these models and the information that is needed. In general, I think it's vital to try to understand the parts of the business you don't normally do—people on the commercial side understanding more about the science side and vice versa. That kind of cross-pollination is often hard to do in your daily role, but it's really important.

The other thing I noticed is my desire to appreciate other people's perspectives and support a culture of challenge. Before coming to Astellas, I worked for a smaller company where people were comfortable constructively challenging each other. I think it's important to stress that, in Astellas, it's okay for people to disagree and it's okay to have strong views, but that you also have to take other people's views into account. That's something I will try to take forward.



Aki: My point relates somewhat to what Heather said. One aspect of leadership style I always have in mind is active communication. My thinking about this didn't change during the Next-Gen program but was very enhanced by the relationships I formed there. In team discussions, I realized there might be several topics that I hadn't yet been clear about and that other members were not familiar with. So, I tried to comment on those, aiming to put forward my thinking and get my comment on the discussion wall.

Also, many of the subject matter experts provided additional thoughts and insights from their point of view. This reminded me that getting solid, up-to-date information correctly requires active communication.

In terms of my engagement level, as Qi touched on earlier, although our proposal wasn't accepted, much of what we were talking about has actually already been implemented—such as elements in Organizational Values and Behaviors which are Innovation, Sense of Urgency, Outcome Focus as well as Patient Axis concept with VALUE Creation and Delivery.

So, the fact that there was not a gap between our discussions and considerations and the thinking of the CxOs motivated me to get further clarity about the direction of Astellas, where we would like to go and how to get there.



Qi: What I learned from this experience is the need to trust your peers, and especially peers who have demonstrated leadership and have expertise in their domains. Towards the end, our team members were all really busy, and we didn't rehearse our presentation until we were on site, maybe once? But I think we did well with the actual presentation. That surprised me, because I'm a very detail-oriented person and I typically want to prepare for every single thing, especially at a big event like this one. What I learned is, people with expertise know what they're doing, and you have to trust them. I'm doing that now with the hub I lead, which is huge and involves teams from many different domains. They all bring different expertise, so I have to trust and empower them, only jumping in when I am needed to provide support. Otherwise, I give them the freedom to run with what they're good at.



Mike: I agree with what the other teams have said so far. I would add that the change for me is greater confidence that, regardless of what the challenge or problem is or the complexity involved, it can be figured out. Astellas has many intelligent, collaborative people to help inform that solution.

The other thing that changed as a result of the program is that I make sure to ask more thoughtful questions. The expertise is out there. You just have to find the right way to tap into it and frame your thoughts in the right way that will elicit the response that will help you move forward.



Kats: Thank you all. I want to make three points about the Next-Gen program in closing. The first is how different this program was from a typical executive leader development or high potential development type approach. For one thing, we didn't use external professionals. Companies usually call in management consultants or professors from leading business schools to take part in development programs. We did everything ourselves. It was not a cost issue, but because we wanted to make the program highly business-oriented, practical, something that would demand real ownership and accountability.

The second thing I realized is the importance of selecting participants of a high caliber. Without high-caliber individuals, nothing will happen. By a high-caliber individual, I mean not only capabilities, expertise, or a track record, but also strong leadership behavior and management communication styles. I had one-on-one talks with all the program participants on several occasions, and my sense was that you already represented the new values and behaviors Astellas announced in April—courage, a sense of urgency, working together as One Astellas, a focus on outcomes, accountability—even though we didn't have those criteria when we selected candidates for the program. Having leaders who are aligned with our new values and behaviors will enable us to change the corporate culture going forward.

Finally, down the road, I would like to see many of you take on even more significant roles in Astellas, positions where you can fully live up to your potential.

People Strategy

People and Organization for Innovation

Overview of People Strategy

To realize our VISION, the ability of people to drive our business forward is absolutely critical. Astellas positions investment in human resources as an important factor in shaping the future of the organization, in addition to strengthening its ability to execute today, and is continuously implementing these investments from a short-, medium-, and long-term perspective. As a result of our efforts focused on realizing Organizational Health Goals at a global level and implementing a variety of results-oriented, innovation-driven changes, the foundation for spontaneous, bold challenges and innovation has been steadily built. In order to make the organization self-driven by landing change on individuals, the HR division implements "HR Priority Initiatives," fostering a culture of pursuing high performance and supporting individuals to exercise enterprise thought leadership. By doing so, we aim to achieve our Organizational Health Goals and ultimately realize our VISION, and work toward sustainable organizational growth.

Realize our VISION

Outcomes (Achievement of SDPIs)

Business Impact

- **Creating Innovation**
- **Talent Acquisition and Development based on Corporate Strategy**
- **Unleashing Talent Potential and Retention**

Identify Issues

CSP2021

The Organizational Health Goals

1. Brave ideas pursue ambitious outcomes
2. Talent and leadership thrives
3. We excel as One Astellas

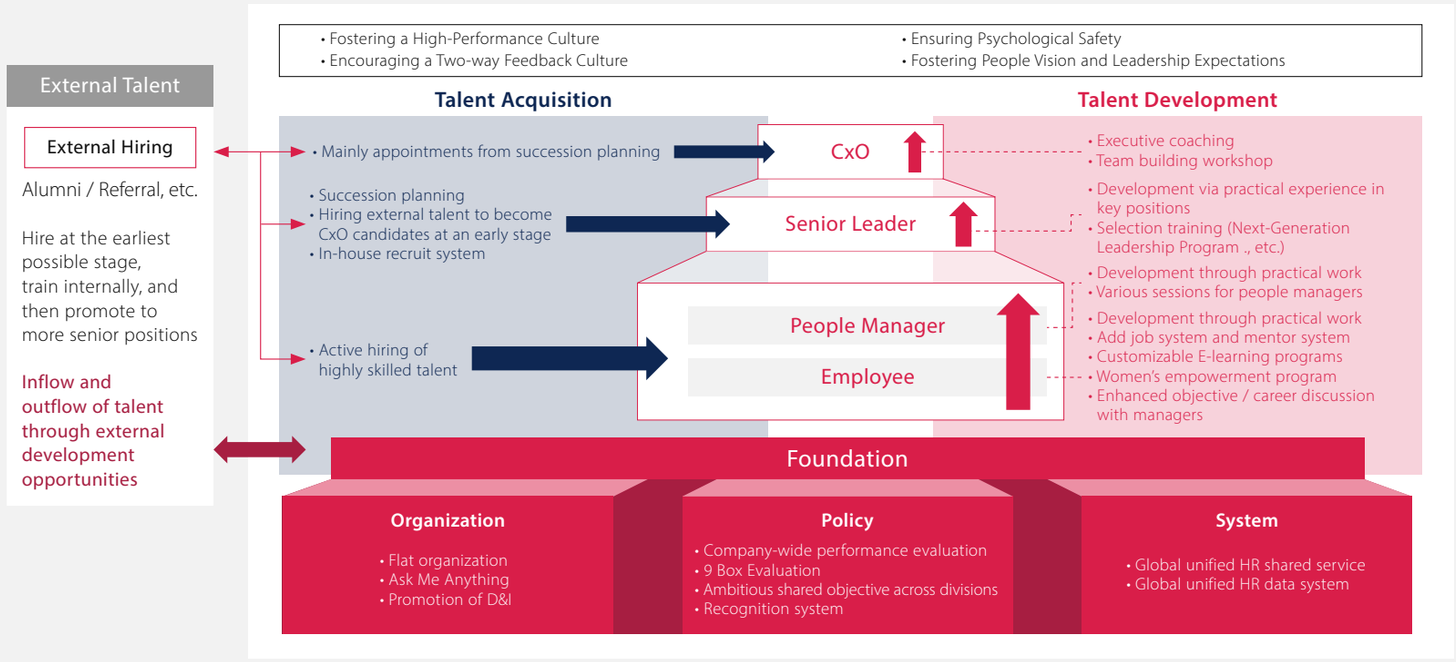
The Organizational Health Goals (OHGs) are a set of goals established in CSP2021 to improve Astellas' ability to execute by building a company culture that seeks to realize ambitious goals through driving innovation, advancing our talent and leadership development, and fostering collaboration. In developing these goals, we interviewed local employees and leaders around the world to thoroughly identify factors that inhibit innovation.

Priorities of Astellas HR

1. Organizational culture / mindset transformation
2. Developing global HR policies that support our people and organization
3. Transforming the organization into an innovation engine

Measures to Generate Outcomes

Regarding people to drive our business forward, we are strengthening our talent pipeline while maintaining fluidity by hiring mainly high-level personnel, both internally and externally, to ensure the optimal placement of talents based on the concept of "the right person in the right place at the right time." In talent development, in addition to training, we support employees' autonomy to think about their careers on their own through practical work experience. We are continuously strengthening the foundation of our organization, policies, and systems so that our employees can work with integrity, vitality and enthusiasm consistent with our organizational values.



People Strategy

People and Organization for Innovation

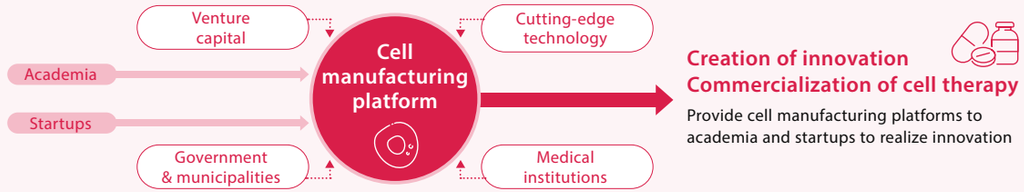
Generating Outcomes: Business Impact of Efforts to Achieve OHG

TOPIC Creating Innovation

Toward Realization of a Next-Generation Cell Therapy Manufacturing Platform

Astellas seeks to foster innovation through efforts to achieve Organizational Health Goals. As one such initiative, in FY2024 we established a joint venture with Yaskawa Electric Corporation to develop a cell therapy product manufacturing platform utilizing robotics. This joint venture will leverage Astellas' expertise in R&D and manufacturing for cell therapy, and Yaskawa Electric's general-purpose humanoid robot, Maholo, in building a new cell therapy manufacturing platform. In doing so, we aim to address some long-standing challenges to commercialization of cell therapy, including manufacturing accuracy and reproducibility and the time and cost investments required for technology transfers. We also seek to create a highly diverse cell therapy ecosystem that brings together not only organizations (governments and municipalities as well as medical institutions), but also venture capital and cutting-edge technology, thereby accelerating innovation on the part of academia and startups.

Creating a cell therapy ecosystem



Creation of innovation
Commercialization of cell therapy

Provide cell manufacturing platforms to academia and startups to realize innovation

VOICE Message from the Person in Charge

This joint venture arose from the cooperative relationship that Astellas and Yaskawa Electric have built up over several years. We started using Maholo in our drug discovery research in 2017, becoming one of the first Japanese pharmaceutical companies to incorporate robotics technology into our business. Initially, we restricted use of Maholo to drug discovery research, but as the business evolved, we began to consider adapting it for use in cell therapy manufacturing technology research. We initiated discussions spearheaded by the Technology & Manufacturing (T&M) team, which is engaged in CMC* development, and after repeated negotiations we were able to realize this joint venture with Yaskawa Electric.

We expect this combination of Yaskawa Electric's manufacturing technology and Astellas' expertise in cell therapy to result in the development of transformative products. We seek to foster innovation by providing a platform that brings together cutting-edge technology and venture capital to address the technical and financial challenges faced by academia and startups with their groundbreaking medical seeds.

The success of this new experiment stems from Astellas' corporate culture of contributing to innovation. This has been a "super bottom-up" project, in which people at the front line have acted autonomously without clear direction from specific project owners, and with specific methods and goals in mind. In the process, we sought cooperation from various related departments, but the idea that innovative challenges have value in themselves has taken root across the company, enabling us to rapidly realize the challenge of establishing a joint venture.

Our goal for now is to advance this project and accelerate collaboration within Japan. In the future, though, we aim to further expand our cell therapy manufacturing platform and roll it out globally. This project is at the cutting edge of a phenomenon in which autonomous driving and other forms of physical AI are changing the world thanks to ongoing advances in fusing manufacturing and AI technology. We aim to make the most of this opportunity and to have our name go down in the annals of technological innovation.

* CMC: Chemistry, Manufacturing and Controls



Hideto Yamaguchi
Cellafa Bioscience Inc.
President & CEO



Atsushi Inoue
Cellafa Bioscience Inc.
Head of Digital Process Innovation

Next Generation Leadership Program

Talent Acquisition and Development based on Corporate Strategy

As a global next-generation leadership initiative, the Next Generation Leadership Program was launched in 2024 to shape the future of Astellas. This hands-on program is designed to identify and address strategic business opportunities critical to Astellas' success. Participants dedicate six months to exploring innovative solutions. Each cohort of the program brings together 40-50 high potential successors for senior leadership roles. With the support of in-house experts and program sponsors, participants will develop their ability to become the next generation of leaders by leveraging new perspectives, creativity, and cutting-edge knowledge.

The challenges participants explore include strategic priorities across Astellas' core and emerging business areas, focusing on long-term value creation, patient access, innovative market opportunities, and sustainable business models.

VOICE

In Astellas, we believe that leaders and their capabilities are the keystone of the organization. The Next Gen program is an excellent opportunity to develop future senior leaders and harness the wisdom of the top talent in the company. The program is entirely planned and operated in-house, allowing us to establish what is truly necessary for Astellas' business success and to address current challenges. The insights and solutions developed through the program will influence real business decisions and drive strategic progress. Furthermore, the cross-country and cross-sectoral networks formed through the program will be sustainable for everyone's business after completion of the program. Not only the participants, but also the sponsoring CxOs are committed to the program at a high level during the six-month period. In FY2025, new participants from over the world have started to work on challenges different from the last year, and alumni from the previous program will support each team as thought partners. We hope that great ideas for beyond CSP2021 will come up from this program.



Connie Gonzalez
Talent Development Lead

People Strategy

People and Organization for Innovation

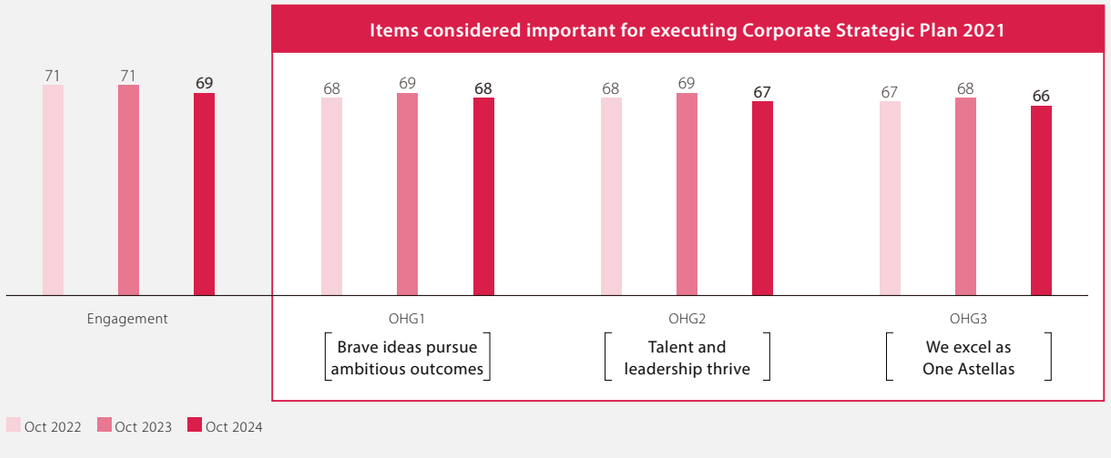
Global Engagement Survey

Once a year, Astellas measures the engagement of employees globally to identify areas of improvement for the organization. We visualize scores for each question, analyze by Organizational Health Goals (OHGs) categories, and analyze trends in comments using AI to simultaneously capture organizational strengths and areas for improvement.

Engagement score: 69 (–2)

Response rate: 82% (–2)
Items that have shown improvement: 7 (16%)

Number of comments: 22,885



Analysis of results from FY2024 survey

The October 2024 survey results showed an engagement score of 69. Despite steady improvement until then, the engagement score* was down 2 points compared to FY2023, due in part to a series of major organizational and institutional changes. We understand the most critical issue that needs to be addressed is the "Change Communication" (communication about transformation) score newly introduced in this survey, and we will take steps to improve this score. Regarding areas identified for improvement in FY2023—compensation based on results (pay for performance) and action taking—we implemented measures in FY2024 and plan to continue these efforts going forward. On the other hand, questions related to job satisfaction, implementing innovation, and direct supervisors showed scores that either increased or remained at high levels. Recognizing these as strengths of the Company, we will work to further enhance these areas.

* The engagement score is calculated based on the scores of two specific items from all questions.

Actions Addressing Issues Highlighted by the FY2023 and FY2024 Global Engagement Surveys

Action 1 Compensation Based on Results (Pay for Performance)

We addressed the ongoing issue of compensation based on results (pay for performance), which has consistently been raised in past surveys, by improving the year-end evaluation process. We made the input fields in the goal-setting and evaluation tool simpler and more flexible. We also made changes to the process for evaluating individuals between multiple managers, shifting responsibility from the HR division to the leaders of each organization. We have also bolstered training to improve communication between managers and employees regarding evaluations and feedback. These changes aim to achieve a more substantive and clearly differentiated method of evaluating performance, and seek to reward employees who deliver strong results while enabling more constructive dialogue and growth in areas needing improvement.

Action 2 Action Taking

Following the FY2024 survey, we formed an organization-wide task force to dig deeper into the results of our analysis and to take more aggressive action. Drawing on technology to analyze a vast amount of feedback, we identified managerial leadership as a key factor influencing engagement. Based on these findings, we are prioritizing leadership development for managers. Moving forward, we will take steps to increase engagement globally, while simultaneously enhancing initiatives tailored to each region's specific circumstances and characteristics.

Action 3 "Change Communication" (Communication about Transformation)

Centered on the aforementioned task force, we are prioritizing initiatives focused on enhancing managers' communication skills. Specifically, we have conducted ongoing interviews with managers who have demonstrated outstanding results in terms of influence and engagement, and shared their success stories with other managers. We also implemented a company-wide survey based on our Organizational Values & Behaviors to strengthen active listening toward employees. Moving forward, we plan to roll out change management training.
Our top priority with regard to employees is to clearly and carefully communicate the intention and content of the transformation we are pursuing in an accessible way. To create regular opportunities for dialogue with employees and gather feedback, we plan to hold group sessions focused on each HR topic of particular interest.

People Strategy

Diversity & Inclusion

Diversity & Inclusion at Astellas

At Astellas, Diversity and Inclusion (D&I) is a part of who we are. It is not just a program or an idea, we live it every day in how we work and how we treat each other. Diversity and Inclusion is not just something that we value – it's how we create and deliver VALUE to patients. A diverse and inclusive workplace is where different types of people feel welcomed. This leads to better and more innovative ideas, stronger teams, and lasting impact.

What we believe:

- We believe that our different backgrounds, ways of thinking and lived experiences help us to fuel scientific innovation and better understand the needs of patients.
- We believe that when people feel included and free to be themselves, they do their best work.
- We believe that fairness matters, so that everyone can work with respect and dignity.

Why does D&I matter to Astellas?

D&I helps us to realize our VISION – "On the forefront of healthcare change to turn innovative science into VALUE for patients" – while building a workplace and world we are proud of.

For Our Patients

We deliver more relevant, meaningful solutions by reflecting the diversity of the people we serve – ensuring we meet real-world needs and experiences.

For Our People

Inclusive environments create the conditions for employees to thrive. When everyone feels seen, heard, and safe to speak up, we unlock deeper collaboration, greater understanding and bold creativity.

For Our Business

Diverse perspectives help us solve complex challenges, make impactful decisions, and innovate faster – giving us greater resilience and delivering stronger performance in a dynamic environment.

For Our Communities

D&I deepens trust and is a key driver of better health for all, allowing us to build authentic relationships and extend our impact beyond the workplace to patients, caregivers, and global communities.

D&I in our culture

Our Organizational Values & Behaviors are the core of our culture. Diversity and Inclusion is deeply connected to our values and everyday behaviors. By embodying a One Astellas mindset, we make effective use of the diverse perspectives, skills, and resources across Astellas to achieve organizational goals and cross-functional objectives.

Integrity: Doing what is right is the foundation of our company.

Doing what's right also means doing what's right for all. We create an environment of fairness and trust – where every individual is treated with respect, has fair access to opportunities, and feels able to speak up and contribute.

For example: Our Astellas Group Code of Conduct (The Code) sets out our commitment to each other, our patients and our business partners. The Code binds us as a community and embodies our ongoing commitment to making the right choices and taking the right actions.

The Astellas Code Of Conduct
https://www.astellas.com/content/dam/astellas-com/global/en/documents/code-of-conduct/astellas-code-of-conduct-pol-534-v3.pdf

Innovation: Continuously imagining ways to create and deliver VALUE to our patients.

Innovation flourishes when diverse perspectives come together in bold ways. By making the most of strengths and capabilities across our global workforce, we can challenge the status quo and find new ways to deliver VALUE to patients and our stakeholders within the business.

For example: We have introduced an end-to-end Asset Maximization Team to collaborate across an asset's life cycle, using agile cross-functional teams to deliver innovative science into VALUE for patients. P.03

Impact: Taking purpose-driven action to bring VALUE to patients.

We have the greatest impact when we include different voices and embrace diverse ways of thinking. This enables us to make purpose-driven decisions and deliver powerful solutions that matter most to our patients.

For example: We lead patient and healthcare insight-driven projects that bring together multidisciplinary stakeholders to gather varied perspectives to align on solutions that enhance patient support, experience, and outcomes in specific therapy areas.

Our commitment

D&I continues to be a priority for us, and we will move forward – guided by fairness, inclusion, and respect for the local laws around the world.





Commercial Strategy

Status of Strategic Brands

Sales of Strategic Brands and future growth drivers, namely PADCEV, IZERVAY, VEOZAH, VYLOY, and XOSPATA more than doubled to approach JPY340 billion in total with a growth of about JPY180 billion (+110% YoY). Due to high profitability of these brands, they not only contributed to revenue, but also played a major role in driving the overall profit growth on a consolidated basis as well.

(billion yen)	FY2024 Act	YoY	FY2025 Initial Forecast*1	YoY (vs. FY2024)	
Strategic Brands Total	336.4	+176.5 (+110%)	**470.0**	**+133.6** (+40%)	• Delivered over 2x growth YoY, demonstrating substantial growth • Strategic Brands' profitability played a major role in driving overall profit growth • Robust growth to continue in FY2025 (underlying growth excl. FX impact: +50% YoY) • IZERVAY, PADCEV, and VYLOY to be key drivers
PADCEV (enfortumab vedotin) Potential Peak Sales*2 (Global) 400 – 500 billion yen	164.1	+78.7 (+92%)	**200.0**	**+35.9** (+22%)	• Increase in 1L mUC*3 approval countries, with rapid market penetration in each region • Continued strong global sales growth anticipated in FY2025 • Substantial growth from ex-US markets driven by 1L mUC approvals
IZERVAY (avacincaptad pegol) → Please refer to the feature section on the next page. Potential Peak Sales (US alone) 200 – 400 billion yen	58.3	+46.2 (+381%)	**105.0**	**+46.7** (+80%)	• #1 chosen treatment for new patient starts since Q2/FY2024 • Returned to growth trajectory following the US label update, raising prospects for a strong outlook • Transition from upfront investment phase to profit generating phase
VEOZAH (fezolinetant) Potential Peak Sales (Global) 150 – 250 billion yen	33.8	+26.5 (+364%)	**50.0**	**+16.2** (+48%)	• Solid global sales growth, led by the US with contributions from EST*4 and INT*5 • Alongside steady growth in launched markets, anticipate contribution from new launches in EST and INT
VYLOY (zolbetuximab) Potential Peak Sales (Global) 100 – 200 billion yen	12.2	+12.2	**40.0**	**+27.8** (+228%)	• Global growth exceeded expectations, starting with Japan launch in June 2024 • Significant sales growth expected, driven primarily by the US and Japan • Sales contribution from China expected as well
XOSPATA (gilteritinib) Potential Peak Sales (Global) 100 – 200 billion yen	68.0	+12.9 (+23%)	**75.0**	**+7.0** (+10%)	• Steady global sales growth • Strong market share maintained in current indication setting • Continued steady growth anticipated in launched markets in FY2025 • Next potential growth driver anticipated to be additional indication of newly diagnosed AML (PASHA study), contribution expected from FY2026 onwards post-approval
XTANDI (enzalutamide)	912.3	+161.8 (+22%)	**868.0**	**-44.3** (-5%)	• Global sales reached projected peak level • Global sales expected to be the similar level YoY (excl. FX impact), with growth of ex-US markets mitigating the negative impact of U.S. Medicare Part D redesign

*1 Disclosed in Apr 2025 *2 Disclosed as "in-market sales," not Astellas revenue. Sales for Americas are calculated based on the sales booked by Pfizer *3 1L: First line, mUC: Metastatic urothelial cancer *4 EST (Established Markets): Europe, Canada, etc. *5 INT (International Markets): Latin America, Middle East, Africa, Southeast Asia, South Asia, Russia, Taiwan, Korea, Australia, etc. *6 Only indications undergoing pivotal studies are included for projection (as of Jul 2025)

Commercial Strategy

Special Feature 2 The Growth Potential of IZERVAY

* Please note that this special feature article outlines commercial strategies in the United States as of July 2025 and does not pertain to the Japanese market.

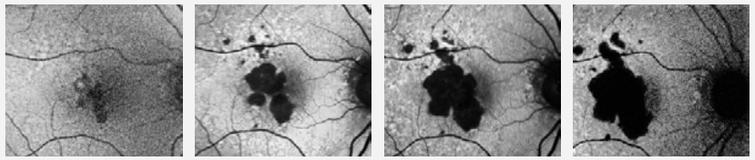
What is Geographic Atrophy (GA)?

Geographic Atrophy, the most advanced form of dry age-related macular degeneration (AMD), is a serious, progressive disease that leads to irreversible loss of vision, up to and including blindness. GA leads to the degeneration of retinal cells, a process referred to as atrophy, resulting in patches of cell death known as lesions, which ultimately contribute to vision impairment (as illustrated in the images below).

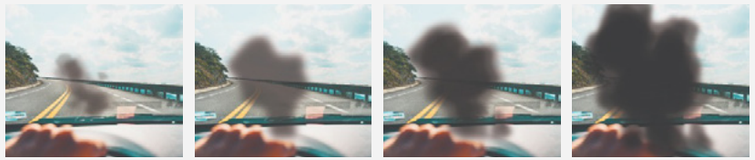
Symptoms of GA are often subtle and can be different for every patient. A patient may experience no recognizable changes in their vision, see straight lines that look wavy, have difficulty seeing in low light or at night, or notice blurry spots in their vision. Even when symptoms seem mild, GA is a progressive and serious condition that can lead to severe vision impairment. The rate of progression and its impact vary from patient to patient.

As the disease worsens, changes in visual function may lead patients to experience loss of independence and interfere with their ability to continue everyday routines and activities like reading. For example, 67 percent of people with GA[*3, *4] in both eyes lost the ability to drive in 1.6 years[*1] and 50 percent of people with GA lost two lines of vision on an eye chart within two years[*2].

What may be happening to the retina



What may be happening to your patient's vision



Representation of vision loss for illustrative purposes only.

*1 Analysis of EMR database in the United Kingdom, including 1,901 patients with bilateral GA (GA in both eyes). 1.6 years represents the median (0.7-2.7 years).
*2 Analysis conducted in the United Kingdom with 2,006 patients with bilateral GA.

Potential Patient Population

Despite the availability of therapies, market research has shown only

~15% of diagnosed GA patients are being treated



Approximately 1.5 million patients in the United States are thought to suffer from geographic atrophy, and 1 out of 5 cases of legal blindness in North America is caused by GA[*3, *4]. However, the vast majority of patients remain undiagnosed and even among patients who have been diagnosed with geographic atrophy, market research shows that only 15% are currently receiving treatment. This is due in part to GA being a relatively new therapeutic area for which there were no FDA-approved treatments until two years ago.

While more patients are being diagnosed with GA and are being referred to retina specialists (by ophthalmologists and optometrists) following the availability of FDA-approved therapies, there remains a large unmet need among patients who are strong candidates for treatment.

Why IZERVAY?

IZERVAY (avacincaptad pegol intravitreal solution) is a prescription eye injection, used to treat geographic atrophy (GA), the advanced form of dry age-related macular degeneration (AMD).

Since its approval in 2023 in the U.S., IZERVAY, which was the second FDA-approved GA medication, has quickly emerged as a leading treatment based on a combination of proven effectiveness and a strong safety record. As of July 2025, it is currently the top prescribed treatment for new GA patients[*5].

IZERVAY has a reproducible, statistically significant data set from the GATHER1 and GATHER2 clinical trial program, and is the only agent approved for GA to show statistically significant improvement in both clinical trial program by the end of the first year. In a pooled post hoc analysis of the GATHER trials, slowed lesion growth was seen as early as six months. IZERVAY continued to slow GA lesion growth through 24 months[*6].

IZERVAY's safety profile has also played a crucial role in its growing popularity.

Throughout the extensive GATHER clinical trial program, no cases of retinal vasculitis — a serious condition that can lead to severe vision loss — were reported. Post-marketing safety data for IZERVAY remained largely consistent with the clinical trial findings[*7]. As of June 30, 2025, more than 347,000 vials were distributed[*8]. The label of IZERVAY in the United States (dated February 2025) does not contain specific warnings regarding retinal vasculitis. However, it does include important safety information regarding risks associated with intravitreal administration, such as endophthalmitis, retinal detachment, increased intraocular pressure and neovascular AMD.

IZERVAY's robust efficacy and safety profile make it a popular choice for treating GA among both physicians and patients.

*3 *Ophthalmology*. 2021 Apr; 128 (4): 576-586.
*4 Astellas Pharma US, Inc. Izervay. Data on File.
*5 Based on Symphony data from March 2024 to April 2025. May not represent entire patient population.
*7 The incidence rates and safety profiles observed in clinical trials cannot be directly compared to the number and types of post-marketing reports, as the methods of data collection and populations differ.
*8 Including samples and commercially distributed vials

347K IZERVAY vials distributed (as of June 30, 2025)

No retinal vasculitis cases across GATHER clinical trial program for GA

	GATHER1 (0-12 months)		GATHER2 (0-24 months)	
Adverse events of special interest	IZERVAY (n=67)	Sham (n=110)	IZERVAY (n=225)	Sham (n=222)
Intraocular inflammation (IOI)	1	0	1	0
Endophthalmitis	0	0	1	0
Ischemic optic neuropathy	0	0	0	0
Retinal vasculitis	0	0	0	0

Over 24 months, the rate of neovascular (wet) AMD or choroidal neovascularization in the GATHER2 trial was 12% in the IZERVAY group and 9% in the sham group. The vast majority of choroidal neovascularization was mild or moderate in severity. These events were generally manageable with the established anti-VEGF therapies. As of August 3, 2025, Astellas is aware of one confirmed adverse event report of retinal vasculitis in a patient prescribed IZERVAY outside of its approved indication (Stargardt), and who had first received another complement inhibitor. Additionally, Astellas received an adverse event report involving intraocular inflammation, with possible non-occlusive retinal vasculitis in a patient who received IZERVAY.
These reports are spontaneous and do not establish causality or incidence rates. For further details, please refer to the latest package insert.

Commercial Strategy

Special Feature 2

The Growth Potential of IZERVAY

Measures to Expand and Develop the Market

Educate Retina Specialists

Having consolidated market leadership in the share of new patients with geographic atrophy, Astellas recently invested in expanding its sales force to increase the frequency and breadth of engagements with retina specialists to drive increased penetration of IZERVAY in clinics across the United States.
We have also evolved the commercial strategy to provide enhanced, outcome-driven messaging to support physicians who face the difficult—and often time-consuming task of talking with their patients about the devastating impacts of GA and available treatment options. This messaging, which draws on testimonials from patients who are motivated to try a new treatment and want to start early in slowing the progression of their disease—is driving more meaningful conversations around the benefits of IZERVAY and early treatment.

Educate Patients

Astellas is running a direct-to-consumer campaign in the U.S. to drive awareness of IZERVAY and grow the GA category as a whole. The campaign succinctly educates people on the unpredictable and rapidly progressing nature of GA and introduces IZERVAY as a treatment option to consumer audiences. It has generated more than 2 billion media impressions, more than 2 million qualified visits to the IZERVAY website and achieved high brand awareness retention.
In a recent survey*9, 77% of patients reported that they plan to ask their doctor about IZERVAY at their next appointment.

Educate Upstream

Another focus is on upstream optometrists and ophthalmologists, who play a key role in diagnosing and referring patients to retina specialists for GA treatment. More understanding of geographic atrophy better equips these professionals to detect the condition and help patients who may be early in their GA journey seek care from a specialist. This effort is designed to ensure we provide enhanced engagement across the life cycle of GA management to align with our vision of reaching more patients over the course of time.

*9 Ad Recall Study – March 2025

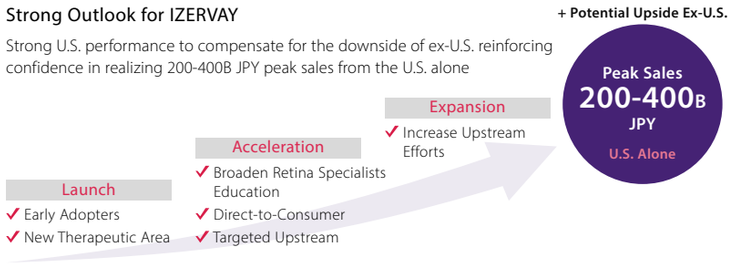
Market Forecast and Outlook for IZERVAY

We foresee IZERVAY making inroads into the market for the treatment of geographic atrophy in three phases as we grow the share of treated patients, while also building the overall market of diagnosed patients.

Today, approximately 15% of patients diagnosed with GA are treated with complement inhibitors, driven by the enthusiasm of cutting-edge, early adopters of new treatment. We estimate the IZERVAY share to be around 45% in the United States by the end of FY2025.

Two years or so down the road, we expect to see an acceleration, with the number of patients treated with complement inhibitors more than doubling. The phase will focus on retina specialists who have been slower to adopt and prefer to wait for treatments to have more time in clinical use before choosing to treat. At this point, we will have crossed the 50% mark in our overall patient share, anticipating that we can maintain the consistent market leadership we have demonstrated since the launch of IZERVAY as we acquire new patients.

At the end of this decade, we expect to shift into an expansion phase. During this phase, we expect about a third of the total patient population for geographic atrophy of 1.5 million to be treated with complement inhibitors. As this takes place, our market share will also increase as we place more emphasis on additional upstream education efforts, including targeting optometrists and ophthalmologists, which we can scale as needed.



We are encouraged by what IZERVAY has achieved in the nearly two years it has been available and we forecast an aggressive, yet achievable ramp-up that reflects our belief in the market, our product profile and a sales trajectory that increases over time as the broader market grows. We estimate the peak forecast to be between ¥200 to ¥400 billion, driven by the U.S. market.

IZERVAY experienced record growth in Q1 of FY2025 and we've only started to scratch the surface of this large, untapped market. Our strategic levers will drive market expansion, and we anticipate a strong sales outlook in the U.S. with potential upside from Ex-U.S. We're extremely confident in our ability to bolster IZERVAY's position as the treatment of choice for GA by both physicians and patients.

