

*NEVER SAY NEVER*



# ROHTO Well-being Report

Rohto Well-being Report 2021

2021

# Providing well-being to people all over the world by delivering health

Working to realize a sustainable society in which people can lead long, happy, and healthy lives

Since our founding, “health” has been Rohto’s core value and we have provided many people with accessible “health” through our over-the-counter (OTC) drug products and skincare products. Enhancing quality of life and extending the healthy lifespan of each individual will not only stimulate economic activity throughout the whole of society but also curb rising social welfare costs, contributing to realization of a sustainable, healthy, and long-lived society. In other words, our business activities have played a truly essential part in the formation of a sustainable society in a way that can be considered similar to ESG management. Going forward, we believe our role will be to “connect” people all around the world to health, as well as to provide them with well-being. In cooperation with all of our stakeholders, we practice “well-being management” that is focused on achieving our aim of contributing to the well-being of all people and realizing a sustainable society whereby people can enjoy long, healthy, and happy lives.

## Corporate Philosophy

- 1 We recognize that Rohto’s greatest responsibility is to continue to contribute to people’s mental and physical health so that they can lead affluent, happy lives. Therefore, we shall implement management objectives from a long-term perspective and strive to create value in order to achieve our goals.
- 2 Being mindful of our mission as a public institution of society, we shall address issues concerning society at large in collaboration with all of the people connected to the Company, and we will share the benefits gained through these endeavors.

## NEVER SAY NEVER

### What do we mean by “Never Say Never”?

In order to make the world a healthier place, we will look ahead clearly to the path that we should take. And, despite any difficulties, we will keep challenging ourselves to go forward and move beyond the limitations of conventional thinking.

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## Rohto’s Profit Sharing Policy

Rohto believes that a company is a “public institution of society” and that we can only succeed with the support of a variety of stakeholders, including employees and their families, business affiliates (suppliers and distributors), citizens and future generations, countries and local communities, and shareholders. Our management team has reiterated our determination to address issues concerning society from a long-term point of view in collaboration with all the people surrounding us and to share the benefits gained thereby into part of our corporate philosophy. Profits earned through solid businesses will be reinvested with the ideal goal of realizing a healthier and more sound society. At the same time, profits will be shared appropriately with the stakeholders who support us from a long-term point of view.

## Stakeholders That Support Rohto



# The Strengths Supporting Our Sustainable Growth

A Culture of Taking on Challenges in Cutting Edge Fields Cultivated over the 122 years

## “NEVER SAY NEVER”

Rohto's growth is driven by a willingness to take on challenges that has been a constant part of our culture since the Company was founded. We started out by selling gastronomic medicines, followed by eye drops, and then in 1931, we combined the eye drop bottle and dispenser, which had always been provided separately, to launch our dual-end dropper bottle. In 1985, our pregnancy test kit Checker was approved as the first over-the-counter test product in Japan. In 1988, we fully entered into the skincare field and accelerated our global development by acquiring The Mentholatum Company as a fully-owned subsidiary. Moving into the 2000's, we began selling functional cosmetics such as Obagi and Hada Labo. Even now, we are constantly taking on challenges in new business categories, such as entering into the regenerative medicine and functional food markets, as we continue our evolution into a comprehensive health and beauty care company.

## Long-loved Brands and a Broad Lineup of Products

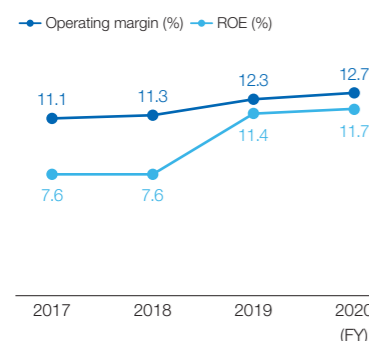
In the healthcare category, we have a broad lineup of products, including many brands that have been loved by customers for a long time. In addition to our eye drop products, which boast a top market share, our eye care lineup also includes contact lenses, contact lens cleaning solutions, and eyewash preparations. Currently, our V Rohto Premium series of eye drop products that pursue greater effectiveness is proving popular with customers. Our skincare product lineup includes seasonal products such as hand creams, lip balms, and the Skin Aqua sunscreen range, alongside a diverse range of other products like De Ou, DEOCO, and Refrea, which are focused on odor, and CareCera, which protects the body from dry skin. Sales are notably driven by Obagi, which fully pursues perfection in terms of vitamin C, and the Hada Labo series, which has pioneered functional cosmetics through a simple formula. These representative functional cosmetics leverage our strengths as a manufacturer of pharmaceuticals. We also offer a wide range of other products that help citizens lead healthier lives, such as Pansiron gastronomic medicines, the functional food Rohto V5, and Dotest pregnancy test kit.



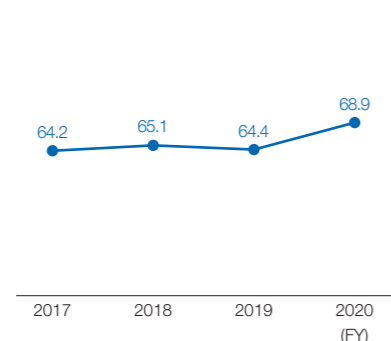
## A Stable Financial Foundation

Despite the continuance of a harsh business environment due to the COVID-19 pandemic, we have been able to stably maintain our operating margin, ROE, and owners' equity ratio at high levels. Additionally, although we are carrying out advanced investment in the ophthalmology area and regenerative medicines aimed at medium- to long-term growth, we use free cash flow for investments in new projects and spending on facilities and equipment while always ensuring the balance stays positive. This stable financial foundation ensures we can carry out investment activities from a long-term perspective.

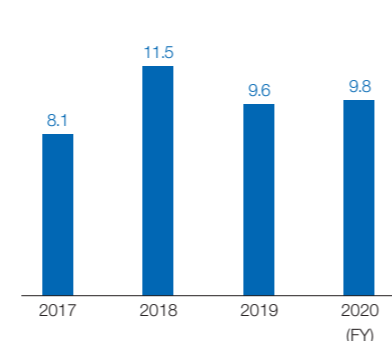
Operating Margin (%) / ROE (%)



Owners' Equity Ratio (%)



Free Cash Flow (billions of yen)



## A Global Network Spanning over 110 Countries

We are actively expanding overseas in cooperation with our subsidiary The Mentholatum Company. Rohto Group products are currently sold in over 110 countries and overseas sales account for approximately 40% of consolidated sales. Our businesses in East and Southeast Asia in particular are driving the Company's growth. Following our expansion into Europe, North America, and Asia, we are currently working toward establishing businesses in emerging countries in regions such as South America and Africa.



## Advanced Technological Capabilities Through High-level Research and Development

Rohto ranked third in the 2020 rankings of firms' capability to prevent other industry companies from obtaining patent rights in the Japanese pharmaceuticals industry. The ranking shows the number of Rohto's patents referenced as a reason for rejecting another company's patent application during examinations. This high ranking demonstrates our status as an advanced company that has an advantage in terms of technology compared to our direct competitors. Going forward, we will use the technological capabilities we have cultivated through research and development into pharmaceuticals and cosmetics as a platform for contributing to worldwide Well-being.

2020 Ranking of Capability to Prevent Other Companies from Obtaining Patents in the Pharmaceuticals Industry

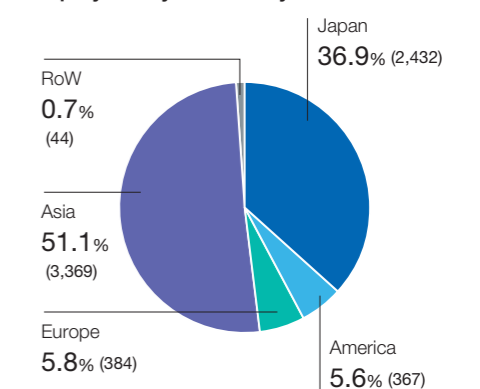
Ranking	Name of company	Country	Number of referenced patents	Number of patents by competitors
1	Merck (Merck Germany)	Switzerland	388	361
2	Bayer	Germany	314	297
3	F. Hoffmann-La Roche	Switzerland	294	286
4	Novartis	Switzerland	288	304
5	Pfizer	U.S.A.	259	258
6	Otsuka Pharmaceutical	Japan	201	198
7	GlaxoSmithKline	U.S.A.	196	182
8	Merck Sharp & Dohme (Merck U.S.)	U.S.A.	195	193
9	Abbott	Germany	193	211
10	Bristol Myers Squibb	U.S.A.	186	207
11	Takeda Pharmaceutical	Japan	185	189
12	Sanofi	France	166	167
13	Genentech	U.S.A.	163	181
14	AbbVie	Netherlands	128	129
15	AstraZeneca	Sweden	123	130
16	Boehringer Ingelheim International	Germany	115	104
17	Amgen	U.S.A.	113	131
18	Novo Nordisk	Denmark	101	114
18	Janssen Pharmaceutica	Belgium	101	104
20	Rohto Pharmaceutical	Japan	98	96

Source: Research by Patent Result Co., Ltd. The spelling of the companies' names is based on the names published by Patent Results Co., Ltd.

## Active Participation by Diverse Human Resources

As of March 31, 2021, the number of employees was 6,596 (consolidated). Out of the 1,595 employees of Rohto Pharmaceutical Co., Ltd., 57.5% were women (677 men and 918 women) and our ratio of women in management positions (above leader level) was 26.0%. This shows that the active involvement of women is essential to our growth. Also, in our global network we value locally hired employees. The identification and promotion of talented local employees is a fundamental practice and our diverse pool of human resources is actively engaged across the entire Group.

Employees by Nationality

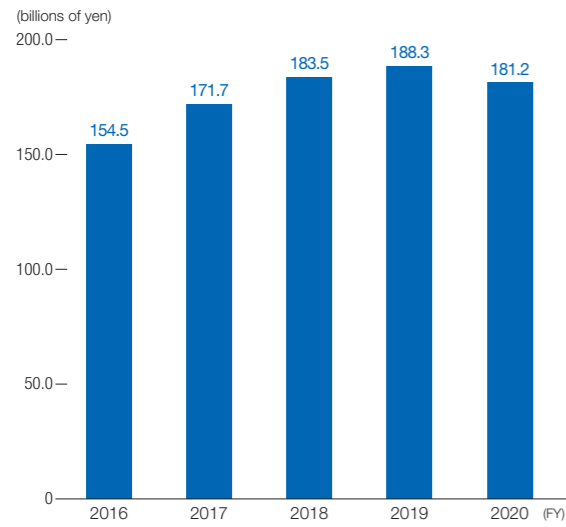


# Financial and Non-Financial Highlights

## Consolidated Financial Highlights

### Net Sales

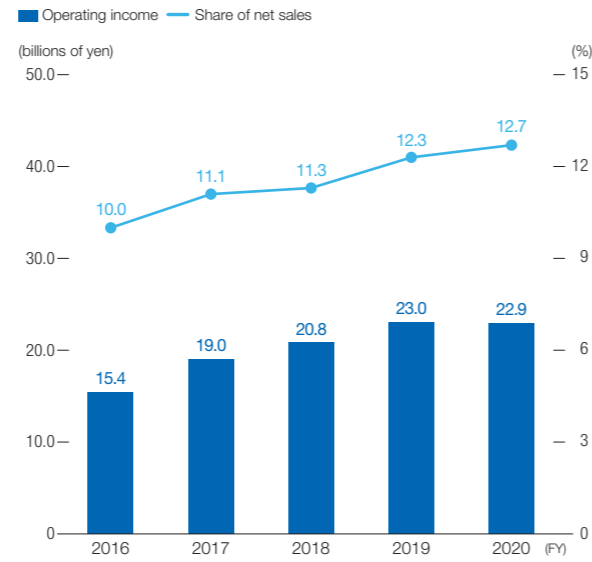
**181.2** billion yen



● In fiscal 2020, net sales decreased due to the impact of the worldwide spread of COVID-19 and the normalization of mask wearing culture.

### Operating Income and Share of Net Sales

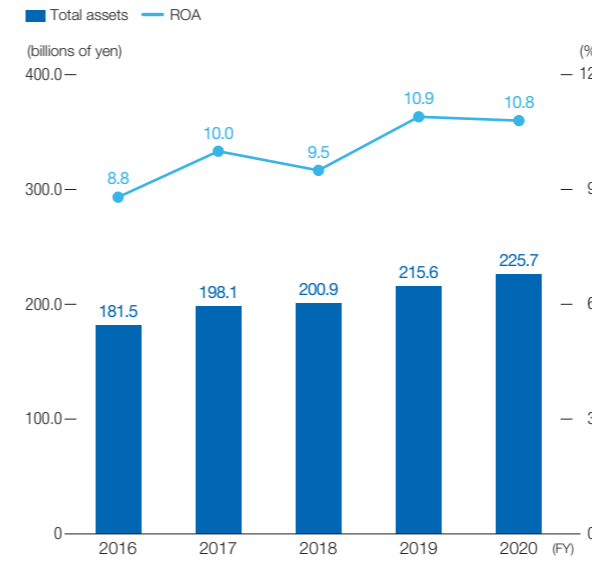
**22.9** billion yen **12.7%**



● There was a slight decrease in operating income due to a decrease in net sales alongside an increase in R&D expenses related to regenerative medicines and other fields, despite efforts to utilize selling, general and administrative expenses efficiently.

### Total Assets and ROA

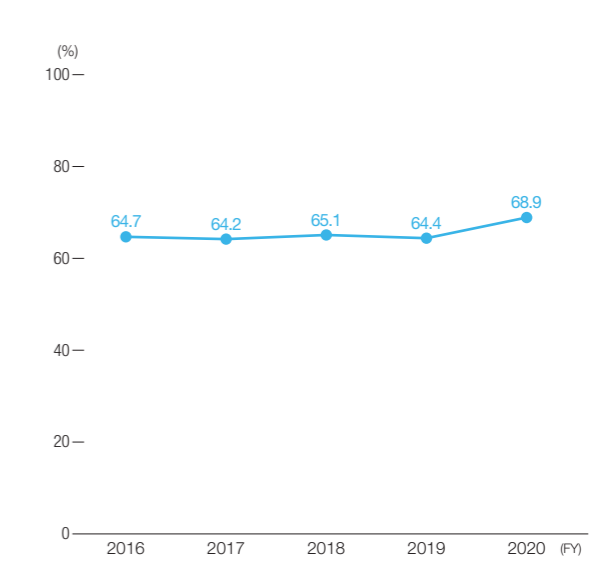
**225.7** billion yen **10.8%**



● There was a steady increase in total and net assets, while ROA was maintained above 10%.

### Owners' Equity Ratio

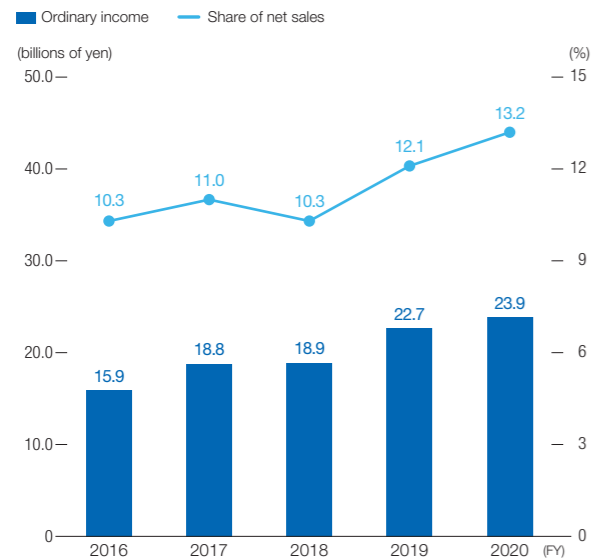
**68.9%**



● Despite the continuance of a harsh business environment due to the COVID-19 pandemic, we were able to stably maintain the owners' equity ratio at a high level.

### Ordinary Income and Share of Net Sales

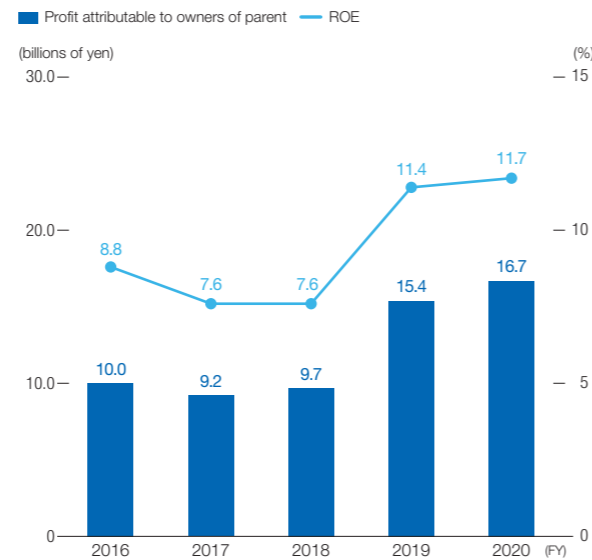
**23.9** billion yen **13.2%**



● Ordinary income reached record high levels primarily due to an increase in dividends income.

### Profit Attributable to Owners of Parent and ROE

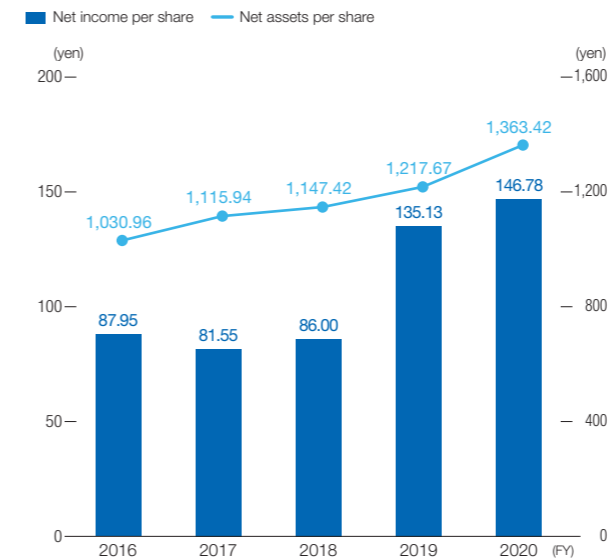
**16.7** billion yen **11.7%**



● We also posted a record amount of profit attributable to owners of parent, with five-year average ROE rising to 9.4%.

### Net Income per Share and Net Assets per Share

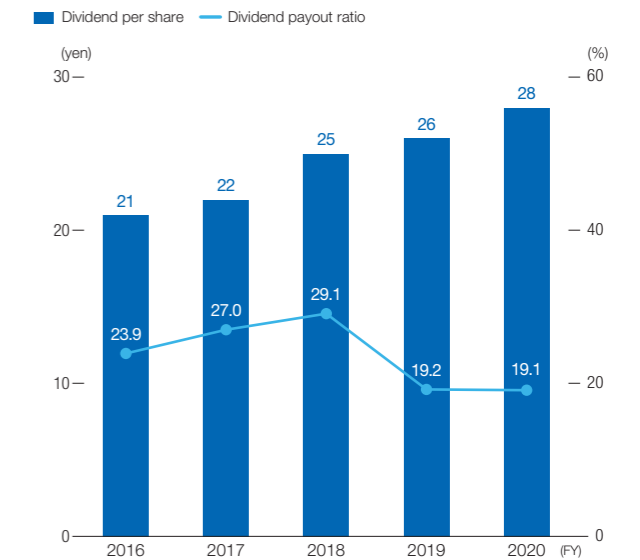
**146.78** yen **1,363.42** yen



● Net income per share improved year on year as profitability increased.

### Dividend per Share and Dividend Payout Ratio

**28** yen **19.1%**

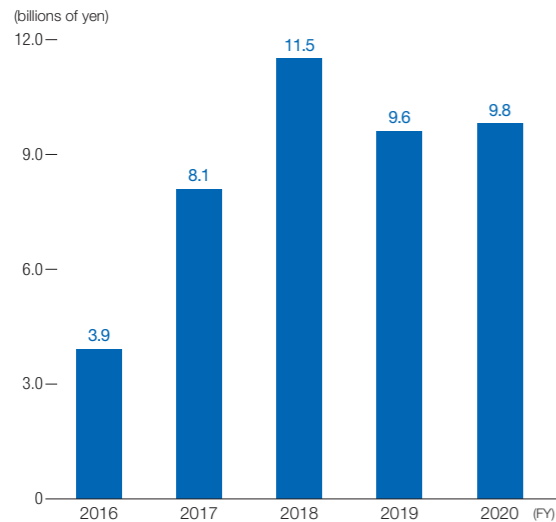


● Following a 2-yen dividend increase in fiscal 2020, we plan to increase the dividend by 2 yen for fiscal 2021 as well to realize an annual dividend of 30 yen. This will be the 18th consecutive year that we have raised our dividend.

## Consolidated Financial Highlights

### Free Cash Flow

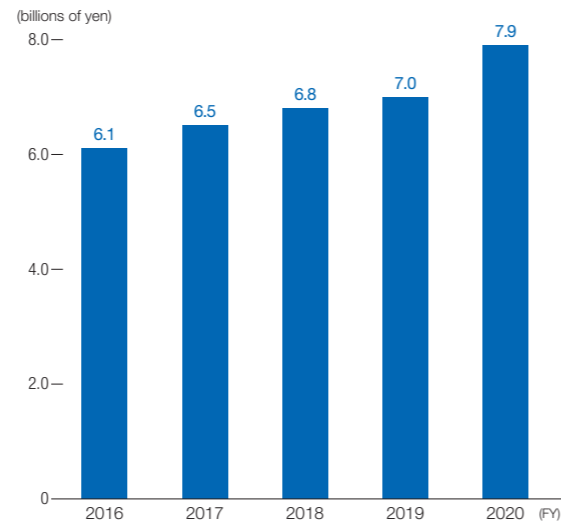
**9.8** billion yen



• We ensured that free cash flow always remained positive while still investing in new projects and spending on facilities and equipment.

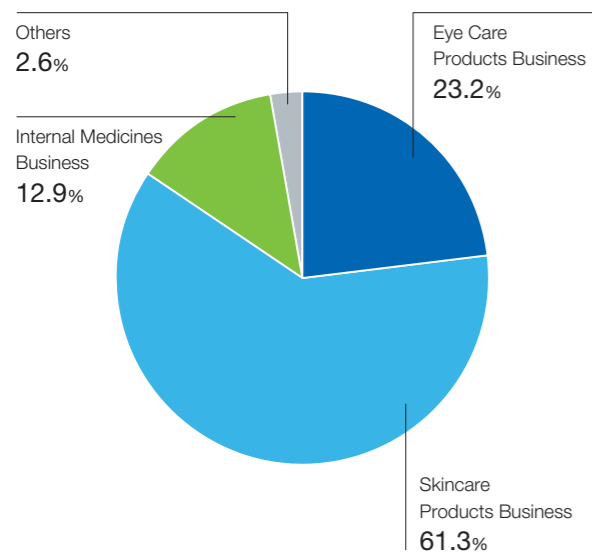
### R&D Expenses

**7.9** billion yen



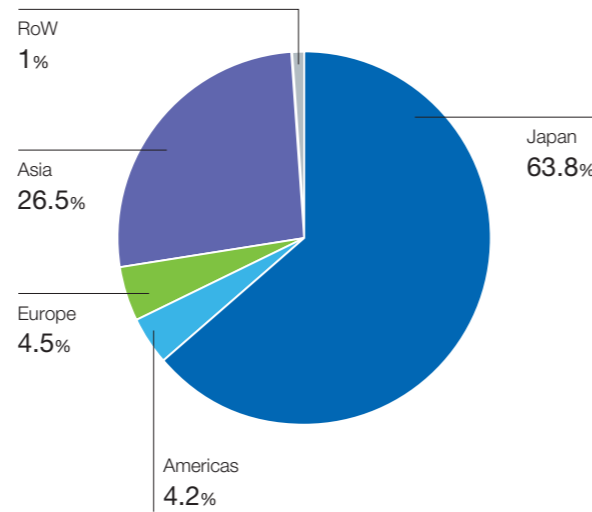
• We carried out advanced investment aimed at medium- to long-term growth in the ophthalmology area and regenerative medicines.

### Net Sales by Business Segment



• Although there was a decrease in sales of skincare products such as lip creams due to the COVID-19 pandemic, the Skincare Products Business accounts for over 60% of net sales.

### Net Sales by Region



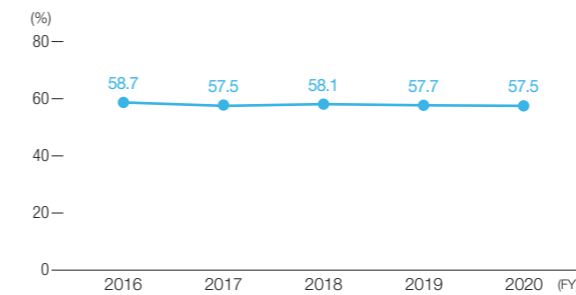
• Although there was a decrease in sales in each region due to the COVID-19 pandemic, the share acquisition of Nitten Pharmaceutical Co., Ltd. contributed to an increase in sales in Japan.

## Non-Financial Highlights

\*Rohto Pharmaceutical Co., Ltd. only (non-consolidated)

### HR Female Employees

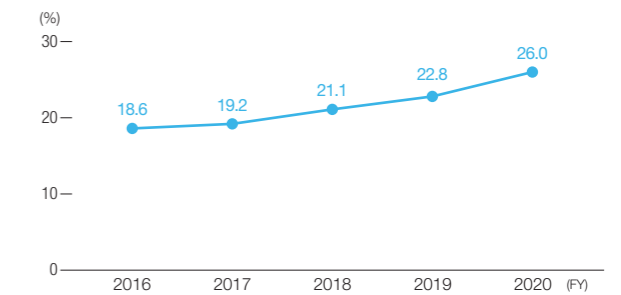
**57.5%**



• Currently approximately 60% of employees are women, showing that the active involvement of women is essential to our business.

### HR Females in Management Positions

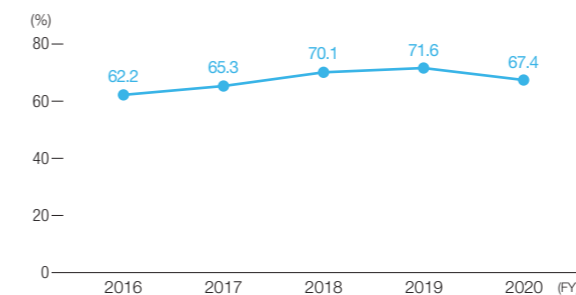
**26.0%**



• We are actively recruiting women and steadily growing the ratio of women in management positions.

### HR Paid Annual Leave Taken by Employees

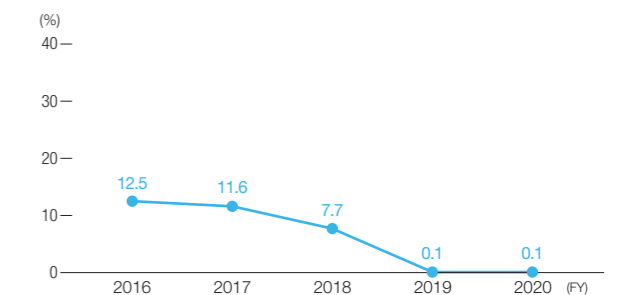
**67.4%**



• The ratio fell as employees worked from home and refrained from going out due to the COVID-19 pandemic, lessening their need for leave.

### HR Smoking Rate

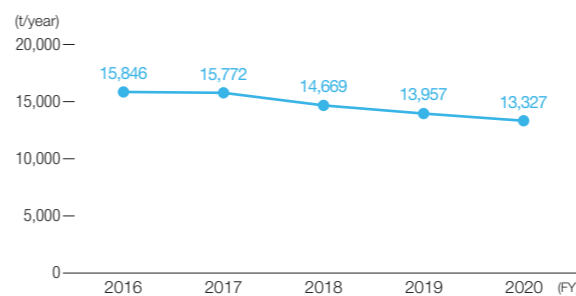
**0.1%**



• As a result of efforts in fiscal 2020 to reduce the number of smokers to zero, we were able to decrease the rate to 0.1%.

### Environment Total CO<sub>2</sub> Emissions

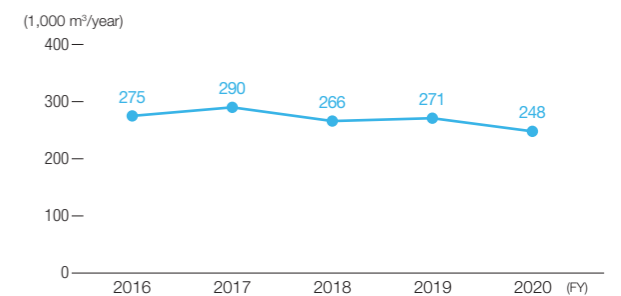
**13,327** t/year



• At the Ueno Techno Center, we introduced a cogeneration system by upgrading gas engine generators, which contributed to reducing total CO<sub>2</sub> emissions.

### Environment Water Usage

**248,000** m<sup>3</sup>/year



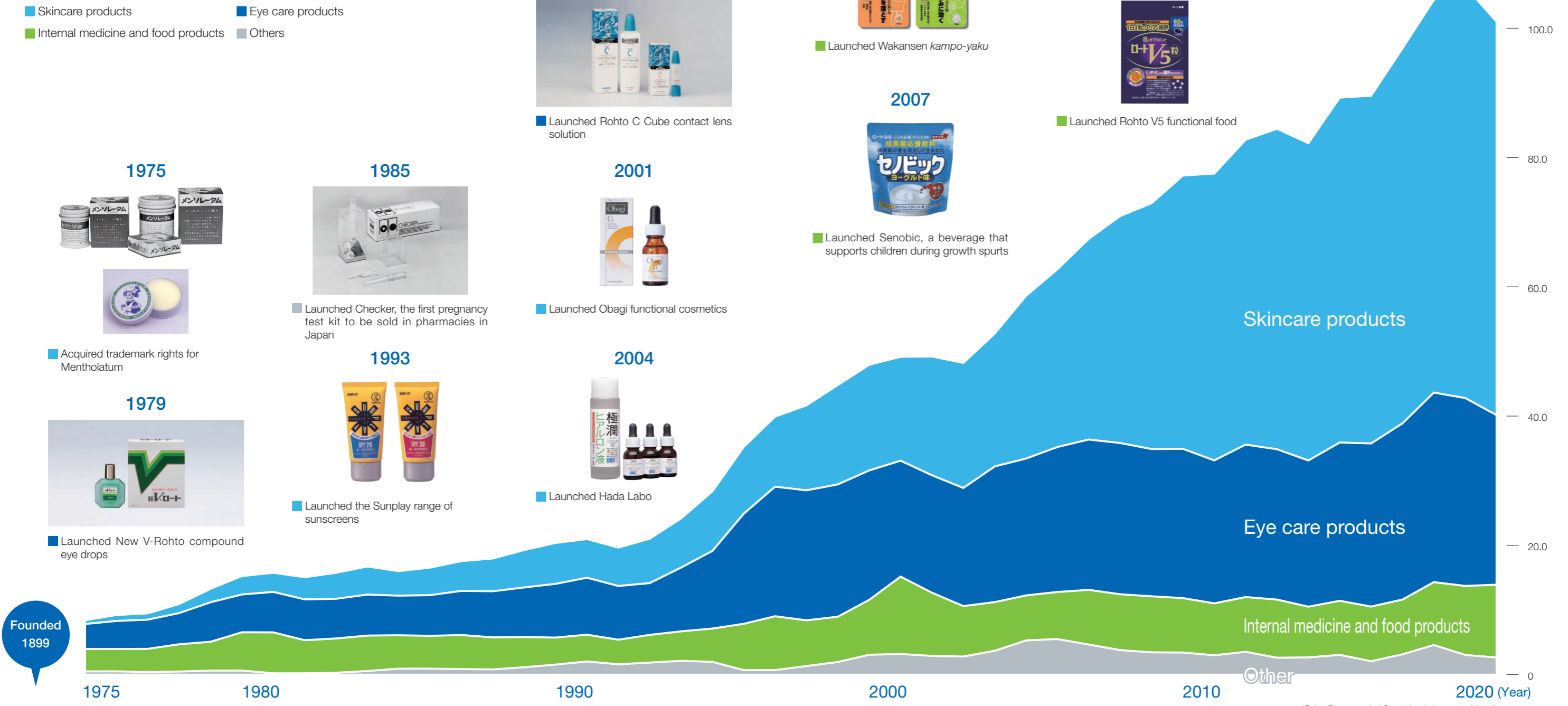
• We primarily use both groundwater and tap water for manufacturing purposes so reduction in production volumes resulted in a decrease in water usage in fiscal 2020 over the previous fiscal year.