Expected Market Evolution*1

	~15% of diagnosed patients treated with Complement Inhibitors (CIs) by cutting-edge, early adopting RS	Percent of treated patients grows to ~25-35%, via expansion to middle adopters	>35% patients treated as result of broader upstream awareness and more patient referrals to RS
			
Key Assumptions			
CI Patients Treated	~170k	~350-400k	>450-550k
IZERVAY Patient Share*2	~45%	~50-55%	~55-60%

*1 Illustrative: Each chart represents growth in number of diagnosed patients, along with increase in percentage treated. *2 Estimated Total Share (New + Continuing Patients), RS=Retina Specialists.

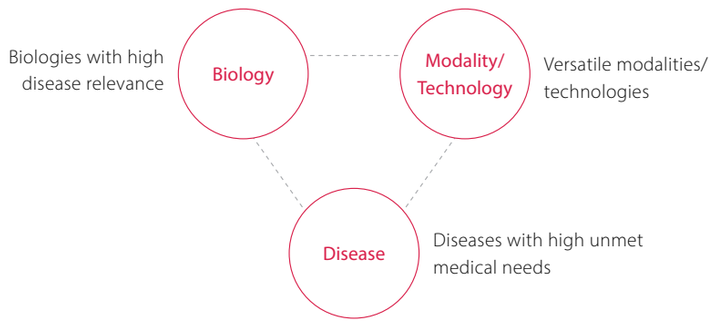
R&D Strategy

Areas of Interest

Within our Focus Area Approach, we are conducting research and development from multiple perspectives, regardless of therapeutic area. Our approach combines three core components:

- We harness an in-depth understanding of disease biology: how diseases originate, develop and thrive in the body. This enables us to identify the most promising mechanisms of action for treatment.
- We use versatile technologies and modalities, innovative therapeutic molecules and delivery methods with unique applications, that allow us to physically reach and interrupt those biological mechanisms efficiently, effectively and safely.
- We select diseases with high unmet needs, those which have few or no current treatments and a significant impact on quality or length of life, that will respond positively to the biology/modality combination. This ensures our efforts deliver meaningful VALUE for the patients that need our help the most.

Primary Focus is a specific focal point within our Focus Area Approach where lead and follow-on programs show a clear R&D path with expected VALUE for patients. We are currently working on four Primary Focuses: Immuno-Oncology, Targeted Protein Degradation, Genetic Regulation, and Blindness & Regeneration as of August 2025.



Overview of Primary Focus
https://www.astellas.com/en/science/research-and-development/primary-focuses

Primary Focus	Biology/Modality/Technology	Program	Mechanism of action	Progress through FY2024 and August 2025
Immuno-Oncology	Checkpoint	ASP1570 ●	DGKζ inhibitor	Phase 1/2 study ongoing
	Bispecific immune cell engager	★ ASP2138 ●	Anti-CLDN18.2 and anti-CD3	Phase 1 study ongoing
		ASP1002 ●	Anti-CLDN4 and anti-CD137	Phase 1 study ongoing
Targeted Protein Degradation	Protein degradation	★ ASP3082 ●	KRAS G12D degrader	Phase 1 study ongoing. PoC in PDAC and NSCLC achieved
		ASP4396 ●	KRAS G12D degrader	Phase 1 study ongoing
		ASP5834 ●	Pan-KRAS degrader	Phase 1 study ongoing FSD in Phase 1 study in August 2025
Genetic Regulation	Gene replacement (AAV)	AT132 ●	MTM1 gene	ASPIRO study put on clinical hold by FDA in Sep 2021
		★ AT845 ●	GAA gene	Phase 1/2 study ongoing RMAT designation granted by FDA in February 2025
Blindness & Regeneration	Cell replacement	★ ASP7317 ●	RPE cells	Phase 1b study ongoing
Others (Non-PF)	Long-acting abiraterone prodrug	ASP5541 (PRL-02) ●	CYP17 lyase inhibitor	Phase 1 study ongoing
	Antibody-drug conjugate (ADC)	ASP546C (XNW27011) ●	ADC targeting CLDN18.2	Phase 3 study initiated in China in G/GEJ cancer
	Immune modulation	ASP5502 ●	STING inhibitor	Phase 1 study ongoing FSD in Phase 1 study in September 2024

Modality ··· ● Small molecule ● Antibody ● Gene ● Cell ★ Flagship program

* DGK: Diacylglycerol kinase, CLDN: Claudin, KRAS: Kirsten rat sarcoma viral oncogene homologue, PoC: Proof of concept, PDAC: Pancreatic ductal adenocarcinoma, NSCLC: Non-small cell lung cancer, AAV: Adeno-associated virus, MTM1: Myotubularin 1, FDA: Food and Drug Administration, GAA: Acid alpha-glucosidase, RPE: Retinal pigment epithelial, G/GEJ: Gastric/gastroesophageal junction, STING: Stimulator of interferon genes, RMAT: Regenerative Medicine Advanced Therapy

Areas of Interest

Major progress up to August 2025

Immuno-Oncology

The Phase I clinical trial of the flagship program, the anti-Claudin 18.2/anti-CD3 bispecific antibody ASP2138, is ongoing, with a Proof of Concept (PoC) judgment anticipated for the first half of FY2025. Additionally, Phase I clinical trials are also in progress for the DGKζ inhibitor ASP1570 and the anti-Claudin 4/anti-CD137 bispecific antibody ASP1002.

*1 PoC: Proof of Concept

Targeted Protein Degradation

The flagship program KRAS*2 G12D degrader ASP3082 achieved PoC for pancreatic ductal adenocarcinoma in FY2024 and for non-small cell lung cancer in the first quarter of FY2025. Additionally, PoC judgment is anticipated for colorectal cancer in the second half of FY2025.

Following the PoC achievement of ASP3082, we are actively advancing the research and development of subsequent programs. As of August 2025, Phase I clinical trials are ongoing for the KRAS G12D degrader ASP4396, which binds to a different E3 ligase from ASP3082, as well as for the pan-KRAS degrader ASP5834, which targets multiple KRAS mutants.

*2 KRAS: Kirsten rat sarcoma viral oncogene homologue

Genetic Regulation

The flagship program AT845 is a recombinant AAV8*3 designed for muscle-specific and sustained expression of the human GAA*4 gene. The Phase I/II FORTIS study in Pompe disease patients is ongoing, with patient enrollment now completed and progressing as planned toward PoC judgment in the second half of FY2025.

Additionally, AT845 received RMAT*5 designation from the U.S. FDA in February 2025, which is expected to provide opportunities for a Priority Review designation and Accelerated Approval in the future.

*3 AAV: Adeno-associated virus
*4 GAA: Acid alpha-glucosidase
*5 RMAT: Regenerative Medicine Advanced Therapy

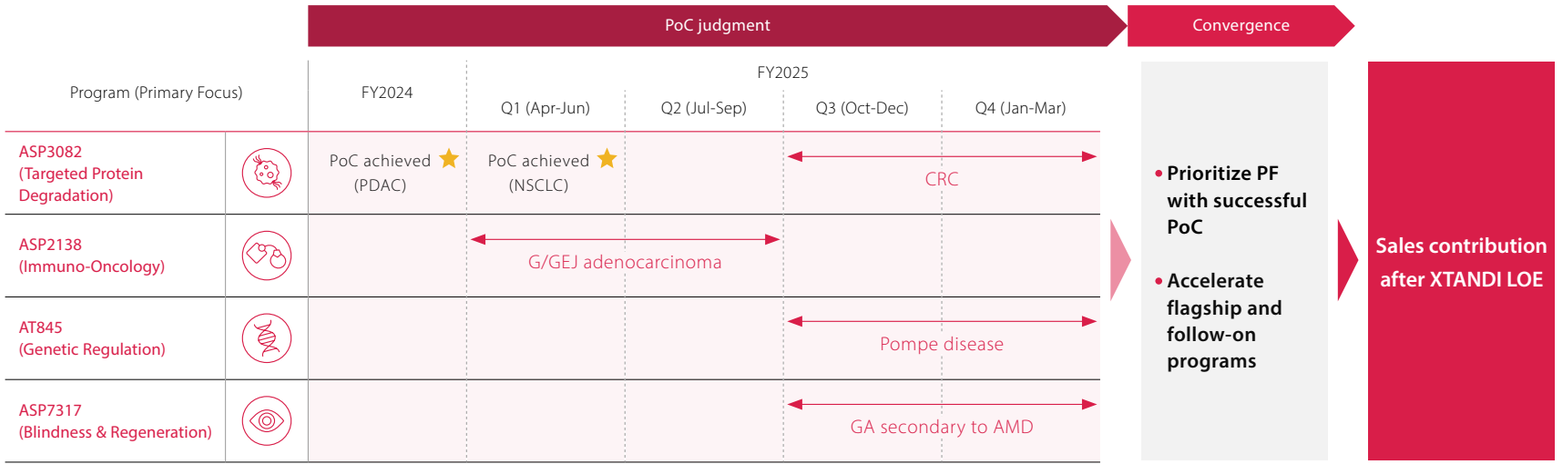
Blindness & Regeneration

The flagship program ASP7317 is a replacement therapy with retinal pigment epithelial cells and its Phase Ib clinical trial in patients with geographic atrophy secondary to age-related macular degeneration is ongoing. Initial data from this study was presented at the Retinal Therapeutics Innovation Summit in May 2025. Patient enrollment is progressing as planned, with PoC judgment anticipated for the second half of FY2025.

Future Outlook of Focus Area Approach

As mentioned earlier, we plan to judge PoC for the flagship programs of each Primary Focus by the end of FY2025. Subsequently, the Focus Area Approach will transition into the convergence phase. Priority will be given to Primary Focus that successfully achieve PoC, with management resources allocated to accelerate the research and development of flagship and follow-up programs, striving to enhance the value of our pipeline.

We anticipate that multiple programs generated from the Focus Area Approach will advance and contribute to revenue growth following the loss of exclusivity for XTANDI, driving sustainable growth for the Company.



PoC: Proof of concept, PDAC: Pancreatic ductal adenocarcinoma, NSCLC: Non-small cell lung cancer, CRC: Colorectal cancer, G/GEJ: Gastric/gastroesophageal junction, GA: Geographic atrophy, AMD: Age-related macular degeneration, PF: Primary Focus, LOE: Loss of exclusivity

R&D Strategy

Special Feature 3

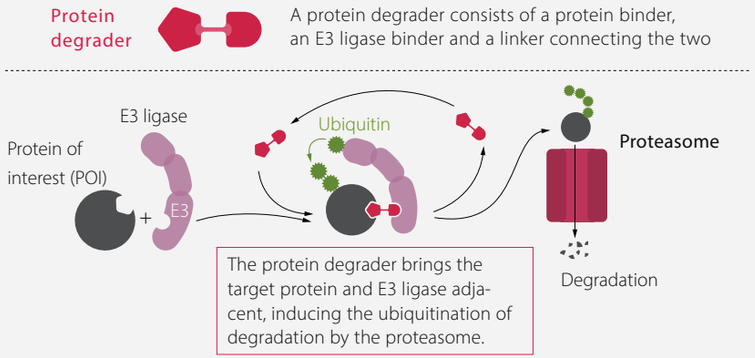
Targeted Protein Degradation

— Novel Drug Discovery Approach to Deliver Innovative Therapies to Patients —

Overview and Advantages of Targeted Protein Degradation

Many serious diseases, such as cancer or central nervous system disorders, are driven by genetic mutations that lead to production of dysfunctional proteins.*1,*2 Most medicines work by binding to disease-related proteins and controlling their function. However, only about 20% of all proteins have the kind of deep "pockets" that allow conventional small molecule medicines to bind. The remaining 80% have more flat, featureless surfaces and therefore cannot be sufficiently controlled by small molecules. As such, these targets have long been considered "undruggable."

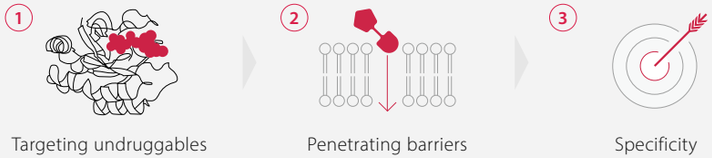
Targeted Protein Degradation (TPD) is a new therapeutic approach to overcome this challenge. This technology utilizes the ubiquitin-proteasome system, a naturally occurring protein disposal process within our cells. A targeted protein degrader is designed to bind to both the disease-causing target protein and an E3 ligase, an enzyme that tags the target protein for degradation. Once the target protein is tagged, the ubiquitin-proteasome system is activated to degrade the disease-causing protein.



Targeted protein degraders have three distinct potential advantages over other modalities, as they may:

1. Be applicable across a broad range of proteins, including currently "undruggable" targets, as a targeted protein degrader does not need a deep binding pocket like conventional small molecules and instead binds to a pocket formed at the interface of the target protein and E3 ligase.
2. Penetrate biological barriers and more deeply into tissues, including solid tumors, due to their relatively smaller molecular size, providing access to targets that larger molecule therapies, such as antibodies, have difficulty reaching.
3. Selectively degrade targets with high specificity due to formation of a precise ternary complex consisting of the target protein, the degrader, and the E3 ligase, reducing potential toxicity.

Advantages of protein degraders



Application to KRAS and Our KRAS Pipeline

Astellas is focused on KRAS*3, a historically "undruggable" target, as the first major target for its TPD technology. Mutations in KRAS proteins are known to drive various forms of cancer,*4 and of the ~1.8 million new cases diagnosed annually in the United States, 210,000 have KRAS mutations.*5,*6 The KRAS G12D mutation, in particular, is found in about 40% of pancreatic ductal adenocarcinomas, 15% of colorectal cancers and 5% of non-small cell lung cancer, yet there are currently no approved therapies targeting this mutation. We are working to address this significant unmet need.

As a result of these efforts, our lead program in Primary Focus Targeted Protein Degradation, the KRAS G12D degrader ASP3082, has achieved clinical PoC (Proof of Concept) in both pancreatic cancer and non-small cell lung cancer over the past year. These clinical PoC achievements further strengthen our confidence in the potential of TPD as a platform.

Our KRAS pipeline is rapidly advancing. In addition to ASP3082, we are developing ASP4396, a KRAS G12D degrader that binds to a different E3 ligase than ASP3082, and ASP5834, a pan-KRAS degrader targeting various KRAS mutations. Both ASP4396 and ASP5834 are in clinical trials. Additionally, we are exploring the selective delivery of drugs to tumors using a new platform called degrader-antibody conjugates (DAC), which use a protein degrader as the payload.

*1 Alharbi, K.S. et al. *Journal of Drug Delivery Science and Technology*. 2022;77(1):103849.
*2 Tokheim, C. et al. *Molecular Cell*. 2021;81(6):1292–1308.e11.
*3 Kirsten rat sarcoma viral oncogene homolog
*4 Huang, L. et al. *Signal Transduction and Targeted Therapy*. 2021;6(386).
*5 American Cancer Society. Cancer facts & figures 2020. Available at https://www.cancer.org/research/cancer-facts-statistics/all-cancer-facts-figures/cancer-facts-figures-2020.html
*6 Hofmann, M.H. et al. *Cancer Discovery*. 2022;12(4):924-937.

Program	Mechanism	Indication	Current phase
ASP3082	KRAS G12D degrader	KRAS G12D+ solid tumor	Phase 1
ASP4396	KRAS G12D degrader (different E3 from ASP3082)	KRAS G12D+ solid tumor	Phase 1
ASP5834	Pan KRAS degrader	KRAS + solid tumor	Phase 1
ASPxxxx	KRAS degrader + antibody (DAC: degrader-antibody conjugate)	KRAS + solid tumor	IND enabling

Expandability of TPD as a Drug Discovery Platform

TPD holds therapeutic potential for various disease areas. By replacing the component that binds to the target protein, it is possible to expand beyond KRAS to other oncology targets and into other diseases. Furthermore, by combining TPD with other technologies such as antibodies, there is potential to create next-generation protein degraders with even greater specificity.

R&D Strategy

Special Feature 3

Targeted Protein Degradation

— Novel Drug Discovery Approach to Deliver Innovative Therapies to Patients —

Technologies Enabling the Drug Discovery Platform

While advancing the development of ASP3082 and our TPD pipeline, we are also enhancing our drug discovery platform to enable more rapid and efficient creation of optimized targeted protein degraders.

Astellas' Proprietary Biophysical Assay Systems

Identifying novel E3 ligase binders is an important step in the development of new targeted protein degraders. To do this, we have developed proprietary biophysical assay systems. Using methods such as DNA-Encoded Libraries (DEL), high-throughput Surface Plasmon Resonance (SPR), and fragment-based X-ray screening, we can evaluate large libraries at world-class throughput levels, enabling a high success rate in identifying new, proprietary E3 ligase binders.

AI-Powered Optimization of Complex Structures

In TPD, a compound binds to both a target protein and an E3 ligase to form a ternary complex. Optimizing this ternary complex is critical to controlling its degradation activity. To do this, we must assess the 3D structure of the molecule. In addition to compound design techniques accumulated over many years of experience, we are also using proprietary structural modeling algorithms to enhance this process. Furthermore, by integrating Astellas' proprietary simulation methods with the supercomputer Tokyo-1 and generative AI, we can accelerate the 3D structural prediction of compounds by more than 50-fold. Moving forward, we continue to build and integrate new AI capabilities to accelerate the drug discovery process.

Identify Binders
Specialized capabilities to identify unique and high-quality POI/E3 binders

- Astellas' proprietary high throughput biophysical assays

Optimize Complex Structure
Specific capabilities to design optimized ternary complex structure leveraging advanced digital/AI capabilities

- Ternary complex modeling and design technology
- Simulation system using Tokyo-1/generative AI

Collaboration with External Partners

We are working with like-minded partner organizations that complement our areas of expertise to accelerate the development of next-generation targeted protein degraders. For example, by utilizing E3 ligases with disease- or tissue-specific characteristics, we can enable a degrader to work preferentially inside a tumor or disease-impacted organ.

We are also pursuing new partnerships to help overcome challenges such as tumor recurrence and resistance, and to help establish the infrastructure needed to expedite these novel therapies to patients.

Major external partners

PeptiDream Revolutionizing Drug Discovery

FIMECS cullgen

VOICE

Discover an Innovative Drug Candidate by Uniting Scientists' Strengths

As program leads for pharmacology and medicinal chemistry, respectively, we have helped to advance Astellas' pan-KRAS degrader drug discovery program, including discovery of the lead asset, ASP5834. ASP5834 received IND* approval in July 2025 and is currently in Phase 1 clinical study.

One of the key factors in this program's progress was establishing a clear Target Product Profile (TPP) from the early stages of research through repeated, in-depth discussions to incorporate the needs of the development and manufacturing departments. Specifically, we fully leveraged our company's existing KRAS expertise, including insights from preceding degrader programs including ASP3082 and ASP4396. Taking into account the current standard of care, the context for how our compound would potentially be used in the clinic, and any clinical trial challenges, we were able to clearly define the required compound profile for the preclinical stage. This allowed the team to work as one toward a single goal without compromise.

Another crucial point was the ability to leverage the characteristics of our agile organization. In an agile organization, members with diverse expertise form a single team and can advance a program flexibly and autonomously. Furthermore, fewer approval processes enable rapid decision-making. In this program, scientists with different expertise communicated closely and engaged in frank and spirited discussions. Each member contributed to advancing the program by maximizing their own strengths. As program leads, we continued experiments based on this diverse input to discover compounds with higher efficacy and safety. Moreover, we could flexibly revise our approach as a team based on the experimental results, allowing us to advance the program swiftly. We believe these elements played a vital role in the creation of the best possible drug candidate.

We continue to formulate concepts for new programs and pioneer new possibilities, which we believe will help us to deliver innovative new drugs to patients in need.

* IND: Investigational New Drug



Yoshihiro Nishizono
Senior Scientist, Product Creation, Cancer Biology, Oncology Research



Takahiro Morikawa
Team Lead, Candidate Delivery, Engineered Small Molecules, Oncology Research

Manufacturing & Supply Strategy

Interview with Chief Manufacturing Officer



"We proudly deliver quality products across modalities to patients worldwide, pursuing evolution through product innovation, digital transformation and operational excellence."

Chief Manufacturing Officer (CMfgO)
Rao Mantri

Q. What do you see as Astellas' product development, manufacturing and supply strengths based on your onboarding and your experiences across the value chain?

A. Astellas has a strong focus on patients, and our emphasis on collaboration drives our operations across multiple sites in Asia, Europe, and America. I also appreciate the distinctive culture at Astellas, characterized by humility, the accessibility of senior leaders, and a robust feedback loop, all of which contribute to our unwavering commitment to patients.

We have an industry-leading record of reliably supplying high-quality products to patients worldwide. This applies to all products in our diverse brand portfolio, including our strategic brands: small molecules VEOZAH and XOSPATA, a monoclonal antibody VYLOY, an anti-body drug conjugate PADCEV, and an RNA aptamer IZERVAY.

Our state-of-the-art facilities and advanced technology platforms further strengthen our capabilities for the cell and gene therapy assets that are in the clinical stage. We are committed to continuously enhancing these capabilities across modalities. Through seamless integration of product (CMC) development and manufacturing, we are poised to accelerate our patient-centered product pipeline with cost-efficiency and reliability.

Q. What opportunities do you see for Astellas in technology and manufacturing?

A. Leveraging our unique capabilities for various modalities, we can accelerate innovation and unlock the full potential of our drugs. Our technology and expertise to enhance drug profiles can provide Astellas with a competitive edge.

We play a pivotal role in advancing all therapeutic modalities, but especially new and complex modalities such as cell and gene therapies, to ensure quality and patient access. To capitalize on these opportunities, I see three key areas of emphasis: accelerating our digital journey, standardizing our approach across global sites, and emphasizing sustainability efforts. Initiatives in these areas will enhance our efficiency, enabling us to deliver greater VALUE to patients and serve a broader population.

Our digital transformation aims to fully modernize laboratories and manufacturing through three layers: 1) digitalizing our end-to-end operations, 2) creating data engineering platforms and 3) applying intelligent analytics and automation. These layers are applied across the product development through manufacturing, supply chain operations and customer delivery. A recent example is our joint-venture with YASKAWA, which focuses on cell therapy manufacturing with robotics, alongside exploring usage of generative and predictive AI.

Standardizing our approach to operational excellence presents a significant opportunity to enhance our existing strengths. Our teams around the world are deeply committed to continuous improvement and lean processes. By implementing unified performance management standards across our operations, we can further amplify this dedication. Building on our cultural foundation of continuous improvement, we can create a truly integrated global operations system that leverages the collective expertise of our entire organization.

We are also elevating our role in our sustainability efforts beyond our stated goals. While we discuss targets for CO_2 emissions and emphasize renewable energy, our teams are consistently integrating the concept into their day-to-day practices. Our scientists, for example, are continuously exploring greener product and process design. Moreover, we contribute to Access to Health, exemplified by our new pediatric formulation for the drug praziquantel.

Q. How will you evolve the organization going forward?

A. As a guiding principle for our evolution, we have established a common framework for the VALUE we drive to patients, aligned with our corporate "Common Definition of VALUE." Our contribution involves balancing the following five pillars across product life cycle: speed to patients, patient-centered product innovation, reliable supply with quality, optimized cost of goods and efficiency.

With a solid understanding of the real-world usage of our products by patients, caregivers and healthcare professionals, we will design processes and products with commercial manufacturing in mind from the early development stages.

To further evolve the organization, we will accelerate our digital journey and enhance our operational excellence by fully embracing the principle of agility. This approach will strengthen our end-to-end capabilities in alignment with the overall enterprise strategy and the operating model around patient axis. Our organization structure and operating model, which encompass the entire product lifecycle, will be key differentiators in this effort by enhancing cross-functional collaborations not only within our organization, but also with key internal and external partners. We can also improve agility by building a more efficient and resilient supply chain.

Throughout our operations, we embed the philosophy of MONOzukuri —derived from the Japanese word for craftmanship—emphasizing the partnership with both internal and external teams to differentiate ourselves from the business ecosystem. Together with agility, Astellas is well-positioned to accelerate its delivery through collaboration across the value chain—from research to the end of the product lifecycle.



Environmental Safety and Sustainability

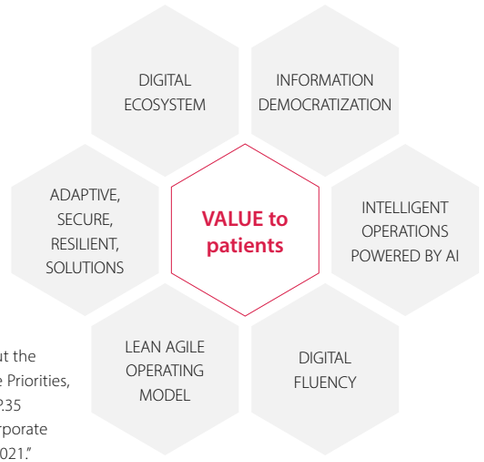
Digital & Transformation Strategy

Progress on the Digital Transformation Strategy

Digital transformation is a strategic enabler of our VISION to turn innovative science into VALUE for patients. Guided by our core values of Integrity, Innovation, and Impact, we embed digital capabilities across the enterprise to bring our three Enterprise Priorities*1 - Growth Strategy, BOLD Ambition, and Sustainable Margin Transformation (SMT) to reality.

Our digital transformation is founded on six core pillars:

1. **Information Democratization** – Empower our team with tools and resources to make better decisions, faster
2. **Intelligent Operations Powered by AI** – Scale productivity through intelligent, automated processes
3. **Digital Fluency** – Unlock value by instilling a digital-first mindset and a culture of digital innovation
4. **Lean Agile Operating Model** – Accelerate VALUE Creation, VALUE Delivery, and VALUE Enablement by embedding agility in everything we do
5. **Adaptive, Secure, Resilient Solutions** – Continuously uplift adaptability, security, and resilience
6. **Digital Ecosystem** – Accelerate VALUE creation and delivery through digital ecosystem innovation



*1 For details about the three Enterprise Priorities, please refer to P.35 "Progress of Corporate Strategic Plan 2021."

Our digital transformation is aligned with Astellas' three Enterprise Priorities. Next best engagement solutions and intelligent content platforms powered by AI enable our Growth Strategy by personalizing customer engagement and enhancing brand performance.

We are pioneering AI in R&D to advance our BOLD Ambition with digital capabilities that will accelerate innovation and improve success rates, from target identification to trial design and submission automation. Our next-gen patient safety platform continues to reduce case processing time and deliver tangible efficiencies.

Through Agile Ways of Working and insourcing of technology capabilities, we are delivering greater flexibility as well as SG&A reductions to support Sustainable Margin Transformation (SMT) while shifting our digital investments to transformation and growth initiatives.

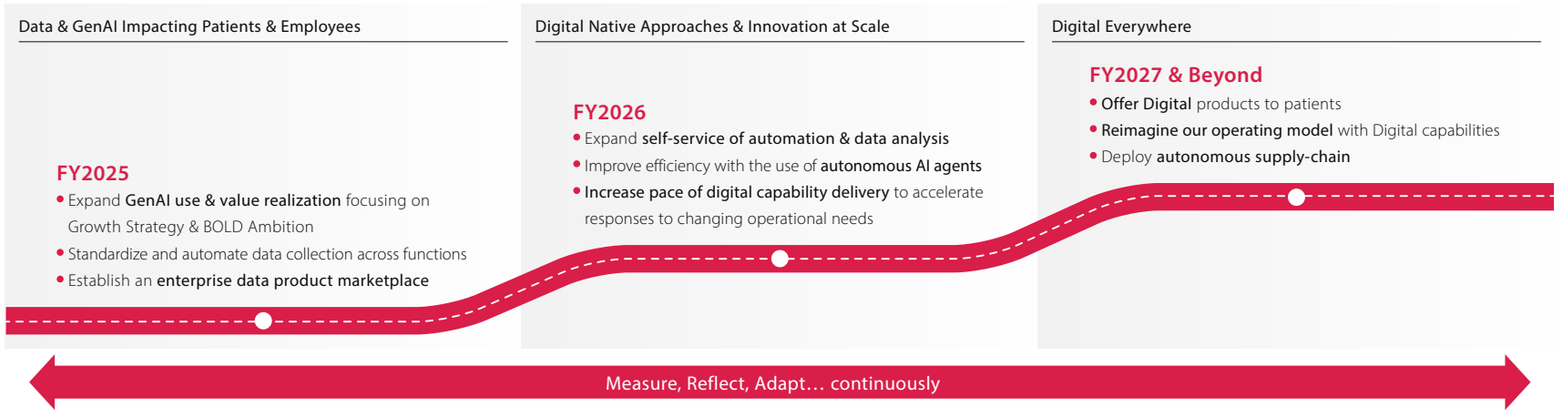
Innovation is at the heart of our digital journey. From AI-driven research agents to autonomous supply chains, we are reimagining how we work and deliver for patients. We have launched two generative AI assistants to team members globally, including our proprietary agent - Stella. These tools enhance productivity in content creation, search, and document automation.

Our approach to digital transformation fosters a culture of experimentation, continuous learning, and responsible use. Through initiatives such as internal hackathons, GenAI literacy programs, and citizen development, we are building a digitally fluent workforce ready to lead the future. We have trained over 2,000 employees in GenAI tools, launched GenAI Labs, and established a vibrant GenAI user community. We have conducted our first hackathon, generating several ideas to pursue.

We are continuing to empower our organization with knowledge, resources, and confidence to improve data-driven decisions. We are embarking on a data product marketplace to facilitate access to critical information. We have enhanced our Real-World Data analytics platform and integrated data warehouses to improve insight generation and reduce costs. We have delivered our Astellas Boot Camp for Data Science (ABC4DS*2) to hundreds of participants.

Ultimately, our digital transformation is about delivering better outcomes for patients. Whether it's accelerating drug discovery, improving trial efficiency, or enabling smarter manufacturing, every digital initiative is designed to enhance the speed, quality, and impact of our therapies. As we look ahead, we will continue to invest in digital health offerings, expand AI capabilities, and scale intelligent operations to ensure that innovation translates to real-world value for patients and stakeholders alike.

*2 See additional details in the ABC4DS section below



Digital & Transformation Strategy

Agile

To boost agility and innovation, we are transforming our enterprise model by adopting Agile Mindset and Ways of Working. This shift enhances customer focus through autonomous cross-functional teams, end-to-end ownership, quicker decisions, and coordinated workflows, thus delivering VALUE faster in response to changing demands.

Agile delivery teams work in two-week "sprints," committing to specific tasks each iteration. These delivery teams form Pods with similar missions, which group into Hubs that deliver value to business segments. Hubs plan quarterly to balance long-term vision with evolving needs.

Astellas is a leader in applying the Agile model across the VALUE chain. Agile Ways of Working have been integrated into VALUE Creation, Delivery, and Enablement, training over 1,000 employees globally last year. We continue to further embed an Agile Mindset organization-wide, promoting adaptability, focus, and rapid innovation to meet market demands.

Advancing Cloud Capabilities

We are continuing to invest in scalable, adaptable cloud technology that enhances our enterprise agility, efficiency, and security – one that directly benefits our employees, customers and patients. In FY2024, we migrated six major data centers across the US, Japan, and EMEA to a cloud computing environment while eliminating outdated systems.

This unlocks significant benefits including:

- Reduced operating costs and more resources for innovation
- Faster, scalable technology solutions through tailored to business needs
- Improved security and stability
- Stronger in-house digital capabilities
- Continued focus on energy efficient infrastructure

This major milestone in our digital transformation positions Astellas as a modern, future-ready enterprise that is ready to adapt to evolving business needs.

Information Democratization

The Information Democratization initiative aims to generate more VALUE from Astellas data assets and enhance decision-making, accelerating VALUE creation at all levels in Astellas. We will reduce the dependencies on specialized technical teams with improved self-service capabilities, data quality, and simple and robust access controls.

High-quality data will be packaged into "Data Products" that can be used to generate insights across the organization. These Data Products will be owned and supported by domain experts who will facilitate understanding and ensure fast, appropriate data access. A consolidated "Data Marketplace" will enable users to search for relevant data, request and receive access, and find necessary guidance. Employees across the organization will be empowered to independently discover and analyze data to generate actionable insights.

Digital Insourcing

We are insourcing our digital capabilities as a strategic decision to accelerate innovation, improve adaptability, enhance operational efficiency, and better align with our strategic objectives. Historically, technology delivery was heavily outsourced to a variety of strategic partners. In late 2024, we launched the DigitalX insourcing initiative to identify core digital capabilities and began moving them into the organization.

The insourcing transformation began in Q3 FY2024 after a thorough needs assessment and preliminary planning. In FY2025, over 400 roles across multiple locations are being transitioned from strategic outsourcing partners to internal roles. The scope of this initiative will address nearly all digital capabilities including application development, solution design, data management, reporting, and onsite support.

Progress is well underway with many roles already filled and new staff onboarded and integrated into delivery teams that are generating value.

Astellas Boot Camp for Data Science (ABC4DS)

To advance our global digital transformation, we launched the second phase of the Astellas Boot Camp for Data Science (ABC4DS) in FY2024. This program equips employees and CxOs with practical data science skills and fosters innovation. Rooted in our digital vision to promote data-driven decision making and make data science accessible to all employees, ABC4DS empowers teams to turn data into actionable insights.

In the second phase, over 100 participants joined the Light and Basic courses from around the world. The Light course focused on foundational literacy through introductory lectures, while the Basic course provided a more in-depth three-month program of hands-on training in data processing, visualization, and problem-solving using R. Since inception, ABC4DS has engaged over 700 employees from more than 20 functions since the first phase. Graduates of the program are applying their skills to address challenges such as reporting automation, fraud detection, and operational efficiency, supporting Astellas' transformation into becoming a data-driven organization.

AI-Assisted Omnichannel Marketing

Omnichannel marketing integrates multiple channels into a seamless customer journey, ensuring consistent, personalized messaging at every touchpoint. At Astellas, we enhance this approach with AI to better serve patients and healthcare providers (HCPs). Through the use of machine learning, we are able to identify patterns in customer data to understand how HCPs prefer to receive information. We can further analyze communication preferences and engagement history to determine the best channels and timing for sharing information. Our AI-driven platform might discover that certain specialists respond better to digital resources, while others prefer in-person meetings.

The AI platform empowers sales representatives to be more effective. It provides them with data-driven insights about each HCP's preferences, enabling more personalized and relevant conversations. This human-AI collaboration has strengthened our relationships with medical professionals while streamlining operations.

Digital & Transformation Strategy

Special Feature 4 AI-Powered Drug Discovery

Why is AI technology important?

Drug development is a lengthy and complex journey, often taking 9 to 16 years, with a success rate for small molecules of only 1 in 23,000 in Japan.* Accelerating the drug research and development (R&D) process and minimizing the time period is essential to turn innovative science into VALUE for patients as soon as possible. To achieve this, Astellas is advancing digital transformation initiatives by harnessing the power of AI and robotics, combined with the skills and expertise of its employees.

* Source: 2024 Japan Pharmaceutical Manufacturers Association Guide
Reference: Prepared based on JPMA DATA BOOK 2024

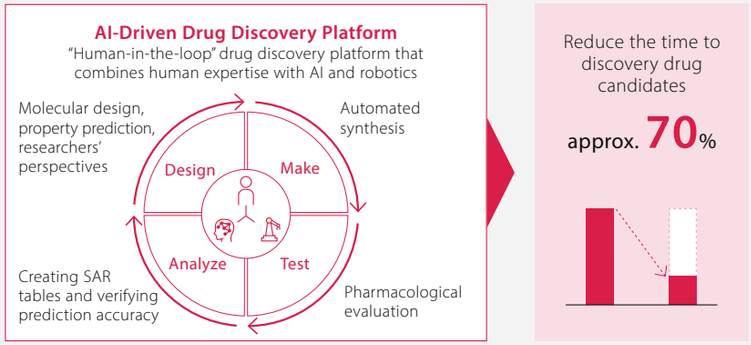
Accelerating Drug Discovery through collaboration between human, AI and robots

Conventional methods require significant time and cost to polish an initial compound (hit compound) to a viable drug candidate. Astellas is working to improve this process by promoting digital transformation.