# Our History of Growth

Rohto began selling Ikatsu gastrointestinal medicine in 1899 with a grand ambition of "making Japan healthy" by tackling the rampant stomach diseases that had become a social issue in Japan at the time. Since then, we have kept health as a core value of our business as we constantly strived to address the issues of the times by expanding into eye drops, skincare products, and then functional foods. In this way, we have delivered health to a wide range of people through new products and services.

We will continue to be a company that creates sustainable value for our stakeholders by contributing to the beauty and health of people all over the world.

- Skincare products
- Eye care products
- Internal medicine and food products
- Others



1975

Acquired trademark rights for Mentholatum



1985

Launched Checker, the first pregnancy test kit to be sold in pharmacies in Japan



1995

Launched Rohto C Cube contact lens solution



2001

Launched Obagi functional cosmetics



2004

Launched Hada Labo



2006

Launched Wakansen kampo-yaku



2007

Launched Senobik, a beverage that supports children during growth spurts



2008

Launched the Skin Aqua range of sunscreens



2015

Launched Rohto V5 functional food



2016

Launched V Rohto Premium high-functioning eye drops

Founded 1899

Major M&As

1988 The Mentholatum Company (U.S.A.)

2002 MG PHARMA Inc.

2007 Meguro Kako Inc. (currently Qualitech Pharma Co., Ltd.)

2015 Mayado Pharmaceutical Co., Ltd.

2020 Nitten Pharmaceutical Co., Ltd.

2021 Amato Pharmaceutical Products, Ltd.

2021 Olympus RMS Corporation (currently Interstem Co., Ltd.)

\*Rohto Pharmaceutical Co., Ltd. only (non-consolidated)

# Message from the President



## We will achieve our vision for 2030 by realizing **Connect for Well-being**

In line with its founding commitment to protecting people's health—Rohto has a history of venturing into new business fields in order to address contemporary needs.

That history has imprinted a spirit of readiness to take on challenges into our corporate DNA, and this spirit remains strong today.

Under the Rohto Group Comprehensive Management Vision 2030, which covers the remainder of this decade, we have taken on new challenges in six fields with a view to contributing to human well-being worldwide.

### Masashi Sugimoto

President and Chief Operating Officer

## Continuing to pursue well-being in uncertain times

In 2019, the 120th anniversary of our founding, we formulated the Rohto Group Comprehensive Management Vision 2030, which covers the next 10 years of our business activities. We adopted the slogan "Connect for Well-being" to express our vision of the company we aim to become by 2030.

"Well-being" means that individual people are healthy both physically and mentally and that the society is healthy as well. We believe that true happiness comes from not only enjoying physical and mental health but also from being able to live an active life every day, accompanied by a feeling of joy. In order to enable people all over the world to experience long-term well-being, we aim to be a pharmaceuticals company that, besides providing medicines, also connects our various business, including existing medical and skincare products so as to contribute to realization of a healthy, long-lived society. Our determination to achieve this is expressed through our new vision: Connect for Well-being.

This approach is actually derived from the Rohto DNA that has been an intrinsic part of the Company since its inception. Our business began in 1899 with the marketing of "Ikatsu" gastrointestinal medicines, and developed through a focus on OTC medicines such as Rohto Eye Drops, from which the Company's name originated.

In 1975, we acquired the trademark rights for the Mentholatum brand and entered the skincare business (followed by acquisition of The Mentholatum Company as a subsidiary in 1988). We then leveraged our unique technological capabilities as a pharmaceutical manufacturer to launch a succession of functional cosmetic products, such as Obagi and Hada Labo. This business has now grown to become one of our core operations.

In recent years, we have been further expanding our business into areas such as regenerative medicine and functional foods.

We have been proactively venturing into new business areas by quickly identifying society's health needs and rapidly responding to such challenges while developing

our cutting-edge technologies. Our history testifies to our relentless pursuit of opportunities to promote well-being by meeting the demands of the times.

In this confused and unpredictable VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) era, we believe that stable growth will be achieved through a management strategy with multiple-pillar approaches,

rather than one that is singularly focused. We will not limit the business domains through "selection and concentration." Instead, we will pursue further growth by leveraging our business style which has broadened business fields based on our unchanging philosophy of contributing to well-being.

## Aiming for a further major advance in six business areas

Currently, we are continuing to work toward our Business Area Vision 2030, which was announced alongside the Connect for Well-being management vision. Business Area Vision 2030 clarifies the business areas that we intend to focus on over the next 10 years and sets out goals for each area. The six business areas that comprise the vision are OTC medicines, skincare, functional foods, ophthalmology, regenerative medicines, and contract development and manufacturing organization (CDMO).

In the OTC medicines business area, in which we have been active since our founding, we have set a goal of becoming the market leader in Japan. As Japan's budget for healthcare spending tightens, we expect to see more "switch OTC drugs" in order to curb growing healthcare costs. Self-medication, whereby individuals attempt to address their own health needs before going to see a doctor, will play an increasingly important role in both extending healthy lifespans and reducing healthcare costs. We already enjoy a dominant market share in the eye care product category in Japan, and we boast an impressive lineup of products across other product categories such as dermatological, digestive, and *kampo-yaku*. We plan to further expand this lineup and reinforce product categories by developing our own new brands and collaborating with other companies.

In the skincare business area, which accounts for around 60% of our sales, we intend to create products that regenerate healthy skin by working on the foundational functions of the skin. We will win the confidence of customers by leveraging our capabilities as a pharmaceutical manufacturer to provide products with high and reliable functionality based on evidence, with a focus on basic skincare.

We are developing our functional foods business based on evidence and trust as our third pillar after OTC medicines and skincare. Healthy lifespans cannot be extended solely through reliance on progress in pharmaceuticals and healthcare. Pre-symptomatic and preventive care are also important. It is said that a balanced diet leads to a healthy body, so we want to help people build healthy bodies with strong immune systems through well-balanced nutrition by providing functional

food products that have been developed based on solid evidence and that can be easily introduced into everyday diets. We are searching for unique ingredients on which to center research and development, such as nobiletin, a citrus flavonoid that is found in great quantities in the peels of fruits such as shikuwasa (*citrus depressa hayata*), and globin peptide, which limits build-up of neutral fats.

A new challenge that we are taking on is accelerating development of our prescription drug business. As a leading supplier of eye care products, we are especially expanding the area of ophthalmology and aim to rapidly realize profitability in that field. We took our first step in 2020, when we made Nitten Pharmaceutical Co., Ltd., which specializes in manufacture and sales of ophthalmology eye drops, a subsidiary. This will help us to discover and develop effective chemical compounds based on the technological capabilities that we have built up in the OTC medicines area.

In the regenerative medicines business area, we are aiming to commercialize innovative life science technologies. Regenerative medicine is currently attracting attention as a way to address unmet medical needs (conditions for which there exist no satisfactory treatments). We are focusing our efforts on regenerative medicine that uses mesenchymal stem cells. Presently, we are advancing clinical trials for indications such as cirrhosis of the liver, knee joint cartilage defects, and severe pneumonia due to COVID-19.

In the pharmaceutical contract manufacturing field, we are working to evolve into a CDMO that offers added value through our unique development skills. In light of the growing need for pharmaceutical development, Qualitech Pharma, our pharmaceutical manufacturing subsidiary, is currently constructing a laboratory building to reinforce development frameworks.

Finally, the key to realizing our visions will be to "connect." We are enhancing well-being for all people via an integrated company approach by deepening collaboration between various business domains beyond organizational boundaries, and building mutual trust and confidence among employees.

## Contributing to the health of people worldwide through “well-being management”

Amid the global demand for achieving the UN’s Sustainable Development Goals (SDGs), practicing ESG management, and strengthening initiatives that create social value, we are committed to practicing well-being management; Rohto’s unique approach to ESG management. Focusing on our core value of “health,” we aim to create environmental and social value by building a governance framework designed to realize that objective.

A major part of this is promotion of “health management.” In order to contribute to well-being worldwide, it is crucial that we first ensure that our employees, who will be the ones to make this contribution possible, can carry out their daily activities in good health and happiness. Employees’ health has a direct relationship to the health of the Company, as well as the health of society at large.

As a specific initiative for promoting employees’ health, we have introduced the Rohto health currency “ARUCO,” which is awarded to employees for actions such as achieving daily steps targets or spending a certain amount of time walking briskly. We also encourage them to work toward targets that they can set for themselves, such as recovering from metabolic syndrome and bringing the smoking rate down to 0%.

Another focus area is creating an environment that facilitates diverse and flexible work styles. We encourage employees to live our traditional corporate culture of “positive persistence,” “taking on challenges,” and “doing what others won’t do” by boldly and continuously tackling difficult issues on their own initiative. In order to maximize the capabilities of each individual, we have established measures such as the External Challenge Work program and the In-house Double Job program, which encourage employees to take on multiple challenges concurrently, and the Comeback hiring system, which enables former employees to return to work at the Company.

Our initiatives for society include those aimed at regional vitalization, and we are putting a lot of effort into providing operational support for the Michinoku Future Fund, which is working toward recovery from the Great East Japan Earthquake and supporting future generations in affected areas. Regarding the environment, we are switching to more environmentally friendly product packaging.

In order to achieve Connect for Well-being, we will expand connections both within and outside of the Company and collaborate with trustworthy partners. We look forward to your ongoing support and guidance.

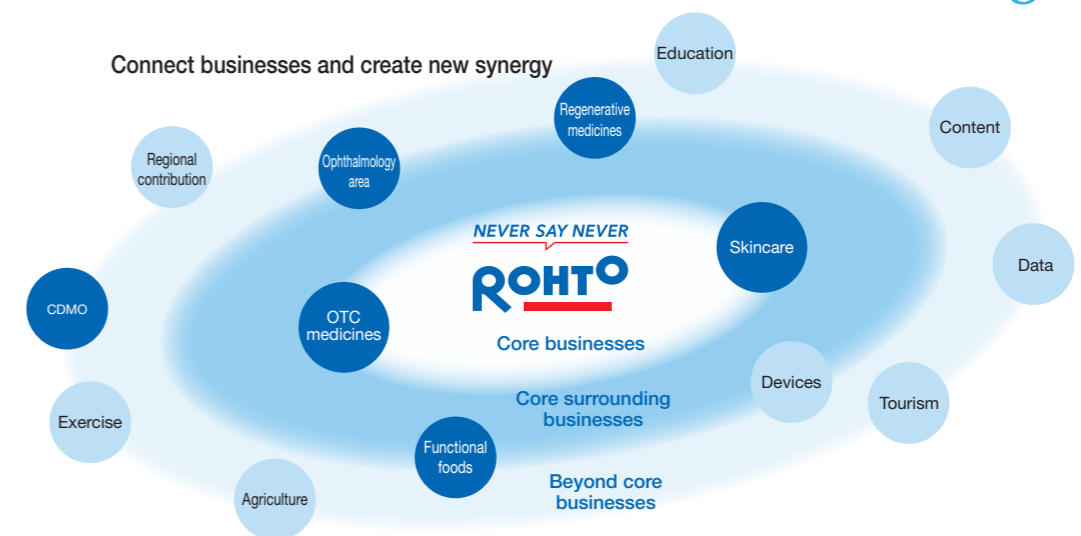


## Initiatives for Medium- to Long-Term Sustainable Growth

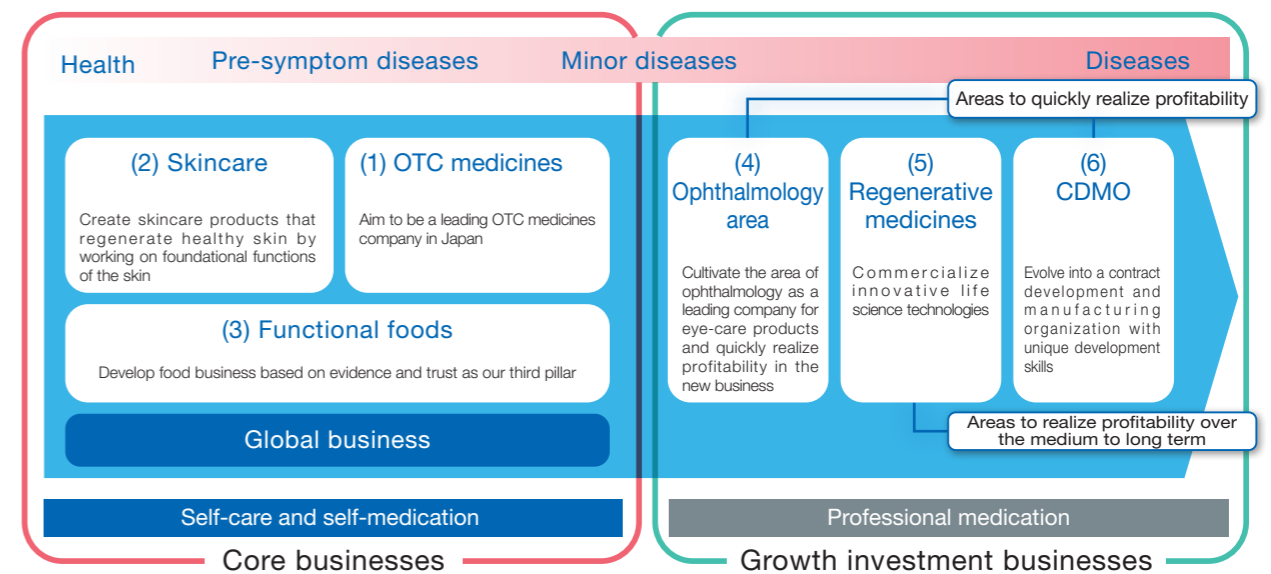
### Rohto Group Comprehensive Management Vision 2030

Rohto aims to be a corporate group that contributes to keeping people beautiful and healthy and that lives up to the expectations of its many stakeholders. To clarify this commitment, in February 2019, our 120th anniversary, we established the Rohto Group Comprehensive Management Vision 2030 detailing our goals for 2030. At the same time, we formulated the Business Area Vision 2030 clarifying the business sectors we will focus on over the next 10 years and our vision for each. This vision consists of six areas of focus. OTC medicines and skincare are positioned as core domains, with functional foods as the third pillar of these core domains. Next, the ophthalmology area, regenerative medicines, and contract development and manufacturing organization (CDMO) are positioned for business growth as core surrounding businesses. We will seek to further grow and strengthen the OTC medicines and skincare domains as our core business (businesses/brands that can generate stable profits). They will serve as cash cows providing the funds to invest in other businesses enabling us to steadily make other businesses profitable.

### Management Vision Connect for Well-being



### Areas being pursued under Business Area Vision 2030



In addition to the cash generated from our existing core businesses of (1) OTC medicines and (2) skincare, we will optimize costs by controlling the SG&A expense ratio of existing products to generate further cash. Part of the cash generated will be allocated to building the pipeline in the (4) ophthalmology area and funding R&D for (5) regenerative medicines.



# OTC Medicines



## Strategic Direction

### Aim to be a leading OTC medicines company in Japan

The Japan market is entering a period of population decline with little hope for quantitative growth, but due to environmental changes such as tighter medical finances, rising health consciousness, and advancements in online medical appointments, OTC medicines will play an ever increasing role realizing a healthy, long-lived society. As a result, the market is expected to grow even over the long term. We deal in a broad range of OTC medicine categories, including eye drops, which is our mainstay product, gastrointestinal medicines, skincare products, and *kampo-yaku*. While maintaining and strengthening these categories, we believe there is still ample room for growth by expanding into new areas and areas of weakness, such as vitamin preparations, cold medicines, anti-inflammatory analgesics, and antitumor agents.

#### Priority Segments to Strengthen Within Existing Categories

Strengthen existing categories	<b>Eye-care products</b>	Aim to firmly maintain top position and achieve greater growth. Pursue growth using science and advanced medicine for vision from eye drops to tests and prevention.
	<b>Skincare products</b>	Increase synergies of technology and brand image with skincare.
	<b>Gastrointestinal medicines</b>	Category with large market size given our roots and history. Reinforce from the perspective of increasing OTC category coverage.
	<b>kampo-yaku</b>	Leverage the Rohto Group's assets to establish a category strategy driven by "marketability effects" and aim for top market share.
	<b>Test kits</b>	To prevent various illnesses, reinforce category to prepare for market growth amid the switch OTC drugs, such as influenza test kits, in addition to existing test kits.