While many pharmaceutical companies are ramping up investments in AI-powered drug discovery, Astellas has been ahead of the curve, integrating AI into its drug development processes since 2019. The company's innovative "Human-in-the-Loop" platform is central to this effort, which seamlessly integrates human expertise, AI, and robotics to accelerate drug discovery.

In early drug discovery research, we identify hit compounds from a large-scale library that interact with the target protein or exhibit intended pharmacological effects. Using the structure of these hit compounds, we optimize their structure through cycles of molecular design (Design), synthesis (Make), pharmacological evaluation (Test), and results analysis (Analyze) - a process known as the DMTA cycle - to discover potential drug candidates.

The AI-driven drug discovery platform is a unique framework by integrating AI and robotics into every stage of the DMTA cycle, adding value through researchers' ideas and perspectives. It includes functions for generating and designing molecular structures using AI, and predicting various properties, such as pharmacological activity and pharmacokinetics for the generated compounds. It also includes automated synthesis and assay systems using robots, and tools for automatically creating structure-activity relationship (SAR) tables and verifying prediction accuracy with real evaluation data. The platform also incorporates the ability to remotely monitor the operation of the robots. By automating repetitive tasks, researchers can dedicate more time to creative works such as deriving deeper insights from experimental results and generating innovative ideas for drug discovery.



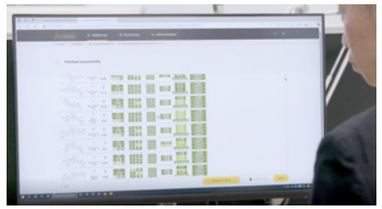
▷ Use Cases of AI-Driven Drug Discovery Platforms

Our "Human-in-the-Loop" platform has enabled a significant breakthrough, reducing the time required to advance an initial hit compound to a viable drug candidate by approximately 70% compared to conventional methods.

This process began with a lead compound that showed moderate pharmacological activity but possessed sub-optimal drug-like properties. Utilizing our extensive historical experimental data, our AI platform was tasked with designing improved structures. The AI generated approximately 60,000 novel compound structures based on defined design parameters. It also predicted and scored various properties, such as water solubility and membrane permeability, to propose the most promising candidates. This entire process was completed in a remarkably short time and included innovative ideas that researchers might not have otherwise pursued in the early stages. Our expert researchers then meticulously adopted these AI-generated proposals. Their comprehensive judgment considered not only the AI's prediction scores but also the practical synthesizability of each compound. This allowed us to proceed efficiently with the robotic synthesis of the highest-potential candidates. The evaluation data from these newly synthesized compounds was then fed back into the AI, which learned from the results to continuously refine the accuracy of its future structural designs.

This iterative cycle is significantly faster than traditional drug discovery. The research period was completed in just seven months—a 70% reduction from the previous average of two years. The resulting drug candidate demonstrated a nearly ten-fold improvement in pharmacological activity over the lead compound while also exhibiting favorable drug-like properties.

In drug R&D, which typically spans 9 to 16 years, shortening the research period translates directly into delivering greater VALUE to patients. This success in acquiring a drug candidate in an accelerated timeframe highlights the immense potential of our AI-driven drug discovery platform. Looking ahead, we plan to expand its application to more complex modalities, including antibodies, cell therapy, and gene therapy.



Digital & Transformation Strategy

Special Feature 4

AI-Powered Drug Discovery

Strengthening AI Drug Discovery Capabilities

We are actively pursuing a range of initiatives to advance our AI-powered drug discovery capabilities.

Our application of AI has expanded beyond small molecule drug discovery into new modalities. For instance, we now employ AI to generate three-dimensional compound structures and predict cell membrane permeability for protein degraders. We also leverage it to design antibodies that bind to specific target antigens and to forecast their physicochemical properties.

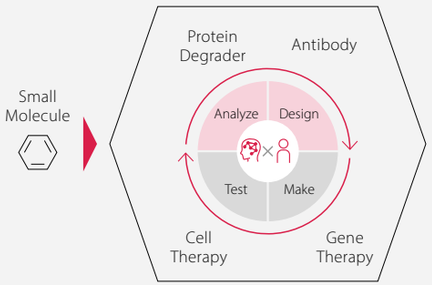
A key partnership is our participation in Tokyo-1, an AI drug discovery support platform provided by MITSUI & CO., LTD. in collaboration with NVIDIA. This initiative utilizes the Tokyo-1 GPU supercomputer to accelerate our research in molecular simulation and AI-based molecular design, while also enabling us to explore the use of large language models for generative AI. Through this collaboration, Astellas has already confirmed substantial improvements in computational speed across multiple projects and has successfully developed proprietary AI models.

A key initiative at Astellas is to enhance our global data infrastructure and governance to enable further AI adoption. To maximize the performance of our AI and robotics technologies, it is essential to effectively integrate vast amounts of data from diverse studies and experiments. As a global company managing a wide array of modalities, Astellas accumulates a significant volume of data. The increasing complexity of this data, however, necessitates a more robust management framework. To address this, we are building and enhancing dedicated in-house databases for each modality. Furthermore, the deployment of robotic technology to our overseas and joint research facilities is progressing, creating a global network to collect more uniform, high-quality data. This network aims to increase our data assets and thereby enhance the performance of our AI and robotic technologies.

Acquiring and developing exceptional talents is also crucial for strengthening our AI drug discovery capabilities. We are continuously hiring researchers with advanced expertise in AI, robotics, and experimental automation. In particular, we are actively recruiting professionals from outside the pharmaceutical industry, especially those with backgrounds in mathematics, data science or algorithms. In collaboration with other companies, we host recruitment events targeting data science experts to attract interest in our industry as a whole.

For internal talent development, we have launched several training initiatives – such as the "Astellas Boot Camp for Data Science (ABC4DS)" led by our DigitalX team to elevate digital literacy across the organization. We plan to further enhance these programs by incorporating volunteering opportunities and more advanced, hands-on content to deepen internal AI capabilities. However, we recognize that cultivating internal experts who can create, refine, and effectively deploy AI for drug discovery is a long-term process. Therefore, we believe that fostering collaboration between external data science specialists and our internal drug discovery professionals is the key to advancing AI-driven drug discovery. By rapidly establishing an environment where experimental and data scientists can work together seamlessly, we aim to further accelerate our progress in this field.

Target Modalities



New Digital Technologies



Tokyo-1: AI Supercomputer

Generative AI × Accelerated Computation & Simulation

The Governance of Our Global Data Infrastructure



Enhancing Internal Databases by Collecting Information from Global Locations to Further Improve AI Performance for Each Modality

Public Database	In-house Database	Small Molecules	Antibody	Gene Therapy	Cell Therapy

VOICE

Humans, AI, and robots work together as a trinity to deliver VALUE to patients quickly

Our AI-driven drug discovery platform represents a new paradigm, functioning as a trinity of humans, AI, and robotics. We believe these technologies are powerful tools that enhance researchers' capabilities, improve the accuracy of drug discovery, and support critical decision-making processes.

Initially, AI in drug discovery was met with some skepticism, with many researchers hesitant to adopt the new technology. However, a more receptive culture has been fostered through the active promotion of AI by scientific leaders and hands-on experience that deepened the understanding of both AI and robotics. This shift was further encouraged by successful case studies demonstrating the acquisition of a viable drug candidate. A significant catalyst in this transition has been the integration of digital technology into the platform, which has streamlined previously burdensome documentation processes. By accessing experimental results directly from our in-house database, the platform can now automatically generate data for structure-activity relationship tables, alleviating a time-consuming task for our researchers. As this functionality becomes more widespread, we anticipate that more researchers will utilize AI and increasingly recognize its value. The ability to automatically generate data is fundamentally changing perceptions of AI within our department. Today, AI is employed across most of our projects and by the majority of our researchers, and we take pride in our position as a pioneer of AI-driven drug discovery.

Looking ahead, we aim to further accelerate the adoption of AI and expand its application to various modalities beyond small molecules. The advancements we see today are built upon the vast legacy of data accumulated by our predecessors over many years. While challenges remain in areas such as data accumulation, technological evolution, and talent recruitment, we are steadfast in our commitment to advancing the evolution of AI drug discovery to swiftly deliver VALUE to patients.



AI drug discovery project team members (from left to right)

Kenji Negoro (Head, Program Acceleration, Engineered Small Molecules, Oncology Research)

Kenichi Mori (Lead, Modality Informatics, DigitalX, R&DX)

Ikumi Kuriwaki (Team Lead, Dx, Program Acceleration, Engineered Small Molecules, Oncology Research)

Takanori Koike (Head, Discovery Chemistry, Engineered Small Molecules, Oncology Research)

Sustainability Strategy

Interview with the Head of Sustainability



"To further increase our social and corporate value through sustainability initiatives, we first aim to visualize the social impact and corporate value generated by these efforts."

Head of Sustainability
Shingo Iino

Q. Please tell us about the challenges Astellas faces in its sustainability initiatives, and the initiatives taken to address these challenges in FY2024.

A. We consider "visualization" essential when communicating our sustainability initiatives both within and outside the company. In FY2024, we focused on "visualizing social impact" and analyzing "the impact of non-financial initiatives on corporate value."

Astellas has actively promoted sustainability by establishing a Materiality Matrix, formulating its Sustainability Direction, and setting Sustainability Directions Performance Indicators (SDPIs). In parallel, we have communicated the progress of these initiatives internally and externally. While sustainability activities are inherently meaningful to both society and business, we believe it is essential to demonstrate how they contribute to social impact and value creation, not only through qualitative information but also with quantitative evidence. By visualizing our efforts from both qualitative and quantitative perspectives, we aim to foster deeper empathy and understanding among stakeholders. This approach also enables us to communicate the significance of our initiatives with greater credibility. In FY2024, we placed particular emphasis on making the value generated by our sustainability initiatives more visible. This work centered on two key initiatives.

The first initiative focused on "visualizing the social impact of our activities to improve Access to Health (ATH)." Astellas is engaged in a range of global activities aimed at enhancing ATH. In FY2024, we concentrated on the BEAUTY (Bringing Education And Understanding To You) & Health program in Malaysia, seeking to quantify the value generated by the program in monetary terms as a way to visualize its social impact. This was a pioneering effort, as there are very few precedents for converting the social impact of ATH-related initiatives into monetary value. Drawing on relevant guidelines and literature, and through extensive discussions with internal and external stakeholders, we were ultimately able to present concrete figures that reflect the impact of the program.

The second initiative involves analyzing "the impact of non-financial initiatives on corporate value." Specifically, we examined how initiatives related to Talent and Organization and Corporate Governance affect market capitalization. While many companies limit their analysis to correlations, Astellas established a unique, persuasive and reproducible approach. By leveraging diverse expertise of a cross-functional team, we developed a four-pronged model combining correlation analysis with simulation analysis, contribution analysis, and causal inference. This approach enabled us to identify non-financial initiatives that show a significant correlation with market capitalization. We presented our findings at the Sustainability Meeting held in February 2025.

Q. What outcomes and learnings have you gained from these activities? Please also tell us about your planned direction for future initiatives.

A. We reaffirmed the importance of visualizing the value generated by our sustainability initiatives. We will continue to apply the framework to visualize value creation, with the aim of further enhancing social and corporate value through sustainability.

At the outset of this initiative, we felt a mix of anticipation and uncertainty as to what we would find. However, the results far exceeded our expectations, giving us a strong sense of progress. We believe this outcome validates the effectiveness of Astellas' long-standing commitment to sustainability and that the dedicated efforts of our employees are indeed delivering tangible value.

Our initiatives also earned strong recognition from investors. Regarding ATH, we were commended for demonstrating specific examples of cost-effectiveness and for mobilizing internal capabilities across multiple functions to perform our analysis - an approach seen as both persuasive and actionable. In relation to the impact of non-financial initiatives on corporate value, investors appreciated our proactive disclosure of specific indicators, such as the percentage of female managers, that contribute to value. Astellas was also recognized for linking the indicators to internal initiatives and material issues.

The frameworks developed to support these initiatives reflect Astellas' unique approach. In terms of "visualizing social impact," we created a matrix consisting of five impact areas (including Medical Value, Psychological Value, and Economic Value) on the vertical axis, and beneficiaries of those impacts (such as patients and medical institutions) on the horizontal axis. In terms of "the impact of non-financial initiatives on corporate value," we combined four analytical methods rather than solely using correlation analysis, thereby building a highly persuasive and reproducible model.

These unique frameworks developed by Astellas are valuable assets for communicating the value of our sustainability initiatives both internally and externally, and will serve as a foundation for future initiatives. By reviewing the outcomes and challenges from our initiatives so far, we aim to further advance the visualization of value creation. Through this, we will continue accelerating the enhancement of both social and corporate value through our sustainability initiatives.

Sustainability Strategy

Special Feature 5 Visualization of Non-Financial Initiatives

Project Leader's Message



Daisuke Kato
Sustainability Center of Excellence

Leveraging knowledge from within and outside the company to visualize the social impact of non-financial initiatives

I served as the project leader for two pioneering initiatives to improve sustainability, the first was "visualizing social impact," and the second involved "the impact of non-financial initiatives on corporate value." As leader, I consistently sought the most effective ways to integrate internal and external capabilities to maximize project outcomes.

In the "visualizing social impact" project, we developed a system to support collaboration among team members working to enhance access to healthcare, NGOs/NPOs involved in the BEAUTY & Health program, and external consultants. In "the impact of non-financial initiatives on corporate value" project, we formed a cross-organizational working group with related internal departments and partnered with university-based experts in management accounting. To lay a strong foundation for this initiative, I also pursued university studies to reskill and broaden my knowledge base.

In Phase 1 of the "visualizing social impact" project in FY2023, our goal was to quantify the social impact of Astellas products into monetary value. In Phase 2, we built on the knowledge and experience gained to conduct a more advanced analysis of the BEAUTY & Health program, which produced valuable results. I am confident that the great success of this project stemmed from our deliberate, step-by-step approach that emphasized securing internal stakeholder alignment and understanding among external partners.

The "visualizing social impact" project was formulated as a three-year plan, with FY2025 marking its final phase. The objective for this final year, which represents Phase 3, is to visualize the social impact generated by Astellas as a whole. While this phase presents greater complexity and challenges compared to Phases 1 and 2, we remain committed to achieving this final objective with the cooperation of stakeholders both within and outside the company.

In "the impact of non-financial initiatives on corporate value" project, we held extensive discussions on a range of topics—from how to interpret the analysis conducted by Keigo Tanabe of the Digital X, a member of the working team, to the narrative these findings convey, and how they differ from previous initiatives. We also took various steps, such as consulting with subject-matter experts, to assess how stakeholders might receive the outcome of these discussions. As with the "visualizing social impact" project, I believe that these efforts produced valuable data that will contribute to enhancing Corporate Value.

Visualizing the Social Impact of our initiatives to improve Access to Health Initiatives

The social value generated was approximately ¥680 million, which is 4.6 times the input of approximately ¥150 million, in colorectal cancer.

Importance of visualizing social impact

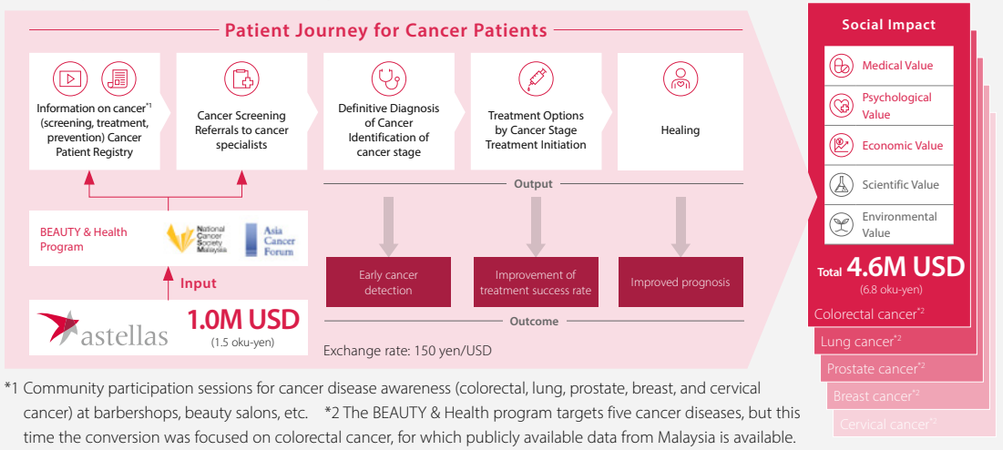
Astellas recognizes Access to Health as a materiality and addresses social issues to generate social impact. While we strive to generate social impact by addressing social issues, quantifying this impact was historically challenging, making it difficult to demonstrate returns on our investment. In this project, we aimed to clearly visualize the outcomes of our initiatives to stakeholders by measuring, and quantitatively these social impacts.

Social impact of the BEAUTY & Health Program in Malaysia

Astellas has addressed efforts to enhance Access to Health. Out of these addressing initiatives, we visualized the social impact of the BEAUTY & Health program implemented in Malaysia by converting it into a monetary value.

Organized by the National Cancer Society Malaysia (NCSM) and the Asia Cancer Forum (ACF), the BEAUTY & Health program aims to promote cancer education and encourage participation for cancer screening. To support this program, Astellas has donated a total of $1 million (¥150 million) to date. NCSM and ACF have utilized these funds to generate positive outcomes such as contribute to definitive diagnosis of cancer, identification of cancer stages, and initiation of treatment. The program has also delivered outcomes including early cancer detection, initiation of treatment, improved treatment outcomes rate and better prognoses generating social impact that benefits not only cancer patients, but also the people around them, as well as society and the environment. We categorized this social impact into five types of value and converted three of them—namely Medical Value, Psychological Value, and Economic Value—into monetary value. Although the BEAUTY & Health program conducts disease awareness activities targeting five cancer types, for the purposes of this monetary value conversion, we focused on colorectal cancer due to its highest incidence rate in Malaysia and the availability of published data.

Social impact of BEAUTY & Health program



- Medical Value: Potential to improve symptoms by addressing the cause of the disease
- Psychological Value: Potential to reduce patients' anxiety about the disease, and alleviate concerns among their families
- Economic Value: Potential to support patients and those around them in maintaining their connection with society, thereby contributing to a positive socioeconomic cycle and; potential to find new uses for limited medical resources by reducing the need for treatment interventions
- Scientific Value: Potential for cutting-edge scientific technologies to bring major advances in medical history and drive progress in related fields
- Environmental Value: Potential for positive or negative effects on society and the environment

*1 Community participation sessions for cancer disease awareness (colorectal, lung, prostate, breast, and cervical cancer) at barbershops, beauty salons, etc. *2 The BEAUTY & Health program targets five cancer diseases, but this time the conversion was focused on colorectal cancer, for which publicly available data from Malaysia is available.

Sustainability Strategy

Special Feature 5 Visualization of Non-Financial Initiatives

In converting social impact into monetary value, we referred to various existing estimation methods and guidelines during the process of identifying multiple impact evaluation items, which we narrowed down to ten based on Astellas' Value Creation Story, Corporate Strategic Plan, and the characteristics of this program. For each impact evaluation item we then defined indicators and outcomes, devising a monetary value conversion formula based on the basic structure of "monetary amount x years/time x recipients."

Examples of impact evaluation items

#	Impact item	Definition	Outcome	Indicator	Calculation method
1	**Increased access to optimal treatment**	The state of having access to appropriate medicines and medical care for those who need it	Increased effectiveness of treatment depending on the patient's health condition	Value from improved survival rates for cancer patients	The value of life in a year x Overall survival time at each stage of cancer x Increase/decrease in the number of patients at each stage of cancer by BEAUTY & Health program
2	**Patient's work productivity**	Broadly divided into losses due to taking time off or quitting work (school in case of pediatric patients) due to illness, or absenteeism, and productivity losses at work, or presenteeism	Patients find employment opportunities as a result of treatment, or experience increased productivity while employed due to reduced absenteeism and improved concentration	Productivity losses due to effects of disease	(Income loss from premature death + losses related to reduced productivity at work + productivity losses from lower concentration or sick leave taken) x Increase/decrease in the number of patients at each stage of cancer by BEAUTY & Health program

Through this monetary value conversion, social value generated by the Access to Health initiatives is calculated at ¥680 million. This represents an investment return of approximately 4.6 times the input of ¥150 million. When comparing impacts by the beneficiary group, the primary impact or direct (medical) impact on patients was the largest, amounting to $2.8 million or 60.7% of the total. This was followed by the secondary impact or indirect impact on patients, which includes improved work productivity and reduced treatment-related costs for patients. We also found that there is a certain level of tertiary and quaternary impact.

Although these results apply to the Access to Health initiatives in colorectal cancer only, we consider it a major step forward to have concretely and quantitatively demonstrate that there is a certain monetary value not only in the direct impact on patients—which has drawn the most attention to date—but also in the secondary impact such as improved work productivity and impact on families and society.

On the other hand, we plan to improve and enhance our research methods as this analysis did not include calculation of monetary values for the quaternary impact (Medical and Psychological Value). Moreover, some of the data used in the impact item monetary value conversion formula were based on older studies or different conditions, highlighting the need to redesign the formula and collect more robust data. We will take these challenges into account when proceeding to convert social impact into monetary value for other types of cancer.

Estimated monetary value of patient benefits from social impact of the BEAUTY & Health Program (Colorectal Cancer)

Classification		Target benefited from impact: Primary Impact (Direct (medical) impact on patients)	Secondary Impact (Indirect impact on patients)	Tertiary Impact (Impact on families and healthcare providers)	Quaternary Impact (Social, Industrial, and environmental impact)	Total (%)
Areas of impact	Medical Value	$2,768,125	—	$31,645	—	**$2,799,770 (61.4%)**
	Psychological Value	—	$1,328,700	—	—	**$1,328,700 (29.1%)**
	Economic Value – Income impact	—	$298,002	$226	$61,127	**$359,355 (7.9%)**
	Economic Value – Expenditure impact	—	$31,224	—	$43,421	**$74,645 (1.6%)**
	Scientific Value	—	—	—	—	—
	Environmental Value	—	—	—	—	—
	Total (%)	**$2,768,125 (60.7%)**	**$1,657,926 (36.3%)**	**$31,871 (0.7%)**	**$104,548 (2.3%)**	**$4,562,470 [¥684,370,557]**

(Assumptions)
Social impact estimates are based on the assumption that a cumulative reach of one million for BEAUTY & Health Program activities to improve health education and literacy in Malaysia would lead to the early diagnosis and treatment of 150 cases of colorectal cancer, with the percentage of cancer cases of this type diagnosed Stage 3 or Stage 4 at presentation also falling from 75% to 55% (no estimates made for other cancer types targeted by this program)

For details, please refer to the report *"Visualizing the social impact of our initiatives to improve Access to Health"*(Japanese only)
https://www.astellas.com/content/dam/astellas-com/jp/ja/documents/visualizing-the-social-impact-jp.pdf
Access to health initiatives are outlined on P.67, *Initiatives for enhancing Access to Health*

VOICE

A Breakthrough in Proving Our Impact: Quantifying Hope in Malaysia!

For years, our cancer awareness efforts in Malaysia have focused on promoting earlier diagnosis and treatment. While we've seen the impact of our work, expressing it clearly and objectively has been challenging. Stories of lives saved, and communities empowered were powerful, but difficult to quantify.

Now, with Astellas' support, we're excited to share a major breakthrough—we've successfully measured the value of our initiatives to society in monetary terms for the first time. This goes beyond numbers; it's solid proof of our effectiveness and validates our efforts in a tangible way.

This visibility has deepened understanding and, we believe, will naturally lead to broader support. As implementers of the BEAUTY & Health program, this achievement is incredibly rewarding and motivates everyone at NCSM who is dedicated to this mission.

Most importantly, our supporters now better understand the impact of our work. I believe that expanding initiatives like visualizing social impact project will help accelerate the realization of a more sustainable society.



Dr. Murallitharan Munisamy
Associate Professor,
Managing Director, National Cancer Society of Malaysia /
Public Health Physician

Sustainability Strategy

Special Feature 5 Visualization of Non-Financial Initiatives

The impact of non-financial initiatives on corporate value

Determining the relationship between

Initiatives for Talent and Organization, Strengthening Corporate Governance

and corporate value (market capitalization)

Importance of visualizing relationship with corporate value

Astellas undertakes various non-financial initiatives including ESG initiatives, and recognizes that these activities contribute significantly to enhancing corporate value. To date, though, there have been few instances of clearly demonstrating the extent to which non-financial initiatives affect corporate value. We accordingly saw a need for more persuasive disclosure to stakeholders. As it was also unclear how much impact each non-financial initiative was having, we found it difficult to decide which initiatives to prioritize, which in turn posed challenges to improving cost efficiency. Against this backdrop, we decided it was essential to analyze the relationship between non-financial initiatives and corporate value enhancement and to visualize their impact. On that basis, we set out to identify the non-financial initiatives that affect corporate value.

Analysis of connection between non-financial initiatives and corporate value



Analysis results

This time, we focused on "Talent and Organization" and "Corporate Governance," quantitatively analyzing how these factors affect market capitalization, which represents corporate value. In order to ensure the reliability of our analysis, we used the published data of about 1,700 companies listed on the Tokyo Stock Exchange's Prime Market, including our own data. Using market capitalization as the dependent variable and human capital (22 indicators) and corporate governance (24 indicators) as independent variables, we analyzed the relationship between the objective variable and the independent variables. To obtain more robust results, we used a combination of four analytical methods—not just the commonly used correlation analysis, but also simulation analysis, contribution analysis, and causal analysis. We named this approach the "Astellas Model," as we believe that this is a highly distinctive analysis method that leverages Astellas' analytical capabilities. We consider the development of this analysis method to be a major achievement, regardless of the analysis results.

Even more importantly, we aligned our analysis results with the non-financial initiatives that Astellas is actually undertaking, thereby reaffirming the significance of those initiatives. Among the non-financial initiatives we are undertaking, we were able to identify the following as being correlated with market capitalization: Diversity, Span of Control, Employee Engagement, Incentive for Top Management, Corporate Governance Guidelines, and Independence Criteria for External Directors. In this section, we discuss the "Percentage of Female Managers" and "Ratio of Managers" as indicators tied to the above initiatives.

Percentage of Female Managers

Using our actual data from 2023 as a reference, we performed a simulation of how the percentage of female managers affects market capitalization. Within a range of 1% to 60% for the percentage of female managers.

Our contribution analysis indicated that after financial indicators such as net profit, total assets, operating cash flow, average trade volume, and gross profit margin, the next largest contribution to market capitalization is made by the percentage of female managers, a non-financial indicator.

The impact of each factor was calculated by numerical values called SHAP values, which indicate how much each factor increased or decreased the projected results relative to the average. The results were consistent with those obtained from the simulation analysis.

Analysis Results

Indicators suggested to be related to market capitalization		1. Correlation Analysis	2. Simulation Analysis	3. Contribution Analysis	4. Causal Inference	Initiatives strengthened in Astellas
Human Capital	Percentage of Female Managers	↑	↑	↑	↑	Diversity
	Ratio of Managers		↓		↓	Span of Control*2
	Employee Job Satisfaction		↑	↑		Employee Engagement
	Employee Evaluation of Corporate Management		↑	↑		Employee Engagement
Corporate Governance	Average Remuneration Paid to Directors		↑	↑		Incentive for Top Management
	Number and Ratio of Outside Directors*1	↑			↑	Corporate Governance Guideline Independence Criteria for External Directors

↑: Positive correlation, ↓: Negative correlation

*1 Outside director: Non-executive officers in other companies' published data are read as outside directors in Astellas

*2 Span of Control: Number of members that one people manager manages

Sustainability Strategy

Special Feature 5 Visualization of Non-Financial Initiatives

Ratio of Managers

Analysis leveraging causal inference related to the ratio of managers also yielded useful results. Causal inference is a method for analyzing the causal relationship between cause and effect in the context of how changes in independent variables affect changes in the dependent variable, with a particular emphasis on understanding the underlying mechanisms. To estimate the causal effect of each indicator as accurately as possible, we conducted our analysis with a focus on controlling for the influence of other factors.

In our analysis, we used 11 years of panel data on financial and non-financial indicators for companies listed on the Tokyo Stock Exchange's Prime Market. We therefore needed to take into account the individual characteristics of each company, in addition to factors that change over time. To that end, we used a method called the fixed effect model, which estimates fixed effects that are not influenced by these factors. We excluded the impact of each company's characteristics and financial indicators, and then evaluated the impact of non-financial indicators independently.

According to our analysis using this method, a 1% increase in the ratio of managers leads to a 0.33% decrease in market cap (equivalent to approximately ¥9.24 billion) in the following year. Among Initiatives for Talent and Organization undertaken by Astellas, "Flattening of the organization" corresponds to changes in the ratio of managers. At Astellas, we aim to foster innovation by reducing the number of layers from the CEO to promote faster decision-making. By ensuring that each manager supervises at least a certain number of subordinates, we are expanding the Span of Control. Ultimately, we aim to establish a structure in which each manager oversees six or more subordinates. Our analysis found that an increase in the ratio of managers negatively impacts market capitalization, supporting the effectiveness of this initiative. Going forward, Astellas expects that "Flattening of the organization" will enhance organizational health and support our business activities, thereby contributing to a positive impact on market capitalization.

Analysis Result Causal Inference* (Representative Results)



* Analysis using data from approximately 1,700 companies listed on the Tokyo Stock Exchange's Prime Market

VOICE

Organizational culture and individual actions key to enhancing corporate value

To support the visualization of "the impact of non-financial initiatives on corporate value," I collaborated with the Sustainability Division to quantitatively analyze the relationship between corporate value and ESG initiatives such as Talent and Organization and Corporate Governance. My role focused on selecting appropriate analytical methods and conducting the analysis and evaluation of resulting data.

In the process of this joint undertaking, we learned about the various measures underpinning Astellas' sustainability initiatives, and also gained many new insights during the analysis and evaluation process. One of the most striking realizations was that enhancing corporate value depends not only on the presence or absence of such measures, but also on the organizational culture and individual actions that make them effective. This insight reinforced the importance of each employee taking personal responsibility for sustainability, integrating it into everyday tasks and decision-making. I believe that this mindset is key to achieving meaningful improvements in corporate value.

In the context of my own work, I realize that Astellas' sustainability initiatives also rely on how I apply my own work style and interact with colleagues to help unlock the potential of my team and strengthen our performance. Moving forward, I plan to continue going about my daily tasks not only with the intention of sharpening my own skills, but also with a focus on leveraging the strengths of those around me and supporting the growth of the entire team.



Keigo Tanabe
InformationX, DigitalX

Overview

Visualizing the social impact of our initiatives to improve Access to Health

Stakeholders in Astellas initiatives extend beyond patients and their families, also including healthcare professionals, governments, companies and organizations, and investors. We believe that providing easy-to-understand explanations of our business activities to all stakeholders, including non-financial initiatives, is essential to gaining understanding of and support for Astellas' strategy. Quantifying the results of our business activities is thus an important means of communicating with stakeholders.

We have received feedback from institutional investors who believe that visualizing the social impact of Access to Health initiatives will prove a useful tool for communication with the company, as it quantitatively demonstrates the significance of investing shareholder capital in specific activities.

Impact of non-financial initiatives on corporate value

In this manner, we have built a multi-layered empirical framework that integrates macro-level statistical generalizability with micro-level applicability to individual companies. We believe that the "Astellas Model" contributes to building practical legitimacy, as it introduces a structured process for aligning ESG initiatives with externally verifiable and highly value-relevant non-financial indicators, rather than depending on qualitative narratives and symbolic reporting.

In the future, we aim to provide highly reliable findings that can be incorporated into our management strategies, through ongoing analytical efforts and accumulation of necessary data.

Sustainability Strategy

Access to Health of Astellas

Astellas recognizes Access to Health as a material topic, and through our VISION to be "On the forefront of healthcare change to turn innovative science into VALUE for patients," we are proactively taking a comprehensive approach to solving these issues through the three methods defined below.

(Results through the end of FY2024)

Astellas' initiatives for enhancing Access to Health

01 Astellas' core business (Rx, Rx+)

Patients prescribed Astellas products
(PADCEV, IZERVAY, VEOZAH, VYLOY, XOSPATA , XTANDI, EVRENZO, PROGRAF, HARNAL, VESICARE and mirabegron)

Innovative Drug Business

174.7 million patients **103** counties and areas

Rx, Rx+

02 Enhancing availability of Astellas products

Early Access Requests *1

Cumulatively for XTANDI, XOSPATA, PADCEV, and VYLOY **9,771** requests approved **43** countries and areas

Post-trial Access*2

975 patients **42** countries and areas

Patient Access Initiatives*3

29 initiatives **17** countries and areas

International Pharmacy Program (IPP)*4

have received PADCEV through IPP since the start of the program in May 2021 **163** patients **20** countries and areas

03 Collaboration and support for the activities implemented by external partners and foundations

Health System Strengthening Program

Supporting **9** global charitable programs to strengthen health systems for cancer through support of Non-Governmental Organization partners' programming

54,643 people benefited in **4** countries since programs launched

Health initiatives for the local community (collaboration with CNC Co., Ltd.)

11 projects implemented in collaboration, involving over **1,778** people through collaborative projects

Efforts to improve health literacy by Astellas Healthcare E-city™

157,615 people accessed the program since launch in 2023

Patient Centricity Programs

150+ patient advocacy/patient organization programs supported

25 countries

Contribution to Global Health

Provided Astellas' innovative formulation technology and know-how as a member of the Praziquantel Consortium*.

Expected impact By 2030, new treatment option will be available for treatment of up to **12** million preschool-aged children

Astellas Global Health Foundation

Since 2018, the Foundation has supported **14** charitable initiatives focused on improving Access to Health, building resilient communities, and providing disaster support in countries where the company does not have operations.

Impact **31.9**+ million lives

*1 A program that enables access to an investigational Astellas therapy outside of the clinical trial setting before commercial availability at the request of a prescribing healthcare professional
*2 A program that allows patients to continue treatment with an Astellas product even though the formal part of the clinical trial has been completed
*3 A program that provides financial support from the time of product approval until reimbursement, or after approval
*4 A program that provides access to an Astellas product prior to approval in countries where it has not yet been approved
*5 For details, please visit the following website https://www.pediatricpraziquantelconsortium.org/

01 Astellas' core business (Rx, Rx+)

Since our establishment, Astellas has continuously strived to create innovative healthcare solutions and deliver them to patients who need them. We will accelerate our research and development based on our Focus Area approach and create diverse healthcare solutions by combining innovative biologies and modalities/technologies. We will also promote the Rx+ business, leveraging Astellas' expertise and knowledge. This initiative integrates innovative medical technology with cutting-edge advancements from different fields, aiming to deliver VALUE for patients across the whole patient journey (overall medical care, including preventive, diagnostic, therapeutic and prognostic care).

02 Enhancing availability of Astellas products

For patients who cannot access Astellas products due to social or economic reasons, we implement strategic activities to improve access from development to post-launch.