#### Enter New Markets Aiming to Become a Leader in OTC Medicines

- Categories with **large market potential** but without strong brands
- Categories where we aim to have a **top market share**
- Categories with rising demand for **self-medication**
- Categories meeting **women's health needs**
- Sensory categories, such as nose and ears, with rising needs due to **aging population**

#### TOPICS 1 | Construction of New Building at Ueno Techno Center to Augment Production Facilities

The Ueno Techno Center manufactures many of our mainstay products including eye drops such as V Rohto Premium, over-the-counter medicines, and skincare products such as Hada Labo Gokujun Hyaluronic Lotion, functioning as a mother plant and hub for quality control and logistics. We are in the process of adding a people and environmentally friendly smart plant to increase production capacity with completion slated for 2022. In addition to increasing production capacity, the new plant will utilize IoT and AI technology to streamline work processes and increase safety. The new plant will utilize renewable energy and feature energy-efficient equipment, helping to lower energy consumption by 20% compared to existing plants. The construction of this new building will increase the plant's production volume by 1.5 times. The new plant building will serve as a production base for both the Japan and overseas markets.



Ueno Techno Center

#### TOPICS 2 | Acquired Amato Pharmaceutical Products to Strengthen Presence in the Hemorrhoid Remedy Category

In June 2021, we announced the acquisition of Amato Pharmaceutical Products, Ltd., which markets hemorrhoid remedy BORRAGINOL. BORRAGINOL boasts the top market share in Japan among OTC hemorrhoid remedies. The acquisition of Amato Pharmaceutical Products will extend our coverage to a category of weakness and take us one big step closer to our vision of becoming a leader in OTC medicines. Not only that, we will be able to unlock significant growth by utilizing our subsidiaries' marketing networks and know-how through our own global network. This will help us to grow our business and in the future deliver products and bring joy to customers around the world.

# Skincare



## Strategic Direction

### Create skincare products that regenerate healthy skin by working on foundational functions of the skin

Our skincare business covers four product areas: (1) dermatological medicines; (2) lip balms; (3) sunscreen; and (4) functional cosmetics. Among these, the growth of functional cosmetics is contributing greatly to our growth. Using evidence-based R&D pursuing safety, efficacy, and mechanisms such as application of core technologies unique to a pharmaceutical company with unique products and knowledge in regenerative medicines, we will continue to differentiate our products by providing products with high functionality unrivaled by peers. We will also seek out further growth by actively tapping into large sales channels with room for growth, such as department stores and e-commerce, in addition to existing sales channels.

#### Focus Areas

<b>Moisturizing and barrier functions</b>	Develop functional skincare brands based on core technologies for strengthening moisturizing and barrier functions
<b>Application of tissue regeneration technology</b>	Next-generation skincare brand applying expertise from tissue regeneration technology and regenerative medicines to skincare
<b>Skin tone</b>	Develop skincare products for maintaining even skin without freckles, acne, or discoloration
<b>Anti-aging care</b>	Search out ingredients that will improve changes in skin due to aging (wrinkles and sagging)
<b>Odor control</b>	Elucidate odor occurrence mechanisms and develop technologies for controlling odor

#### TOPICS 1 | Obagi Series Marked 10 Millionth Sale in the Series in Its 20th Anniversary Year

Since its launch in 2001 as a pioneer in functional cosmetics, the Obagi brand has led the market with the aim of improving skin troubles while being a cosmetic marketed by a pharmaceutical company. It has remained consistent in its approach to provide consumers with clear explanations based on scientific evidence for understanding the mechanisms of skin troubles and encourage use only after consumers are convinced that it will make a difference with their own skin. We have worked on high concentration, high penetration, and super stable pure vitamin C since its launch, and in 2019 after 15 years of development we successfully developed a C25 serum with a 25% pure vitamin C compound. This marks the first ever all-direction approach to skin troubles yet to be seen in other companies' products. Obagi C25 Serum Neo, a beauty serum with the brand's highest-ever concentration of vitamin C at 25%, was recognized as the best cosmetic of 2020 by a number of beauty magazines. We have shipped more than 10 million units during the series' lifetime.



#### TOPICS 2 | Release of E-commerce Exclusive SKIO to Strengthen Our Presence in the Growing Online Marketplace

To address the growing e-commerce market, in July 2020, we launched sales of highly effective and efficient skincare brand SKIO via its dedicated online shop and our e-commerce site based on the concept of "beauty without effort and waste." This brand is based on a skincare approach of delivering necessary ingredients to the right location<sup>1</sup> and expresses the ideals of *effort-free* through skincare using booster<sup>2</sup> beauty serum after face washing and of *waste-free* through ethical packaging combining outer packaging and cushioning. This brand supports all women who want to shine today with the hope of being beautiful despite a busy schedule and little time for beauty upkeep.



<sup>1</sup> Deep targeted delivery system <sup>2</sup> Moisturizing

## Functional Foods



### Strategic Direction

Develop food business based on evidence and trust as our third pillar next to eye-care and skincare

We believe that functional foods represent a high growth area in terms of pre-symptom diseases and disease prevention covering the stages between health and illness. We are developing highly differentiated products targeting unmet needs in this field in order to cultivate it into the third pillar of our business after OTC medicines and skincare. We will strive to enhance customer satisfaction by fully utilizing the material technologies, manufacturing facilities, and sales routes of the Rohto Group and its partners. We will focus development on the core areas of eyes, pregnancy, menopause, lifestyle-related diseases, skin, and immunology. At the same time, we will explore collaboration with other industries and branding opportunities.

Focus Areas	Targets
<p><b>Nutrition</b></p> <p>Address serious health risks such as lifestyle-related diseases, locomotive disorders, and dementia</p>	<ul style="list-style-type: none"> <li>Differentiation targeting unmet needs in the food business domain</li> </ul>
<p><b>Lactobacillus antifatulent</b></p> <p>Food product lineup contributing to antifatulent and immunological effect and women's health such as diet and skin beautification</p>	<ul style="list-style-type: none"> <li>Consider development of new business models such as direct marketing (including subscription-based services)</li> </ul>
<p><b>Protein supplements</b></p> <p>Categories supporting more healthy and active living</p>	



### TOPICS 1 | Rohto V5 Series Experiencing Substantial Growth as Mainstay Product

Rohto V5, which was launched in 2015 as the Company's first product to be labeled as a functional food, has reached annual sales of approximately 2.5 billion yen (including all products in the series), contributing to the Company's earnings growth. Rohto V5 is a supplement containing 10-mg lutein and 2-mg zeaxanthin as functional ingredients that improves eye sight (color contrast sensitivity) by increasing macular pigment of the retina which decreases with age. This product was born from our commitment to help consumers with eye problems as they age and consumers who want to start a new good habit for eye health to maintain their eyesight indefinitely and to support consumers who want to live an active and involved life regardless of age. Sales of Rohto V5 have performed strongly thanks to the success of synergies with eye drops, which is our strength, and because it offers solutions to the needs of an aging society.



### TOPICS 2 | Released Hokkaido Wheat Tsubu-anpan, Japan's First Anpan Bread Labeled as a Functional Food

Tsuruha Holdings Inc., our subsidiary MG Pharma Inc., and Nichiryō Baking Co., Ltd. jointly developed a new product, Hokkaido Wheat *Tsubu-anpan*, the first *anpan* labeled as a functional food, which was launched in September 2020. The product contains MG Pharma's proprietary ingredient of globin peptide (METAP®)\*. It works by controlling the absorption of fat from foods and increases the breakdown of absorbed fats to control neutral fats in the bloodstream after eating. The product was released at Tsuruha Drug stores that sell food products in Hokkaido, Aomori, Akita, and Iwate prefectures. Following its strong reception, however, the product's release was expanded to Fukushima, Miyagi, and Yamagata prefectures in January 2021.



\*METAP® is a peptide mixture containing the Valine-Valine-Tyrosine-Proline tetrapeptide, which is known to have inhibitory activity on neutral fat elevation.

## Ophthalmology area



### Strategic Direction

Cultivate the area of ophthalmology as a leading company for eye-care products and quickly realize profitability in the new business

Harnessing our technical prowess as the manufacturer with the top market share in the OTC medicines eye care category for many years, we will cultivate the ophthalmology channel as a new business area and grow it into a pillar of our future profit growth as a growth domain. Currently, we are developing ophthalmology products along conducting regenerative medicine research in the ophthalmology area and development of ophthalmology devices while working closely with other companies. We are now aiming to quickly realize profitability in these new ventures.

#### TOPICS 1 | Acquired Nitten Pharmaceutical for Full-scale Inroads into Ophthalmology Field

We acquired Nitten Pharmaceutical Co., Ltd. in March 2021 to expand our business presence in the ophthalmology area so that we can make full-scale inroads into ophthalmology drugs in the future utilizing the manufacturing and marketing base of an ophthalmology formulation manufacturer. Nitten Pharmaceutical, established in 1961, mainly engages in the manufacturing and marketing of ophthalmology drugs. Since its founding, the company has continued with research and development into eye medications gentle on the eyes. Today, it possesses a sales network covering ophthalmologists across Japan, a stable production system built atop its advanced production technologies and the PF Delami Container for preservative free formulations. Through this share acquisition, we will contribute to people's eye care using our foundation in the ophthalmology area business by synergistically utilizing Nitten Pharmaceutical's technologies and our own strengths as a leader in over-the-counter eye medicines.



#### TOPICS 2 | Concluded Business Partnership with Kaneka Corporation for Tear Duct Catheter Business

Following our policy to focus on the ophthalmology area, we concluded a business partnership agreement for the tear duct catheter business with Kaneka Corporation in June 2020. Through this partnership, we aim to further expand our tear duct catheter business through synergies between Kaneka Corporation's technical and product development strengths with our marketing capabilities in the ophthalmology area. This business partnership will first begin with marketing and then we will seek to further strengthen the relationship by carrying over the company's manufacturing and marketing approval of tear duct catheters to Rohto.

## Regenerative medicines



### Strategic Direction

Commercialize innovative life science technologies

We are engaging in the regenerative medicines business positioning it as one of our growth businesses. We are applying our proprietary technologies of "technologies handling cells" cultivated through long-standing research and development of OTC medicines and products for skin in cosmetics along with "sterile formulation technology" for mass producing eye drops in regenerative medicines. Since 2013 when we established the Regenerative Medicine Research & Planning Division, we have been focusing on regenerative medicines using human adipose-derived mesenchymal stem cells. At Rohto Research Village Kyoto, we have developed an automated cultivation equipment that create high quality cells automatically.

Initiatives for Medium- to Long-Term Sustainable Growth

In addition, we are working with research institutions including various universities such as Osaka University and The University of Tokyo. In 2017, together with Niigata University we started the first clinical trial in Japan using regenerative medicines for cirrhosis of the liver, for which we concluded a licensing agreement with Shionogi & Company, Limited. Research and clinical trials of regenerative medicines are underway around the world. We aim to be a forerunner in pharmaceuticals using stem cells.

**TOPICS 1 | Acquired Olympus RMS to Add Orthopedic Surgery Area to Our Portfolio of Regenerative Medicines**

In March 2021, we acquired Olympus RMS Corporation (currently, Interstem Co., Ltd.). The company, established in December 2008, has conducted research and development mainly of treatment methods using implantation of cartilage cells cultured inhouse. Today, a clinical trial using Interstem's Cultured Chondrocyte Implantation (CCI) kit has been underway since November 2018 covering cartilage defect in knee joints. This CCI kit targets minimally invasive treatment using fibrin glue, a biologic adhesive. This acquisition aims to add the orthopedic surgery area to our development portfolio of regenerative medicine products and speed up the establishment of the regenerative medicines business as a future pillar of our business. At the same time, it is expected to reduce cell manufacturing costs and generate novel and unique pipelines through the synergistic effects of both companies' research and development field covering cell manufacturing technologies.

**TOPICS 2 | Launch of Corporate Clinical Trial on Regenerative Medicine Products Targeting Patients with Severe COVID-19 Pneumonia Using Allogeneic MSCs**

We began a corporate clinical trial of regenerative medicines using allogeneic mesenchymal stem cells (MSCs) targeting patients with severe COVID-19 pneumonia in August 2020 (the trial is now complete with the phase II clinical trial initiated in June 2021 as the next step). ADR-001 (cell preparation consisting of allogeneic MSCs) used in the trial is made by Rohto solely in Japan from raw materials procurement to production and it marks the first time that a Japanese-made formulation is being used in a clinical trial to treat severe COVID-19 pneumonia using allogeneic MSCs. MSCs are believed to offer anti-inflammatory effects driven by multiple mechanisms. Since ADR-001 is expected to benefit patients who have not had success with other COVID-19 treatment drugs approved in Japan, we believe that establishing treatment methods in Japan using MSCs will benefit treatments against COVID-19 and future infectious diseases. For this reason, we are moving ahead with research.

Pipelines of Regenerative Medicines and Ophthalmology Area (as of March 31, 2021)

Domain	Cell type	Code	Indications	Planned regions	Partners	Stage					Target <sup>4</sup>
						Non-clinical	P1	P2	P3	Application	
Regenerative medicines	Human adipose-derived stem cells	ADR-001	Cirrhosis of the liver	Japan	Shionogi	[Progress bar]					▶To be completed in FY2021
		ADR-002K	Serious heart failure	Japan		[Progress bar]					▶To be completed in FY2024
		ADR-001	Kidney diseases	Japan		[Progress bar]					▶To be completed in FY2022
		ADR-001	Serious leg ischemia	Japan		[Progress bar]					▶To be completed in FY2023
		ADR-001	Lung fibrosis	Japan		[Progress bar]					▶To be completed in FY2023
		ADR-001	COVID-19 Pneumonia	Japan		[Progress bar]					▶To be completed in FY2022
	Human umbilical cord-derived stem cells	UDI-001	Neurodegenerative diseases	Japan		[Progress bar]					▶To be completed in FY2023
Cartilage cell kit <sup>1</sup>		Traumatic cartilage defects	Japan		[Progress bar]					▶To be completed in FY2022	
		Osteoarthritis	Japan		[Progress bar]					▶To be completed in FY2024	
Ophthalmology area		ROH-101	CMV <sup>2</sup> Corneal endothelitis	Japan	Théa, M'z Science	[Progress bar]					▶Approval in 2025
		ROH-201	Dry eyes <sup>3</sup>	Japan	Japan Tobacco	[Progress bar]					▶Approval in 2027

<sup>1</sup> Produced by Interstem Co., Ltd. (our subsidiary) <sup>2</sup> Cytomegalovirus <sup>3</sup> Dry eye patients including those with Sjögren's syndrome <sup>4</sup> Targets are for Rohto and are not agreed upon by partners.

# Contract Development and Manufacturing Organization (CDMO)



## Strategic Direction

### Evolve into a contract development and manufacturing organization with unique development skills

We will establish competitive advantages by promoting the CDMO business providing one-stop services from development to manufacturing in the biopharmaceutical field using our proprietary development capability to evolve the conventional contract manufacturing organization (CMO) business. We are working to further enhance technical prowess and cost competitiveness for CDMO at subsidiary Qualitech Pharma Co., Ltd. for internal medicines, at subsidiary Nitten Pharmaceutical Co., Ltd. for ophthalmology medicines, and at our research facility in Kizugawa City, Kyoto Prefecture for regenerative medicines.

**TOPICS | Qualitech Pharma Posting Consecutive Years of Increased Revenue**

Our CDMO subsidiary Qualitech Pharma Co., Ltd. continues to post higher revenue year on year for five consecutive years since 2016. In recent years, the company has seen an increase in contract development of formulations, a trend that is expected to continue going forward. Looking ahead, Qualitech Pharma plans to invest in research and development for establishing an R&D lab in order to further expand and strengthen its development system with the aim of evolving from the CMO to CDMO business.

# Global Business



As of 2020, our overseas businesses account for around 40% of our total sales and cover more than 110 countries around the world. We will continue working to increase corporate value while localizing our solutions to consumer needs. In particular, we are moving ahead with the introduction of OTC eye-care medicines and skincare products. We will proactively commit management resources mainly to the Asian markets (China and Southeast Asia) which have a high affinity in terms of business with Japan. In Europe and North America, we will strive to maintain and expand centered around the establishment and execution of a growth strategy for subsidiary The Mentholatum Company.

In the fiscal year ended March 31, 2021, seasonal products such as lip balms faced challenging conditions worldwide including in the mainstay China market. COVID-19 has exposed the risk of relying too much on a specific business segment. Going forward, we will focus more on eye drops and healthcare products such as acne treatments so that we can generate stable profits from multiple business segments. Particularly, we intend to expand e-commerce market in China. Our goal is to increase sales from e-commerce in China from around 35% last fiscal year to 40% by reinforcing our presence.



Eye drops marketed in the U.S.



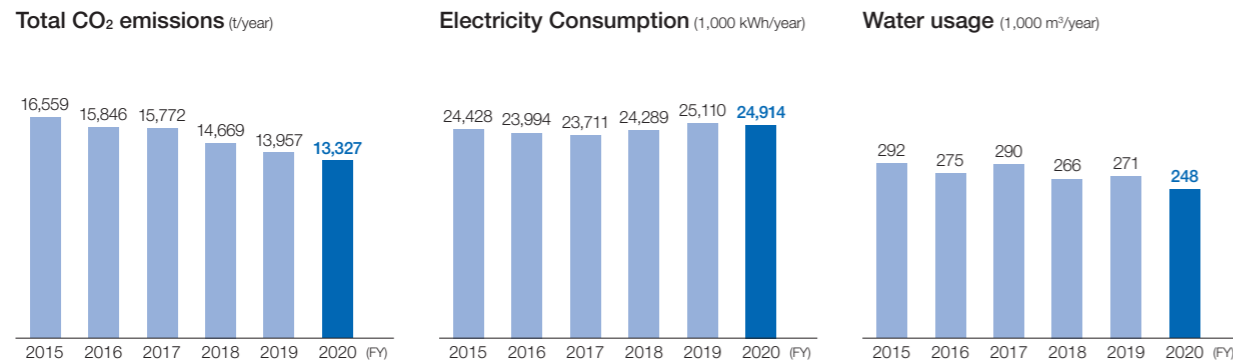
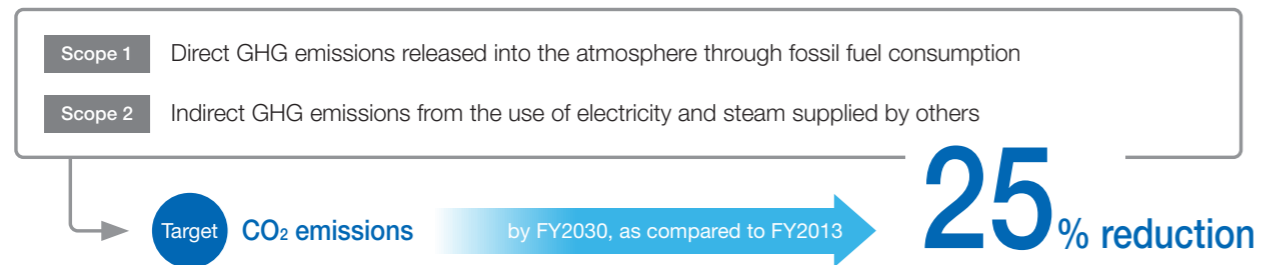
Hada Labo on sale in Hong Kong

# Tackling Climate Change and Consideration for the Environment

Rohto believes that it is our duty to protect the environment for future generations. We therefore set out an Environmental Policy in 2005 and work to prevent environmental pollution and continuously improve environments, both locally and globally, through our corporate activities. In particular, we recognize that reducing greenhouse gas (GHG) emissions in order to prevent global warming is a world-wide concern, and we are implementing a variety of initiatives in areas including energy conservation in our offices, plants, and other sites, and the reduction of environmental impact in sectors such as travel and transportation. In order to work toward achieving these reduction goals, we formulated our Basic Company-wide Energy Management Policy in 2011 and are advancing it throughout the Company. We also signed the United Nations Global Compact in March 2018. In collaboration with our suppliers in Japan and overseas, we will strive to achieve sustainable social development.

## Initiatives to Achieve a Low-carbon Society

With the aim of tackling climate change, Rohto is pursuing initiatives to achieve a low-carbon society. For one of these initiatives, we are participating, via an industry association, in the Low-carbon Society Action Plan of The Federation of Pharmaceutical Manufacturers' Association of Japan, which includes setting GHG reduction targets for fiscal 2030. We have given ourselves the target of reducing GHG emissions (Scopes 1 and 2) by 25% as compared to fiscal 2013 levels and are pursuing activities in line with this.



## Endorsing the TCFD Recommendations\*

In June 2021, as part of our efforts to further strengthen our environmental initiatives, we announced our endorsement of the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD). Going forward, we will proceed with disclosures based on the TCFD's recommendations, while also continuing to engage in exploring possibilities for an action plan that includes target setting, with the aim of achieving low-carbon or decarbonization through our business.



\*The TCFD was established by the Financial Stability Board (FSB), an international organization seeking to increase the stability of financial systems, and released recommendations calling for disclosure on the risks and opportunities presented by climate change in June 2017. These recommendations reference the importance of businesses recognizing the risks and opportunities posed by climate change and incorporating them into their management strategies.

## Initiatives for a Recycling-based Society

### Initiatives with Retail Businesses

The social challenge of building a society that recycles its resources cannot be met by one business alone. We will contribute to the creation of a sustainable society through collaboration with retailers, Rohto's key business affiliates.

#### (1) ASKUL's LOHACO "Go Ethical" Commences Sale of Older Products Left Behind by Product Updates

Since July 2020, we have been participating in Go Ethical, an initiative that aims to reduce loss from product wastage in the popular OUTLET store of LOHACO, an online shopping platform for general consumers run by ASKUL Corporation. We are able to reduce loss from product wastage for products that would previously have been destined for disposal\* but that present no quality defects, by reselling them in the outlet store.



\*Unopened, discontinued products returned from distributors and wholesalers

#### (2) Implementing a Packaging Collection Program, the "Nourish Your Skin and Our Planet Recycling Program"

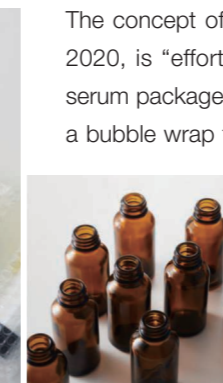
Since September 2020, we have been operating the Nourish Your Skin and Our Planet Recycling Program together with Matsumotokiyoshi Holdings Co., Ltd. and TerraCycle Japan. This program collects and recycles the empty packaging of used skincare products, turning them into a way to keep our planet green. Collected skincare packaging will ultimately be recycled into plant pots.



### Promoting Environmentally Friendly Product Development



SKIO bubble wrap packaging



75% recycled glass bottles

The concept of SKIO, our e-commerce exclusive cosmetics line launched in July 2020, is "effort-free and waste-free, for the planet and for you," with the SKIO serum packaged in a 75% recycled glass bottle. In addition, the outer packaging is a bubble wrap that functions as both cushioning and exterior packaging. It is also made from 80% recycled materials. By using one material as both outer packaging and cushioning, we both reduce overall waste and save our customers time by removing the need to separate packaging materials for disposal. Going forward, we will continue to pursue environmentally friendly product development.

### Establishing the "R-eco" Symbol

With recent years having seen growing concern for the environment at a societal level and in terms of customer awareness, and anticipating further gains in environmental consciousness, we established our own eco label, the "R-eco" symbol, in 2019. We are introducing this symbol to our Hada Labo range and other environmentally friendly products.



# Human Resources Initiatives

## Message from the Director of Human Resources

**Our people are our greatest management resource. We must aim toward *autonomous yet shared growth* for both our organization and our employees. Looking to the future, we are promoting *people-centered well-being management* by building an organization focused on diverse individuals.**



**Chiharu Takakura**  
Director, Executive Designer,  
Human Resources &  
Well-Being Management  
Promotion Department

To enable our Company to contribute to future well-being and achieve sustainable growth, we must continually create new value and make the Company vital to the world around us. Needless to say, each and every one of our employees is a driver of these processes and, without employees' growth, there can be no organizational growth. Traditional philosophies, such as the idea that policies are decided by a company and simply followed by its employees, make it difficult to innovate in times of rapid change. We believe that essential factors for the Company's growth are human resources that take action in a bottom-up manner, transcending the existing frameworks, and an organizational culture to support them. Therefore, as part of our well-being management, Rohto is implementing various measures, described below, to encourage employees to take the initiative when engaging in business activities and to realize their own career visions as professionals.

Taking suggestions from employees and removing various restrictions is proving to be a more powerful driver of growth than creating programs from the top down. Accordingly, we believe that all employees should be encouraged to have opportunities to tackle not only in-company assignments but also his or her own challenges, both within and outside of Rohto. This will result in contributing to local communities and society as well as furthering the growth of individual employees and our organization. Going forward, we will continue to develop an organization that effectively utilizes diverse *individuals*, regardless of simple attributes such as age, gender, or nationality, departing from the one-size-fits-all human resources development model long cultivated by Japanese businesses. In this way, we will strive for shared growth for our individual employees and our Company.

### (2) Rohto Academy: supporting autonomous career creation for the future (since January 2021)

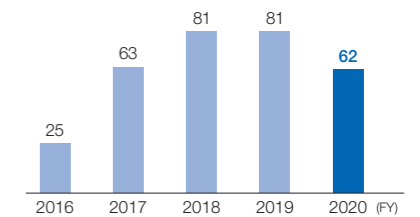
We have created an online study platform in order to promote self-motivated study aimed at career autonomy. Using videos, seminars, and other content, we are providing learning opportunities and working to foster human resources who will continue to develop of their own volition.



### (3) External Challenge Work program (secondary employment) (since February 2016)

This program recognizes diverse workstyles in the form of secondary employment. We believe that workstyles that go beyond the bounds of the Company allow employees to gain experiences that are difficult to access when working exclusively for the Company. Knowledge and experience gained in this way lead to significant growth and yield benefits for employees' principal jobs. Our aim is to further expand our employees' potential through their work in multiple jobs. (Secondary jobs must be limited to weekends, holidays, or after working hours. To be eligible, employees must have been in work for a minimum of three years.)

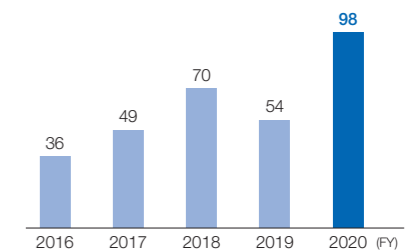
Participants in External Challenge Work program (persons)



### (4) In-house Double Jobs program (concurrent positions) (since February 2016)

This program allows employees to volunteer to spend a portion of their working hours in another division of the Company. By facilitating work beyond divisional limits, our aim is to allow employees to improve their skills and increase their job satisfaction, at the same time as encouraging them to explore their own new possibilities.

Participants in In-house Double Jobs program (persons)



### (5) Asuniha project: Supporting entrepreneurs within the Company (since April 2020)

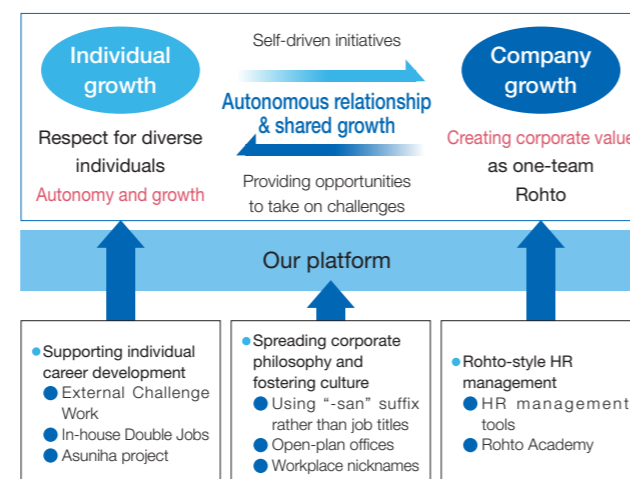
This project provides support for employees starting businesses building on their own passions and ideas to tackle social issues. To be eligible, businesses must be in domains connected to Well-being, in line with our management vision, "Connect for Well-being." We believe that the experience of starting a business will cultivate autonomous, self-directed people. Three companies have been established as of March 2021.

## Promoting Well-being Management Centered around the Independence of the Individual

### Support for Diverse Workstyles and Career Development

We encourage our employees to go beyond the bounds of the Company and gain experience in positively impacting society with a variety of companies and organizations, and to transcend the barriers between divisions within the Company to actively engage with their work from multiple perspectives. We believe that these independent workstyles and self-driven initiatives will allow our employees to gain new knowledge and contacts and facilitate further growth. Respecting the individual and seeing shared growth for the Company with each new challenge pursued, we aim to maximize our efforts to create social value.

### Concept of Rohto's Human Resources Management



### (1) Strategic human resources management that utilizes the individual (since February 2020)

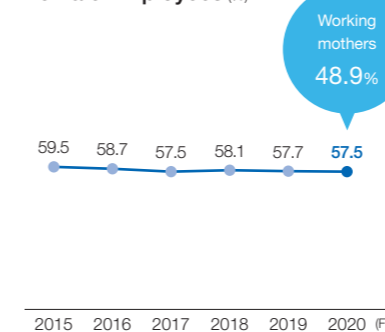
We have introduced human resources management tools that visualize employees' individual backgrounds and areas of expertise to allow each employee to clearly set out a career vision. Using this as a basis, management are working together to promote a model of human resources deliberation that focuses on growth of the individual. In the hope that employees will adopt our corporate philosophy as their own, we are promoting Company-wide dialogue in order to bring together employees' individual visions and our section and Company visions.

## Promoting Further Diversity

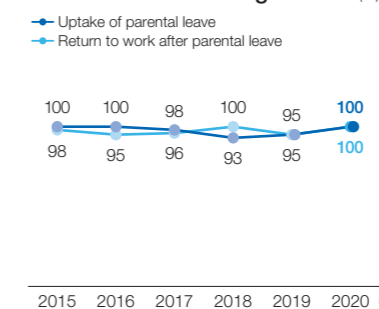
### (1) Promoting women's participation

At Rohto, where approximately 60% of our employees are women, we believe that it is important to create environments where our female employees feel secure and can work with ease, in order to help each and every one to further thrive in her work. We also maintain high rates for uptake of parental leave and return to work and are enhancing our support programs, including providing free gynecological examinations and nursing care leave.

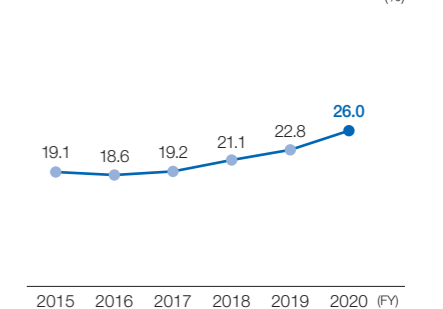
#### Female Employees (%)



#### Uptake of Parental Leave and Return to Work Among Women (%)



#### Females in Management Positions (%)



### (2) Active involvement of employees of foreign nationality

We aim to increase the ratio of foreign nationals employed in sections relating to development and technology to 20% and are working on recruitment and training. Currently, foreign nationals with diverse backgrounds from around 10 different countries are playing an active role at Rohto.

## Approach to Human Rights

With our business expanding in countries and regions all over the world, Rohto considers due consideration of human rights to be fundamental to our operation. Corporate efforts to respect human rights have become increasingly vital in recent years and initiatives are required not only of a company itself but also of the companies along its supply chain. We have therefore declared our intention to uphold the Ten Principles of the Global Compact advocated by the United Nations. We are also advancing our human rights initiatives by endorsing the Universal Declaration of Human Rights (UDHR) and the United Nations' Guiding Principles on Business and Human Rights (UNGPR). At the same time, while carrying out our activities as a Group with respect for human rights, we aim to cooperate with various relevant parties, including our business partners, to promote respect for human rights. We have provided employee training by creating and distributing the Rohto CSR Code of Conduct and our CSR Guidelines for Suppliers, which summarize the ethical stance and values that must be maintained by our employees. These documents allow employees to immediately verify our standards of conduct if they are unsure how to deal with a customer or business affiliate, or other daily business matters.

### TOPICS | Kamonohashi Project, a specified NPO



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As a company that proudly supports the next generation, we consider acting to protect children's rights essential. Currently, over 100 million children are believed to be engaged in child labor worldwide. We support the Kamonohashi Project, a specified NPO working in Cambodia, India, and Japan to eradicate child prostitution and human trafficking, the most emotionally and physically damaging forms of child labor. This organization not only protects victims, but also considers it essential to eradicate the poverty that is the root cause of child prostitution, preventing child-trafficking triggered by poverty through measures such as providing workplaces for adults in poor households.

## Promoting Health Management

### Rohto's Health Management Declaration

We want working at Rohto to bring health benefits, so in 2018 we set out our Health Management Declaration.

Our aim is to become a company fully staffed by "healthy human resources" who will always be able to healthily thrive in their daily work.

We hereby declare that we will strive to further promote health management so that our healthy employees will lead to a healthy society, and on to a healthy next generation.