Our Early Access Programs provide investigational therapy to eligible patients with serious or life-threatening diseases who cannot participate in clinical trials. For example, the PADCEV Early Access Program has approved over 2,900 requests for patients with locally advanced or metastatic urothelial cancer in 7 countries.

Our International Pharmacy Program (IPP) allows importation of products approved in major countries for use in those where approval is still pending. PADCEV has been imported into 20 countries through this program, serving more than 160 patients over the program's duration. In addition, our Patient Access Initiatives (PAI) are active in 17 countries, helping eligible patients obtain affordable access to Astellas products directly or through governments, healthcare agencies, or other eligible organizations.

Astellas has donated Prograf products to patients in Tanzania since FY2023. The donation was made to Direct Relief, a global humanitarian relief organization that works to equip healthcare professionals in resource-poor communities to meet the challenges of and caring for people in need, and have supported more than 200 patients to date.

Access to Health of Astellas

03 Collaboration and support for the activities implemented by external partners and foundations

Contribution to Global Health

Astellas has been collaborating with the Pediatric Praziquantel Consortium to develop a new pediatric treatment option for schistosomiasis in preschool-aged children. This new treatment option received a positive scientific opinion from the European Medicines Agency (EMA) in December 2023, and was included in the WHO list of prequalified medicines in May 2024.

In March 2025, the first treatment for schistosomiasis in preschool-aged children was administered in Uganda as part of the Consortium's implementation research. Leveraging Astellas' capabilities and technologies, we have reached a major milestone in our long-term collaboration with the Consortium.

Advance Healthcare System Strengthening

At Astellas, we are committed to improving healthcare and making a meaningful impact on patients, caregivers, and communities. By partnering with charitable organizations, we support increased diagnosis and quality care, aiming to strengthen community-based healthcare systems.

In Mexico, our partnership with AMPATH/MAPAS*1 delivers a grassroots model for cancer prevention and early detection. The program trains local community health workers and medical trainees to conduct home visits, lead education sessions, and guide individuals to screening and care. Promotoras—trusted community members—play a central role, offering culturally sensitive information on breast, cervical, and prostate cancer, healthy habits, and preventive care.

In spring 2025, the program expanded to a third community and significantly boosted screening participation. One standout result: breast cancer screenings rose by 244% over the baseline. Health education reached thousands, and cancer literacy among promotoras improved substantially.

In the Dominican Republic, a prostate cancer campaign funded by Astellas held 40 community screening events and administered over 7,000 tests. In Malaysia, awareness efforts were carried out through a network of 40 barbershops and beauty salons across five states. In Peru, significant advances included formal development plans in radiotherapy and nuclear medicine, along with institutional agreements to expand digital health infrastructure.

Globally, Astellas has already supported 9 initiatives to strengthen health systems and reduce equity gaps. With new funding in 2025, we will continue to improve cancer survival rates in Malaysia and Peru, expand prostate cancer screening in Vietnam, and ensure community support and address care caps for marginalized cancer patients in the United States and the United Kingdom.

Astellas Healthcare E-city™

Astellas believes that improving health literacy and reducing regional disparities are key priorities to ensure equitable access to medical care.

In 2023, to address these issues, Astellas launched the "Astellas Healthcare E-city™" in partnership with a local start-up in Brazil. This platform provides educational content focused on the early diagnosis and prevention of gastric cancer, partnering with local medical specialists. Brazilians with an internet connection can access the platform and educational resources to help contribute to greater equity by improving health literacy across regions both in rural and urban locations.

In 2024, the second content was launched to increase access to women's health information. The innovative, virtual experience gives health education and support to women who are progressing through menopause.

In June 2025, Astellas expanded to the E-city in Colombia. Colombia, like Brazil, faces challenges related to Access to Health. Astellas believes that through the E-city initiative, it can contribute to improving health literacy.

Astellas will continue to strengthen its collaboration with external partners and remain committed to developing and delivering patient-centric solutions.

Project Commune

In 2023, Astellas launched "Project Commune" in collaboration with CNC, Ltd. to support initiatives aimed at enhancing physical, mental, and social health. The project focuses on alleviating social isolation and contributes to disease prevention and early detection. Community Nurses*2 engage early in daily life, co-creating moments of joy and supporting well-being. These relationships help residents find purpose, take on social roles, and feel uplifted by helping others. The model is expanding through collaboration with hospitals, pharmacies, and local governments, and research with external experts is underway to visualize the impact of human connection. Astellas is committed to fostering well-being beyond medicine by building meaningful relationships in communities.

Starlight Partner Activities

At Astellas, patients are regarded as our most important stakeholders, and as part of the company's Access to Health (ATH) focus, one of our long-standing programs is the Starlight Partner Program (SLP) to support patient organizations. This initiative respects the independence of patient organizations while providing training opportunities and financial support.

We recognize patient organizations as key partners in addressing the societal challenge of access to health, and through these support activities, we aim to contribute to their sustainable development and the achievement of their goals.

In FY2024, 43 organizations and 55 patients participated in programs provided through this initiative, and 9 organizations received donation support.

Astellas Foundation for Research on Metabolic Disorders (AFRMD)

The AFRMD*3 supports medical and life sciences through nurturing young talent and providing researchers with training and opportunities to study abroad. In FY2024, a total of 160 million yen for research grants were awarded to 80 researchers; a total of 40 million yen for step up research grants were awarded to 10 researchers. In addition, a total of 55.66 million yen for overseas study subsidies were awarded to 11 researchers.

Astellas Global Health Foundation (AGHF)

The AGHF is an international philanthropic organization focused on addressing unmet medical needs and health access issues in underserved communities. Through its grants, the Foundation impacts health in low- and middle-income countries where Astellas does not have a business presence. With US$13.3 million in total funding, it has already supported 14 organizations across 15 countries, benefiting over 31.9 million people.

*1 For more details, please visit the following website
https://www.ampathmexico.org/
*2 Community Nurse: This is a concept that CNC, Ltd. has independently advocated and promoted, inspired by the nursing practice of "Community Nursing"
For more details, please visit the following website (Japanese only)
https://cncinc.jp/
*3 For more details, please visit the following website
https://www.astellas-foundation.or.jp/

Sustainability Strategy

Establishment of a More Sustainable and Resilient Supply Chain

Astellas is strengthening its BCP measures against unpredictable risks such as regional conflicts and natural disasters and to prepare for supply chain disruption, energy shortages, and rising energy costs.

Specifically, in preparation for supply chain disruptions, we have secured secondary suppliers and secondary sites for our global products according to risk levels. We also are adjusting inventory levels to maintain a stable supply.

To reduce energy-related risks, we are considering the introduction of solar power generation and backup power supplies (such as uninterruptible power supplies and emergency power generators) for manufacturing and research sites in Japan.

By recognizing and preparing for unpredictable risks, we will maintain a stable supply of pharmaceuticals, which is our mission as a pharmaceutical company, and we will realize a flexible and sustainable business.

Sustainable Procurement Initiatives

Procurement plays a vital role not only in cost and quality management, but also in driving innovation and promoting Environmental, Social and Governance (ESG) initiatives. Based on this understanding Astellas regards the realization of sustainable procurement* as essential to achieving both a sustainable society and the sustainable enhancement of corporate value. By building strong partnerships with business partners globally, we will accelerate our delivery of VALUE to patients through our pharmaceutical products.

Sustainable Procurement Pledge

To fulfill Astellas' Environmental and social responsibilities across the entire supply chain, we believe it is important to embed Environmental, Social and Governance (ESG) principles into our processes and decision-making, while ensuring compliance. To this end, Astellas has formulated the Sustainable Procurement Pledge, which outlines our responsibilities and the expectations we have of our suppliers across five key pillars.

Risks

Regional conflicts, natural disasters, and infectious disease pandemics

- Supply chain disruption
- Raw materials supply instability
- City lockdowns
- Energy shortages and rising energy costs

Risk Control

Sustainable manufacturing of Products

Stable sourcing of raw materials

- Identify raw and other materials that may become difficult to source due to growing geopolitical risks
- Continue to secure raw materials and other substitutes for key products and build up inventory in preparation for future unknown risks



■ Astellas Commercial Manufacturing Plants ● Distribution Centers

Stable supply of Products

Response to supply chain risks

- Collaborate with partners to achieve seamless distribution. Maintain supply by securing alternative routes in the short term (including Ukraine/Russia, Israel/Gaza)
- Build a system to centrally manage demand forecasts, inventory information, and supply plans for each region of the world to strengthen stable supply systems

* For details, please visit the following website.
https://www.astellas.com/en/sustainability/astellas-and-society/sustainability-in-business-practice

Business Partner Code of Conduct

Astellas expects its suppliers to meet or exceed all applicable laws and regulations that are in place in the countries where Astellas and suppliers operate.
This Code of Conduct complements existing contracts with each supplier and serves as a guide to help them fulfill their respective roles. By incorporating environmental regulations, social responsibilities, and ethical standards into procurement activities, we ensure robust risk management and transparency.

Implementation of the Third Party Lifecycle Management (TPLM) Program

The Third Party Lifecycle Management (TPLM) framework is designed to mitigate risks across all stages of supplier relationships, including planning, selection/due diligence, and contracting. Within the "selection/due diligence" phase, we incorporate sustainability risk assessments, which are conducted globally.

The sustainability risk assessment is based on:

1. Responses to questionnaires from suppliers,
2. Information from external resources,
3. Evaluations by internal experts with knowledge of sustainability-related risks such as human rights, environment, health and safety, and data privacy,
4. When necessary, on-site assessments conducted by Astellas employees.

For environmental and health & safety risk assessments, we use the Self-Assessment Questionnaire (SAQ) published by the Pharmaceutical Supply Chain Initiative (PSCI), supplemented with original questions developed by Astellas. Depending on the nature of the transaction, we also assess sustainability risks of subcontractors.

This sustainability risk assessment has been in operation since February 2019 in Japan, North America, and Europe, and has since been expanded to South America and various Asian countries. By utilizing a common global platform, we centrally manage assessment results and processes.

In FY2024, we achieved over 5,000 TPLM cases, while also working to strengthen monitoring of risk domains such as environment and labor conditions, and reduce operational burden. When a supplier is assessed as high-risk, we request improvement measures and continue monitoring and support to maintain a sound supply chain. If a critical risk is identified and deemed difficult to resolve, we refrain from engaging in business with that supplier.

Even after initiating business, the relevant business units continue to monitor risk status, and we re-assess sustainability risk levels every three years. If necessary, a reassessment may take place within the three-year period.

Sustainability Strategy

Environmental Management

In FY2021, we identified Climate Change and Energy as a critical issue for both society and Astellas. Consequently, we established the reduction targets through 2030 in line with the Net Zero GHG (greenhouse gas) emissions by 2050 and the Paris Agreement's 1.5°C goal. To achieve our goals, we have installed biomass boilers and wind turbines at our Kerry plant in Ireland. Additionally, solar energy is utilized at our Tsukuba Research Center, Yaizu Technology Center, Shenyang plant, and Kerry plant.

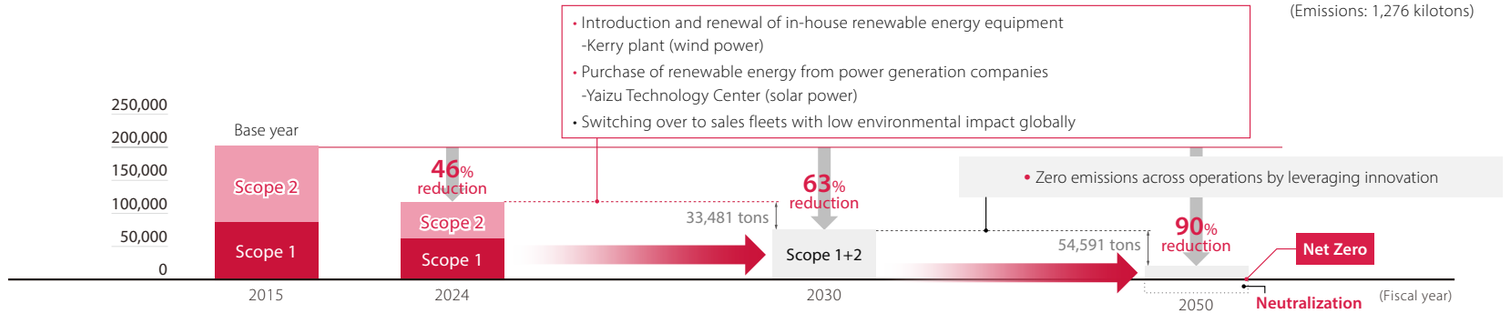
Our Environmental Action Plan sets out short-term and medium-term targets for our activities regarding the key points of the Astellas Environment, Health & Safety Guidelines, and we are continuously working towards achieving these quantitative targets. We renew our action plan on a rolling basis, by reviewing progress and conditions during the previous year and incorporating our findings into our action plan for the following year. In November 2018, the Environmental Action Plan involving Climate-Related Measures obtained Science Based Target (SBT) certification from the SBT Initiative, which recommends that private companies set reduction targets aligned with the Paris Agreement, which entered into force in 2016, and Astellas operated under that, but reviewed GHG emission targets towards achieving the targets of 1.5°C (Scope 1 and 2) and well-below 2°C (Scope 3).

In January 2023, the SBT Initiative approved the targets as a science-based initiative, and Astellas has moved forward on a new Environmental Action Plan (Climate Change Mitigation Measures). Our environmental action plans for natural resource conservation measures and waste management have been consistently managed well, and even higher targets have been set from FY2021. We are continuously implementing measures eyeing the target fiscal years of each plan. Results for FY2024 are as shown on the right:

For details about our Kerry plant, please visit the following website.
https://newsroom.astellas.com/2023-08-22-Can-Sustainability-Be-Globally-Driven-and-Locally-Accomplished-Astellas-believes-it-can

Environmental Action Plan: Targets and Achievements

Goal of Environmental Action Plan	Base year	FY2023 Results	FY2024 Results
Measures to Address Climate Change Reduce GHG emissions (Scope 1 + 2) by 63% by FY2030 ► [1.5°C target] (Emissions in the base year: 201 kilotons)	FY2015	Ratio to base year: **40**% decrease (Emissions: 120 kilotons)	Ratio to base year: **46**% decrease (Emissions: 108 kilotons)
Reduce GHG emissions (Scope 3) by 37.5% per unit of revenue by FY2030 ► [well-below 2°C target]	FY2015	Ratio to base year: **19**% decrease (Emissions: 1,121 kilotons)	Ratio to base year: **7**% decrease (Emissions: 1,276 kilotons)
Measures for the Conservation of Natural Resources ► Enhance approx. 20% water resource productivity based on FY2016 by the end of FY2030 (For research and production sites in Japan and overseas) Water Resource Productivity = Revenue (billions of yen)/Water resources withdrawn (1,000 m³)	FY2016	Water Resource Productivity Ratio to base year: **65**% improvement	Water Resource Productivity Ratio to base year: **86**% improvement
Waste management ► Improve approx. 10% waste generated per unit of revenue based on FY2016 by the end of FY2030 (For research and production sites in Japan and overseas) Waste Generated per Unit of Revenue = Volume of waste generated (tons)/Revenue (billions of yen)	FY2016	Waste Generated per Unit of Revenue Ratio to base year: **25**% improvement	Waste Generated per Unit of Revenue Ratio to base year: **45**% improvement
Biodiversity ► Quadruple the biodiversity index by fiscal 2025 from the fiscal 2005 level Biodiversity Index = $\frac{\text{Consolidated revenue in assessment fiscal year}}{\sum\left(\frac{\text{Burden in assessment fiscal year}}{\text{Burden in the base year}} \times \text{Weight}\right)}$	FY2005	Biodiversity Index Ratio to base year: **4.9** times	Biodiversity Index Ratio to base year: **6.7** times



Sustainability Strategy

Disclosure Based on TCFD Recommendations

Astellas has positioned Climate Change and Energy as "very important" in the Materiality Matrix and conducts scenario analyses to understand the business risks and opportunities arising from climate change. The analysis evaluates transition risks (under a 1.5°C scenario) and physical risks (under a 4°C scenario) based on respective assumptions. In FY2021, a qualitative analysis was conducted, and in FY2022, a quantitative analysis was performed on certain items. With the change in the GHG emission reduction action plan from a 2°C target to a 1.5°C target, the transition risk scenario was also adjusted to a 1.5°C scenario.

Disclosure in line with TCFD (Task Force on Climate-related Financial Disclosures) recommendations, including the assessment of risks and opportunities, is reported to the Board of Directors as part of our sustainability activities. Responses to identified risks are discussed and decided upon by the Executive Committee or the Board of Directors, depending on the significance of the issue. For more information on the structure related to climate change, please refer to our corporate website.

EHS Management and Disclosures based on TCFD
https://www.astellas.com/en/sustainability/the-environment/ehs-management-and-disclosures-based-on-tcfd

Analysis of Risk*

Climate-Related Risks		Potential Impacts	Financial Impacts	Affected Period	Astellas' Resilience
Transition Risks (risk materializing at 1.5°C increase)					
Policy and Legal	Increased pricing of GHG emissions (costs if paying a carbon tax)	Business sites that have not introduced renewable energies may have to add payment of a carbon tax to their costs.	1.1 billion yen in FY2030 assuming a carbon tax of $100 per ton	Medium to long-term	• Some of the electricity consumed at the business site is generated internally by using renewable energy sources such as wind power and solar power. • Switch to purchasing energy derived from renewable sources at business sites is being promoted. • The purchase of carbon credits to reduce Scope 1 emissions and measures to control costs associated with the purchase will be issues for consideration.
		Purchased goods and services (Scope 3 Category 1) may be subject to carbon tax, which increases the burden when added to the procurement price.	10 billion yen in FY2030 assuming a carbon tax of $100 per ton	Medium to long-term	Scope 3 Category 1: We will work on optimizing the use of raw materials. By formulating a supply chain sustainability roadmap, CO_2 emission data of purchased products will be analyzed and emission reduction will be prioritized.
Physical Risks (risk materializing at 4°C increase)					
Acute	Increased severity of extreme weather events such as floods	• Operations halt at our business sites due to floods or other factors. • Raw material and product supply is delayed due to damage in the supply chain caused by floods or other factors.	500 million yen Reference the flood countermeasures of the Toyama Technology Center.	Near to long-term	• The planned investment for the Toyama Technology Center's flood response was estimated to be 500 million yen and comprises the following – Install a 3m waterproof wall around the power receiving building – Construction of substation equipment with a structure of 3m or more – Purchase of generators • If similar measures are required, a similar amount of investment will be considered.

Analysis of Opportunities*

Climate-related opportunities		Potential Financial Impacts	Affected period	Astellas' response
Energy source	Use of lower-emission sources of energy	Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon	Near to long-term	• Shifted boiler fuel from liquid fuel to gaseous fuels. • We are moving ahead on introducing hybrid and electric vehicles in our sales fleet. • We are working on using wind power generation and biomass boiler system at Kerry plant in Ireland.
Products and markets	• Development and/or expansion of low emission goods new products and services • Access to new markets	Increased revenues through access to new and emerging markets	Near to long-term	• For the spread of infectious disease in endemic areas due to temperature change and the need for new drugs for infectious disease treatment assumed by the problem of antimicrobial resistance, collaboration with the phage biologics research course at a university to create engineered bacteriophages, could be a viable solution. • Climate change can change the geography of the morbidity associated with and severity of epidemics. Heart disease, respiratory disease, etc., may also increase.

* We have presented highlights from the analysis results on this page. For detailed information, please visit our corporate website or refer to the EHS report.

EHS Management and Disclosures based on TCFD
https://www.astellas.com/en/sustainability/the-environment/ehs-management-and-disclosures-based-on-tcfd

The Environment
https://www.astellas.com/content/dam/astellas-com/global/en/documents/environment-ehs-report-fy2025-en.pdf

Sustainability Strategy

Climate Change and Energy

In order to reduce GHG emissions, Astellas must implement management practices that involve the entire Astellas organization from a medium-term perspective. Astellas' manufacturing plants, research centers, sales and marketing divisions, and offices are implementing a variety of initiatives with the aim of mitigating climate change.

Regarding tangible elements, efforts to improve facilities, which include the introduction of high-efficiency equipment and the conversion to alternative fuels, are expected to make a significant contribution to reducing the level of GHG emissions generated by energy sources. Regarding intangible aspects, employees' participation in energy saving through improvements of daily work is also important. To this end, each facility adopts a two-pronged approach, comprising measures related to both tangible and intangible elements.

Understanding GHG Emissions in the Supply Chain

Although the Environmental Action Plan concerning climate change is targeting emissions directly generated by business activities (Scope 1 and Scope 2), Astellas is also striving to assess emissions produced throughout the entire supply chain (Scope 3). We have also set SBT for GHG emissions from major categories within Scope 3 and are striving to reduce them.

In addition, we encourage support and cooperation with our measures to reduce GHG emissions, including transactions among our production contractors.

Priority Use of Gaseous Fuel

At Astellas' research and production sites, we use boilers fueled by city gas, LPG (liquefied petroleum gas) and LNG (liquefied natural gas), all of which generate low GHG emissions during combustion. These boilers not only contribute to reducing GHG emissions but also to reducing SOx emissions, another air pollutant.

Introduction of Energy Monitoring Systems

Knowing exactly how much energy we use is useful for the formulation of new strategies. We have introduced energy monitoring systems that can visually monitor energy usage at our facilities.

Reduction of GHG Emissions Generated by Sales Activities

Since FY2008, Astellas has been striving to reduce GHG emissions associated with the use of sales fleets. In each region, we are continuously switching over to vehicles with low environmental impact (e.g., hybrid cars, electric vehicles). In Japan and the US, where the rate of introducing hybrid vehicles is high, the volume of GHG emissions relative to the number of vehicles has been reduced more than in other regions.

GHG emissions associated with the use of sales fleets are reported under Scope 1 (fuel usage) and Scope 2 (electricity usage by electric vehicles).

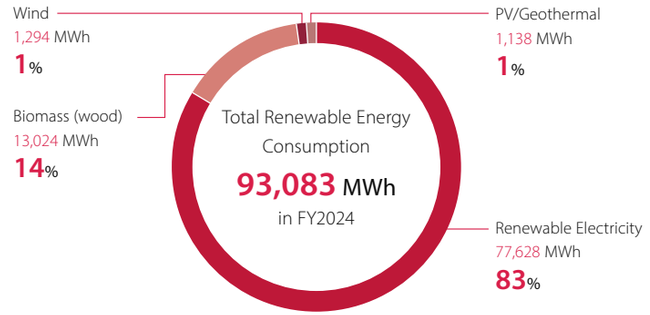
Using Renewable Energy

The use of renewable energy is one of the most effective climate change countermeasures. Astellas is introducing photovoltaic panels and wind power generation, and such equipment as biomass boilers, and purchases electricity derived from renewable energy sources to reduce GHG emissions. We will continue to strive to expand the use of renewable energies to help achieve Net Zero.

Starting in April 2020, Astellas switched all electricity consumed by its three sites in Ibaraki, Japan (Tsukuba, Tsukuba Tokodai and Takahagi) to a power plan considered 100% hydroelectric. The reduction impact in FY2024 is equivalent to approximately 26,000 tons of GHG emissions.

Moreover, we are also moving ahead on switching to electricity generated by renewable energy sources in areas outside of Japan. Looking ahead, Astellas will continue to explore opportunities for using renewable energy, and it will also consider formulating targets for the use of renewable energy.

Usage of renewable energy (FY2024)



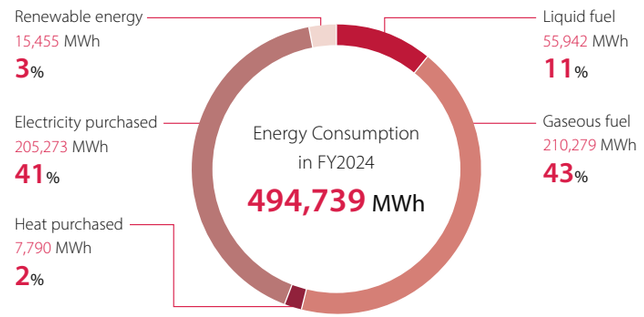
Breakdown of Energy Consumption

Global energy usage in FY2024 by the Astellas Group amounted to 495 GWh, for a decrease of 11% (63 GWh) over the previous year. The percentage of total energy consumption accounted for by electricity is high because in each region a large amount of electricity is consumed by the operation of air conditioning equipment.

Astellas strives to reduce its energy consumption, including through the continued implementation of energy-saving measures and the introduction of highly efficient equipment.

For details about energy consumption, please see the Non-financial Data on P.106

Breakdown of Energy Consumption in FY2024 (Global)



Sustainability Strategy

Initiatives for Resources Recycling and Pollution Prevention

Astellas recognizes that since the use of sustainable resources is essential for continuing its business activities, it must play an active role in the creation of a recycling-oriented society. We have established an Environmental Action Plan and are moving forward with steps to effectively use water resources and recycle waste materials (reuse, recycling, and use of all thermal energy) as initiatives contributing to a recycling-oriented society.

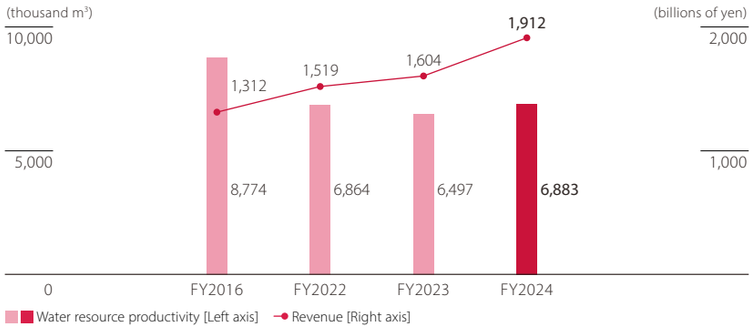
Astellas promotes activities to prevent global environmental pollution. For major environmental management indicators for air and water quality, we have set and managed stricter voluntary control values than the values stipulated by laws and regulations and agreed values. In addition, we are promoting voluntary activities to reduce atmospheric emissions of chemical substances.

Initiatives for Resources Recycling

Effective Use and Recycling of Water Resources

The effective use of water resources serves as a useful indicator for gauging society's impact on biodiversity. Astellas assesses the relationship between water resources and economic activity using a water resource productivity index and has been striving to improve this index. Water resource productivity in FY2024 improved by 86% compared with the base year of FY2016.

Changes in Water Resources Withdrawn and Revenue



Astellas' operations use only water drawn from service water, industrial water and groundwater. Water used in work operations is treated in accordance with wastewater discharging standards and returned to an aquatic environment. In addition, Astellas is continuously working to reduce water consumption while minimizing process wastewater.

Risk Assessment of Water Resources

Water is indispensable for Astellas' research and production activities. Each business site obtains necessary government approval to use water, and wastewater is discharged after being treated to meet wastewater discharging standards.

TOPICS

Conserving Water Resources — Advanced Wastewater Treatment for Environmental Protection

Astellas has consistently exercised stringent control over the discharge of active pharmaceutical ingredients (APIs) in wastewater produced from manufacturing processes, including thorough monitoring and treatment by external contractors. To enhance our environmental and social responsibilities as a corporation, we are also exploring the implementation of advanced wastewater treatment technologies at our facilities.

As part of this initiative, the Yaizu Technology Center began operating a new advanced oxidation processing system in March 2025. This system is designed to prevent the release of API residues into the environment by decomposing substances that are difficult to treat with conventional facilities. It is currently applied to wastewater from pharmaceutical production, helping to prevent environmental discharge of its components. This initiative not only further reduces environmental impact but also enables a more efficient and sustainable alternative to outsourcing wastewater treatment to external providers.



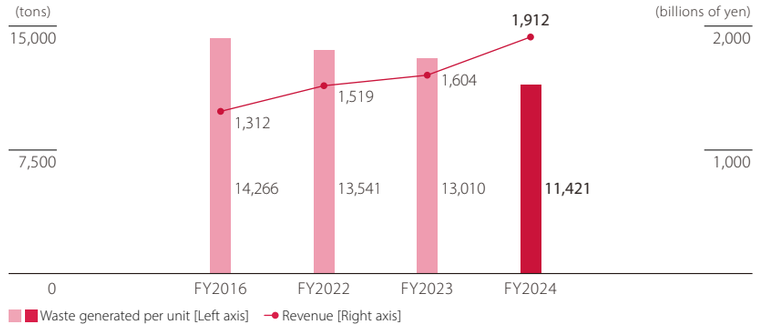
Waste Management

Astellas is promoting efforts to reduce the waste landfill volume to as close to zero as possible through the proactive recycling and reuse of waste materials. Moreover, Astellas also evaluates the relationship between the waste generation volume and economic activities with the index known as the Waste generated per unit, and the company is making efforts to improve it. In FY2024, the waste generated per unit improved 45% over the base year (FY2016).

Waste management in the value chain

In waste management, it is also important to prevent environmental pollution caused by hazardous waste generated by research centers and manufacturing plants and the illegal disposal of that waste. As a means of prevention, we first examine appropriate methods of waste disposal and then conduct regular on-site assessments that waste treatment contractors are using appropriate waste treatment methods.

Changes in Waste Generation Volume and Revenue



* Production facilities and R&D sites in Japan and overseas

Sustainability Strategy

Initiatives for Resources Recycling and Pollution Prevention

Initiatives for Pollution Prevention

Air Pollution—Reduction of VOC* Emissions

Astellas sets voluntary numerical targets for reducing the amount of volatile organic compounds (VOCs) that are emitted accompanying the use of solvents in production and research activities and makes efforts to reduce emissions. Moreover, as a measure to prevent environmental pollution by chemical substances as well as environmental pollution, occupational illnesses and health hazards, we are taking steps to minimize the impact of our business operations on our employees, local communities, and the environment, such as development of new manufacturing processes that do not use highly hazardous chemical substances.

The VOC emissions from Japanese factories and research facilities in the fiscal year 2024 totalled 22 tons.

* Volatile organic compounds—organic chemical compounds that are volatile in the atmosphere at standard ambient temperatures and pressures.

Reduction of NOx Emissions

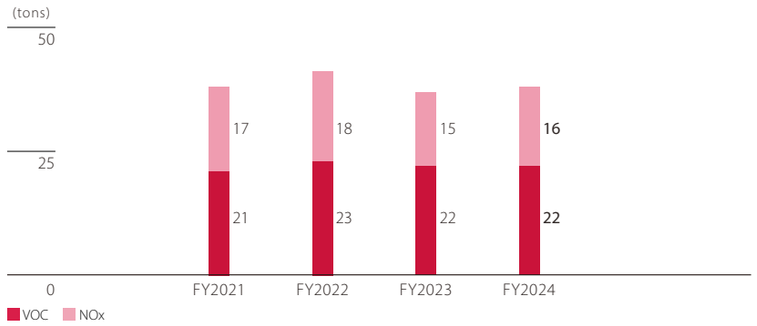
To reduce the emission of NOx into the atmosphere, Astellas has installed boilers that use gaseous fuels (city gas, LNG, and LPG). The NOx emissions from all business facilities in Japan are as shown in the table below. The NOx emissions from non-Japanese production facilities in FY2024 amounted to 3 tons.

Astellas does not use equipment that runs on fuel oil, which is a major source of SOx emissions.

For information on BOD* and wastewater discharge, please refer to "Non-Financial Data" on P.106.

* Biochemical oxygen demand. Used as a benchmark for indicating extent of water pollution by organic matter in rivers.

Changes in VOC and NOx Emissions



Sustainable Biodiversity Initiatives

Astellas is thankful for the benefits brought about by biological diversity and understands its business activities in all fields have an impact on ecosystems. We will make a positive contribution to the preservation of biodiversity by working to lessen that impact. Furthermore, we will actively contribute to the creation of a society that coexists with the natural world, enabling the preservation of biodiversity and the sustainable use of the benefits of healthy ecosystems.

Biodiversity Index

Astellas assesses the three main factors that are causing the deterioration of biodiversity as being environmental pollution, resource consumption, and climate change, and has created a Biodiversity Index to evaluate the impact of its business activities on biodiversity.

The environmental burden for each sub-category in the assessment fiscal year is divided by the corresponding burden in the base year and then multiplied by the weight to derive the "Biodiversity Burden Index." The "Biodiversity Index" is calculated by dividing Astellas' consolidated revenue in the assessment fiscal year by the total of all the Biodiversity burden Index figures. Improvement can be determined by comparing this Index to the base year.

Biodiversity and Astellas

	R&D	Manufacturing	Transportation & sales	Use	Land use (buildings, greenery)
Benefits from Ecosystem	• Energy resources • Genetic resources • Renewable resources • Biological resources • Regulates air quality • Cleans water • Regulates climates	• Energy resources • Renewable resources • Biological resources • Regulates air quality • Cleans water • Regulates climates	• Energy resources • Regulates air quality • Regulates climates	• Cleans water	
Impacts on Biodiversity	• Impact on habitats • Climate change • Pollution • Excess consumption of biological resources	• Impact on habitats • Climate change • Pollution • Excess consumption of biological resources • Invasion of foreign species	• Climate change • Pollution • Invasion of foreign species	• Pollution	• Impact on habitats (degradation, fragmentation) • Pollution • Invasion of foreign species

Examples of Initiatives

Contributing to Biodiversity Conservation — Participation in the 30by30 Initiative

Astellas supports the "30by30" initiative, which aims to conserve over 30% of land and sea as healthy ecosystems by 2030, and has joined the 30by30 Alliance for Biodiversity. This initiative, led by Japan's Ministry of the Environment, is gaining traction nationwide as local communities, businesses, and individuals unite to protect ecosystems.

Astellas has a long-standing commitment to biodiversity conservation, and through our participation in this initiative, we aim to have our company-owned sites certified as "Nationally Certified Sustainability Managed Natural Sites," further enhancing our efforts.

We are grateful for the benefits that biological diversity provides and recognize that our business activities across all sectors impact ecosystems. We are dedicated to making a positive contribution to biodiversity preservation by actively working to reduce that impact.

Sustainability Strategy

External ESG Evaluation

Astellas was named to the FTSE4Good Index Series for the fourteenth consecutive year in July 2025. In addition, Astellas was named for its rating in the MSCI ESG Ratings, achieving the highest AAA rating (on a scale of AAA to CCC).

ESG Assessments

		FY2022	FY2023	FY2024
	FTSE Russell ESG Ratings (0 to 5, higher scores are better)	4.3	3.6	3.8
MSCI ESG RATINGS AAA	MSCI ESG Ratings (Scale from CCC to AAA, 0–10, higher scores are better)	AA	AA	AAA
CDP Discloser 2024	CDP[Climate Change/Water Security] (A to F, A is the highest)	A-/B	A/B	A-/B
access to medicine FOUNDATION	Access to Medicine Index (Ranking of the world's 20 pharmaceutical companies)	16th/20	—	15th/20
Rated SUSTAINALYTICS	Sustainalytics (Scale from Negligible to Severe)	Medium	Low	Medium

FTSE Russell confirms that Astellas has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

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The progress report on Access to Medicine Index is as follows:
2022: https://accesstomedicinefoundation.org/resource/2022-access-to-medicine-index
2024: https://accesstomedicinefoundation.org/resource/2024-access-to-medicine-index

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Inclusion in ESG Investment Indexes

FTSE4Good

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

MSCI Selection Indexes Constituents 2025

S&P/JPX Carbon Efficient Index

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

Astellas Recognized as a 2025 Certified KENKO Investment for Health (KIH) Outstanding Organization (White 500)

Astellas supports our employees' working styles and well-being and strives for organizational health. Astellas' KIH promotion system is led by the Representative Director, President and CEO, with strategic direction provided by the Executive Officer in charge of Human Resources. The HR Division, Health Insurance Association, and Labor Union collaborate closely to plan and implement these initiatives.