### Our Approach to Health Management

Rohto's definition of "health" is not simply "not being ill." "True health" is founded on both mental and physical health and allows us to bring passion (a sense of meaning in our jobs and our lives) to our daily work. We believe that employees possessing true health will support a healthy society as "healthy human resources." Based on this idea, our Company further cultivates "healthy human resources" by focusing on creating opportunities for employees to make their own positive efforts to stay healthy. We believe that the positive energy of our "healthy human resources" can impact the world around them, sharing the health benefits they enjoy with society and the next generation.

## Key Initiatives to Date

- 2002** • Implemented physical fitness evaluations (all employees continue to be evaluated annually today)
- 2004** • Established the All Well Project Office, a division exclusively dedicated to employee health promotion
- Opened Smart Camp, a welfare facility, at our Osaka Headquarters
- 2007** • Adopted a Company-wide no-smoking policy and put a program for quitting smoking into operation
- 2011** • Held the 100-Day Health Promotion Project, an event with full-Company participation for all staff including the Chairman and President
- 2014** • Established the position of Chief Health Officer (CHO), the first in Japan
- 2015** • Selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as one of the first "Health and Productivity" companies
- 2016** • Established the Health Management Promotion Group within the General Affairs and Human Resources Division
- Offered free gynecological examinations (breast cancer screening, uterus cancer screening) for female employees
- 2017** • Loaned all employees fitness-tracking devices and held the Finish Line Challenge, a walking event where participants attempt to meet a goal of 8,000 steps and a minimum of 20 minutes' brisk walking per day
- Created the *Happy Work for Women* booklet and distributed it Company-wide, so that all employees can study women's health regardless of their own gender
- 2018** • Offered free serum ferritin tests, used to test for non-anemic iron deficiency (latent iron deficiency) in women
- Conducted mass rubella vaccination and made these vaccinations free, as part of our measures to combat infectious diseases
- Launched a project encouraging employees to quit smoking, following employee suggestions (aiming to achieve a smoking rate of zero by April 2020)
- 2019** • Introduced ARUCO, our own unique "internal health currency" that allows employees to earn coins through their daily activities
- Introduced a Sleep Improvement Program for employees by using sleep technology for health management and workstyle reform
- 2020** • Achieved a 99.9% non-smoking rate among employees as of April 30
- Implemented the Propo Challenge, an online exercise support project for employees under lockdown due to COVID-19

### TOPICS 1 | 99.9% Non-smoking Rate Among Employees Achieved

Looking ahead to a time when life expectancy has reached 100, Rohto aims to contribute to expanding healthy life expectancy for all. As an initial step toward this, we are actively engaging with health management centered around the idea of promoting our employees' health. In 2018, we set a goal of achieving a smoking rate of zero across all employees by April 2020. Through efforts to help employees break their smoking habit that respected and supported their own wishes, we achieved a 99.9% non-smoking rate among employees on April 30, 2020.

Our 100% non-smoking initiative received the Health, Labour and Welfare Minister's Excellency Prize as part of the "9th Let's Extend Healthy Life Expectancy! Award" sponsored by the Ministry of Health, Labour and Welfare. We will continue our activities aimed at health promotion going forward.

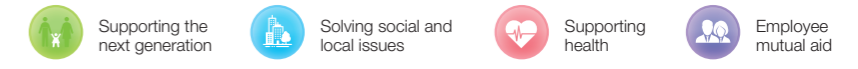


### TOPICS 2 | Health Management KPIs Set for 2023 to Pursue Employee Health Further

We have identified new health targets for 2023. We have set out eight indicators that form the foundation of health, including eliminating metabolic syndrome, a risk factor for lifestyle diseases. By asking employees to declare targets that they will work toward within these eight indicators, we are pursuing a health management model that enables the physical health that underpins Well-being.

Category	2020	2023
	Result	Target
Metabolic syndrome and pre-metabolic syndrome	12.4%	0%
Smoking rate	0.1%	0%
Anemia (hemoglobin (Hb) levels < 12.0 g/dl)	14.3%	0%
Proportion using alcohol in moderation	87.4%	100%
Proportion sleeping for at least 6.5 hours	41.7%	50%
Proportion taking 30 min. of exercise at least twice a week	28.9%	50%
Proportion achieving 8,000 steps and 20-min. brisk walking per day (for a cumulative total of six months or more per year, calculated using fitness-tracking devices)	11.4%	50%
Proportion with a lower health age than chronological age (based on physical fitness evaluations)	48.3%	80%

# Initiatives for Society



As part of our corporate philosophy, Rohto states that, "Being mindful of our mission as a public institution of society we shall address issues concerning society at large in collaboration with all of the people connected to the Company, and we will share the benefits gained through these endeavors." We believe that it is essential to regularly give back to society a portion of the profits gained through our business. We are actively engaged in activities that contribute to society and consider them to be an important theme within the Rohto Group's corporate activities. Of these social activities, we give top priority to our actions to support our future society by helping to cultivate the next generation.

## Japan

### The Michinoku Future Fund Providing Long-term Support for Children who Lost Their Parents in the Great East Japan Earthquake



The Michinoku Future Fund is a scholarship program run by Rohto Pharmaceutical Co., Ltd., Kagome Co., Ltd., Calbee, Inc., and Ebara Foods Industry, Inc. The Fund provides full scholarships for children who lost one or both parents in the Great East Japan Earthquake, covering enrollment and tuition fees for university, junior college, or technical school with no repayment required (up to a maximum of 3 million yen per year). These children must not be forced to prematurely give up their hopes and dreams for financial reasons. Recognizing that allowing them to continue to confidently pursue their dreams is an essential part of post-earthquake reconstruction, like-minded companies from a wide range of industries have come together to work toward this goal. Donations from throughout Japan have already totaled more than 4 billion yen and, now in its 10th year, the Fund has given scholarships to approximately 1,000 recipients. With eligibility extending to children who were unborn at the time of the disaster, our plan is to continue providing sustained support right up until this generation graduates in around 15 years. We plan to maintain our support until we see the last child through his or her graduation.



### Empowering Local Communities Through Sports: Nara's Konoike Sports Park Naming Rights Sponsorship Agreement



Nara is the birthplace of Rohto's founder, and, in addition to previous work to support the city's food businesses and entrepreneurs, we have recently been engaged in local development as a key partner of the professional basketball team Bambitious Nara. Through our naming rights sponsorship, we plan to contribute to promoting exercise and healthy lifestyles for everyone in the local community and the children who will be the leaders of tomorrow.

### Developing Children's Skills Through e-Sports Program: Held "Ikuno Kids e-Sports Challenge—Let's Play Jailbreak!" in Our Local Area, Ikuno-ku, Osaka



In 2019, Rohto entered into a comprehensive partnership agreement with Osaka's Ikuno-ku, our local municipality. The agreement covers cooperation and collaboration in five areas: health, children, disaster relief efforts, local revitalization, and city promotion. Even before this partnership agreement, employee volunteers set up the Reinvigorating Ikuno Project, and we continue to run activities such as giving workshops at elementary and middle schools and exhibiting at local events through this Project.

In 2020, we collaborated with Ikuno-ku and Digital Hearts Holdings Co., Ltd. to hold the "Ikuno Kids e-Sports Challenge—Let's Play Jailbreak!" Focusing on the educational potential of e-sports, we provided an opportunity for adults and children to exchange ideas with the aim of developing children's skills through games and allowing these experiences to be utilized in the children's daily studies and relationship-building.



### Karugamo Fund: Social Contributions Through Shared Company and Employee Efforts



The Karugamo Fund is financed through a combination of Rohto employees' voluntary contributions to a reserve fund and matched donations from the Company. Each year, employees decide the Fund's recipients, and it is used to support welfare, education, and other fields that are vital to society. The Fund was started in 2004, with 944 employees (approximately 60%) participating in fiscal 2020.



- Support Recipients in FY2020**
- The Eye Mate, Inc. (Welfare)
  - Ikuno Mori (Welfare)
  - Women's Eye (Support for women)
  - Ueno Braille Library (Welfare)
  - Osaka Science & Technology Center (Education)
  - Osaka-Vietnam Friendship Association (International exchange)
  - Kansai Geijutsu-za's Kurumi no Moromi recital group (Welfare)
  - Cross Base (Education)
  - Work Happiness Lab (Welfare)
  - Tashima Douen foster home (Children)
  - Tanpopo-No-Ye Foundation (Welfare)
  - Rainbow Computer Volunteering Group (Welfare)
  - Piccolare (Support for women)
  - Beans (Welfare)
  - Fukuoka FUN (Conservation)
  - Momiji House (Children)
  - Homedoor (Welfare)
- No particular order

## Overseas

### Contributing to International Eye Care Aid in Partnership with 13 Social Partners in Order to Gift the Joy of Sight around the World (Donations from November 2020 to March 2021: 978,290 yen)



While already providing a range of support in countries across Asia, including backing for free eye examinations and care, free provision of intraocular lenses for cataract treatment, and training of local ophthalmologists, Rohto established the Social Partners program in 2016 with the aim of expanding these activities and reaching out to support more people at risk of losing their eyesight. In fiscal 2020, together with 13 business affiliates who have endorsed these activities, we donated a portion of the proceeds from our eye-care products to organizations providing eye care-related aid in Asia and Africa and provided support for cataract treatment.

- Donation Recipients**
- OUI Inc.
  - Asia Prevention of Blindness Association (NPO)

### Mutual Aid Fund Established for Rohto-Mentholatum (Vietnam) Employees



The Rohto Caring Fund, a mutual aid fund to support employees' health and daily needs, was established at Rohto-Mentholatum (Vietnam) Co., Ltd. in December 2020. Initial funding totaled 4.05 million dong (approximately 1.98 million yen), with a contribution from Rohto-Mentholatum (Vietnam) added to by sales from a charity bazaar held at the company's plant. In addition, employees who endorse the fund are supplying it with monthly contributions deducted from their salaries (10,000 dong, approximately 45 yen).

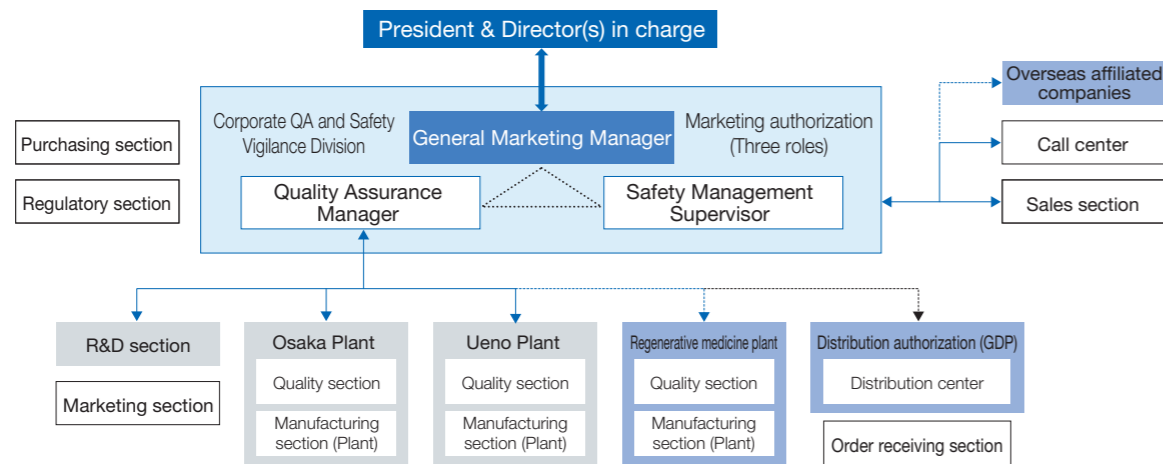
Behind the creation of the fund was the aim to support employees in difficult circumstances beyond the scope of support offered by employee benefits or trade unions. Specific examples of those receiving support include a single mother who had to be hospitalized following a cancer diagnosis and an employee forced to continue living in a shelter after their home was destroyed by a typhoon and flooding. The Rohto Caring Fund also incorporated support under employment regulations and contributions from trade union funds to help with care for employees with COVID-19, assist with hotel quarantining for those who had come into close contact with someone testing positive for COVID-19, and support employees who lost relatives to the virus.

# Quality Control and Supply Chains

## Company-wide Commitment to Quality Assurance Involving the Top Management

Rohto has established a structure by which those in three roles (General Marketing Manager, Quality Assurance Manager, and Safety Management Supervisor) work together to manage our products under a single manufacturing and sales organization. Based on this structure, we have built a system in which the entire Company, including not only the manufacturing and quality control sections, but also the management commit themselves to quality and safety.

### Rohto's Integrated Quality Assurance System



## High-quality Production System Enabling Overseas Exports

The Ueno Techno Center, Rohto's manufacturing, quality control, and distribution site, is equipped with automated eye care production lines that can also handle the production of a wide variety of products. We have achieved a high quality and highly efficient production system with our sophisticated quality assurance system cultivated through pharmaceutical manufacturing, flexible production lines, advanced aseptic and foreign material control technologies, and centralized management of test data using the laboratory information management system (LIMS). The Ueno Techno Center was the first Japanese pharmaceutical manufacturing site to comply with FDA Part 11<sup>1</sup>. The Center has also obtained certification for ISO 13485<sup>2</sup> and CE marking<sup>3</sup>, and actively supplies products to overseas markets.



<sup>1</sup> FDA Part 11 is standards for electronic records management stipulated by the U.S. Food and Drug Administration.  
<sup>2</sup> ISO 13485 is an international standard on quality assurance specifically for medical devices.  
<sup>3</sup> CE marking is used to indicate a product has passed European safety testing.

## Always Working on Improving Manufacturing Sites with a Fresh Mind

With the aim of improving quality, cost, and delivery (QCD), we formed groups called Improvement Promotion Team at our manufacturing sites in 2005 to continue kaizen activity cycles. The basic idea of this initiative is that we will try and change anything that will lead to improvements in QCD. All personnel are (working to strike a balance between improving quality and reducing costs by) striving with a strong will to solve issues using their findings.

### Three Pillars for Improvement Activities



# Corporate Governance

## Message from the Chairman of the Board of Directors Meeting

**We will aim for further evolution of corporate governance by promoting diversity in order to achieve sustainable growth and enhance corporate value over the medium to long term.**



### Kunio Yamada

Chairman of the Board of Directors Meeting  
 Chairman of the Board of Directors and Chief Executive Officer

Japan is experiencing an era of low economic growth due to a declining birthrate, an aging population with a business environment constantly subject to waves of dramatic change, such as accelerating globalization and diversification of consumer preferences. In order to achieve sustainable growth in such an environment, it is necessary to make bold decisions, take risks, and manage in a way that enables flexible responses to changes. Rohto seeks to achieve prompt decision-making and business execution. At the same time, we are constantly working toward evolution of the corporate governance system, which oversees the soundness, fairness, and transparency of management in order to manage business risks appropriately.

At Rohto, the Board of Directors has also been working on corporate governance reforms to improve its effectiveness. The Board currently comprises nine directors, two of whom have been with the Company throughout their careers and have worked their way to top management level. The other internal directors, including President Masashi Sugimoto, bring management experience at leading companies in the business fields in which Rohto operates, including pharmaceuticals, cosmetics and foods. This allows us to examine issues based on a range of opinions and insights, without being bound solely by the Company's accepted practices, and enables flexible, strategic decision-making and risk-taking (hedging) in an era of rapid change. The three external directors are Shingo Torii, who has experience in the management of a leading Japanese company; Akie Iriyama, a business scholar with extensive international experience; and Haruka Mera, a young entrepreneur in the Japanese social business field, putting in place a system that enables Rohto's management to gather opinions from wide-ranging perspectives. The total number of directors was reduced from 12 in 2019 to nine in 2020 to create a system that enables expeditious decision-making. Meanwhile, the executive officer system, which had been discontinued in 2016, was reintroduced in 2020. This has established a structure whereby the role of the Board of Directors is to focus on making strategic management decisions and supervising management, while the executive officers manage business operations in their respective areas of responsibility in accordance with the basic policies that have been decided by the Board of Directors. In addition, important issues relating to business execution are shared and discussed in the Executive Meetings (consisting of internal directors and executive officers), which are held every other week as a general rule. By providing executive officers with such management experience, we aim to strengthen the development of next-generation management candidates, and we are actively promoting external appointments in addition to internal promotions. In addition, the Nomination Committee and the Compensation Committee, which are under the direct control of the Board of Directors, are also composed of a majority of external directors. Thus, the objectivity and independence of each committee is ensured, and the effectiveness of each committee as an advisory body to the Board of Directors is further enhanced through utilizing the expertise and wealth of knowledge and experience of external directors.