As a result of these ongoing efforts, Astellas has been selected as one of the top 500 companies in the large enterprise category of the Ministry of Economy, Trade and Industry's 2025 Certified KIH Outstanding Organizations, known as "White 500."

2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

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Corporate Governance

2025 Highlight

Astellas' Governance at a Glance

Governance Structure

- Astellas has chosen the institutional design of a company with Audit & Supervisory Committee
- Majority of Independent Outside Directors with diverse and complementary expertise
- Fully independent Nomination Committee and Compensation Committee

Strategic Oversight & Accountability

- The Board endorses and oversees the company's mid- and long-term strategies, ensuring they are closely aligned with our Philosophy and VISION and drive sustainable growth
- Robust monitoring mechanism via the Enterprise Priority Monitoring group (EPM)

Corporate and Shareholder Value

- Driving long-term business growth and shareholder value through disciplined capital allocation
- Management incentives aligned with shareholder interests
- The Board is committed to engage with investors

Astellas' Corporate Governance Evolution

Committed to enhancing corporate governance to drive corporate value

2006
Majority Independent
Board with majority of Independent Outside Directors

2011
Independent Committees Chair
Appointment of Independent Outside Directors as Chair of the Nomination and Compensation Committees

2018
ASC* Adopted
Transition to a company with an Audit & Supervisory Committee
*ASC: Audit & Supervisory Committee

2022
Independent Committees
Nomination and Compensation Committees entirely composed of Independent Outside Directors

2024
Independent ASC Chair
Appointment of Independent Outside Director as Chair of the Audit & Supervisory Committee

2025
Global Pharma Experiences
Two Independent Outside Directors with global pharmaceutical experience join the Board

ALWAYS STRIVING FOR BETTER

2025 Highlight

Strengthening Supervisory Functions for the Implementation of Three Enterprise Priorities through EPM

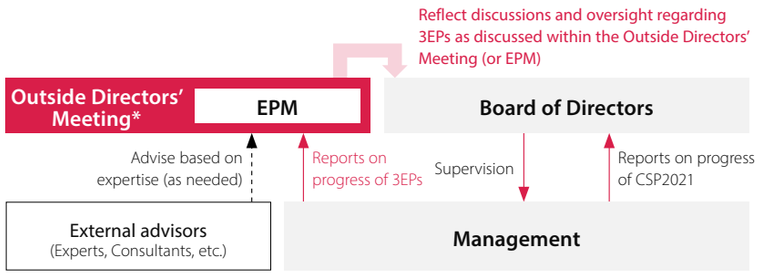
To ensure more reliable medium- and long-term growth, Astellas is addressing three Enterprise Priorities (3EPs) that are closely linked to the Performance Goals of Corporate Strategic Plan 2021 (CSP2021). We established a structure, the Enterprise Priority Monitoring group (EPM), to strengthen independent outside Directors' objective oversight of the 3EPs.

The objectives of EPM are as follows:

- Strengthen Outside Directors' insights into the current landscape and projections for critical initiatives
- Enhance progress monitoring of company-wide priorities
- Provide valuable insights and key priorities back to the Board

The activities started in November 2024 and run until the end of FY2025, which coincides with the conclusion of CSP2021.

Name	Enterprise Priority Monitoring group (EPM)
Member	All independent outside Directors
Chair	Takashi Tanaka, Director
Co-chair	Mika Nakayama, Director
Period of Activity	From November 15, 2024 (Friday) to the end of FY2025 (To be discussed for the period after this)
Frequency	Generally held in conjunction with the Outside Directors' Meeting



* The meeting consists of independent outside Directors only, and supports an open exchange of opinions

Changes to the Executive Compensation System

Starting from FY2025, we will revise the key performance indicators of bonus (short-term incentive remuneration) for Directors who are not Audit & Supervisory Committee Members (excluding outside Directors).

Change 1 EPS based on full basis performance will be adopted as a new key performance indicator. Accordingly, the assessment weighting of core EPS will be revised from 25% to 12.5%, and the assessment weighting of EPS will also be revised to 12.5%. The EPS target is the initially released forecast value.

Background By adopting an evaluation structure that considers both Core-based and Full-based performance, we aim to further align interests with stakeholders and enhance the objectivity and transparency of our compensation governance.

Change 2 The targets for the performance indicator for R&D performance will no longer be set separately for research and development, and quantitative targets will be newly set for progress in the development pipeline.

Background This adjustment aims to improve objectivity and transparency, ensuring that the overall corporate performance in research and development is more appropriately evaluated and the incentive system functions effectively.

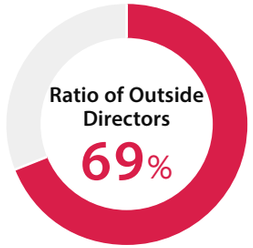
Change 3 Instead of the initiatives for Access to Health, the targets for the performance indicator for sustainability will be an initiative for sustainability-related information disclosure.

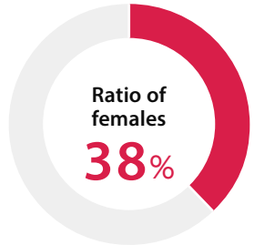
Background By systematically disclosing information regarding Astellas' sustainability initiatives as a whole, we aim to promote stakeholder understanding and contribute to enhancing corporate value further.

Ratio of Females on the Board of Directors

As of June 2025, out of 13 board members, 8 are male and 5 are female. Astellas agrees with the "Challenge for 30% by 2030" proposed by Keidanren and promotes the diversity of Board of Directors.

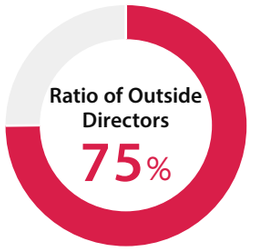
With the female representation on the Board of Directors reaching 38% in FY2025, the composition of the board now meets the numerical target set by the Japanese government in the Women's Economic Independence Policy 2024, which aims for at least 30% female representation in board positions by 2030.





Appointment of an Independent Outside Director as Chair of the Audit and Supervisory Committee

Until FY2023, a full-time internal member served as the Chairperson of the Audit & Supervisory Committee. With the enhancement of support from the Audit and Supervisory Committee Office, established in 2020, a foundation has been established for independent outside Directors to serve as the chair of the committee. In June 2024, an independent outside director was appointed as the chair, making the independence of the Audit and Supervisory Committee even clearer.



Corporate Governance

Message from Chairman of the Board



"Enhancing Corporate Governance and Supervision of the Board of Directors to Support Sustainable Growth of Corporate Value"

Kenji Yasukawa
Chairman of the Board,
Representative Director

My journey began when I transitioned from the role of Chief Strategy Officer to become the Representative Director and CEO in April 2018, and later, I was honored to be appointed Chairman of the Board in June 2022. Since April 2023, I have continued to serve as Chairman, drawing on my experiences to continuously oversee the execution of the corporate strategic plan.

Since 2021, we have focused on launching Strategic Brands, managing their life cycle management, and implementing cost optimization initiatives. These efforts culminated in FY2024, when Astellas achieved its record high revenue and core operating profit since its establishment. An important milestone was also reached with ASP3082, which achieved clinical proof of concept (PoC). In the first quarter of FY2025, we exceeded initial forecasts. Additionally, several flagship programs are expected to reach important milestones during the remainder of FY2025. At this critical juncture for our company, the board must strengthen its strategic oversight and decision-making capabilities to foster sustainable growth and enhance corporate value.

Effective Supervision: Balancing Defense and Offense

Our company adopts the organizational structure of "Company with Audit & Supervisory Committee", allowing us to delegate a significant portion of the business execution decisions to executive Directors. This design ensures operational agility, while enhancing discussions on enterprise strategies within the Board, and it establishes a framework that enables the Board to effectively fulfill its supervisory function.

The Board of Directors is dedicated to identifying improvement opportunities and making necessary course corrections, all while aligning with our management plan and strategy. We emphasize a shared understanding among all Directors, focusing on a balanced approach to supervision that encompasses both "defense" and "offense."

In our "defensive supervision," we diligently assess company-wide risks and compliance activities to maintain the integrity and soundness of our management practices. Conversely, our "offensive supervision" encourages calculated risk-taking aimed at fostering innovation and growth. We firmly believe that this balanced approach will contribute to the sustainable enhancement of our corporate value.

Strengthening Board Composition and Supervisory Function

In June 2025, following the Annual Shareholders Meeting, we initiated a new board composition that welcomed Andreas Busch and Mark Enyedy as independent outside Directors. Their broad backgrounds in the global pharmaceutical industry and international perspectives will enhance our board's effectiveness and broaden our horizons.

To ensure our sustainable growth beyond the loss of exclusivity for XTANDI, we are focusing on three enterprise priorities (3EPs): "Growth Strategy," "BOLD Ambition," and "Sustainable Margin Transformation."

In November 2024, we established the Enterprise Priority Monitoring group (EPM), composed solely of independent outside Directors, to enhance our board's supervisory function. The key roles of the EPM are: 1) strengthening outside Directors' insights into the current landscape and projections for the 3EPs, 2) enhancing progress monitoring of company-wide priorities, and 3) providing valuable insights and key priorities back to the Board.

With the establishment of EPM, external Directors can engage in objective discussions on the progress and challenges of the 3EPs, and strengthening the supervisory functions of the Board.

Engaging with External Stakeholders

To fully realize our supervisory function of the Board of Directors, engaging in meaningful dialogue with external stakeholders is essential. In FY2024, our outside Directors participated in the Sustainability Meeting, sharing their insights and perspectives with external stakeholders. We also facilitated dialogues between shareholders and directors, actively incorporating their feedback into our board discussions.

As we move forward, I am committed to fostering ongoing dialogue with our stakeholders. Together, we will enhance corporate value, fulfilling my responsibilities as Chairman of the Board and steering our organization toward a brighter future.

Corporate Governance

Basic View

The Company's raison d'être is to contribute to improving the health of people around the world through the provision of innovative and reliable pharmaceutical products. The Company aims to sustainably enhance enterprise value by being chosen and trusted by all stakeholders. With this business philosophy, we work to ensure and strengthen the effectiveness of corporate governance from the following perspectives:

1. Ensuring transparency, appropriateness and agility of management; and
2. Fulfillment of our fiduciary duties and accountability to shareholders and appropriate collaboration with all stakeholders.

Summary of the Company's Corporate Governance system

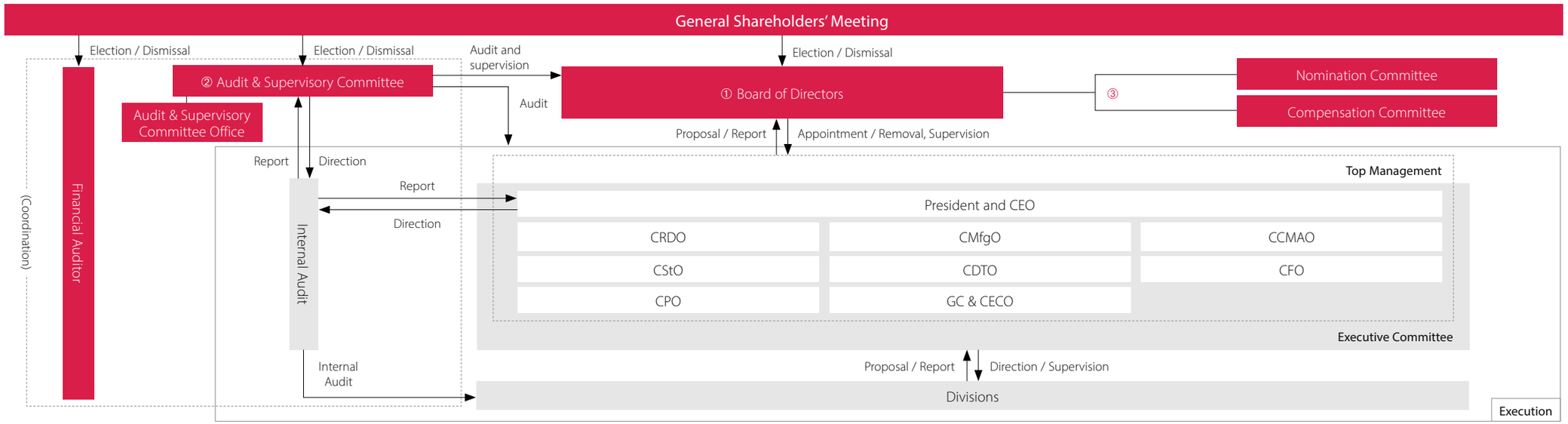
The summary of the Company's corporate governance systems is as follows:

- The Company adopts the organizational structure of "Company with Audit & Supervisory Committee." Outside Directors constitute the majority of the Board of Directors and the Audit & Supervisory Committee, respectively.
- The Board of Directors determines basic policies of management, business strategies and other matters, and serves the oversight function of business execution.
- As an organ for handling business execution, the Company establishes the Executive Committee for discussing important matters and appoints Top Management (the President and Chief Executive Officer; the Chief Research & Development Officer; the Chief Manufacturing Officer; the Chief Commercial & Medical Affairs Officer; the Chief Strategy Officer; the Chief Digital & Transformation Officer; the Chief Financial Officer; the Chief People Officer; and the General Counsel and Chief Ethics & Compliance Officer are collectively referred to as "Top Management") to take responsibility for business execution. The responsibility and authority for the execution of business of the organ described above and the Top Management are clearly stipulated in the Corporate Decision Authority Policy.
- As advisory bodies to the Board of Directors, the Company establishes the Nomination Committee and the Compensation Committee, each of which are composed of a majority of outside Directors.

[Reason for the selection of the system]

To realize this, the Company has decided to transition to a company with an Audit & Supervisory Committee, which will enable the delegation of a substantial part of the Board of Directors' decision-making authority of the execution of business to executive Directors. This further enhances deliberation on matters such as business strategy in the Board of Directors and further strengthens the oversight function of the Board of Directors. In addition, the Company deems it appropriate for the Board of Directors, a majority of whose members are outside Directors, to discuss and make decisions on important matters relating to corporate governance, including those involving election of Directors and remuneration, etc.

(as of April 2025)



Corporate Governance

For directors' profiles, Please refer to the corporate website.
https://www.astellas.com/en/about/leadership
Please refer to the Corporate Governance Report for detailed reasons for selection of outside Directors.
https://www.astellas.com/en/about/corporate-governance

Board of Directors (As of June 20, 2025)



Kenji Yasukawa

Representative Director, Chairman of the Board

Rate of attendance in meetings of the Board of Directors:
100% (14/14 times)
Number of shares of the Company owned:
215,215 shares

Since his appointment as Representative Director, Executive Vice President, Chief Strategy Officer and Chief Commercial Officer (CSTO & CCO) of the company in June 2017, he has been fulfilling his duties as Director. In April 2018, he was appointed Representative Director, President and CEO of the company, and led the overall management and global business, etc. Since April 2023, as Representative Director, Chairman of the Board, he has been supervising the overall management in an aim to achieve sustainable enhancement of the enterprise value.



Naoki Okamura

Representative Director, President and CEO

Rate of attendance in meetings of the Board of Directors:
93% (13/14 times)
Number of shares of the Company owned:
71,800 shares

Since his appointment as Representative Director, Executive Vice President of the Company in June 2019, he has been fulfilling his duties as Director, and overseeing the corporate planning, business development and finance divisions, etc., as Chief Strategy Officer (CStO), Chief Financial Officer (CFO) and Chief Business Officer (CBO) while utilizing his abundant experience in global business operation. Since April 2023, as Representative Director, President and CEO of the Company, he has been demonstrating strong leadership in an aim to achieve sustainable enhancement of the enterprise value and objectives of the strategic plan.



Katsuyoshi Sugita

Representative Director, Executive Vice President

Rate of attendance in meetings of the Board of Directors:
100% (14/14 times)
Number of shares of the Company owned:
11,800 shares

He has served important positions at Japanese subsidiaries of pharmaceutical and IT companies that develop business globally, and possesses abundant experience and extensive insight, as well as a high level of expertise in the field of human resources. Since his appointment as Senior Corporate Executive (Senmu Tantou-Yakuin), Chief People Officer and Chief Ethics & Compliance Officer (CPO & CECO) of the Company in October 2022, he has been overseeing the Human Resources and Ethics & Compliance divisions. Since his appointment as Representative Director, Executive Vice President, Chief People Officer and Chief Ethics & Compliance Officer (CPO & CECO) of the Company in June 2023, and his appointment as Representative Director, Executive Vice President, Chief People Officer (CPO) of the Company in April 2025, he has been fulfilling his duties as Director and he has been demonstrating strong leadership in an aim to achieve sustainable enhancement of the enterprise value and objectives of the strategic plan.



Takashi Tanaka

Outside Director

Rate of attendance in meetings of the Board of Directors:
93% (13/14 times)
Number of shares of the Company owned:
0 shares

He has been engaged in corporate management as a business manager of telecommunications companies for many years, and has abundant experience and extensive insight as a business manager. Since June 2021, he has been playing a key role as outside Director in the management of the Company from an independent standpoint. In addition, he has led the deliberations of the Nomination Committee and the Compensation Committee as the Chair of these committees. He contributes his broad knowledge in the telecommunications field and abundant experience and extensive insight as a corporate manager to the management of the Company from an independent standpoint.



Eriko Sakurai

Outside Director

Rate of attendance in meetings of the Board of Directors:
100% (14/14 times)
Number of shares of the Company owned:
0 shares

She has served in important positions for many years at a chemical manufacturer that develops business globally and has its head office in the United States, and has been engaged in corporate management at a Japanese subsidiary in the corporate group of that company. She possesses abundant international experience and extensive insight. Since June 2022, she has been playing a key role as outside Director in the management of the Company from an independent standpoint. In addition, as a member of the Nomination Committee and the Compensation Committee, she has contributed to the deliberations of each Committee by vigorously expressing opinions. She contributes her abundant international experience and extensive insight to the management of the Company from an independent standpoint.



Masahiro Miyazaki

Outside Director

Rate of attendance in meetings of the Board of Directors:
93% (13/14 times)
Number of shares of the Company owned:
5,000 shares

He has extensive experience working overseas for an industrial trading company, and has been engaged in corporate management as a business manager of a company that develops business globally in the field of precision instruments, etc. He possesses abundant international experience and extensive insight. Since June 2023, he has been playing a key role as an outside Director in the management of the Company from an independent standpoint. In addition, as a member of the Nomination Committee and the Compensation Committee, he has contributed to the deliberations of each Committee by vigorously expressing opinions. He contributes his abundant international experience and extensive insight to the management of the Company from an independent standpoint.



Yoichi Ohno

Outside Director

Rate of attendance in meetings of the Board of Directors:
100% (14/14 times)
Number of shares of the Company owned:
0 shares

He has been engaged in medical treatment for many years as a medical scientist and a clinician, and has abundant specialized knowledge and experience in medical treatment. Since June 2023, he has been playing a key role as outside Director in the management of the Company from an independent standpoint. In addition, as a member of the Nomination Committee and the Compensation Committee, he has contributed to the deliberations of each Committee by vigorously expressing opinions. He contributes his abundant specialized knowledge and experience to the management of the Company from an independent standpoint.



Andreas Busch

Outside Director

Number of shares of the Company owned:
0 shares

He has held important positions for many years as Head of Research and Development and Chief Innovation Officer at globally operating pharmaceutical and biopharmaceutical companies. In addition, he has been engaged in education and research of Pharmacology at universities. He possesses extensive expertise and experience in pharmaceutical research and development. He contributes his knowledge of the pharmaceutical business, as well as his specialized expertise and experience in research and development, to the management of the Company from an independent standpoint.

Corporate Governance

Corporate Governance



Mark Enyedy

Outside Director

Number of shares of the Company owned: **0** shares

He has held important positions in the field of business development in the pharmaceutical industry and has been engaged in corporate management as Chief Executive Officer of a biopharmaceutical company. He possesses abundant experience and extensive insight into the global pharmaceutical business. He contributes his expertise in pharmaceutical business development, as well as his abundant experience and extensive insight as a corporate executive, to the management of the Company from an independent standpoint.



Rika Hirota

Director, Full-time Audit & Supervisory Committee Member

Rate of attendance in meetings of the Board of Directors: **100**% (10/10 times)
Rate of attendance in meetings of the Audit & Supervisory Committee: **100**% (15/15 times)
Number of shares of the Company owned: **7,536** shares

In addition to possessing a high level of expertise in the area of research and experience in compliance and risk management, she has abundant knowledge and experience of the Company's business activities including serving as the Head of Audit & Supervisory Committee Office. Since her appointment as Director (Audit & Supervisory Committee Member) of the Company in June 2024, she has been fulfilling her duties as Director who is an Audit & Supervisory Committee Member, contributing her abundant knowledge and experience to supervision and audit of the Company's management.



Mika Nakayama

Outside Director, Chair of the Audit & Supervisory Committee

Rate of attendance in meetings of the Board of Directors: **100**% (14/14 times)
Rate of attendance in meetings of the Audit & Supervisory Committee: **100**% (20/20 times)
Number of shares of the Company owned: **0** shares

She has abundant specialized knowledge and extensive insight gained through her abundant experience in the field of intellectual property at a globally operating chemical manufacturer and, in addition to having served in important positions, she has been engaged in corporate management in the company. Since June 2022, she has been playing a key role as an outside Director who is an Audit & Supervisory Committee Member in supervising and auditing the Company's management from an independent standpoint. She contributes her abundant specialized knowledge and extensive insight to supervision and audit of the Company's management.



Rie Akiyama

Outside Director, Audit & Supervisory Committee Member

Rate of attendance in meetings of the Board of Directors: **100**% (14/14 times)
Rate of attendance in meetings of the Audit & Supervisory Committee: **100**% (20/20 times)
Number of shares of the Company owned: **0** shares

She has been engaged in corporate legal affairs as an attorney-at-law, and has abundant specialized knowledge and experience gained through working on international cases, serving as a civil mediator at the Tokyo District Court, etc. Since June 2023, she has been playing a key role as an outside Director who is an Audit & Supervisory Committee Member in supervising and auditing the Company's management from an independent standpoint. She contributes her abundant specialized knowledge and experience to supervision and audit of the Company's management.



Tomoko Aramaki

Outside Director, Audit & Supervisory Committee Member

Rate of attendance in meetings of the Board of Directors: **100**% (10/10 times)
Rate of attendance in meetings of the Audit & Supervisory Committee: **100**% (15/15 times)
Number of shares of the Company owned: **0** shares

She has been engaged in corporate auditing and advisory services as a certified public accountant and tax accountant for many years, and served as a Director and Audit & Supervisory Board Member for listed companies. She possesses abundant specialized knowledge and experience. Since June 2024, she has been playing a key role as an outside Director who is an Audit & Supervisory Committee Member in supervising and auditing the Company's management from an independent standpoint. She contributes her abundant specialized knowledge and experience to supervision and audit of the Company's management.

Skills Matrix and Composition of Advisory Committees

	Name	Gender	Affiliation: Outside Director	Affiliation: Independent Director	Expected skills: Company Management	Expected skills: Global Business	Expected skills: Science & Technology	Expected skills: Legal · Risk Management	Expected skills: Finance · Accounting	Expected skills: Academia	Advisory Committees: Nomination Committee	Advisory Committees: Compensation Committee
Director	Kenji Yasukawa (Chairman of the Board)	Male			●	●	●				—	—
	Naoki Okamura	Male			●	●	●		●		—	—
	Katsuyoshi Sugita	Male			●	●		●			—	—
	Takashi Tanaka	Male	○	○	● (Telecommunication)	●	●				Chair	Chair
	Eriko Sakurai	Female	○	○	● (Chemicals)	●					Member of the Committee	Member of the Committee
	Masahiro Miyazaki	Male	○	○	● (Precision instruments / Trading)	●					Member of the Committee	Member of the Committee
	Yoichi Ohno	Male	○	○			●			● (Medicine)	Member of the Committee	Member of the Committee
	Andreas Busch	Male	○	○	● (Pharma)	●	●			● (Pharmacology)	Member of the Committee	Member of the Committee
	Mark Enyedy	Male	○	○	● (Pharma)	●	●	●			Member of the Committee	Member of the Committee
Director Audit and Supervisory Committee Member	Rika Hirota	Female					●	●			—	—
	Mika Nakayama (Chair of the Audit & Supervisory Committee)	Female	○	○	● (Chemicals)	●	●	●			—	—
	Rie Akiyama	Female	○	○				● (Lawyer)			—	—
	Tomoko Aramaki	Female	○	○					● (Accountant)		—	—

* As of June 2025

Corporate Governance

Corporate Governance

1 Board of Directors



Internal Directors
(3 males and 1 female)



Outside Directors
(5 males and 4 females)



Ratio of Outside Directors



Ratio of females

Term of Office	The terms of office of Directors who are not Audit & Supervisory Committee Members and Directors who are Audit & Supervisory Committee Members shall be 1 year and 2 years, respectively
Number of meetings	At least once every 3 months and additionally as necessary
Summary	• The Board of Directors ensures the transparency and appropriateness of management by making decisions on corporate management policies and corporate strategies, etc., serving the oversight function of the execution of business. • The Board of Directors ensures the agility of management by delegating a substantial part of decision-making authority of important business execution to an executive Director by resolution of the Board of Directors and establishing "Corporate Decision Authority Policy" to clarify the responsibility and authority for the execution of business by Top Management and others. • The Board of Directors, in consideration of diversity and balance from the perspectives of expertise and experience and so forth, is composed of a number of Directors appropriate to facilitate agility. In order to ensure decision-making from a broader viewpoint and objective oversight of the execution of business, the Board of Directors is composed of a majority of outside Directors. • At least one outside Director is to have management experience at other companies.

Specific matters considered by the Board of Directors in FY2024

Corporate Strategy	• Quarterly review of the progress of the corporate strategic plan • Review of progress of Primary Focus strategy • Determination of FY2025 Corporate Annual Plan • Review of progress of three Enterprise Priorities
Risk Management	• Review of enterprise risks and the management status thereof • Review of status of compliance activities
Stakeholder Engagement	• Approval of matters related to financial results • Review of status of dialogue with investment community • Review of results of employee engagement survey • Review of status of sustainability action plan and activities
Corporate Governance	• Evaluation of Board of Directors effectiveness analysis results • Deliberations and decisions on Directors & Officers appointment/remuneration • Review of status of succession planning • Review of audit results obtained by the Audit & Supervisory Committee and Internal Audit

Governance for Sustainability

Astellas deliberates important issues relating to our sustainability at the Executive Committee, chaired by the Representative Director, President and CEO, and decided by the Board of Directors. To promote sustainability efforts through all divisions from a long-term, strategic, and company-wide perspective, we established the Sustainability Committee and the Environmental, Social and Governance Working Group (E-S-G Working Group) as frameworks that drive our endeavors. Based on these governance structures, we are promoting various activities, including Strategic Goal 4.

Governance of Astellas' Sustainability



*1 Sustainability annual plan and activities are required to be reported to the Board of Directors. Important matters are deliberated by the Executive Committee and approval is obtained by the Board of Directors for each case
*2 Environment, Social, Governance
*3 Head of Sustainability Center of Excellence in Sustainability has responsibility to lead ESG operations globally under the oversight of Head of Sustainability

The Board of Directors discusses topics deliberated by the Sustainability Committee, offering feedback to facilitate concrete actions and further progress. We also periodically review sustainability initiatives during the Board, providing necessary recommendations and suggestions.

Corporate Governance

Analysis and evaluation of the effectiveness of the Board of Directors

The Company conducts an annual analysis and evaluation of the effectiveness of the Board of Directors as a means of examining and improving issues to further enhance the effectiveness of the Board of Directors, and discloses a summary of the results thereof. For the analysis and evaluation of the effectiveness of the Board of Directors for the business year, an external evaluation organization was used to conduct a third-party evaluation based on a self-assessment questionnaire and interviews with all Directors. The Board of Directors discussed the results of the analysis based on those findings and made a final evaluation. Directors also provided each other with individual feedback through the questionnaire.

1. Process for evaluation of the effectiveness of the Board of Directors in FY2024

In FY2024, for the first time, an external evaluation organization conducted an anonymous survey for all Directors, as well as individual interviews with the Directors. The survey and interviews were conducted based on the following items.

The results of the analysis were shared at a Board of Directors meeting held in April 2025 to evaluate overall effectiveness and discuss policies and measures, particularly regarding the composition of the Board of Directors, to further improve effectiveness.

- Composition of the Board of Directors
- Operation of the Board of Directors
- Discussions by the Board of Directors
- Monitoring function of the Board of Directors
- Performance of outside Directors
- Support system for Directors
- Dialogue with shareholders
- Own efforts
- Operation of the Nomination Committee and the Compensation Committee
- Summary

2. Summary of analysis and results

Conclusion It was determined that the overall effectiveness of the Board of Directors is sufficiently ensured.

Reasons for the conclusion and evaluation

- The overall average score for the survey questions was 4.3 (out of 5), which was equal to or higher than the average score of other companies* for all items, indicating that the Board of Directors is generally functioning effectively.
- The score for the summary question "In general, does the board of directors function effectively?" was high at 4.6 (out of 5), confirming that each Director evaluated the Board of Directors as functioning effectively.
- As a result of interviews with each Director, it was confirmed that many provided positive feedback on the following topics: composition of the Board of Directors, operation of the Board of Directors, monitoring function of the Board of Directors, support system for Directors, dialogue with shareholders, and the effectiveness of the Nomination Committee and the Compensation Committee.

* Average score of other companies that contact the third-party evaluation organization to conduct evaluation

3. Initiatives to raise the effectiveness

The Board of Directors discussed and shared its recognition of issues and future approach regarding the following areas with room for further improvement. Through these initiatives, the Board of Directors will strive to further improve its effectiveness.

- **Role and composition of the Board of Directors**
  Reconfirm the role of the Board of Directors and the responsibilities of outside Directors as stated in the Company's Corporate Governance Guidelines, and hold ongoing discussions and take appropriate measures regarding the composition of the Board of Directors to ensure that the Board of Directors appropriately fulfills its functions in light of the Company's corporate strategies.
- **Operation of and discussions by the Board of Directors, Nomination Committee, and Compensation Committee**
  Further streamline the agenda items, improve the conciseness of materials, ensure proceedings are appropriate to the agenda, and promote substantive discussions and remarks.
- **Support system for Directors**
  Further establish opportunities for members of Top Management to report on business progress, create opportunities for communication, and strengthen oversight by outside Directors.
- **Dialogue with shareholders**
  Continue to promote further information sharing with Directors about the content of dialogue with shareholders and deepen discussions on the role of disclosure and dialogue with shareholders.

4. Status of initiatives for continuous enhancement of effectiveness

The status of initiatives related to areas with room for improvement identified in the FY2023 evaluation of the effectiveness of the Board of Directors is as follows.

	FY2023 evaluation and issues	Initiatives for FY2024
Dialogue with shareholders	• Understand the expectations and opinions of various stakeholders and reflect them in discussions by the Board of Directors for further improvements.	• Held Board of Directors meetings at research facilities in Japan and established opportunities for dialogue with employees. • Established opportunities for dialogue not only with shareholders but also with employees and other diverse stakeholders.
Operation of the Board of Directors, Nomination Committee, and Compensation Committee	• Promote timely information sharing that contributes to appropriate management oversight for further improvements.	• Establish opportunities for the Secretariat and outside Directors to discuss recent or future agenda items and operations. • Establish opportunities for U.S. market managers to share information on the latest developments in the U.S. market.

Support for Directors

We provide our directors with the necessary information to fulfill their roles and responsibilities, supporting active discussions in the Board of Directors and the Audit & Supervisory Committee. Corporate Strategy as a point of contact provides support to outside Directors by providing both internal and external information including press releases, and scheduling meetings, planning and inviting outside Directors to internal company events, etc., as well as planning and inviting outside Directors to exchange of opinions with internal Directors and Top Management. Staff belonging to the Audit & Supervisory Committee Office provide various types of support, including scheduling meetings for outside Directors who are Audit & Supervisory Committee Members, in addition to facilitating an exchange of opinions with internal Directors and Top Management, and conducting planning and management of reports from the executive body. In addition, with respect to particularly important matters among matters to be submitted to the Board of Directors, the Company works to ensure active deliberations at the Board by providing opportunities in advance for sharing information about such matters with Directors. The Company also plans information sharing programs and shares information on the internal and external environment that forms the premises of discussions at the Board of Directors. The Enterprise Priority Monitoring group (EPM), which was established in FY2024, regularly provides updates on the progress of company-wide priorities, facilitate discussions with Top Management, and invites external experts, in response to requests from outside Directors.

The Company provides newly elected outside Directors with the necessary information for them to fulfill their duties and responsibilities by implementing training programs for them, sharing such information as industry information pertaining to the Company and management strategies of the Company, and planning briefings tailored to the needs of the newly elected officer.

Messages from Newly Appointed Outside Directors

In a significant move towards enhancing the diverse composition of Astellas' Board of Directors, two distinguished Independent Outside Directors, Andreas Busch and Mark Enyedy, were elected at the 20th term Annual Shareholders Meeting in June 2025.

Andreas Busch has extensive experience in research and development at global pharmaceutical companies and a strong academic background in pharmacology. Mark Enyedy brings a wealth of knowledge in business development and corporate management within the biopharmaceutical sector. They are expected to provide invaluable insights that will strengthen the Board's supervisory function.

Together, their expertise will further strengthen the Board's effectiveness, enhance constructive dialogue with shareholders and investors, and drive our continuous evolution and growth.



Andreas Busch
Outside Director

It is a tremendous honor to join Astellas as an Outside Director and support the company on its VISION to turn innovative science into VALUE for patients. From my earliest encounters with Astellas, I have been impressed by the company's clear VISION, commitment to integrity, and unrelenting focus on advancing innovative therapies for areas of high unmet medical needs. These values deeply resonate with me, both personally and professionally.

As a lifelong drug hunter, my passion has always been to translate cutting-edge scientific discoveries into real-world treatments that improve patients' lives. I am especially drawn to Astellas' bold, forward-looking approach to drug development, embracing next-generation modalities, AI-driven discovery platforms, and a collaborative spirit that extends beyond traditional boundaries. The organization's willingness to take on challenging diseases and invest in pioneering technologies reflects a culture that prioritizes meaningful impact for patients above all else.

What excites me most about working alongside the Astellas team is the opportunity to guide and accelerate the delivery of innovation from the laboratory to the patient. I look forward to leveraging my hands-on experience in drug discovery and development, my track record of fostering productive partnerships, and my deep understanding of the scientific and operational complexities involved in bringing novel therapies to patients. As an Outside Director, I am committed to applying these insights to help shape strategy, uphold governance, and encourage a culture of open dialogue and cross-functional excellence.

I am eager to collaborate with the Board and management to continually evolve Astellas' innovative edge, drive sustainable growth, and deliver differentiated value to all stakeholders. Above all, I'm inspired by the opportunity to contribute to our collective commitment to putting patients at the center of what we do.

Thank you for the warm welcome. I am truly excited to embark on this journey with Astellas and to help Astellas accelerate the future of medicine.



Mark Enyedy
Outside Director

Thank you for your trust and vote of confidence electing me to the Astellas Board of Directors. I am honored to serve in this role and to join my distinguished colleagues to support the future growth of this exciting company.

My career in the biopharmaceutical industry spans more than three decades. I started as a mergers and acquisitions lawyer and then progressed through corporate development and general management roles, culminating as the Chief Executive Officer of ImmunoGen from 2016 to 2024, when the company was acquired by AbbVie for just over $10 billion. Drawing upon this experience, I look forward to working with the Board and management of Astellas to develop the next strategic plan and to support the company's ongoing efforts, particularly in the areas of business development, portfolio management, and oncology commercialization.

My experience over the last 30 years has taught me that great companies in this industry share a few things in common: first, a primary focus on improving patient outcomes; second, a relentless pursuit of continued R&D innovation and commercial excellence; and third, management with both the foresight and imagination to lead the company in a dynamic global market.

I see these traits in Astellas. Drawing on the rich history of Fujisawa and Yamanouchi, Astellas has a proud legacy of turning innovative science into VALUE for patients with transformative medicines and an unwavering commitment to ensure access to those medicines around the world. Moreover, Astellas today is well positioned to build upon that legacy with:

- Sustained top-and bottom-line growth driven by its strategic brands and the ongoing margin transformation initiative;
- Continued innovation with a pipeline focused on areas of significant unmet needs; and
- Finally, management with the vision, values, and experience to lead this important business through a period of rapid change and significant volatility.

So I am excited and proud to join the Board at this important moment and to work with Kenji, Naoki, and the rest of the Board and management to increase value on a sustainable basis for all of our stakeholders, including our employees, our shareholders, and our patients.

Corporate Governance

2 Audit & Supervisory Committee



Internal Director
(1 female)



Outside Directors
(3 females)



Ratio of
Outside Directors

Term of Office	The term of office of Directors who are Audit & Supervisory Committee Members shall be 2 years
Number of meetings	Once a month in principle and additionally as necessary FY2024: Held 20 times
Summary	• The Audit & Supervisory Committee is the only deliberation body and decision-making body for the purpose of forming opinions with regard to audits by the Audit & Supervisory Committee Members, and, where necessary, provides its opinions to Directors or the Board of Directors. • The Audit & Supervisory Committee is composed of all the Directors who are Audit & Supervisory Committee Members, and its chairman is determined by resolution of the Audit & Supervisory Committee. In order to further enhance the independence and neutrality of the Company's audit system, the Audit & Supervisory Committee is composed of a majority of outside Directors. • The Company appoints as Audit & Supervisory Committee Members individuals who have appropriate experience and skills, as well as necessary knowledge of finance, accounting and legal affairs. At least one of the Audit & Supervisory Committee Members is to have sufficient expertise in finance and accounting.

Specific matters considered by the Audit & Supervisory Committee in FY2024

Specific matters considered by the Audit & Supervisory Committee include the Audit & Supervisory Committee's audit policy, audit plan and audit results, results of the audit of the business report and financial statements, the Internal Audit division's audit plan and audit results, development of the internal control system and its operational status, Financial Auditor evaluation and remuneration, etc., and opinions about election, remuneration, etc., of Directors (excluding Directors who are Audit & Supervisory Committee Members). During FY2024, the Audit & Supervisory Committee focused on the following key audit items:

- Status of HR systems, policies and measures
- Status of PMI (Post-Merger Integration) management at the acquired companies
- Status of governance of subsidiaries
- Status of challenges associated with globalization and reorganization
- Accounting procedures (including tax processing) based on management's estimates and judgments involving significant risks
- Status of outsourcing
- Status of risk response and risk management
- Status of compliance and supervision
- Sustainability-related information disclosure system and process initiatives
- Status of IT-related maintenance and support

3 Nomination Committee and Compensation Committee

Nomination Committee



Outside Directors
(5 males and 1 female)



Ratio of
Outside Directors

Role	The Nomination Committee deliberates matters relating to the election and dismissal of Directors and appointment and removal of Top Management, etc., and reports the results of their deliberations to the Board of Directors.
Number of meetings	FY2024: Held 9 times

Specific matters considered by the Nomination Committee in FY2024

Election and dismissal of Directors, etc.	• Election and dismissal of Directors • Selection and dismissal of Representative Directors • Selection and dismissal of Directors with executive power • Appointment and removal of Top Management, etc. • Top management structure, etc.
Succession planning	Succession planning for internal Directors and Top Management

Compensation Committee



Outside Directors
(5 males and 1 female)



Ratio of
Outside Directors

Role	The Compensation Committee deliberates matters regarding remuneration, bonuses and other financial benefits paid as consideration for the performance of duties for Directors and Top Management, etc. (excluding remuneration for individual Directors who are Audit & Supervisory Committee Members), and reports the results of their deliberations to the Board of Directors.
Number of meetings	FY2024: Held 10 times

Specific matters considered by the Compensation Committee in FY2024

Executive remuneration level, remuneration system, etc., for FY2025	• Establishment of remuneration levels by position and by individual • Revision of incentive-based remuneration system (revision of company-wide key performance indicators of bonus, etc.)
Bonuses for FY2023	Company-wide performance assessment results and amount paid by individual
Bonuses for FY2024	Company-wide performance targets and assessment table
FY2021 stock compensation*1	Achievement of performance targets and number of shares delivered by individual
FY2024 stock compensation*2	Trust setup and TSR Peer Group*3 setup

*1 FY2021 is the first business year of the assessment period for stock compensation, and FY2023 is the last business year of the assessment period for stock compensation.
*2 FY2024 is the first business year of the assessment period for stock compensation, and FY2026 is the last business year of the assessment period for stock compensation.
*3 See P.89 for details.

Corporate Governance

Amounts of Remunerations

Matters on Policy of determining remuneration amounts and calculation methods

Remunerations for Directors are so designed as to enable the Company to recruit and retain talents, and to make the remuneration structures and levels fully commensurate with the responsibilities of the position. The Company endeavors to improve the objectivity of decisions on remuneration levels through measures such as the use of remuneration survey data from specialist third-party organizations.

Remunerations for Directors who are not Audit & Supervisory Committee Members (excluding outside Directors) are based upon a remuneration system and composition that are closely linked to performance with an emphasis on increasing enterprise value and shareholder value over the medium- to long-term, and are composed of a fixed amount basic remuneration, bonuses, and stock compensation. The Company appropriately links remunerations with business performance. Remunerations for outside Directors and Directors who are Audit & Supervisory Committee Members are composed of a fixed amount basic remuneration only. Remunerations for each Director who is not an Audit & Supervisory Committee Member are determined by resolutions of the Board of Directors within a total ceiling amount approved by the Shareholders Meeting. Remunerations for each Director who is an Audit & Supervisory Committee Member are determined by the deliberations of the Audit & Supervisory Committee Members within a total ceiling amount approved by the Shareholders Meeting. Through the deliberations of the Compensation Committee prior to the resolution of the Board of Directors, the Company ensures greater transparency and objectivity of the deliberation process for remunerations for Directors who are not Audit & Supervisory Committee Members.

The Company has set out the policy for determining details of remunerations for individual Directors in the internal policies concerning remunerations for Directors established by resolution of the Board of Directors after discussions at the Compensation Committee.

Total amount of remunerations, total amount of remunerations by type, and number of Directors applicable for each category of Directors (FY2024)

Category	Total amount of remunerations (Millions of yen) (1)+(2)+(3)	Total amount of remunerations by type of remuneration (Millions of yen)					Number of applicable Directors
		Basic remuneration (1)	Bonus (2)	Stock compensation (3)	Total monetary remuneration (1)+(2)	Total performance-linked remuneration (2)+(3)	
Directors who are not Audit & Supervisory Committee Members (excluding outside Directors)	1,358	326	613	419	939	1,032	3
Outside Directors who are not Audit & Supervisory Committee Members	103	103	—	—	103	—	4
Total	**1,460**	**428**	**613**	**419**	**1,042**	**1,032**	**7**
Directors who are Audit & Supervisory Committee Members (excluding outside Directors)	68	68	—	—	68	—	2
Outside Directors who are Audit & Supervisory Committee Members	77	77	—	—	77	—	4
Total	**145**	**145**	—	—	**145**	—	**6**

*1 At the 14th Term Annual Shareholders Meeting of the Company held on June 18, 2019, the ceiling amount of basic remuneration for Directors who are not Audit & Supervisory Committee Members (excluding outside Directors) was resolved to be ¥590 million per year, with the ceiling amount for bonuses resolved to be ¥1,370 million per year, while the ceiling amount for basic remuneration for outside Directors who are not Audit & Supervisory Committee Members was resolved to be ¥130 million per year. The ceiling amounts do not include the portion of salary paid in the capacity of employees. At the close of such Annual Shareholders Meeting, the number of Directors who are not Audit & Supervisory Committee Members (excluding outside Directors) was three (3) whereas the number of outside Directors who are not Audit & Supervisory Committee Members was four (4).

*2 The ceiling amount of remuneration to the Directors who are Audit & Supervisory Committee Members as a group was resolved to be ¥260 million per year at the 13th Term Annual Shareholders Meeting of the Company held on June 15, 2018. At the close of said Annual Shareholders Meeting, the number of Directors who are Audit & Supervisory Committee Members was five (5).

*3 The amounts of "Basic remuneration" above include the amounts paid to one (1) Director who is an Audit & Supervisory Committee Member (excluding outside Directors) and one (1) outside Director who is an Audit & Supervisory Committee Member who retired at the close of the 19th Term Annual Shareholders Meeting held on June 20, 2024.

*4 The Company has introduced a performance-linked stock compensation scheme (stock compensation), which employs a framework referred to as the executive remuneration BIP (Board Incentive Plan) trust, for the purpose of increasing the awareness of contribution to the sustainable growth of the business results and enterprise value. The Scheme is a medium- to long-term incentive-based remuneration plan that is highly transparent and objective and closely linked with the Company's business results. Under the Scheme, with respect to the three consecutive business years of an applicable period, the Company contributes, in the initial business year of each applicable period, funds for remuneration to the Directors to the executive remuneration BIP trust. The ceiling amount of the contribution was resolved to be an amount not exceeding ¥1,640 million at the 14th Term Annual Shareholders Meeting of the Company held on June 18, 2019. The maximum number of the Company's shares acquired by Directors (including the number of the Company's shares to be converted into cash) was resolved to be the number obtained by dividing ¥1,640 million by the average closing price of the Company's shares on the Tokyo Stock Exchange in the month (March) before the initial month (April) of the first business year of every applicable period at said Annual Shareholders Meeting. At the close of such Annual Shareholders Meeting, the number of Directors who are not Audit & Supervisory Committee Members (excluding outside Directors) was three (3). The stock compensation stated above refers to the amount recorded as expenses under J-GAAP for the business year.

Policies and procedures on determining remunerations for Directors who are not Audit & Supervisory Committee Members (excluding outside Directors)*

Remuneration policies

Remuneration of the Company's Directors is determined based on the following factors.

Competitive remuneration system

- A remuneration structure and levels that enable the Company to recruit and retain talents

Remuneration system that emphasizes increasing enterprise value and shareholder value

- A remuneration system and composition that are closely linked to performance with an emphasis on increasing enterprise and shareholder value over the medium to long-term

Fair and impartial remuneration system

- A fair and impartial remuneration system based on responsibility and results regardless of country and region

* Where "Director" is used in this section, it refers to Directors who are not Audit & Supervisory Committee Members (excluding outside Directors).

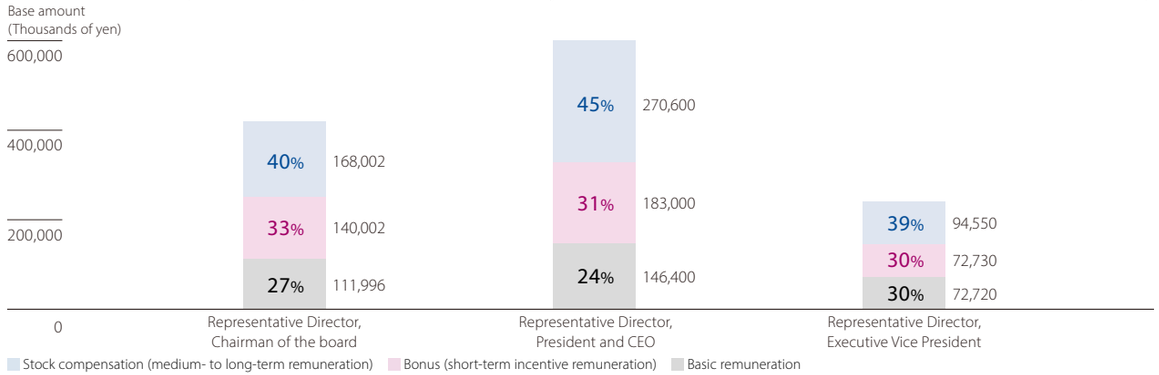
Corporate Governance

Remuneration Structure/Remuneration Levels*

Type of remuneration		Objectives and overview
Fixed	Basic remuneration	**Fixed remuneration for encouraging job performance consistently aligned with professional responsibilities** • Remuneration levels determined based on trends with respect to remuneration benchmark company groupings • Paid in equal installments every month
Variable	Bonus (short-term incentive remuneration)	**Performance-linked remuneration geared to steadily improving results with the aim of achieving the business performance targets each business year** • The base amount to be paid upon achieving targets is set as a proportion of basic remuneration, depending on factors such as professional responsibilities (consideration placed on trends with respect to remuneration benchmark company groupings) • Specific amount to be paid is to be determined within range of 0% to 200% for the base amount, depending on factors such as level of achieving business performance targets each business year • In principle, lump-sum payment immediately subsequent to conclusion of respective business years around between June and July
	Stock compensation (medium- to long term incentive remuneration)	**Performance-linked remuneration to promote the management focused on improving the enterprise value and shareholder value over the medium- to long-term** • The base amount is set as a proportion of basic remuneration, depending on factors such as professional responsibilities (consideration placed on trends with respect to remuneration benchmark company groupings) • The number of shares (basic points) to be delivered upon achieving targets is calculated as the base amount divided by the share price at the start of the three-year applicable period (the average closing price of the Company's shares on the Tokyo Stock Exchange for the month prior to start of the applicable period) • The specific number of shares delivered is to be determined within a range of 0% to 200% for the basic points, depending on factors such as the rate of growth attained by the Company share price over a three-year period • In principle, delivered in a single installment around June occurring immediately after conclusion of the three-year applicable period (provided, however that 50% of payment shall be cash payment)

* To ensure competitive remuneration levels for the Company's Directors that enable the Company to recruit and retain talents, the Company will use the objective remuneration survey data of an external expert organization ("Willis Towers Watson Executive Compensation Database (Japan)") and other sources to select a group of companies for remuneration benchmarking, and set the remuneration levels in accordance with responsibility and other factors.

Remuneration levels (base amount) for Directors of the Company on a per-position basis and allocated ratios of remuneration (FY2024)



* The Company will set the remuneration level (base amount) for Directors of the Company by roles and allocated ratios of remuneration for the FY2025 as same as those in FY2024.

Bonus (short-term incentive remuneration)

Targets, actual results and bonus payment rate of respective key performance indicators of bonus

Key performance indicators	Assessment weighting	Variance of assessment coefficient	Reasons for the selection of indicators and targets	Actual results	Assessment coefficient
Revenue	25%	0%–200%	Reasons for the selection: To assess the increase in size of business • Maximum: Target × 105% (¥1,732.5 billion) • Target: Initially released forecast value (¥1,650 billion) • Minimum: Target × 95% (¥1,567.5 billion)	¥1,912.3 billion	200.0%
Core operating profit ratio	25%	0%–200%	Reasons for the selection: To assess the increase in business profitability and operational efficiency • Maximum: Target × 110% (16.7%) • Target: Initially released forecast value (15.2%) • Minimum: Target × 90% (13.6%)	20.5%	200.0%
Core EPS*1	25%	0%–200%	Reasons for the selection: To assess the increase in profit per share • Maximum: Target × 115% (¥119.29) • Target: Initially released forecast value (¥103.73) • Minimum: Target × 85% (¥88.17)	¥165.17	200.0%
R&D performance*2	25%	0%–200%	Reasons for the selection: To assess the achievement of sustainable growth Target: Set quantitative targets separately for research and development (1) Research: Number of new drug candidates (2) Development: Amount of increase in pipeline value	—	50.1%

Key performance indicators (modifier)	Variance of assessment coefficient	Reasons for the selection of indicators and targets*4	Actual results	Assessment coefficient
Sustainability performance*3	–10%–+10%	Reasons for the selection: To assess efforts toward the achievement of a sustainable society Targets: Set sustainability performance targets for the following four evaluation items (1) Initiatives for Access to Health (2) Initiatives for Talent and Organization (3) Initiatives for Stable Products Supply (4) Initiatives for Environmental Sustainability	— Assessment coefficient (bonus payment rate): 155.0%	–7.5%

*1 EPS: Earnings Per Share

*2 The targets, maximum and minimum figures, and assessment coefficient for R&D performance is determined by the Board of Directors after deliberation at the Compensation Committee

*3 Sustainability performance targets, maximum and minimum figures, and assessment coefficients are to be determined by the Board of Directors after deliberation at the Compensation Committee.

*4 Regarding (1) Initiatives for Access to Health, targets were set related to expanding access to Astellas products and strengthening the healthcare system. Regarding (2) Initiatives for Talent and Organization, targets were set for improving the results of the employee engagement survey as well as the promotion of diversity of successor candidates for leadership positions and the increase in the number of female leaders in Japan. Regarding (3) Initiatives for Stable Products Supply, targets were set for achieving the timely supply of Astellas products to patients. Regarding (4) Initiatives for Environmental Sustainability, targets*5 were set for the execution of the detailed plan to achieve the targets approved by the Science Based Targets (SBT) initiative and the state of implementation of the annual action plan.

*5 Greenhouse gas emission reduction targets approved by the SBT Initiative in 2022 Reduce Scope 1+2 by 63% by FY2030 (base year: FY2015) and Scope 3 by 37.5% by FY2030 (base year: FY2015) (Scope: Range of calculation of GHG (Greenhouse gas) emissions, Scope 1: Direct emissions of GHG from fuels used in-house, Scope 2: Indirect emissions of GHG from consumption of purchased electricity, Scope 3: Emissions of GHG in the supply chain of business activities, such as raw material procurement and product use)

Corporate Governance

Key performance indicators and details from FY2025

EPS based on full basis performance will be adopted as a new key performance indicator. Accordingly, the assessment weighting of core EPS will be revised from 25% to 12.5%, and the assessment weighting of EPS will also be revised to 12.5%. The EPS target is the initially released forecast value. In addition, the targets for the performance indicator for R&D performance will no longer be set separately for research and development, and quantitative targets will be newly set for progress in the development pipeline. Instead of the initiatives for Access to Health, the targets for the performance indicator for sustainability will be an initiatives for sustainability-related information disclosure.

* Performance targets and achievement assessments are to be determined by the Board of Directors after deliberation at the Compensation Committee.

Formula for calculating payment amount of bonus (short-term incentive remuneration)

Amount of bonus paid to Directors = (a) Base amount per position × (b) Assessment coefficient

FY2024

(a) Refer to Remuneration levels (base amount) for Directors of the Company on a per position basis and allocated ratios of remuneration on P. 88

(b) Assessment coefficient = (Revenue assessment coefficient × 25% + core operating profit ratio assessment coefficient × 25% + Core EPS assessment coefficient × 25%
+ R&D performance assessment coefficient × 25%) + sustainability performance assessment coefficient (±10%)

FY2025

(a) Refer to Remuneration levels (base amount) for Directors of the Company on a per position basis and allocated ratios of remuneration on P. 88

(b) Assessment coefficient = (Revenue assessment coefficient × 25% + core operating profit ratio assessment coefficient × 25% + Core EPS assessment coefficient × 12.5% + EPS assessment coefficient × 12.5%
+ R&D performance assessment coefficient × 25%) + sustainability performance assessment coefficient (±10%)

Stock compensation (medium- to long-term incentive remuneration) (FY2024)

Stock compensation (medium- to long-term incentive remuneration) is performance -linked remuneration for promoting management that emphasizes increase in enterprise value and shareholder value over the medium- to long-term. As such, the Company's shares will be delivered based on the level of growth of enterprise value and shareholder value over three consecutive business years ("Applicable Period"), and an appropriate stock price evaluation indicator will be set to form a system that is closely linked to performance.

Total shareholder return (TSR*1) will be adopted for the stock price evaluation indicator. The Company's shares will be delivered and so forth based on the results of a comparison between the Company's TSR and the growth rate of the Tokyo stock price index (TOPIX) for the Applicable Period and a comparison between the Company's TSR and that of global pharmaceutical companies (the TSR Peer Group*2) for the Applicable Period. However, 50% of the delivered shares are to be paid out upon their conversion to cash in order for them to be allotted to a fund for payment of withholding income tax and other such taxes. The respective Directors are to receive shares and cash through the executive remuneration BIP (Board Incentive Plan) trust of Mitsubishi UFJ Trust and Banking Corporation.

*1 TSR is an acronym for "total shareholder return," and it refers to shareholder's total return on investment, encompassing both capital gains and dividends.
*2 TSR Peer Group refers to the global pharmaceutical company groupings whose revenue is at least 0.5 times that of the Company at the time of selection. The selection of companies may be changed by resolution of the Board of Directors after deliberation at the Compensation Committee in cases where it has been deemed that such a company is inappropriate for inclusion as a selected company when calculating the assessment results due to circumstances that include restructuring of the company during the applicable period or changes to the content of its business.

Targets and actual results of respective key performance indicators, and share delivery rate (stock compensation with FY2024 as the last business year of the assessment period for stock compensation)

Stock price assessment benchmarks	Assessment weighting	Variance of assessment coefficient	Reasons for the selection of benchmarks	Targets	Actual results	Assessment coefficient
TSR (1) (Comparison with TOPIX growth rate)	50%	0%–200%	To assess the increases in enterprise value and shareholder value over the medium- to long-term	• Maximum: 200% • Target: 100% (= TOPIX growth rate) • Minimum (threshold): 50%	TOPIX growth rate: 156.8% Growth rate of the Company's TSR: 88.4%	56.4%
TSR (2) (Comparison with TSR of global pharmaceutical companies*3)	50%	0%–200%		Target: Set target range as follows • Maximum: 100 percentile (top ranking) • Target: 50 percentile (midrange) • Minimum (threshold): 25 percentile (lower quartile)	The Company's ranking: 27th out of 37 companies	56.6%
						Share delivery rate: 56.5%

*3 Global pharmaceutical companies: This refers to a grouping of global pharmaceutical companies whose revenue is at least 0.5 times that of the Company at the time of selection (TSR Peer Group). The selection of companies may be changed by resolution of the Board of Directors after deliberation at the Compensation Committee in cases where it has been deemed that such a company is inappropriate for inclusion as a selected company when calculating the assessment results due to circumstances that include restructuring of the company during the applicable period (three consecutive business years) or changes to the content of its business.

Formulas for calculating the number of shares delivered and the amount of cash paid

Number of shares delivered to respective Directors* = (a) Basic points per position × (b) Assessment coefficient

* 50% of the delivered shares are to be paid out upon their conversion to cash to be allocated to a fund for payment of withholding income tax and other such taxes.

(a) Basic points per position = (i) Base amount per position / (ii) Share price at start of Applicable Period
(i) Refer to Remuneration levels (base amount) for Directors of the Company on a per position basis and allocated ratios of remuneration on P. 88
(ii) Average closing price of the Company's share on the Tokyo Stock Exchange in the month prior to start of the Applicable Period

(b) Assessment coefficient = (i) TSR assessment coefficient (1) × 50% + (ii) TSR assessment coefficient (2) × 50%
(i) TSR assessment coefficient (1)
Whereas assessment coefficients are calculated using the formula shown below, the TSR assessment coefficient (1) is set to zero if the value calculated is less than 50%.

$$\frac{\text{Company TSR during the Applicable Period} + 100\%}{\text{TOPIX growth rate during the Applicable Period} + 100\%} = \frac{\{(B - A) + C\} \div A + 100\%}{(E - D) \div D + 100\%}$$

A: Simple average closing price of the Company's share on the Tokyo Stock Exchange in the month prior to start of the Applicable Period
B: Simple average closing price of the Company's share on the Tokyo Stock Exchange in the final month of the Applicable Period
C: Total dividend per share pertaining to dividend of retained earnings during the Applicable Period
D: Simple average TOPIX in the month prior to start of the Applicable Period
E: Simple average TOPIX in the final month of the Applicable Period

(ii) TSR assessment coefficient (2)
TSR of the Company and that of the TSR Peer Group are compared with respect to the Applicable Period. If the Company's percentile rank is midrange (50 percentile), the assessment coefficient (2) is set at 100%. If it has a top ranking (100 percentile), the assessment coefficient (2) is set to 200%. If it ranks in the lower quartile, the assessment coefficient (2) is 50%. If it is below the lower quartile, the assessment coefficient (2) is set to zero.

* TSR of the Company and the TSR Peer Group companies is to be calculated using the formula shown below.
TSR = {(B – A) + C} / A
A: Simple average closing price of respective companies' share on the stock exchanges of the respective companies' primary listings in the month prior to start of the Applicable Period
B: Simple average closing price of respective companies' share on the relevant stock exchanges as pertains to 'A' for the final month of the Applicable Period
C: Total dividend per share pertaining to dividend of retained earnings of the respective companies during the Applicable Period

Corporate Governance

Dialogue with Outside Directors



Astellas' Corporate Culture

Nakayama: Upon my appointment as an independent outside Director, the first thing that struck me were the Astellas employees demonstrating strength and determination to take on challenges. I recall thinking the dynamism and fearlessness of collective reform efforts at Astellas was a critical strength, differentiating Astellas from other companies.
Three years on, I feel this attitude towards challenge is, if anything, even stronger, and widely entrenched across the company. I meet and talk directly with many frontline employees in my role as Audit & Supervisory Committee member. It is natural to see some people struggling to adapt to organizational transformation and other systemic changes currently underway at Astellas. However, even when that is the case, I can also definitely sense in employees a determination to take the changes in a positive way, and I sense there is a deep-rooted mindset to embrace the changes they must make personally and as a company as conditions evolve.

Tanaka: In my four years serving as an outside independent Director, my observation of the corporate culture at Astellas is that it is both diligent and conscientious. Diligent, but not affected by excessive caution or delayed action. I feel Astellas is a powerful company that does not hesitate to make big decisions, while remaining fully committed to its vision to bring innovative treatment to patients.

Continuing to make big decisions inevitably comes with challenges and is not easy for each employee. However, Astellas employees understand just how critical it is to maintain speed in the pharmaceutical industry where technical innovations are transforming the sector on an almost daily basis. I believe there is a deep-rooted mindset across the entire company to pursue growth not to fall behind in a constantly evolving market. From a mid- to long-term perspective, I believe we are making steady progress with our growth of Strategic Brands, cost optimization, and enterprise transformation to overcome the loss of exclusivity of XTANDI.

Issues Faced by Astellas in Progressing Transformation

Tanaka: Working together as one is naturally vital to achieve ambitious goals. However, for a company such as Astellas with large-scale, global operations, I think it is also essential to take a moment to pause and reflect at times so that we can look back to review and evaluate the issues and business status in an objective way. In this respect, I am reassured by having Mr. Kitamura as the CFO. Having come from a different industry, he is applying an objective viewpoint and numerical analysis to generate significant improvements in our financial efficiency. He has also helped to foster a sense of urgency with the upcoming loss of exclusivity of XTANDI from 2027 onwards, while providing clear explanations about the progress made with CSP2021 and raising internal awareness of the issues we need to overcome. In the approximately 18 months since his appointment, he has effectively applied diligence, while also playing a major role in the cost optimization initiative known as SMT (Sustainable Margin Transformation), one of the three Enterprise Priorities (3EPs) *1 being implemented at Astellas.

Nakayama: In my opinion, clarifying the chain of command and ensuring the speed and accuracy of communication will remain key issues as globalization is accelerated across the company. When increasingly we have subordinates and bosses scattered around the world and unable to meet face to face, negative impacts and inconveniences are unavoidable. I feel that working out how to overcome such problems is an enduring challenge for any global organization. Astellas is not the only global company facing issues such as organizational unitedness and the details of internal communication. Going forward, I think it is important that we consider what effective strategies we can apply within the context of One Astellas, while also taking note of various relevant success stories from other global companies.

*1 Please refer to P.35 "Progress of Corporate Strategic Plan 2021" for further details on three Enterprise Priorities (3EPs) consisting of Growth Strategy, BOLD Ambition, and Sustainable Margin Transformation (SMT).

Corporate Governance

Dialogue with Outside Directors

Establishment of the EPM (Enterprise Priority Monitoring group)

Tanaka: Launch of the three Enterprise Priorities (3EPs) provided the impetus for establishing the EPM*2 group. The 3EPs is an initiative formulated with the aim of trying to narrow the gap with certain CSP2021 targets that were proving difficult to achieve. Top Management formulated and implemented the 3EPs in anticipation of its results potentially leading to an overall review of business strategy. Inspired by this enthusiasm, the outside independent Directors took the view that we would need to conduct a more objective and quantitative evaluation of execution, beyond our conventional oversight and advisory roles. There was also an implied need to provide more in-depth discussions and counsel than previously required. Hence, under the Outside Directors' meeting (外役会. *Soto Yaku Kai*)*3 that is composed entirely of outside independent Directors, we set up the EPM group with our strong determination shown in the 3EPs. In addition to further enhancing proactive communication with Top Management, we see the EPM as the key to functionally enhancing oversight and improving the quality of discussions at the Board level, for example by incorporating the input of outside experts and other parties.

Nakayama: The Outside Directors' meeting, which enables the outside independent Directors to exchange views without input from executives, was a distinctive characteristic of Astellas even before the EPM was established. When I was first appointed, it was mainly an information-sharing body, but recently it has begun discussing agenda items and related proposals for the Board of Directors. The EPM grew out of this foundation rather than being some kind of spontaneous event. The establishment of EPM has helped the outside independent Directors gain a deeper understanding of the company's strategy and current situation, which enables them to enhance their ability to fulfill their duties effectively. I see it as a major step forward for both the outside independent Directors and Astellas as a whole.



*2 Please refer to P.77 (Corporate Governance section) for further details on EPM.
*3 Outside Directors' meeting (外役会. *Soto Yaku Kai*): Composed entirely of independent outside Directors, this meeting enables a frank and constructive exchange of views between the outside independent Directors.

Progress on 3EPs

Nakayama: Regarding SMT, while we are receiving detailed reports about cost optimization and related plans, we need to monitor closely how actual results turn out. It is sometimes difficult to fully capture the progress achieved on cost optimization numerically. We also think that there is room for improvement in the methodology applied to verify any progress in terms of measurable data.

Tanaka: As you say, we need to monitor progress with SMT. Total gains from cost optimization in FY2024 added up to 40 billion yen. However, most of the relatively easy gains from cost optimization have already been achieved, and it is expected to become more difficult to make further progress in the future. It is often the case that cost-reduction measures perform well in the early stages and these types of initiatives gradually start to lose momentum. As outside independent Directors, I think we need to keep a close eye on the program maintaining and accelerating progress. The true capabilities of a company manifest strongly through costs. I expect cost optimization to help Astellas demonstrate its full operational capabilities consistently over time, regardless of the sales trend.

Nakayama: We can monitor clearly the progress achieved and any related plans with Growth Strategy, an initiative aimed at maximizing product potential. Our sales are growing steadily, driven by the Strategic Brands. To achieve further growth, Astellas has also started to introduce a new End-to-End operating model to build cross-functional teams for each brand. I hope we will see continued progress with this and other initiatives. In contrast, I think there are further opportunities to improve monitoring the progress made with the BOLD Ambition initiative.

Tanaka: That's right. While the sales of Strategic Brands are growing steadily to help overcome the approaching loss of exclusivity for XTANDI, flagship programs from the Focus Area Approach will hold the key to growth when we look further ahead. Clinical studies are expected to reach proof-of-concept (PoC) judgment during FY2025 for each of the Primary Focuses Flagship programs. Therefore, we need to monitor developments with each program continually as part of EPM. However, it is unclear at present whether the programs will generate sufficient sales and profits. The addition of the two most recently appointed outside Directors with global pharmaceutical industry experience will be valuable in further strengthening the oversight function.

Nakayama: I find it highly encouraging to have outside Directors with global pharmaceutical backgrounds. I am confident that the two new outside independent Directors provide us their views on topics such as M&A and portfolio strategy, based on their extensive experience. They have been proactive participants in the Board of Directors and at EPM.

Corporate Governance

Dialogue with Outside Directors

Characteristics and Strengths of Audit & Supervisory Committee at Astellas

Nakayama: In addition to the legal and accounting perspectives, audits are conducted at Astellas to inform multifaceted aspects of improving enterprise value. For example, as an Audit & Supervisory Committee member, I gather a wide range of opinions from nearly 100 individuals each year, primarily from division heads. These discussions focus on how well the intentions of the CEO, Mr. Okamura, and other Top Management have been communicated and implemented in actual business operations.

Tanaka: What is important for the Audit & Supervisory Committee to function correctly is accurate information from the frontline. To supplement the data from Top Management, gathering information firsthand can help the Audit & Supervisory Committee members to better provide effective oversight. At Astellas, their various frontline information-gathering visits yield data that is shared with the other outside Directors who are not on the committee. Frontline feedback plays a vital role in discussions at the Outside Directors' meeting and other bodies. It also contributes significantly to enhancing the quality of management deliberations, including within the Board of Directors.

Nakayama: Occasionally, some people are critical that we spend too much time doing on-site audits, but I see it differently. I view it as one of the strengths of the Astellas' Audit & Supervisory Committee that we interview people from various divisions during field audits on 3EPs and corporate strategic plan-related initiatives and other subjects such as human capital development. Given the range of transformations underway at Astellas across large-scale global operations, any unusual changes or frontline issues may not be immediately apparent. We spend more time than other companies gathering information on the ground to help eliminate such concerns. If it is deemed necessary, we will report issues straight away to the Board of Directors and Top Management, even if the observed changes appear quite minor.

Future Expectations and the Next Medium-term Corporate Strategic Plan

Tanaka: The next medium-term corporate strategic plan will involve a high degree of challenge because it will include the period after the loss of exclusivity for XTANDI, as well as building the foundations of growth over the next 5–10 years. The CEO, Mr. Okumura, has described the current business plan as striking a balance between ambition and deliverable. Within that framework, I look forward to seeing the strategies emerge to guide the next plan. As an outside Director, I also expect to provide feedback on outcomes and issues relating to CSP2021 to contribute to the formulation of an even better medium-term plan.

Nakayama: Working together towards high aspirations, I believe this high level of ambition is one of Astellas' strengths. However, as Mr. Tanaka mentioned, it is important to review any issues and circumstances carefully so that plans can be revised if necessary. In terms of the formulation of the next medium-term plan, I think the key points of debate should be what sort of targets to set and how to achieve them.

With capital markets currently focused on earnings after the loss of exclusivity for XTANDI, of course it is vital that we seek to improve revenue, operating profits and other financial indicators since it is all about Astellas gaining the trust of shareholders by meeting numerical expectations. However, the true purpose of Astellas as a pharmaceutical company is to boldly try to find therapies for diseases that are hard to treat, while continuing to deliver medicines for patients. Besides achieving results that satisfy the shareholders, I hope Astellas will communicate actively its social mission and ideals to help gain the support of a broad range of stakeholders, including patients.

Tanaka: Many Astellas employees are working on the bold challenges presented by various rare and intractable diseases. My personal hope is that BOLD Ambition bears fruit in the next medium-term plan, creating new VALUE to transform the lives of patients. I believe this will translate to higher enterprise value by generating future growth and gaining the trust of stakeholders.