We believe that corporate governance is an important mechanism that promotes timely and bold decision-making by management, addresses management risks, and prevents ethics violations and corruption. We will continue to actively promote diverse human resources from within and outside of the company, regardless of specialty, gender, or nationality, and will pursue diversity in order to achieve both evolution and effectiveness in corporate governance. We will also work to enhance corporate value over the medium to long term and resolve social issues by achieving sustainable growth through realization of well-being, which is the unique value creation of the Rohto Group.



## Basic Approach to Corporate Governance

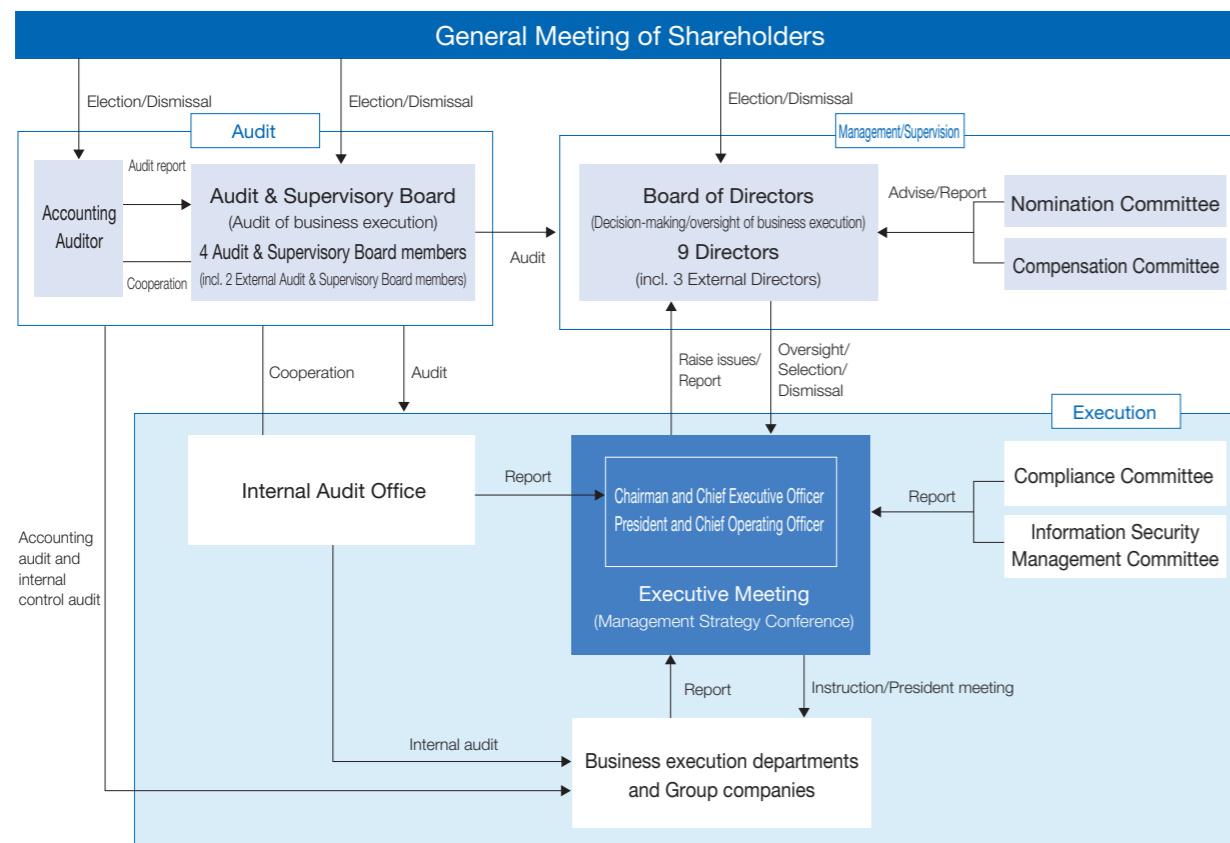
At the same time as fulfilling our social responsibility, we are striving to earn the trust and meet the expectations of our shareholders, consumers, business affiliates, employees, and all other stakeholders, and achieve co-existence and co-prosperity. We recognize that enhancing and strengthening corporate governance to achieve this is an important management challenge. We will develop an organizational structure for management and implement the necessary measures for ensuring transparency and fairness in management and responding to changes in the management environment in a prompt and accurate manner.

## Outline of the Corporate Governance System and Reasons for Adopting the System

Rohto has adopted the framework of a company with an audit and supervisory board. Through the appointment of three External Directors and two External Audit & Supervisory Board members, we aim to incorporate outside perspectives at the same time as strengthening management monitoring functions. Cooperation between the Audit & Supervisory Board and the Internal Audit Office has enhanced the effectiveness and efficiency of audits. We have also increased the transparency of management through the establishment of the optional Nomination Committee and Compensation Committee. In addition to the regular meetings of the Board of Directors, extraordinary meetings of the Board of Directors are held flexibly or resolutions are adopted in writing in order to speed up the decision-making process in order to respond to changes in the business environment promptly and accurately.

The Company's Audit & Supervisory Board rigorously checks the status of business execution by the Directors in cooperation with the Internal Audit Office and the Accounting Auditor, and we believe that we have put in place a system that provides adequate monitoring of management. External Audit & Supervisory Board members are also familiar with the Company's business operations, as they regularly exchange opinions with Representative Directors and Other Directors as well as Full-time Audit & Supervisory Board members. Moreover, External Audit & Supervisory Board members ask candid questions and express their opinions from an independent and objective standpoint at meetings of the Board of Directors, and we believe that the objectivity and neutrality of the management monitoring function is ensured.

Corporate Governance System (as of March 31, 2021)



## Board of Directors

The Company has nine Directors, three of whom are External Directors, and the Chairman and Chief Executive Officer serves as chair of the Board of Directors. The Board of Directors is composed of all Directors (nine, including three External Directors) and operates with the attendance of Audit & Supervisory Board members (four, including two External Audit & Supervisory Board members) who have an obligation to attend.

Based on its fiduciary responsibility and accountability to shareholders, the Board of Directors aims to achieve sustainable growth and enhance the corporate value of the Group over the medium to long term for the common interest of the Group, its shareholders, and all other stakeholders.

The Company's Board of Directors makes decisions on important matters related to management in accordance with laws, regulations, and the Articles of Incorporation in addition to supervising the execution of business by each Director.

In holding meetings of the Board of Directors, the secretariat of the Board of Directors provides the External Directors with preliminary materials and briefings to make the deliberations at the meetings more substantive. In addition, External Audit & Supervisory Board members hold an Audit & Supervisory Board prior to the Board of Directors' meeting to discuss and review the agenda of the Board of Directors' meeting in advance. This makes the Board of Directors' meeting a forum for constructive discussion, and thus they are striving for the sustainable growth of the Group and the enhancement of its corporate value over the medium to long term.

## Audit & Supervisory Board

The Company has four Audit & Supervisory Board members, two of whom are External Audit & Supervisory Board members and two of whom are Full-time Audit & Supervisory Board members from within the Company. The Audit & Supervisory Board is chaired by a Full-time Audit & Supervisory Board member elected from among the Audit & Supervisory Board members.

Based on its fiduciary responsibility and accountability to shareholders, the Audit & Supervisory Board ensures the soundness of management with the aim of achieving sustainable growth and enhancement of the corporate value of the Group over the medium to long term, and acts in the common interests of the Group, its shareholders, and all other stakeholders.

## Nomination Committee

The Nomination Committee is composed of three Directors, the majority of whom are External Directors. The committee members are Shingo Torii, an External Director, Akie Iriyama, an External Director, and Kunio Yamada, Chairman and Chief Executive Officer, and the committee is chaired by Shingo Torii, an External Director.

The Nomination Committee drafts the following proposals and submits them to the Board of Directors, which it is authorized to do by the Board of Directors.

- Proposals for the selection and dismissal of Directors
- Proposals for the selection and dismissal of Executive Directors
- Proposals concerning the positions of Directors, etc.

## Policy on Selection and Nomination of Directors

The Company aims to achieve sustainable growth and medium- to long-term enhancement of corporate value for the common interest of all stakeholders. Therefore, the Company believes it is important that the Board of Directors of the Company consists of Directors who possess the diverse knowledge, experience, capabilities, insight, and values necessary to ensure appropriate and flexible decision-making with respect to the Company's business activities and supervision of business execution. The Company also believes it is important to ensure a highly transparent and objective corporate governance structure. Regarding internal Directors, the Company emphasizes that they should have experience of diverse business divisions and management experience at the Company's subsidiaries, etc. and an understanding of their issues in order to formulate the Group's management strategy. Regarding Independent External Directors, the Company emphasizes that they should have diverse experience and expertise that are unavailable solely from internal Directors and, at meetings of the Board of Directors, be able to offer the Company advice and suggestions contributing to enhancement of corporate value.

## Compensation Committee

The Compensation Committee is composed of three Directors, the majority of whom are External Directors in order to secure more objectivity. The committee members are Shingo Torii, an External Director, Akie Iriyama, an External Director, and Kunio Yamada, Chairman and Chief Executive Officer, and the committee is chaired by Kunio Yamada, Chairman and Chief Executive Officer.

Upon delegation by the Board of Directors, the Compensation Committee formulates the amount of individual compensation. The committee also prepares drafts for Directors' compensation policies, procedures, and structures. It also drafts proposals regarding Directors' compensation that require approval at the General Meeting of Shareholders and submits the drafts to the Board of Directors. The total amount of compensation for Directors determined, as well as the allocation of basic compensation (fixed compensation) and performance-based compensation (variable compensation) is reported to the Board of Directors.

**Diversity of the Board of Directors (Skill Matrix of Members of the Board of Directors)**

Name	Corporate management	Finance/accounting	Sales/marketing	Production/technology	R&D/business development	Risk management/corporate governance	Global experience	DX	Human resources
Kunio Yamada	●		●				●		
Masashi Sugimoto	●		●			●			
Masaya Saito	●	●					●		
Shinichi Kunisaki	●			●	●				
Chiharu Takakura						●	●		●
Atsushi Hiyama	●		●		●				
Shingo Torii	●			●					●
Akie Iriyama		●				●		●	
Haruka Mera	●					●		●	

\*The table above indicates up to three specialized skills of each Director. Not all knowledge and experience of each person is indicated.

**External Directors** (as of July 31, 2021)

Name	Reasons for appointment	Independent Director	Years in office	Attendance at meetings
Shingo Torii	Shingo Torii possesses abundant experience and broad insight acquired over his many years in management. At meetings of the Board of Directors of the Company, his advice and suggestions about overall management from a high vantage point have been highly beneficial. The Company expects that he will contribute to the Company's continued sustainable growth and enhancement of corporate value and that he will be able to appropriately perform duties.	○	7	6/8
Akie Iriyama	After having been engaged at Mitsubishi Research Institute Inc. in consultancy for automakers and Japanese governmental organizations and international organizations, Akie Iriyama received a Ph.D. from the Katz Graduate School of Business, University of Pittsburgh, in the United States. He was then appointed Assistant Professor at School of Management, University at Buffalo, The State University of New York. Currently, he is a professor specializing in management strategy and global management at Waseda Business School. His advice and suggestions based on his wide-ranging knowledge of cutting-edge management have been highly beneficial. The Company expects that he will contribute to the Company's continued sustainable growth and enhancement of corporate value and that he will be able to appropriately perform duties.	○	3	8/8
Haruka Mera	Haruka Mera launched the READYFOR crowdfunding service in 2011 when she was a graduate school student and has continued to support people taking up challenges. She is a trendsetter as one of the foremost next-generation managers in Japan. Her advice and suggestions striking a good balance between financial value and social value have been highly beneficial. The Company expects that she will contribute to the Company's continued sustainable growth and enhancement of corporate value and that she will be able to appropriately perform duties.	○	2	7/7

**Compensation of Officers**

**Matters related to determining the amount and the method of calculation of compensation, etc. for officers**

The Company has established a compensation system (level of compensation and determination process) based on the following policies.

- (1) To motivate contribution to the enhancement of the corporate value of the Company from a long-term perspective in order to achieve the philosophy specified in the Articles of Incorporation
- (2) To enable the philosophy to be put into practice and to be appropriate to the roles and responsibilities of each person
- (3) To ensure objectivity, transparency, and rationality that can be explained to all stakeholders

Based on these policies, which have been resolved by the Board of Directors, the compensation for each Director is deliberated and determined by the Compensation Committee, with a majority of External Directors as its members, within the scope of the total amount of compensation, etc., previously approved by the General Meeting of Shareholders.

Compensation for Audit & Supervisory Board members is decided in consultation with Audit & Supervisory Board members within the scope of the total amount of compensation, etc., previously approved by the General Meeting of Shareholders.

The 78th Ordinary General Meeting of Shareholders held on June 24, 2014 approved an annual amount of up to 700 million yen as the maximum amount of compensation for Directors (not including employee salaries for Directors who serve concurrently as employees). The Company's Articles of Incorporation at the time of this Ordinary General Meeting of Shareholders stated, "The Company shall have up to 15 Directors." In addition, the 84th Ordinary General Meeting of Shareholders held on June 26, 2020 also approved an annual amount of up to 70 million yen as the maximum amount of compensation for Audit & Supervisory Board members. The Company's Articles of Incorporation at the time of this Ordinary General Meeting of Shareholders stated, "The Company shall have up to four Audit & Supervisory Board members."

**(a) Structure of compensation for Directors**

The compensation for the Company's Directors consists of basic compensation (fixed compensation) based on the scale of their responsibilities and roles, and performance-based compensation (variable compensation) based on the evaluation of individual Directors and business performance in the most recent fiscal year. However, External Directors are paid basic compensation only as they are responsible for independent supervision.

**(i) Basic compensation**

The Company pays fixed compensation to individual officers according to the scale of their responsibilities and their roles. The level of compensation at other companies is taken into consideration in determining fixed compensation.

**(ii) Performance-based compensation (compensation based on individual evaluations and performance-linked compensation)**

Performance-based compensation consists of compensation based on individual evaluations that varies according to the degree of contribution to Company-wide medium- to long-term issues (environment, society, and health) and results in the business areas under the control of each officer during the relevant period, and performance-linked compensation that varies according to the degree of achievement of consolidated operating income targets for the previous fiscal year.

The ratio of basic compensation and performance-based compensation varies according to position and role. However, as a rough guideline, approximately 75% of the total compensation for internal Directors is allocated to basic compensation and approximately 25% is allocated to performance-based compensation. This ratio is based on a viewpoint that emphasizes management with a long-term perspective, and in terms of performance-based compensation, the Company also places more importance on degree of achievement in initiatives to address medium- to long-term issues. Compensation is paid in cash only. The annual amount of compensation during the term of each officer determined by the Compensation Committee is divided into 12 and paid once a month in the same amount. The target for the indicator related to performance-linked compensation for the fiscal year ended March 31, 2021 was 21,800 million yen, and the actual result was 22,990 million yen.

**(b) Structure of compensation for Audit & Supervisory Board members**

Auditors are paid basic compensation only as they are responsible for independent supervision. Compensation is determined through consultation among the Audit & Supervisory Board members taking into consideration the nature of their duties.

**Total Amount of Compensation, etc. for Each Category of Officer, Total Amount of Each Type of Compensation, etc., and Number of Eligible Officers**

Category of officer	Total amount of compensation, etc. (million yen)	Total amount of each type of compensation, etc. (million yen)		Number of eligible officers
		Fixed compensation	Performance-linked compensation	
Directors (excludes External Directors)	370	340	30	11
Audit & Supervisory Board members (excludes External Audit & Supervisory Board members)	37	37	—	3
External officers	38	38	—	7

**Total Amount, etc. of Consolidated Compensation, etc. for Each Officer**

Name (category of officer)	Total amount of consolidated compensation, etc. (million yen)	Company category	Amount of each type of consolidated compensation, etc. (million yen)	
			Fixed compensation	Performance-linked compensation
Kunio Yamada (Director)	186	Filing company	176	9

\*Information is only provided for those whose total amount of consolidated compensation, etc. is 100 million yen or more.

## Evaluation of the Board of Directors

The Company conducted a self-evaluation (survey) of all the Directors in order to analyze and evaluate the effectiveness of the Board of Directors in the fiscal year ended March 31, 2021. We rated each question on a five-point scale from three perspectives: effectiveness of the Board of Directors, evaluation of oneself as a Director, and evaluation of management. The evaluation was generally positive. However, the following issues were raised: succession planning, including CEO and future Director candidates, for the Board of Directors; timing of agenda proposals and distribution of materials; opportunities for study and training tailored to individual Directors; and ensuring sufficient time for deliberation of each agenda item at the Board of Directors' meetings. We will make improvements in these areas through operations. The results of the evaluation of effectiveness were reported to the Board of Directors' meeting held on June 24, 2021.