Risk Management

Risk Governance

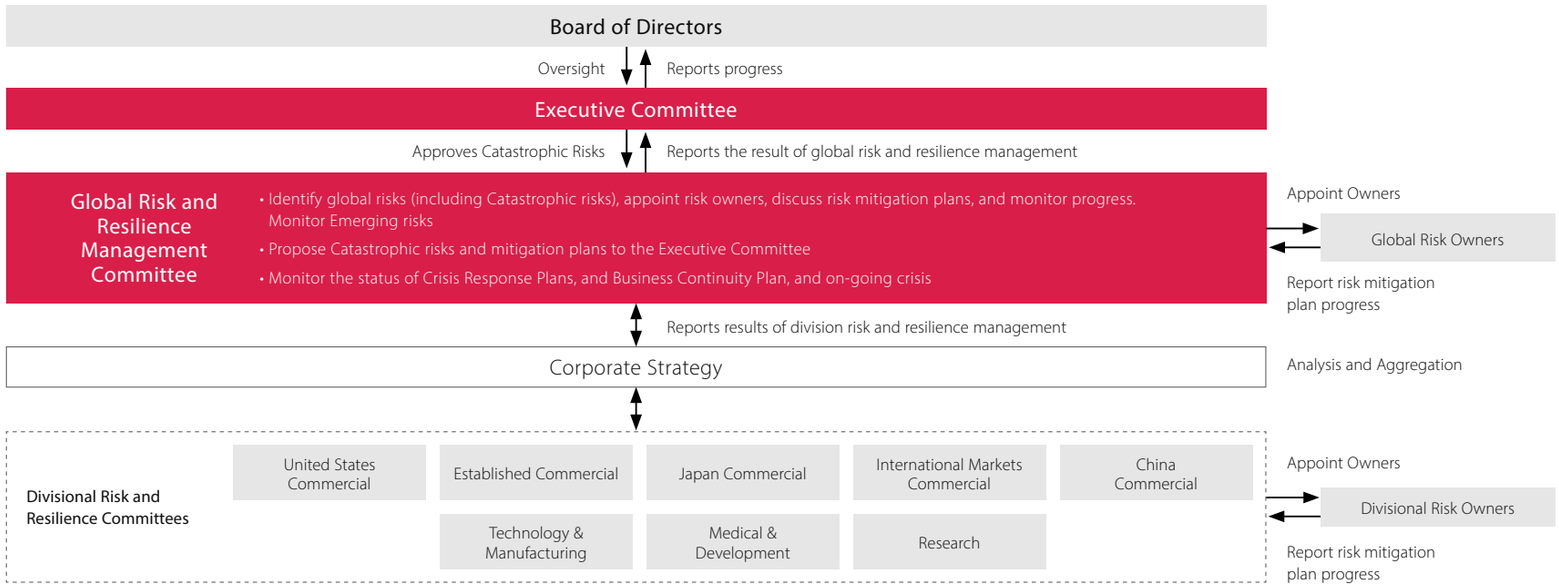
Astellas established the Global Risk and Resilience Management Committee ("GRRC") and Divisional Risk and Resilience Committees ("DRRCs") to provide effective oversight of key risks and mitigation activities. Internal Audit observes these committee meetings to ensure that these key risks are taken into consideration in their priorities. Global risks are ultimately reported to the Board. The diagram below summarizes Astellas' risk governance system.

Enterprise Risk Management Process

The Risk Management Team in Corporate Strategy facilitates the Enterprise Risk Management (ERM) process with the internal stakeholders annually. Our risk assessment process is both top-down and bottom-up.

To enable the prioritization, we assess the impact and likelihood of each risk, considering the mitigations currently in place. Risk owners develop action plans to reduce the level of risk exposure and enhance the resilience.

Global Risks (risks that require enterprise-level attention due to their nature and impact) are discussed and endorsed at the GRRC. GRRC also monitors Emerging Risks, which we define as uncertainties arising from trends that are on the company's radar but whose full extent and associated implications are not yet clear. Sometimes, an Emerging risk is subsequently included in the risk register as a Global or Divisional risk following the discussion at the GRRC.



VOICE

In an increasingly volatile and complex business environment, the ability to identify, assess, and respond to risk in a timely and effective manner is critical to sustaining long-term value creation. At Astellas, we are advancing into an integrated approach to risk and resilience that enhances our organizational agility and strengthens our capacity to manage uncertainty.

As part of this approach, we have reinforced our horizon scanning capabilities to better anticipate geopolitical developments, market dynamics, and regulatory changes. This enables us to leverage forward-looking insights and proactively identify emerging risks. Furthermore, we have embedded risk awareness deeply into our business activities, actively supporting strategic decision-making.

Risk management today is recognized not just as a defensive function, but as a strategic enabler that supports informed risk-taking and sustainable growth. At Astellas, we actively leverage the critical role of risk and resilience in our business operations. These capabilities are critical to realizing our VISION—creating and delivering VALUE to patients worldwide. We remain committed to continuously enhancing our enterprise-wide risk and resilience practices to navigate uncertainty, seize opportunities, and deliver long-term value to all stakeholders.



Ikuo Ito
Lead, Risk & Resilience Management
Corporate Strategy

Risk Management

Risk Assessment in R&D and Optimal Portfolio Management

Risk management in pharmaceutical R&D is a critical activity that demands both strategic and scientific judgment and execution, due to the high levels of uncertainty and significant investment involved. Scientific advancements and the pursuit of novel modalities such as gene and cell therapies often present unprecedented challenges and unforeseen circumstances. To maximize the probability of development success under such uncertainty, it is essential to appropriately identify, analyze, and evaluate risks at each stage and make informed investment decisions. At Astellas, we evaluate scientific and economic uncertainties for each R&D project (project) both quantitatively and qualitatively. We have established a decision-making framework that incorporates these uncertainties into project valuation, underpinned by clear accountability and multifaceted discussions.

1. Decision-Making Based on Risk-Adjusted Valuation

In our R&D activities, we assess project value using the Net Present Value (NPV) methodology based on discounted cash flow (DCF), applying the weighted average cost of capital (WACC). This approach calculates the expected future earnings—adjusted for risk factors such as the probability of success (PoS) derived from scientific data—and considers this the current value of the project. It supports decision-making aimed at maximizing return on investment.

PoS is evaluated based on scientific data of the project, benchmarks from similar drugs, the difficulty of achieving endpoints (predefined clinical evaluation criteria), and the latest industry standards. The resulting NPV, which incorporates PoS, development, and manufacturing costs, market potential, and revenue projections, serves as a key metric for investment decisions at critical development milestones and portfolio prioritization.

This comprehensive assessment framework enables risk-inclusive valuation and facilitates optimal decisions aligned with maximizing return.

2. Governance Backed by Expertise and Transparency

Due to the wide interpretive range and high uncertainty of elements such as scientific insights and future revenue projections, pharmaceutical R&D requires a robust governance structure to ensure sound decision-making. At Astellas, milestone-based governance supports investment decisions, which are reviewed by cross-functional teams with relevant expertise.

For instance, the decision to proceed with clinical trials is first evaluated by a cross-functional team that includes members from R&D, clinical supply, and marketing. This is followed by review and approval by the Kachi Committee (KC)*1, which consists of functional unit heads and several members of Top Management. The KC is responsible for investment decisions related to individual projects as well as portfolio-level strategic prioritization.

For especially significant investments, such as large-scale clinical trials, the final decision is escalated to the Executive Committee (EC), which deliberates critical management issues across the Astellas Group. In all decision-making bodies, transparent decisions are ensured through discussions that balance expert insights with managerial perspectives, based on materials prepared by cross-functional teams.

3. Introduction of a Structured Evaluation Framework

While Astellas has long assessed projects based on scientific evaluation criteria, we introduced a standardized framework in FY2024: the Project Quality Framework (PQF). The framework is built by incorporating knowhow from previous projects, both internal and external to Astellas, and is designed to enhance the Probability of Technical and Regulatory Success (PTRS) by enabling structured risk assessment, early identification of challenges, and formulation of appropriate mitigation strategies. PQF enables more consistent and higher-quality discussions and risk management across projects and development stages. The framework supports early identification of potential hurdles that may impede R&D progress and promotes the development of mitigation plans tailored to the scale of impact.

The KC uses PQF in its decision-making process. Specifically, target biology, modality, clinical feasibility, safety, target patient population, and other key elements are assessed on a four-level risk scale. Through the assessment of both the probability and potential impact of identified risks, combined with discussions on appropriate avoidance and mitigation strategies, we enable risk-based prioritization and high-quality investment decisions—such as proactively allocating resources at an early stage to address higher-impact risks.

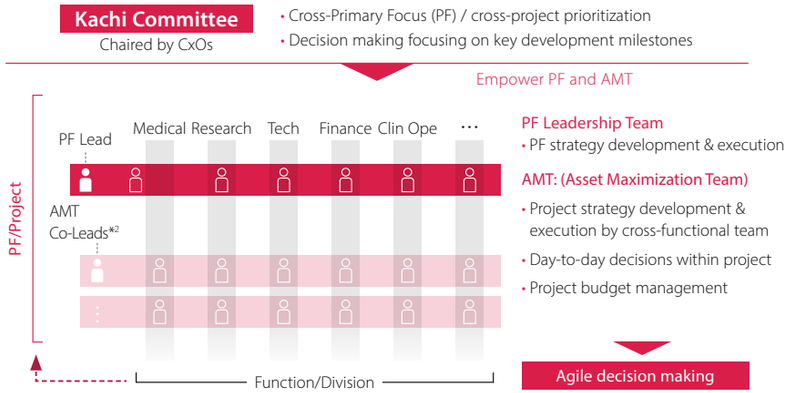


The introduction of PQF not only ensures consistency in evaluation across different projects and their lifecycles but also facilitates knowledge transfer for future decisions. Ultimately, it contributes to enhanced PTRS by enabling more accurate risk identification and proactive mitigation.

The R&D landscape is evolving rapidly due to advances in science and technology. In areas such as rare diseases and emerging therapeutic fields, information is often limited or uncertain. In such cases, it is essential to evaluate and judge comprehensively before committing to an investment.

While risks cannot be eliminated, making them visible, placing them at the center of informed discussions, and ensuring transparent decision-making enables Astellas to sustainably create value.

Astellas remains committed to deepen the framework that correctly recognizes the risks in research and development and links them to value assessment, and to deliver VALUE for patients through the pursuit of innovative science.



*1 In accordance with our governance structure, discussions and decision-making regarding risks related to the research portfolio are conducted by the Kachi Committee, not the Global Risk and Resilience Committee.
*2 R&D, Medical Affairs, Commercial, and T&M*3 collaborate as one team to execute each project.
*3 T&M: Technology & Manufacturing

Risk Management

Global Risks Overview

The table below summarizes the currently identified Global Risks. Any forward-looking statements are based on judgments at the end of FY2024. In addition to these risks, there are many other risks. Some risks are unique to the pharmaceuticals business, such as the uncertain nature of research and development, the risk of being infringed upon or infringing intellectual property rights, risk of drug side effects or safety issues arising thereof, and the risk of Astellas Group business' partial dependence on licensing and sales of third-party developed drugs. Other risks include the infringement of related laws and regulations (e.g., competition with rival products, environment, health and safety); commercial litigations; delays or stoppages in manufacturing due to natural disasters; and exchange rate fluctuations. Such risks may affect the Astellas Group's business results and financial position.

Risk	Key	Context	Key Mitigation Actions (Examples)
Cyber Security	***	In recent years, the technology involved in cyberattacks is advancing at an unprecedented level and the methods of attack are growing more diverse and sophisticated. The pharmaceutical industry is no stranger to cyberattacks given the important data these companies hold. Cyberattacks or breaches caused by malicious activities may result in unavailability of critical technology systems, loss or disclosure of confidential or proprietary data including personally identifiable information.	• The Astellas Information Security Program is designed based on the NIST CSF framework which includes the following domains: Govern, Identify, Protect, Detect, Respond and Recover • The program is governed and overseen by the Chief Digital and Technology Officer (CDTO), and progress is reported to the Executive Leadership and the Board of Directors • In addition, we have an active Information Security Training and Awareness portfolio of ongoing activities to include regular all-company and targeted phishing simulations, and frequent awareness campaigns • We continue to maintain compliance with current cyber-security regulations and actively monitor external regulatory developments
Impact of geopolitical tension on our supply chain	**	Management of supply chain resilience is a complex undertaking based on the number of products marketed by Astellas, and the heightened geopolitical uncertainties further add complexity. Potential supply chain interruptions could impact our manufacturing processes, stock-out of our products, and inability to supply patients and financial penalties.	• Product Supply Risk Assessment process • Enhanced relationship management and communication for CMOs • Phased implementation of alternative suppliers for key materials to improve our resilience • Increased safety stocks for materials that are subject to geopolitical supply risks
Data Nationalism & Privacy Fragmentation	**	Data Nationalism is a growing trend in which governments are asserting control over data generated within their borders, such as prohibiting and/or restricting the transfer of data across borders, or imposing some preconditions before transfers are allowed to take place. Data nationalism may be also manifested in fragmented privacy laws and regulations which deviate from global standards. Such regulatory changes could require Astellas to significantly modify existing business processes and IT systems that support today's cross border data flows. This can lead to higher costs, operational and system complexity, and reduced efficiency and/or reduced innovation.	• Monitoring of regulatory developments • Country-specific projects to ensure compliance with privacy laws and other data governance & digital regulations
Meeting Sustainability Expectations and Commitments	**	Society and regulators are heightening their expectations on companies' sustainability performance and disclosure. Astellas is collaborating across the organization, and sufficient funding is needed to ensure we achieve the stated sustainability goals. If we are unable to meet these goals, there could be reputational damage.	• Sustainability governance structure • Sustainability measurement in top management compensation scheme • Sustainability Direction Performance Indictors (SDPIs) setting and disclosure • Progress with the CSRD (Corporate Sustainability Reporting Directive) readiness project in line with the regulatory requirements
Organizational Transformation	**	Successful delivery of multiple transformation initiatives is critical for Astellas to continue creating and delivering VALUE for our patients. When multiple initiatives are concurrently running, it is critical to understand and manage the inter-dependencies. Uncoordinated transformation initiatives and the related changes may impact our culture and reputation.	• Established a forum and mechanism to coordinate major transformation change initiatives • Developing a solution to provide observability of transformation initiatives being delivered across the company • Building change management capability across the organization
Management of Outsourced Supply Chain	**	Regulatory authorities are intensifying their oversight of pharmaceutical companies. Insufficient visibility and control over the wider operating environment of Contract Development and Manufacturing Organizations / Contract Manufacturing Organizations (CDMO / CMOs) could lead to a failure to meet the regulatory requirements for our products manufactured at their sites. This could result in unexpected delays in product approval, disruptions in clinical trials, and ultimately have a negative impact on our revenue and reputation.	• Updated contractual framework to strengthen CDMO/CMO responsibilities for reporting to Astellas and increased oversight • Developed a guidance document to support the regulatory intelligence searches • Enhanced current communication with CDMO/CMOs to include broader Quality System risks as a standard component of regular reviews • Enhanced the risk-based approach for conducting audits of these organizations

*** Catastrophic risk: Risks that have the potential to cause fatal damage or business disruption to the entire Astellas group level should they materialize. They have the potential to fundamentally impact and disrupt business objectives, operating model, reputation or core activities to a material level.

** Standard risk: Risks that have the potential to cause substantial damage or business disruption to a specific part of the business or the entire Astellas group.

Risk Management

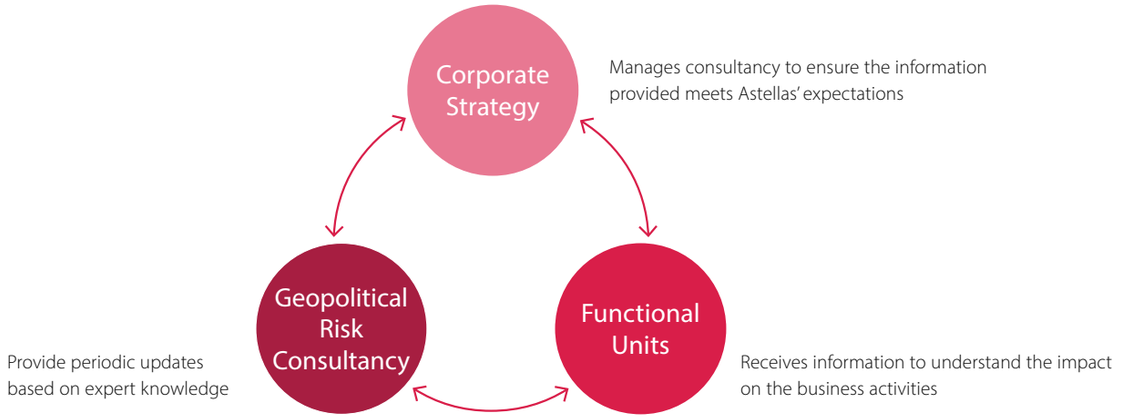
Risk	Key	Context	Key Mitigation Actions (Examples)
Emerging pharmaceutical regulation changes	*	In some regions, there are emerging regulations that could reduce the current intellectual property protection of pharmaceutical products allowing for earlier generics entry, or banning market entry for medicines whose environmental impact is deemed too high – such as in the European Commission proposal for a new General Pharmaceutical Legislation in the European Union. Astellas analyses the potential future policy changes to identify future risks and opportunities for our portfolio and our organization.	• Impact assessment on Astellas business, monitoring of latest developments, etc.
US Administration's Policies	*	The new U.S. administration, which was established in January 2025, is proposing policies in the areas of drug pricing and tariffs that differ from those of the previous administration. Depending on the development of these policies, there may be an impact on our business and supply chain.	• Impact assessment on Astellas business, monitoring of latest developments, etc.
Natural disasters and extreme weather events	*	Due to our geographically dispersed footprint, we may be vulnerable to natural disasters and disruptive weather events caused by climate change. In the event of catastrophic weather events that exceed the scope of typical contingency planning, our business operations may be disrupted, and the stability of our commercial supply could be impacted.	• Continuous enhancement of business continuity planning and execution of training • Incorporation of natural disaster risk into the site risk assessment • Assessment of the long-term impact of climate change on Astellas sites

* Emerging risk: Uncertainties arising from trends that are on the company's radar but whose full extent and associated implications are not yet clear.

Key initiative – geopolitical risk project

Astellas launched a geopolitical risk monitoring project in FY2023 to provide Top Management and the Astellas organization access to the up-to-date geopolitical landscape and risks most relevant to Astellas, such as major power dynamics and deglobalization. In the second year of the project, we saw continued geopolitical uncertainties, some of which, such as changes in international trade tariffs, have the potential to directly impact our industry. In such circumstances, it becomes even more critical to identify and focus on risks which have the biggest potential impact on us.

With that in mind, we further strengthened our network with internal stakeholders to ensure the relevance of insights we provide to the business. This strengthened collaboration also facilitated cross-functional projects to enhance our resilience to specific geopolitical risks.



Ethics & Compliance

Basic Policy

At Astellas, we understand the importance of acting with urgency and integrity in all our activities to enable us to deliver VALUE for patients. We keep patients and Integrity at the heart of what we do; it is not just a priority — it is the foundation of our company. By fostering a culture of Integrity and maintaining an effective Ethics & Compliance Program, we build trust with our stakeholders, including patients, every day. We recognize that trust and respect are crucial for positively impacting our patients, people, and partners, which enables sustainable growth at Astellas. The Astellas Group Code of Conduct embodies our corporate philosophy and guides our behavior. Within the Code of Conduct, we require that all individuals working at Astellas globally, and business partners conducting business for Astellas, perform their duties ethically and in compliance with laws and regulations.

We are committed to innovation, integrity, and delivering VALUE to patients as the foundation of our business operations. In the Global Engagement Survey in 2024, Integrity was selected by our employees as one of Astellas' greatest strengths.

Every day, we demonstrate our commitment to Integrity by integrating it into every aspect of our business activities. This includes enabling individuals to make ethical and compliant decisions with the support of frameworks and tools, empowered by an ethical culture which encourages speaking up when something does not feel right or when uncertainties arise. Integrity will remain essential to our sustained business success. Acting with Integrity means making ethical decisions at every turn and adhering to both the letter and the spirit of the law. Integrity at Astellas means doing the right thing, always.

Ethics & Compliance Program

Astellas continuously strengthens its Ethics & Compliance Program. This is achieved by creating a global operating model which acknowledges and respects diverse cultures and regulations. This model also establishes consistent global standards, with additional regional/local standards as appropriate, and enhances oversight functions.

Our Ethics & Compliance Program implements various key activities globally. This includes risk assessments, compliance policies and processes, training and communications, monitoring, maintaining transparent relationships with healthcare professionals and healthcare organizations free of conflicts of interest, and investigation processes. We continually evaluate the effectiveness of the Program to ensure integrity in all our business activities.

Global Ethics & Compliance Structure



For details about ethics and compliance initiatives, please visit the following website.
https://www.astellas.com/en/about/ethics-compliance

Key Initiatives

Healthcare Compliance

To provide safe and effective medical products, Astellas collaborates ethically with healthcare professionals and patient organizations, providing accurate information about Astellas products and their approved uses. Additionally, we establish appropriate relationships with stakeholders and enter consultant contracts involving payment based on eligibility criteria. We adhere to transparency requirements across the globe, disclosing information such as payments in accordance with local laws and industry regulations to maintain trust across our stakeholders.

Prevention of Bribery and Corruption

What we do and how we do it matters. Astellas conducts its corporate activities with high integrity, strictly prohibiting bribery and corruption in any aspect of our business operations, including facilitation payments, and maintaining a zero-tolerance policy while adhering to all applicable laws prohibiting corruption.

Safeguarding Privacy

We safeguard the privacy rights of individuals with whom Astellas interacts through a robust global Privacy Program. We provide advice and guidance to ensure the appropriate collection, processing, sharing, and retention of personal information across Astellas. Astellas operates in line with applicable privacy laws and regulations globally.

International Trade Compliance (ITC)

We ensure that Astellas complies with all applicable export control, sanctions, customs laws and regulations. We provide advice, guidance and training to business partners to create awareness and ensure trade compliance.

Respect for Human Rights

For details about human rights, please visit the following website.
https://www.astellas.com/en/sustainability/respect-for-human-rights

Our Position

Astellas is committed to respecting the human rights of all individuals, both within and outside the Company, and to upholding high labor standards. Across all locations where we operate, we comply with applicable local labor and employment laws and respect internationally recognized basic human rights and labor standards, such as the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and the International Labour Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work.
In addition, Astellas is a signatory to the UN Global Compact, endorsing the Ten Principles and supports the transparency requirements of the UK's Modern Slavery Act and similar legislation.

Astellas respects the human rights of children and business partners. In line with the Children's Rights and Business Principles, we not only prohibit child labor but also conduct pharmaceutical research and development related to pediatric formulations. Astellas also expects our business partners to uphold basic human rights and labor standards in their operations.

Governance Structure

P.83 "Corporate Governance"

Initiatives and issues concerning human rights are discussed within the internal Human Rights Sub-Working Group, which is part of the Social Working Group. These matters are addressed in collaboration with relevant divisions to ensure appropriate response.

Initiatives

To meet the expectations of society, Astellas implements comprehensive human rights initiatives aligned with basic international principles on human rights and labor, as shown in the diagram below.



Identification of Human Rights Issues

Astellas periodically conducts assessments of adverse impacts to human rights in response to changes in internal and external environments. In these assessments, Astellas evaluates the current status of our human rights initiatives and governance by interviewing relevant divisions, with the cooperation of external specialist organizations. Based on these assessments, Astellas identifies human rights issues affecting rights holders (individuals or social groups who are likely to face human rights issues) related to Astellas operations by using evaluation criteria like salience and likelihood.

Human rights issues that deserve special attention

- Human rights in clinical trials and other research and development activities
- Product safety and counterfeit drugs
- Access to Health
- Human rights in the workplace
- Human rights in the community and environment

Education and Training

Astellas believes that it is important to embed the concept of respect for human rights into our corporate culture, grounded on our position on human rights. To ensure our business operations uphold this commitment, Astellas conducts human rights-themed training to enhance employees' understanding of human rights, and distributes a companywide message on Human Rights Day (December 10) each year to raise employees' awareness. As a new initiative in FY2024, we held small, interactive sessions to foster dialogue with employees on human rights, aiming to promote understanding through two-way communication.

Grievance Mechanism

Astellas accepts all types of reports and consultations, including those related to human rights, from both employees and external parties.

Engagement

To identify and address human rights issues, Astellas believes that it is essential to continuously collect and update the latest information on human rights issues, share insights with peer companies, and learn from best practices across the industry.

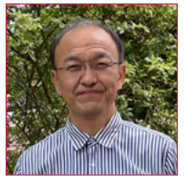
Astellas participates in external human rights working groups, such as the Global Compact Network Japan and BSR's (Business for Social Responsibility) Human Rights Working Group, to engage effectively with companies, nonprofit organizations and non-governmental organizations.

VOICE

I participated in a human rights dialogue held at the Tsukuba Biotechnology Research Center. Previously, I tended to associate "human rights issues" with promotion of D&I* in the workplace or problems in other industries, such as child labor in cacao cultivation. This training deepened my understanding not only of how D&I initiatives form the basis for respecting human rights, but also of the steps Astellas is taking to address human rights issues that may affect rights holders across the pharmaceutical industry value chain.

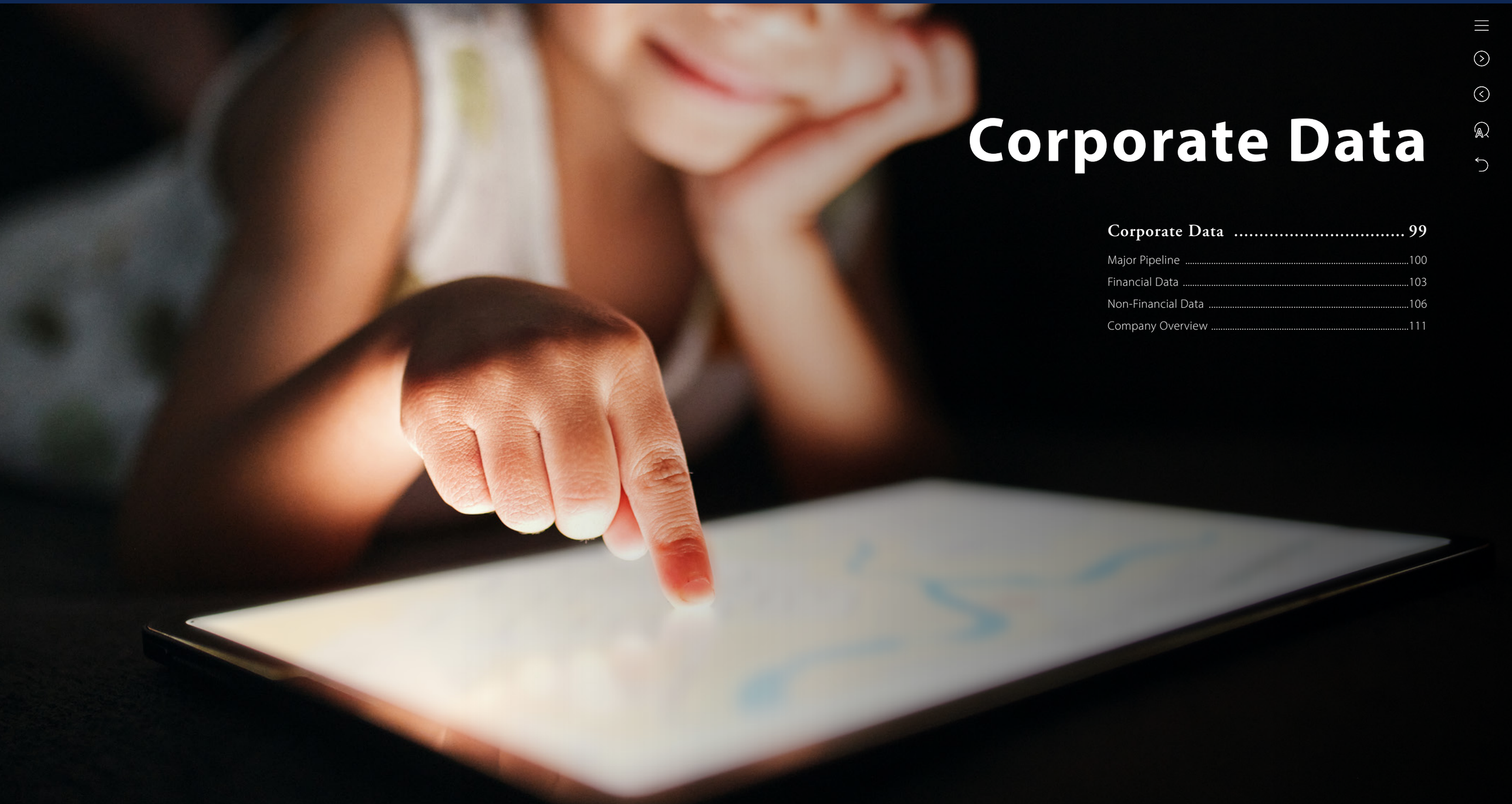
Astellas is committed to discovering and delivering innovative medicines to patients who currently have limited or no effective treatment options. My work involves utilizing pharmaceutical technology to support the commercialization of new therapies and medicines (new modalities such as gene therapy, cell therapy, and biopharmaceuticals).

I am confident that through this work, I can help improve access to medical care, enhance the lives of many people, and make a positive contribution to human rights. I would like to continue working on this mission with sincerity.



Shinsuke Hayashi
Tsukuba Biotechnology Research Center

* For details on D&I, please refer to P.49 "People Strategy."



Corporate Data

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Major Pipeline (as of August 2025)

The list shows the development status in the target diseases for which we aim to obtain approval in Japan, the United States, Europe and/or China.

Strategic Brands

Generic name Code No. (Brand name)	Modality / Technology	Classification	Target disease	Phase*1		Licensor*2
				1 2 3 F		
enfortumab vedotin ASG-22ME (PADCEV)	Antibody-drug conjugate (ADC)	Nectin-4 targeted ADC	Muscle-invasive bladder cancer (combo with pembrolizumab)			In-house [Co-development with Pfizer]
gilteritinib ASP2215 (XOSPATA)	Small molecule	FLT3 inhibitor	Post-chemotherapy maintenance acute myeloid leukemia			In-house
			Post-hematopoietic stem cell transplant maintenance acute myeloid leukemia			
			Newly diagnosed acute myeloid leukemia with high intensity induction of chemotherapy			
			Newly diagnosed acute myeloid leukemia with low intensity induction of chemotherapy			
			Acute myeloid leukemia in pediatric patients			
zolbetuximab IMAB362 (VYLOY)	Antibody	Anti-Claudin 18.2 monoclonal antibody	Gastric and gastroesophageal junction adenocarcinoma (combo with pembrolizumab and chemotherapy)			In-house (Ganymed)
			Pancreatic adenocarcinoma			
fezolinetant ESN364 (VEOZAH*3)	Small molecule	NK3 receptor antagonist	Vasomotor symptoms due to menopause		China Japan	In-house (Ogeda)
			Vasomotor symptoms in breast cancer patients on adjuvant endocrine therapy			

*1 Compounds are developed globally unless noted. The list shows the most advanced stage if the stages are different depending on the region. The list specifies the area if the compound is developed in limited areas. The details of numbers and letters are as follows:
1: P-I, 2: P-II, 3: P-III, F: Filed

*2 Compounds with "In-house" in this column include ones discovered by collaborative research.

*3 Approved as " VEOZA" in ex-US.

Major Pipeline

Generic name Code No. (Brand name)	Modality / Technology	Classification	Target disease	Phase*1		Licensor*2
				1 2 3 F		
avacincaptad pegol (IZERVAY)	Pegylated RNA aptamer	Complement C5 inhibitor	Geographic atrophy secondary to age-related macular degeneration		Japan Filed (Feb 2025)	In-house (Iveric Bio)
			Stargardt disease			

*1 Compounds are developed globally unless noted. The list shows the most advanced stage if the stages are different depending on the region. The list specifies the area if the compound is developed in limited areas. The details of numbers and letters are as follows:
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*2 Compounds with "In-house" in this column include ones discovered by collaborative research.

Programs with Focus Area approach

Primary Focus	Generic name Code No.	Modality / Technology	Classification	Target disease	Phase*1	Licensor*2
					1 2 3 F	
Immuno-oncology	ASP1570	Small molecule	DGKζ inhibitor	Cancer		In-house
	ASP2138	Antibody	Anti-Claudin 18.2 and anti-CD3 bispecific antibody	Gastric and gastroesophageal junction adenocarcinoma, pancreatic adenocarcinoma		Xencor [Discovered through collaborative research]
	ASP1002	Antibody	Anti-Claudin 4 and anti-CD137 bispecific antibody	Cancer		In-house
Targeted Protein Degradation	ASP3082	Small molecule	KRAS G12D degrader	Cancer		In-house
	ASP4396	Small molecule	KRAS G12D degrader	Cancer		In-house
	ASP5834	Small molecule	Pan-KRAS degrader	Cancer		In-house
Genetic regulation	resamirigene bilparvovec AT132	Gene therapy (AAV-based gene therapy)	MTM1 gene replacement to express myotubularin	X-linked myotubular myopathy		In-house (Audentes Therapeutics (currently Astellas Gene Therapies))
	zocaglusagene nuzaparvovec AT845	Gene therapy (AAV-based gene therapy)	GAA gene replacement to express GAA enzyme	Pompe disease		In-house (Audentes Therapeutics (currently Astellas Gene Therapies))
Blindness and Regeneration	ASP7317	Cell therapy	Retinal pigment epithelial cells	Geographic atrophy secondary to age-related macular degeneration		In-house (Ocata Therapeutics (currently Astellas Institute for Regenerative Medicine))

*1 Compounds are developed globally unless noted. The list shows the most advanced stage if the stages are different depending on the region. The list specifies the area if the compound is developed in limited areas. The details of numbers and letters are as follows:
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*2 Compounds with "In-house" in this column include ones discovered by collaborative research.

Major Pipeline

Others

Generic name Code No.	Modality / Technology	Classification	Target disease	Phase*1		Licensor*2
				1 2 3 F		
mirabegron YM178	Small molecule	β_3 receptor agonist	Neurogenic detrusor overactivity in pediatric patients (aged 6 months to less than 3 years)		Europe	In-house
roxadustat ASP1517/FG-4592	Small molecule	HIF-PH inhibitor	Anemia associated with chronic kidney disease in pediatric patients		Europe	FibroGen
abiraterone decanoate ASP5541/PRL-02	Small molecule	CYP17 lyase inhibitor	Prostate cancer			In-house (Propella Therapeutics)
ASP546C/XNW27011	Antibody-drug conjugate (ADC)	Claudin 18.2-targeted ADC	Cancer			Evopoint Biosciences
ASP5502	Small molecule	STING inhibitor	Primary Sjogren's syndrome			In-house

*1 Compounds are developed globally unless noted. The list shows the most advanced stage if the stages are different depending on the region. The list specifies the area if the compound is developed in limited areas. The details of numbers and letters are as follows:
1: P-I, 2: P-II, 3: P-III, F: Filed

*2 Compounds with "In-house" in this column include ones discovered by collaborative research.

Rx+ Program

Category (Business area)	Program	Concept	Status*	Partner
Digital health	BlueStar	Digital therapeutics for the management of diabetes	Pivotal study (Japan)	Welldoc Roche Diabetes Care Japan
Drug-device combination	pudexacianinium chloride ASP5354	Intraoperative ureter visualization for use in patients undergoing minimally invasive and open abdominopelvic surgeries	P-III	Stryker
Implantable medical device	Implantable bladder device	Implantable device for underactive bladder	FDA approved to enter into early feasibility study	(iota Biosciences)

* The list shows the most advanced stage if the stages are different depending on the region.

Financial Data

Consolidated Income Statement

(one million yen)

IFRS core basis	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Revenue	1,372,706	1,311,665	1,300,316	1,306,348	1,300,843	1,249,528	1,296,163	1,518,619	1,603,672	**1,912,323**
Gross profit	1,037,110	991,162	1,006,066	1,014,299	1,024,104	1,003,465	1,043,154	1,230,266	1,311,187	**1,563,117**
SG&A expenses	500,359	470,777	478,330	490,263	499,295	504,316	548,840	630,272	740,110	**843,032**
R&D expenses	225,665	208,129	220,781	208,682	224,226	224,489	246,010	276,128	294,187	**327,651**
Core operating profit (Old definition)	267,456	274,554	268,698	278,514	277,758	251,375	244,744	286,902	184,641	–
Core operating profit (New definition)	–	–	–	–	–	–	–	–	–	**392,435**
Core profit for the year (Old definition)	198,802	213,343	204,326	249,343	223,178	209,906	190,584	224,619	150,981	–
Core profit for the year (New definition)	–	–	–	–	–	–	–	–	–	**295,682**
R&D cost-to-revenue ratio (%)	16.4	15.9	17.0	16.0	17.2	18.0	19.0	18.2	18.3	**17.1**
Core operating profit ratio to revenue (%) (Old definition)	19.5	20.9	20.7	21.3	21.4	20.1	18.9	18.9	11.5	–
Core operating profit ratio to revenue (%) (New definition)	–	–	–	–	–	–	–	–	–	**20.5**
IFRS full basis										
Operating profit	248,986	260,830	213,258	243,912	243,991	136,051	155,686	133,029	25,518	**41,039**
Profit before tax	261,770	281,769	218,113	248,967	245,350	145,324	156,886	132,361	24,969	**31,237**
Profit for the year	193,687	218,701	164,679	222,265	195,411	120,589	124,086	98,714	17,045	**50,747**
Operating profit ratio to revenue (%)	18.1	19.9	16.4	18.7	18.8	10.9	12.0	8.8	1.6	**2.1**

* The Company discloses financial results on a core basis as an indicator of its recurring profitability. The Company changed the definition of core basis from FY2024, and newly excluded amortisation of intangible assets, gain on divestiture of intangible assets, and share of profit (loss) of investments accounted for using the equity method from the financial results on a full basis as certain significant adjusted items defined by the company.
Financial results on the new core basis, as an indicator of the Company's profitability, exclude certain significant adjusted items defined by the Company that are reported in financial results on a full basis.
These adjusted items include amortisation of intangible assets, gain on divestiture of intangible assets, share of profit (loss) of investments accounted for using equity method, impairment losses, gain (loss) on sales of property, plant and equipment, restructuring costs, loss on disaster, a large amount of losses on compensation or settlement of litigation and other legal disputes, and other items that are deemed to be excluded based on the Company's judgment.

Financial Data

Consolidated Statement of Financial Position

(one million yen)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	**FY2024**
Total assets	1,799,338	1,814,072	1,858,205	1,897,648	2,315,169	2,273,628	2,332,395	2,456,518	3,569,603	**3,339,544**
Total non-current assets	901,801	937,407	1,012,587	1,040,489	1,447,655	1,401,040	1,409,041	1,406,564	2,374,873	**2,138,195**
Total current assets	897,537	876,665	845,619	857,159	867,514	872,588	923,354	1,049,954	1,194,730	**1,201,349**
Total equity attributable to owners of the parent	1,259,209	1,271,810	1,268,289	1,258,396	1,289,168	1,386,115	1,460,308	1,507,954	1,595,988	**1,513,255**
Total non-current liabilities	126,769	142,406	168,296	141,587	227,293	295,141	184,676	222,530	687,889	**764,679**
Total current liabilities	413,359	399,856	421,620	497,665	798,708	592,372	687,411	726,034	1,285,725	**1,061,610**
Return on equity (%)	15.0	17.3	13.0	17.6	15.3	9.0	8.7	6.7	1.1	**3.3**
Dividend on equity (%)	5.4	5.6	5.7	5.8	5.9	5.8	6.5	7.3	8.1	**8.5**
Ratio of equity attributable to owners of the parent to total assets (%)	70.0	70.1	68.3	66.3	55.7	61.0	62.6	61.4	44.7	**45.3**

Consolidated Statement of Cash Flows

(one million yen)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	**FY2024**
Cash flow from operating activities	313,737	235,612	312,614	258,630	221,998	306,843	257,444	327,767	172,475	**194,512**
Cash flow from investing activities	−147,050	−73,383	−121,799	−41,757	−389,793	−81,894	−62,413	−84,500	−845,802	**−89,419**
Free cash flows	166,687	162,229	190,816	216,874	−167,796	224,949	195,031	243,267	−673,327	**105,093**
Cash flow from financing activities	−193,478	−166,153	−203,429	−233,681	181,055	−229,479	−216,298	−195,623	614,060	**−261,367**
Cash and cash equivalents at the end of year	360,030	340,923	331,731	311,074	318,391	326,128	315,986	376,840	335,687	**188,372**

Key Figures per Share

(yen)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	**FY2024**
Basic earnings per share	89.75	103.69	81.11	115.05	104.15	64.93	67.08	54.24	9.51	**28.35**
Book value per share	592.58	615.89	641.80	667.29	694.03	748.03	799.26	839.26	890.07	**845.25**
Dividend per share	32	34	36	38	40	42	50	60	70	**74**

Financial Data

Revenue by region

(hundred million yen)

	FY2020	FY2021	FY2022	FY2023	FY2024
Japan*1	2,791	2,588	2,623	2,701	2,670
United States	4,732	5,375	6,524	6,631	8,664
Established Markets*2	2,932	3,152	3,584	4,156	4,854
China*3	593	663	800	706	783
International Markets*4	1,111	1,101	1,447	1,770	2,035
Total	12,495	12,962	15,186	16,037	19,123

Sales of Main Products

(hundred million yen)

Main Products	FY2020	FY2021	FY2022	FY2023	FY2024
PADCEV	128	217	444	854	1,641
IZERVAY	–	–	–	121	583
VEOZAH	–	–	–	73	338
VYLOY	–	–	–	–	122
XOSPATA	238	341	466	551	680
XTANDI	4,584	5,343	6,611	7,505	9,123
BETANIS/MYRBETRIQ/BETMIGA	1,636	1,723	1,886	1,981	1,700
PROGRAF	1,827	1,854	1,988	2,031	2,010
PADCEV					
Japan	–	18	84	85	126
United States	128	195	292	607	1,091
Established Markets	–	5	68	147	327
China	–	–	–	1	39
International Markets	–	–	1	13	57
Total	128	217	444	854	1,641
IZERVAY					
United States	–	–	–	121	583
Total	–	–	–	121	583

*1 For the sales of individual products, sales in Japan prior to FY2022 are shown in a gross sales basis. Sales in Japan from FY2023 onwards are shown in a net sales basis, as in other regions

*2 Established Markets: Europe, Canada, etc.

*3 China: China, Hong Kong

(hundred million yen)

VEOZAH	FY2020	FY2021	FY2022	FY2023	FY2024
United States	–	–	–	72	308
Established Markets	–	–	–	1	27
International Markets	–	–	–	0	3
Total	–	–	–	73	338
VYLOY					
Japan	–	–	–	–	52
United States	–	–	–	–	49
Established Markets	–	–	–	–	22
Total	–	–	–	–	122
XOSPATA					
Japan	38	39	43	44	47
United States	155	189	255	286	350
Established Markets	44	90	121	152	189
China	0	15	25	31	39
International Markets	2	7	22	39	55
Total	238	341	466	551	680
XTANDI					
Japan	402	472	547	567	579
United States	2,386	2,769	3,418	3,797	4,917
Established Markets	1,493	1,701	1,979	2,316	2,621
China	49	79	111	122	163
International Markets	255	322	556	703	843
Total	4,584	5,343	6,611	7,505	9,123
BETANIS/MYRBETRIQ/BETMIGA					
Total	1,636	1,723	1,886	1,981	1,700
PROGRAF					
Total	1,827	1,854	1,988	2,031	2,010

*4 International Markets: Latin America, Middle East, Africa, Southeast Asia, South Asia, Russia, Korea, Taiwan, Australia, etc.

*5 From FY2022, the commercial segment of Australia was changed from Established Markets to International Markets For the purposes of this chart, data from FY2022 onwards reflect this change.

*6 From FY2023, the commercial segment of certain countries that were included in International Markets was changed to Established Markets For the purposes of this chart, data from FY2023 onwards reflect this change.

*7 Region title of Greater China changed to China from FY2024. In addition, commercial segment of Taiwan was changed from China to International Markets. For the purposes of this chart, data from FY2023 onwards reflect this change.

Non-Financial Data

Please refer to the corporate website for detailed ESG data.
https://www.astellas.com/en/sustainability/esg

Environment

Direct interaction between Astellas and the Environment (Results for FY2024)

Direct Interaction

INPUT		OUTPUT	
Energy*1		GHGs*1*4	
Purchased electricity	205,273 MWh Renewable derived 77,628 MWh	Scope 1	52,212 t-CO_2
		Scope 2	55,621 t-CO_2
Gaseous fuel	210,279 MWh	Pollutants (atmosphere)*5	
		NOx	16 tons
		VOC	22 tons
Liquid fuel	55,942 MWh	Water discharge, pollutants (water body)	
Purchased heat	7,790 MWh	Water discharge*2	6,690 thousand m^3
Other renewable energy	15,455 MWh	BOD*5	8 tons
		COD*5	20 tons
Resource		**Waste material**	
Water*2	6,883 thousand m^3	Volume of waste generated*6	11,447 tons
Raw materials and consumables (by weight)*3	4,457 tons	Landfill volume*5	81 tons

*1 All Astellas business facilities *2 All production sites and R&D sites. (The volume of water discharge from non-Japanese sites was equivalent to that of withdrawal.)
*3 Items used at commercial production sites in Japan that can be ascertained on a weight or volume basis. Consumable supplies are those used in the commercial production process. *4 Non-energy-related GHG emissions are not included. The CO_2 equivalent of fluorinated gases from production sites (global) and R&D sites (Japan) was 1,724 tons-CO_2. *5 Japanese production sites and R&D sites. *6 All Japanese facilities, and all production and R&D sites outside of Japan.

Indirect GHGs (Scope 3)

(Unit: t-CO_2e)

Upstream Scope 3 emissions		Downstream Scope 3 emissions	
1 Purchased goods and services	1,082,536	9 Transportation and distribution (downstream)	15,048
2 Capital goods	90,582	10 Processing of sold products	Not relevant
3 Fuel and energy-related activities (not included in Scope 1 and Scope 2)	27,410	11 Use of sold products	Not applicable
4 Transportation and distribution (upstream)	19,987	12 End-of-life treatment of sold products	246
5 Waste generated in operation	1,151	13 Downstream leased assets	3,301
6 Business travel (by airplane)	34,056	14 Franchises	Not relevant
7 Employee commuting	2,004	15 Investments	Not relevant
8 Upstream leased assets	Not relevant		

INPUT

Breakdown of Energy Consumption

(Unit: MWh)

	FY2021	Ratio*1 (%)	FY2022	Ratio*1 (%)	FY2023	Ratio*1 (%)	**FY2024**	**Ratio*1 (%)**
Global	581,432		569,850		558,039		**494,739**	
Renewable Sourced	109,022		107,633		103,504		**93,083**	
renewable energy ratio	19%		19%		19%		**19%**	
Total electricity consumption*2	225,744		227,486		228,688		**207,703**	
Renewable Sourced	97,531		95,008		90,527		**80,059**	
renewable energy ratio	43%		42%		40%		**39%**	
By energy source								
Electricity purchased	224,095		225,526		226,691		**205,273**	
Renewable Sourced	95,882		93,048		88,530		**77,628**	
Gaseous fuel	278,044		267,124		252,061		**210,279**	
Liquid fuel	55,775		53,894		56,069		**55,942**	
Purchased heat	10,379		8,722		8,244		**7,790**	
Renewable energy	13,140		14,584		14,974		**15,455**	
self-generated electricity	1,650		1,960		1,997		**2,431**	
Japan	421,691	73	407,447	72	387,641	69	**349,301**	**70**
By energy source								
Electricity purchased	167,760		167,420		167,043		**160,803**	
Renewable Sourced	66,993		64,049		60,576		**59,476**	
Gaseous fuel	241,391		226,994		209,395		**177,842**	
Liquid fuel	12,139		12,903		10,969		**9,795**	
Purchased heat	349		82		60		**4**	
Renewable energy	52		48		174		**858**	
Overseas	159,741	27	162,403	28	179,398	31	**145,438**	**30**
By energy source								
Electricity purchased	56,335		58,107		59,648		**44,470**	
Renewable Sourced	28,889		28,999		27,954		**18,153**	
Gaseous fuel	36,652		40,130		42,665		**32,437**	
Liquid fuel	43,635		40,991		45,100		**46,147**	
Purchased heat	10,031		8,639		8,184		**7,786**	
Renewable energy	13,088		14,536		14,800		**14,597**	

*1 The proportion of energy consumption in Japan and overseas relative to the global total.
*2 The amount of purchased electricity and self-generated electricity from renewable sources.

Non-financial Data

Changes in Volume of Water Resources Withdrawn and Revenue

		FY2016	FY2022	FY2023	FY2024
Volume of water resource withdrawn (thousand m³)		8,774	6,864	6,497	**6,883**
	Service water and industrial water	8,017	6,430	6,151	**6,484**
	Groundwater	758	434	346	**399**
Japan	Service water and industrial water	7,705	6,231	5,952	**6,286**
	Groundwater	758	434	346	**399**
US	Service water and industrial water	146	55	61	**68**
	Groundwater	–	–	–	**–**
Established Markets	Service water and industrial water	145	129	124	**111**
	Groundwater	–	–	–	**–**
China	Service water and industrial water	21	15	14	**18**
	Groundwater	–	–	–	**–**
International Markets	Service water and industrial water	–	–	–	**–**
	Groundwater	–	–	–	**–**
Revenue (billions of yen)		1,312	1,519	1,604	**1,912**
Water resource productivity (billions of yen/thousand m³)		0.15	0.22	0.25	**0.28**
Improvement from base year			48%	65%	**86%**

No water was withdrawn from a source other than service water, industrial water, or groundwater
Target: Production facilities and R&D sites in Japan and overseas

OUTPUT

Changes in Actual GHG Emissions Volume

(Unit: t-CO_2)

	FY2015	Ratio (%)	FY2022	Ratio (%)	FY2023	Ratio (%)	FY2024	Ratio (%)
Japan	154,447	77	89,709	78	92,325	77	**82,224**	**76**
Scope 1	56,674		44,253		40,601		**35,558**	
Scope 2	97,774		45,456		51,724		**46,666**	
Overseas		23	25,815	22	27,846	23	**25,609**	**24**
Scope 1	28,082		14,798		16,523		**16,654**	
Scope 2	18,424		11,017		11,323		**8,955**	
Global	200,953	–	115,524	–	120,171	–	**107,833**	**–**
% change from base year	–		-43%		-40%		**-46%**	
Scope 1	84,756		59,051		57,124		**52,212**	
Scope 2	116,197		56,473		63,047		**55,621**	

Please refer to the EHS Report 2025 for detailed data by area.
https://www.astellas.com/content/dam/astellas-com/global/en/documents/environment-ehs-report-fy2025-en.pdf

GHG emissions Volume by Activity

(Unit: t-CO_2)

	FY2015	FY2022	FY2023	FY2024
Emissions from production sites and R&D sites	154,706	96,957	100,860	**90,743**
Emissions from office	17,522	6,188	5,932	**3,768**
Emissions from company vehicle use	28,725	12,378	13,380	**13,323**

GHG data (Scope 3 and Scope 1+2+3)

	FY2015	FY2022	FY2023	FY2024
Scope 3 GHG emissions (t-CO_2e)	1,378,972	893,617	1,121,350	**1,276,323**
vs FY2015 (%)	–	-35%	-19%	**-7%**
Scope 1+2+3 GHG emissions (t-CO_2e)	1,579,925	1,009,141	1,241,521	**1,384,156**
vs FY2015 (%)	–	-50%	-21%	**-12%**
Scope 1+2+3 GHG emissions per sales revenue (t-CO_2e/billion JPY)	1,151	665	774	**724**
vs FY2015 (%)	–	-42%	-33%	**-37%**

Non-financial Data

Indirect GHGs (Scope 3)

(Unit: t-CO_2e)

Category	FY2015	FY2022	FY2023	FY2024
Upstream Scope 3 emissions				
1 Purchased goods and services	1,099,263	650,001	857,945	1,082,536
2 Capital goods	144,053	171,163	178,421	90,582
3 Fuel and energy-related activities (not included in Scope 1 and Scope 2)	28,400	30,096	29,755	27,410
4 Transportation and distribution (upstream)	17,837	14,942	14,946	19,987
5 Waste generated in operation	3,600	1,281	1,296	1,151
6 Business travel (by airplane)	53,528	6,940	21,496	34,056
7 Employee commuting	5,092	2,119	2,310	2,004
8 Upstream leased assets	Not relevant	Not relevant	Not relevant	Not relevant
Downstream Scope 3 emissions				
9 Transportation and distribution (downstream)	26,392	16,602	14,668	15,048
10 Processing of sold products	Not relevant	Not relevant	Not relevant	Not relevant
11 Use of sold products	Not applicable	Not applicable	Not applicable	Not applicable
12 End-of-life treatment of sold products	807	424	242	246
13 Downstream leased assets	Not relevant	48	271	3,301
14 Franchises	Not relevant	Not relevant	Not relevant	Not relevant
15 Investments	Not relevant	Not relevant	Not relevant	Not relevant

Changes in Waste Generation Volume and Revenue

	FY2016 (base year)	FY2022	FY2023	FY2024
Waste generation volume (tons)	14,266	13,541	13,010	11,421
Japan	11,726	9,787	9,354	8,736
US	54	780	921	720
Established Markets	2,432	2,866	2,655	1,860
China	54	109	81	104
International Markets	–	–	–	–
Revenue (billions of yen)	1,312	1,519	1,604	1,912
Waste generated per unit (tons/billions of yen)	10.9	8.9	8.1	6.0
Improvement from base year	–	18%	25%	45%

* Target: Production facilities and R&D sites in Japan and overseas
(Note: The volume of waste generated shown in the direct interaction figures under the Direct Interaction between Astellas and the Environment (Results for FY2024) section at the top of the page includes the waste generation volume of the head office.)

Major Environmental Management Indicators for Air and Water Quality*1

	FY2022	FY2023	FY2024
VOC*2 (tons)	23	22	22
NOx*2 (tons)	18	15	16
BOD*2 (tons)	9	7	8
Discharge into rivers	6	5	7
Discharge into sewerage system	3	2	1
Discharge volume*2 (thousand m^3)	6,298	6,019	6,492
Discharge into rivers	6,108	5,834	6,323
Discharge into sewerage system	190	185	169

*1 Astellas does not use any equipment that runs on fuel oil and has no facilities that are subject to SOx emissions calculations.
*2 Target: Production sites and R&D sites in Japan

Releases and Transfers of PRTR Chemical Substances (FY2024)

(tons)

	Volume handled	Volume released			Volume transferred	
		Air	Water	Soil	Waste	Sewerage
Chloroform	11.437	0.572	0	0	10.865	0
N, N-Dimethylformamide	6.112	0.007	0.001	0	6.034	0
Hexane	1.893	0.095	0	0	1.798	0
Heptane	16.794	0.176	0.001	0	16.618	0
Tetrahydrofuran	1.434	0.008	0	0	1.309	0
Toluene	1.207	0.006	0	0	1.202	0

* Target: Production sites and R&D sites in Japan. Tabulated based on the target substances list as indicated in the Order for the Enforcement of the PRTR Act, which came into effect on April 1, 2023.

Non-financial Data

Social

Employee Ratio per Region and Ratio of Female Managers

		FY2022	FY2023	FY2024
Japan (Astellas Pharma Inc.)	Male	68.8%	68.9%	**67.6%**
	Female	31.2%	31.2%	**32.4%**
	Ratio of female managers	17.6%	19.0%	**18.3%**
Other areas total	Male	44.8%	44.6%	**43.5%**
	Female	55.2%	55.4%	**56.5%**
	Ratio of female managers	54.0%	54.7%	**54.1%**
Average	Male	52.9%	52.5%	**50.3%**
	Female	47.1%	47.5%	**49.7%**
	Ratio of female managers	42.8%	44.1%	**44.4%**

* Expatriate employees seconded within the Astellas corporate group are included in the headcount of their current location. Expatriate employees seconded out of the Astellas corporate group are excluded from the headcount.

Number of Employees per Region and Turnover Rate

		FY2022	FY2023	FY2024
Japan (Astellas Pharma Inc.)	Number of employees*1	4,867	4,806	**4,105**
	Turnover rate	4.4%	16.2%*2	**7.8%**
Other areas total	Number of employees	9,617	9,948	**9,538**
	Turnover rate	14.5%	16.0%	**18.5%**
Americas	Number of employees	4,036	4,551	**4,064**
	Turnover rate	14.9%	10.5%	**24.3%**
EMEA	Number of employees	3,790	3,714	**3,425**
	Turnover rate	13.0%	22.1%	**15.0%**
Asia/Oceania	Number of employees	1,791	1,683	**2,049**
	Turnover rate	16.7%	17.4%	**13.1%**
Total	Number of employees	14,484	14,754	**13,643**
	Turnover rate	11.1%	16.1%	**15.1%**

*1 The turnover rate in Japan excludes people retiring at the mandatory retirement age and employees moving outside of the Group due to transfer of Group businesses.
*2 Introduced Career Change Support Program.

Average Length of Service (Years) By Gender

	FY2022	FY2023	FY2024
Male	17.3	17.8	**16.8**
Female	13.6	13.8	**13.3**

* As of March 31, 2025, Japan consolidated basis

Employment (Japan)

		FY2022	FY2023	FY2024
New graduate hires (Astellas Pharma Inc.)	Total	87	101	**69**
	Male	53	58	**36**
	Female	34	43	**33**
Mid-career hires (Astellas Pharma Inc.)	Total	105	88	**132**
	Male	66	59	**103**
	Female	39	29	**29**
Mid-career hire ratio of new hires	Astellas Pharma Inc.	54.7%	46.6%	**65.7%**
Ratio of female employees in new hires* (Astellas Pharma Inc.)		38.0%	38.1%	**30.8%**
Ratio of people with disabilities employed*		2.78%	2.73%	**2.91%**

* Japan consolidated basis

Pay Gap Between Male and Female Employees

	FY2022	FY2023	FY2024
All employees	70.5%	73.6%	**76.9**
Of which regular employees	71.5%	74.3%	**77.6**
Of which part-time and fixed-term employees	81.2%	71.5%	**66.6**

* The wage difference between male and female employees is calculated by finding the average annual wage for each gender (total annual wage of target workers divided by the number of target workers). The wage difference is expressed as the average annual wage of female employees divided by the average annual wage of male employees, multiplied by 100. The main reason for the difference is that male employees are more likely to hold higher job grades. However, there is no wage difference between male and female employees at job levels with the same expected roles.

Non-financial Data

Highly skilled employees with specialized knowledge and skills

	FY2022	FY2023	FY2024
PhDs (globally)*1	1,281	1,388	1,409
Employees engaged in research in cell therapy, gene therapy, and regenerative medicine*2	933*2	884*2	370

*1 As of July 2025. Based on self-reported data from employees; includes directors.
*2 As of June 2025. Data for FY2022 and FY2023 is a compilation of the number of people involved in research and development. The scope of data for FY2024 differs.

Data Related to Life Events (Japan)

		FY2022	FY2023	FY2024
Child care	Paternity leave	101	111	**114**
	Child care leave acquisition rate*3	Female: 97%	Female: 135%	**Female: 122%**
		Average days used: 402	Average days used: 408	**Average days used: 414**
		Male: 96%	Male: 93%	**Male: 83%**
		Average days used: 62	Average days used: 74	**Average days used: 91**
	Time off for child care	10	9	**8**
	Shortened work hours for child care	387	206	**133**
		Average days used: 1,224	Average days used: 669	**Average days used: 336**
	Use of the Company's Vehicles for Child Raising	Male: 17	Male: 28	**Male: 17**
		Female: 52	Female: 75	**Female: 47**
	Paid leave for employees returning to work after leave of absence before and after childbirth, leave for child care	14	15	**35**
Nursing care	Nursing Care Holiday	18	22	**21**
	Leave for nursing care	2	4	**1**
	Shortened work hours for nursing care	4	3	**1**
Child care, nursing care, injury, other	Working from home	Employees registered for the program: 4,281	Employees registered for the program: 4,662	**Employees registered for the program: 3,262**

*1 The number of users indicates those who used the system in each fiscal year.
*2 This figure excludes cases where the term of leave was not completed by the end of each fiscal year. In other words, it is limited to cases which ended within the fiscal year.
*3 The child care leave acquisition rate of male employees includes Astellas' original child care leave system.

Employee Engagement

	FY2022	FY2023	FY2024
Engagement score	71	71	69

Occupational Health & Safety (Global)

	2022.1–12	2023.1–12	2024.1–12
Number of work-related injuries (leave of absence)	17	20	**9**
Frequency rate of work-related injuries	0.57	0.66	**0.32**
Severity rate of work-related injuries	0.016	0.005	**0.008**

Governance

Governance Status

		FY2022	FY2023	FY2024
Board of Directors structure	Board of Directors	10	11	**11**
	Of which Outside Directors	7	7	**7**
	Ratio of Outside Directors	70%	64%	**64%**
	Female Directors	3	3	**5**
	Ratio of Female Directors	30%	27%	**45**
Number of meetings of the Board of Directors		14	13	**14**
Average rate of Outside Directors' attendance of meetings of the Board of Directors		98%	99%	**98%**
Audit & Supervisory Committee structure	Audit & Supervisory Committee Members	4	4	**4**
	Of which Outside Directors	3	3	**3**
	Of which Female Directors	2	2	**4**
Number of meetings of the Audit & Supervisory Committee		19	20	**20**
Average rate of Outside Directors' attendance of meetings of the Audit & Supervisory Committee		100%	100%	**100%**
Nomination Committee structure	Chair	Outside Directors	Outside Directors	**Outside Directors**
	Member of the Nomination Committee (including Chair)	4	4	**4**
	Of which Outside Directors	4	4	**4**
Number of meetings of the Nomination Committee		7	9	**9**
Average rate of Outside Directors' attendance of meetings of the Nomination Committee		100%	97%	**97%**
Compensation Committee structure	Chair	Outside Directors	Outside Directors	**Outside Directors**
	Member of the Compensation Committee (including Chair)	4	4	**4**
	Of which Outside Directors	4	4	**4**
Number of meetings of the Compensation Committee		7	7	**10**
Average rate of Outside Directors' attendance of meetings of the Compensation Committee		100%	100%	**100%**

Company Overview (As of March 31, 2025)

Company Information

Company Name	Astellas Pharma Inc.
Headquarters	2-5-1, Nihonbashi-Honcho, Chuo-Ku, Tokyo 103-8411, Japan
Foundation	1923
Capital	103,001 million yen
Representative Director	Naoki Okamura (President and Chief Executive Officer)
Employees	4,105 (Unconsolidated) 13,643 (Consolidated)

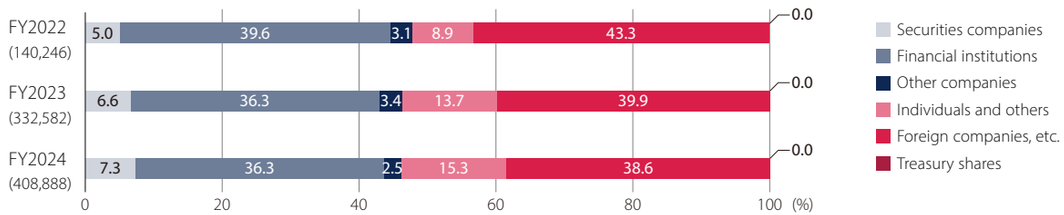
Stock Information

Status of Shares

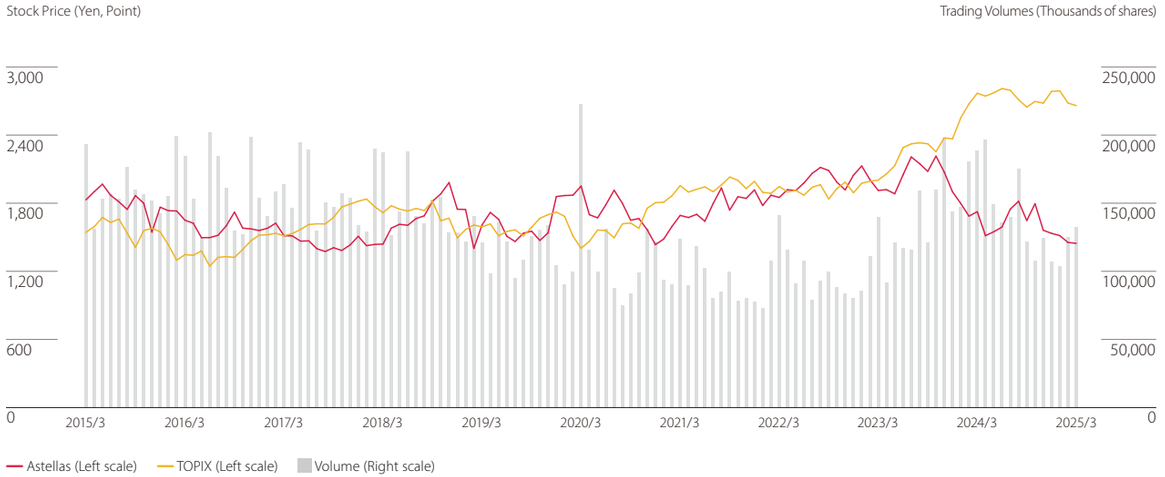
Securities Code	4503
Listed Stock Exchange	Prime Market
Fiscal Year-end	March 31
General Meeting of Shareholders	June
Minimum Trading Unit	100 shares
Total Number of Authorized Shares	9,000,000,000 shares
Number of Shares Issued	1,809,663,075 shares (Including 490,200 shares of treasury stock)

Number of Shareholders	408,888
Custodian of Register of Shareholders	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan
Accounting Auditor	Ernst & Young ShinNihon LLC.

Trends in Shareholder-Type Ratio



Share Price and Volume



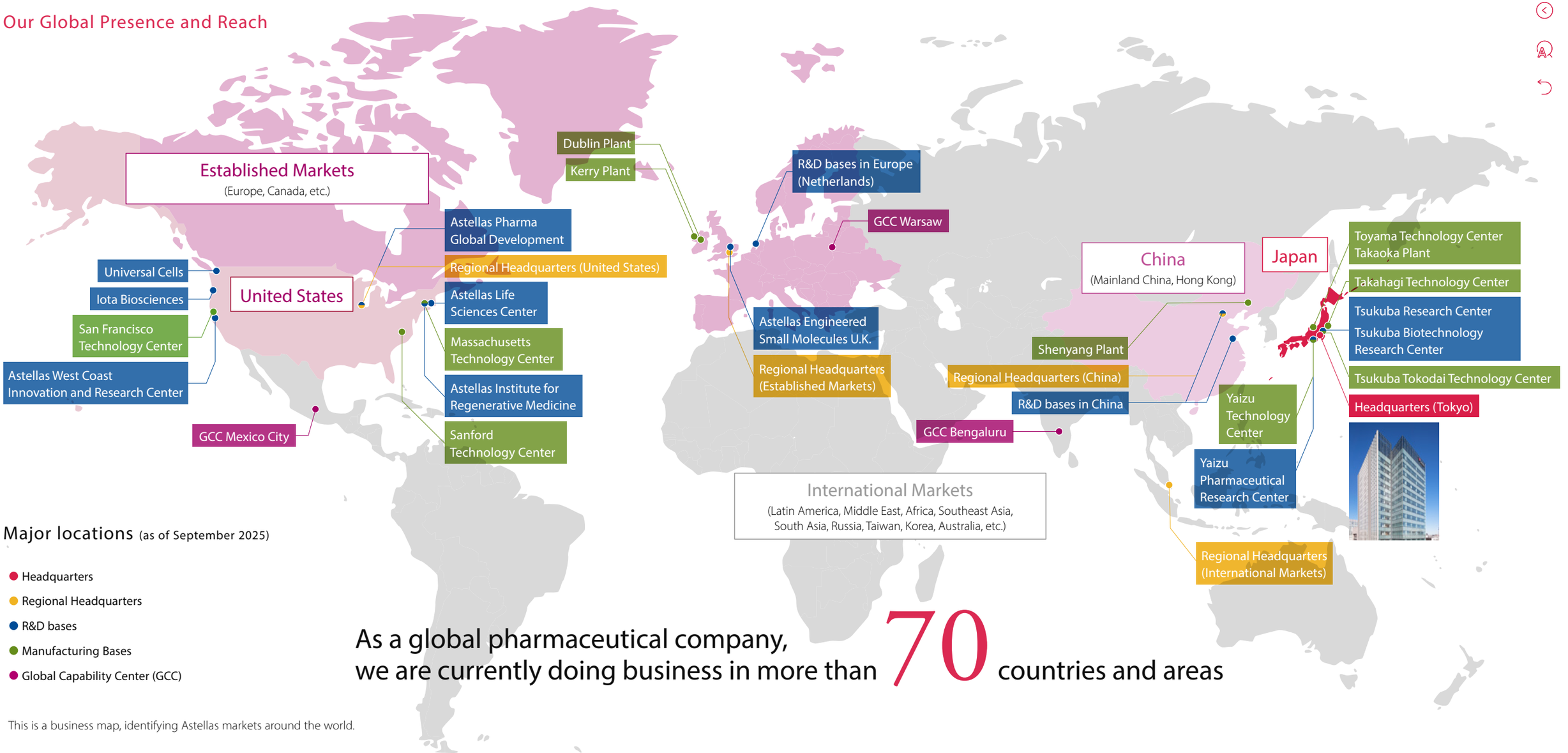
Major Shareholders (Top 10)

Name of shareholders	Number of shares held (Thousands of shares)	Shareholding percentage (%)
The Master Trust Bank of Japan, Ltd. (trust account)	359,709	19.88
Custody Bank of Japan, Ltd. (trust account)	145,230	8.02
Goldman, Sachs & Co. Reg	60,729	3.35
State Street Bank and Trust Company 505001	54,188	2.99
Nippon Life Insurance Company	51,588	2.85
State Street Bank West Client - Treaty 505234	41,472	2.29
SMBC Nikko Securities Inc.	28,538	1.57
JPMorgan Securities Japan Co., Ltd.	27,503	1.52
JPMorgan Chase Bank 385781	26,382	1.45
State Street Bank and Trust Company 505103	20,914	1.15

* The percentage of shares held is calculated to the total number of issued shares excluding treasury shares (1,809,172,875 shares) and presented by discarding the numbers down to the third decimal.

Company Overview

Our Global Presence and Reach



Major locations (as of September 2025)

- Headquarters
- Regional Headquarters
- R&D bases
- Manufacturing Bases
- Global Capability Center (GCC)

As a global pharmaceutical company,
we are currently doing business in more than **70** countries and areas

This is a business map, identifying Astellas markets around the world.