## Risk Management

With regards to risk management, we have established a Crisis Management Committee to deal with unforeseen circumstances, and have put in place a system to promptly deal with dangers and prevent losses or escalation while listening to the opinions of legal counsel and other external advisors.

## Compliance

At the same time as fulfilling our social responsibility, we are striving to earn the trust and meet the expectations of our stockholders, consumers, business affiliates, employees, and all other stakeholders, and achieve co-existence and co-prosperity. We have established the Rohto CSR Charter and Rohto CSR Action Guidelines based on our corporate identity and philosophy with the aim of realizing a truly healthy and evolving society. We have also distributed our CSR Charter and CSR Code of Conduct to employees to promote compliance in addition to establishing a compliance system.

### Anti-corruption Measures

The Company aspires to realize a truly healthy and evolving society. To accomplish this goal, we disapprove of and work to prevent any form of corruption, including bribery. We do not respond to any act of obstruction or harassment, or any request for unfair benefits. The Company engages in business in over 100 countries. Overseas, it is necessary to comply with the laws and conventions of the local country as well as following the culture and customs of that country. Nevertheless, we do not follow practices that are considered wrong by international standards, such as bribery. We strive to contribute to the economic, social, and cultural development of the country through our corporate activities.

The Company has established a comprehensive whistleblowing system (Rohto Hotline) in order to prevent any kind of corruption from taking place, including not only monetary bribes but also non-monetary favors or accommodations. The ability to speak to a third party who is an external lawyer from the outset ensures whistleblowers will not be disadvantaged. If a whistleblowing report is made at a subsidiary or Group company in Japan or overseas, the Internal Audit Office immediately gathers information to put in place a Group-wide risk management system.

### Messages from the External Directors



**Shingo Torii**

External Director of the Company  
Representative Director and Vice  
Chairman of the Board, Suntory  
Holdings Limited  
Director, Beam Suntory Inc.

What I have realized since becoming an external director of Rohto is that the corporate cultures of Rohto and Suntory are similar. "Never Say Never" is a great corporate statement, and I feel that it empowers young persons.

Today's Suntory Group is gigantic. Increased bureaucracy is an inevitable by-product of becoming much larger. Looking at Rohto, it is also growing and becoming ever bigger. Rohto owes a great deal to the leadership of Chairman and Chief Executive Officer Kunio Yamada. However, it may be necessary for him and young employees to work together and try to get back to the Company's essential value and founding philosophy.

In other words, I think the Company's young employees need to revisit the founding spirit and philosophy of Rohto; this will lead to development of the next-generation business system.

These are things that have actually been said for a long time. However, I hope that the young employees of Rohto will actively take on the challenge of not only keeping up with changes and global trends in values but will also identify their essence, explore creativity, initiate change, and create their own values.



**Akie Iriyama**

External Director of the Company  
Professor, Waseda Business  
School

The major challenge of the COVID-19 pandemic, which spread in 2020, has spurred all of us to think about various health and social issues all over the world. Meanwhile, humankind is also faced with a variety of fundamental challenges, including climate change, food scarcity, health, and hygiene.

Against this backdrop, Rohto has established its vision "Connect for Well-being", and it is working diligently to address long-term issues in areas such as health, society, and the environment.

As an external director, I want to provide support by engaging in dialogue with Rohto's directors, officers and employees on what the Company should do in order to promote well-being while taking into account the interests of various stakeholders, including shareholders, employees, and business partners.

I am also acutely aware of the importance of corporate governance, both as a management scholar and from the perspective of serving as an officer at a number of companies. I intend to adopt an active stance in making suggestions for corporate governance that is more transparent and takes into consideration various stakeholders, while retaining the traditional good qualities of the Company.



**Haruka Mera**

External Director of the Company  
Representative Director & CEO,  
READYFOR, Inc.

The commercial philosophy *sampo-yoshi* (three-way benefits), which means benefits for the vendor, the customer, and society, has been the foundational principle of Osaka merchants. The Osaka merchant spirit is embedded in Rohto, and I believe that this way of thinking is also connected to ESG and the SDGs, which are becoming global trends. Many Rohto employees share a strong desire to resolve social issues, and they are working to expand the Company's business portfolio in line with the vision of well-being. I also value the Company's proactive approach to digital transformation (DX), in readiness for change, in order to achieve its vision. Consumption trends are also changing, particularly among the younger generation, and companies that are more committed to resolving social issues will receive support. In other words, we are living in a world where *shihō-yoshi* (four-way benefits), which is *sampo-yoshi* plus *mirai-yoshi* (benefits for the future), will be chosen by both shareholders and consumers. How can we stay ahead of the times in an era of such dramatic change? I hope to continue providing support as an external director.

# Key Financial Data (11-Year Summary)

(FY)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Business Performance</b>											
Net sales (million yen)	115,472	120,292	129,146	143,822	151,774	167,016	154,599	171,742	183,582	188,327	181,287
Gross profit (million yen)	67,938	70,495	75,873	86,157	90,599	99,226	91,344	101,049	109,624	114,240	106,726
Share of net sales (%)	58.8	58.6	58.8	59.9	59.7	59.4	59.1	58.8	59.7	60.7	58.9
Selling, general and administrative expenses (million yen)	54,832	56,871	61,493	69,336	77,440	83,543	75,893	81,962	88,812	91,154	83,736
Share of net sales (%)	47.5	47.3	47.6	48.2	51.0	50.0	49.1	47.7	48.3	48.4	46.2
Operating income (million yen)	13,105	13,624	14,380	16,821	13,159	15,683	15,451	19,087	20,812	23,085	22,990
Share of net sales (%)	11.3	11.3	11.1	11.7	8.7	9.4	10.0	11.1	11.3	12.3	12.7
Ordinary income (million yen)	13,293	13,684	14,730	17,100	14,098	15,339	15,964	18,849	18,970	22,735	23,910
Share of net sales (%)	11.5	11.4	11.4	11.9	9.3	9.2	10.3	11.0	10.3	12.1	13.2
Profit attributable to owners of parent (million yen)	7,966	8,184	8,087	8,947	8,631	9,098	10,011	9,289	9,799	15,410	16,743
Share of net sales (%)	6.9	6.8	6.3	6.2	5.7	5.4	6.5	5.4	5.3	8.2	9.2
R&D expenses (million yen)	3,697	3,717	4,062	4,547	5,585	5,811	6,123	6,553	6,831	7,050	7,903
Depreciation (million yen)	4,744	4,744	5,256	5,735	6,059	6,044	5,552	5,593	6,159	6,058	6,376
<b>Profitability Indicators</b>											
Return on assets (ROA) (%)	10.8	10.4	10.3	10.9	8.3	8.6	8.8	10.0	9.5	10.9	10.8
Return on equity (ROE) (%)	10.8	10.2	9.2	9.4	8.4	8.3	8.8	7.6	7.6	11.4	11.7
<b>Efficiency Indicators</b>											
Total asset turnover (Times)	0.93	0.92	0.90	0.92	0.89	0.94	0.86	0.90	0.92	0.90	0.82
Trade receivable turnover (Times)	3.98	3.90	4.05	4.44	4.22	3.80	3.24	3.54	3.86	3.94	3.66
Inventory turnover (Times)	7.30	7.01	6.89	7.04	6.91	7.32	6.63	6.89	6.5	6.19	6.19
<b>Stability Indicators</b>											
Current ratio (%)	156.0	158.6	156.3	146.5	162.6	171.4	189.0	186.2	191.6	209.5	235.7
Owners' equity ratio (%)	60.9	60.9	61.7	60.2	61.7	61.4	64.7	64.2	65.1	64.4	68.9
Interest coverage ratio (Times)	50.0	74.1	118.7	126.7	78.0	80.6	138.8	165.2	184.6	197.7	194.7
Debt-to-equity ratio (Times)	0.12	0.13	0.1	0.13	0.11	0.07	0.07	0.07	0.06	0.08	0.07
<b>Financial Position</b>											
Total assets (million yen)	126,472	136,008	150,643	162,249	177,509	179,573	181,543	198,166	200,953	215,644	225,790
Net assets (million yen)	77,911	83,627	93,771	98,627	110,516	111,271	118,436	128,440	132,189	140,032	156,612
<b>Cash Flows (Consolidated)</b>											
Free cash flow* (million yen)	4,337	786	6,107	6,041	2,268	5,258	3,917	8,140	11,500	9,635	9,771
Cash and cash equivalents at end of year (million yen)	14,005	15,381	19,867	23,026	25,093	22,495	23,466	30,063	37,345	44,665	52,254
<b>Per Share Information</b>											
Net income per share (¥)	67.75	69.6	68.78	77.15	76.05	80.04	87.95	81.55	86.00	135.13	146.78
Net assets per share (¥)	655.53	703.93	789.83	861.49	964.18	969.22	1,030.96	1,115.94	1,147.42	118,089	118,089
Dividends per share (¥)	15	16	17	18	19	20	21	22	25	26	28
Dividend payout ratio (%)	22.1	23	24.7	23.3	25	25	23.9	27.0	29.1	19.2	19.1
<b>Other Financial Information</b>											
Price-earnings ratio (Times)	13.2	14.8	18.7	23.6	22.5	25.6	23.7	36.5	33	21.9	20.1
Price-book value ratio (Times)	1.4	1.5	1.6	2.1	1.8	2.1	2	2.7	2.5	2.4	2.2
Dividends per share (¥)	14	15	16	17	18	19	20	21	22	25	28

\*Net cash provided by operating activities + Net cash used in investing activities

# ESG Data

Rohto Pharmaceutical Co., Ltd. only (non-consolidated)

(FY)	2015	2016	2017	2018	2019	2020
<b>Employees and Workstyles</b>						
Employees (persons)	1,524	1,562	1,400	1,474	1,529	<b>1,595</b>
Women (persons)	907	918	805	857	883	<b>918</b>
Men (persons)	617	644	595	617	646	<b>677</b>
Turnover rate <sup>1</sup> (%)	4.2	4.6	5.4	5.3	3.1	<b>2.7</b>
Participants in in-house double jobs (persons)	—	36	49	70	54	<b>98</b>
Participants in external challenge work (persons)	—	25	63	81	81	<b>62</b>
Paid annual leave taken (%)	63.4	62.2	65.3	70.1	71.6	<b>67.4</b>
Females in management positions (%)	19.1	18.6	19.2	21.1	22.8	<b>26.0</b>
Uptake of parental leave (persons)	61	64	105	100	94	<b>100</b>
Women (persons)	59	64	104	99	93	<b>95</b>
Men (persons)	2	0	1	1	1	<b>5</b>
Uptake of parental leave among women <sup>2</sup> (%)	100	100	98	93	95	<b>100</b>
Return to work after parental leave among women <sup>2</sup> (%)	98	95	96	100	95	<b>100</b>
Employment of people with disabilities (%)	1.87	1.90	1.84	2.08	2.10	<b>2.30</b>
<b>Products and Quality</b>						
Pleasantly surprised testimonials <sup>3</sup> (cases)	1,405	1,669	1,293	1,191	1,963	<b>2,403</b>
Improvements and findings (cases)	11,292	11,758	10,637	10,367	9,585	<b>10,465</b>
<b>Social Contributions</b>						
Donors to Michinoku Future Fund (persons)	871	854	866	858	897	<b>Ended<sup>4</sup></b>
Donors to Karugamo Fund (persons)	969	934	945	929	953	<b>944</b>
<b>Environment</b>						
Changes in crude oil equivalent (kl)	8,319	8,160	8,175	8,015	8,179	<b>7,930</b>
Total CO <sub>2</sub> emissions (t/year)	16,559	15,846	15,772	14,669	13,957	<b>13,327</b>
Sales intensity (t/million yen)	0.186	0.177	0.163	0.141	0.131	<b>0.132</b>
Electricity consumption (1,000 kWh/year)	24,428	23,994	23,711	24,289	25,110	<b>24,914</b>
Sales intensity (1,000 kWh/million yen)	0.274	0.268	0.245	0.233	0.236	<b>0.247</b>
City gas consumption (1,000 m <sup>3</sup> /year)	2,383	2,395	2,410	2,087	2,072	<b>2,913</b>
Sales intensity (m <sup>3</sup> /million yen)	27	27	25	20	19	<b>29</b>
Water usage (1,000 m <sup>3</sup> /year)	292	275	290	266	271	<b>248</b>
Sales intensity (m <sup>3</sup> /million yen)	3.3	3.1	3.0	2.5	2.5	<b>2.4</b>
<b>Health Management</b>						
Employees performing 8,000-step walking and 20-min. Brisk walking at the time of events (%)	—	28.2	41.0	44.4	48.5	<b>29.3<sup>5</sup></b>
Obesity (men; BMI ≥ 25) (%)	22.4	21.9	24.0	22.5	25.6	<b>26.2</b>
Obesity (women; BMI ≥ 25) (%)	9.9	13.7	15.3	15.2	16.4	<b>16.6</b>
Smoking rate (%)	13.5	12.5	11.6	7.7	0.1	<b>0.1</b>
Anemia among female employees <sup>6</sup> (%)	5.1	7.3	5.1	4.9	5.1	<b>14.3</b>

<sup>1</sup> Excludes mandatory retirees and part-time employees.

<sup>2</sup> Most people leave the Company due to a job relocation of their spouse.

<sup>3</sup> Positive responses such as letters of appreciation from customers

<sup>4</sup> This program ended following the end of the collection of donations.

<sup>5</sup> Implemented in 2020 during Japan's state of emergency.

<sup>6</sup> Changed the diagnostic criteria in 2020 (to align with the WHO criteria).

# Corporate Data (as of March 31, 2021)

## Company Profile

<b>Company Name</b>	Rohto Pharmaceutical Co., Ltd.	<b>Incorporated</b>	September 15, 1949
<b>Capital</b>	6,504 million yen	<b>Number of Employees</b>	6,596 (consolidated basis) 1,595 (non-consolidated basis)
<b>Founded</b>	February 22, 1899		

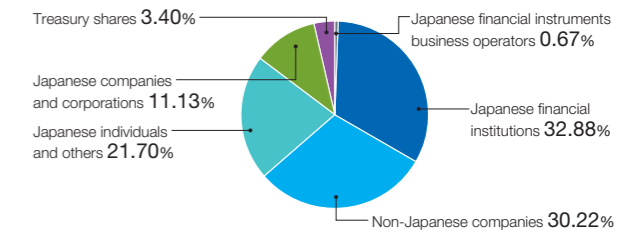
## Directors and Officers

Board of Directors		Auditors	
<b>Chairman and Chief Executive Officer</b>	Kunio Yamada	<b>Full-time Auditor</b>	Masanori Kimura
<b>President and Chief Operating Officer</b>	Masashi Sugimoto	<b>Full-time Auditor</b>	Hideto Uemura
<b>Executive Vice President</b>	Masaya Saito	<b>External Auditor</b>	Katsusuke Amano
<b>Managing Director</b>	Shinichi Kunisaki	<b>External Auditor</b>	Yasuhiro Tani
<b>Director</b>	Chiharu Takakura		
<b>Director</b>	Atsushi Hiyama		
<b>External Director</b>	Shingo Torii		
<b>External Director</b>	Akie Iriyama		
<b>External Director</b>	Haruka Mera		

## Shares

<b>Number of Shares Authorized</b>	399,396,000 shares
<b>Number of Shares Issued</b>	114,070,111 shares (excl. 4,019,044 treasury shares)
<b>Number of Shareholders</b>	18,087

## Shareholdings by Shareholder Type



## Major Shareholders (Top 10)

Shareholder	Shareholdings (thousand shares)	Voting stake (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	10,030	8.79
STATE STREET BANK AND TRUST COMPANY 505223	9,668	8.47
Custody Bank of Japan, Ltd. (Trust account)	8,225	7.21
MUFG Bank, Ltd.	3,800	3.33
Kiyoko Yamada	2,968	2.60
Yamada Kosan Limited Private Company	2,807	2.46
Sansho Kosan Co., Ltd.	2,568	2.25
Nippon Life Insurance Company	2,119	1.85
HSBC-FUND SERVICES, HBAP CLTS UCITS A/C - IRELAND	2,054	1.80
Kunio Yamada	1,954	1.71

Note) The Holding Ratio has been calculated by deducting the treasury stock (4,019,044 stocks).

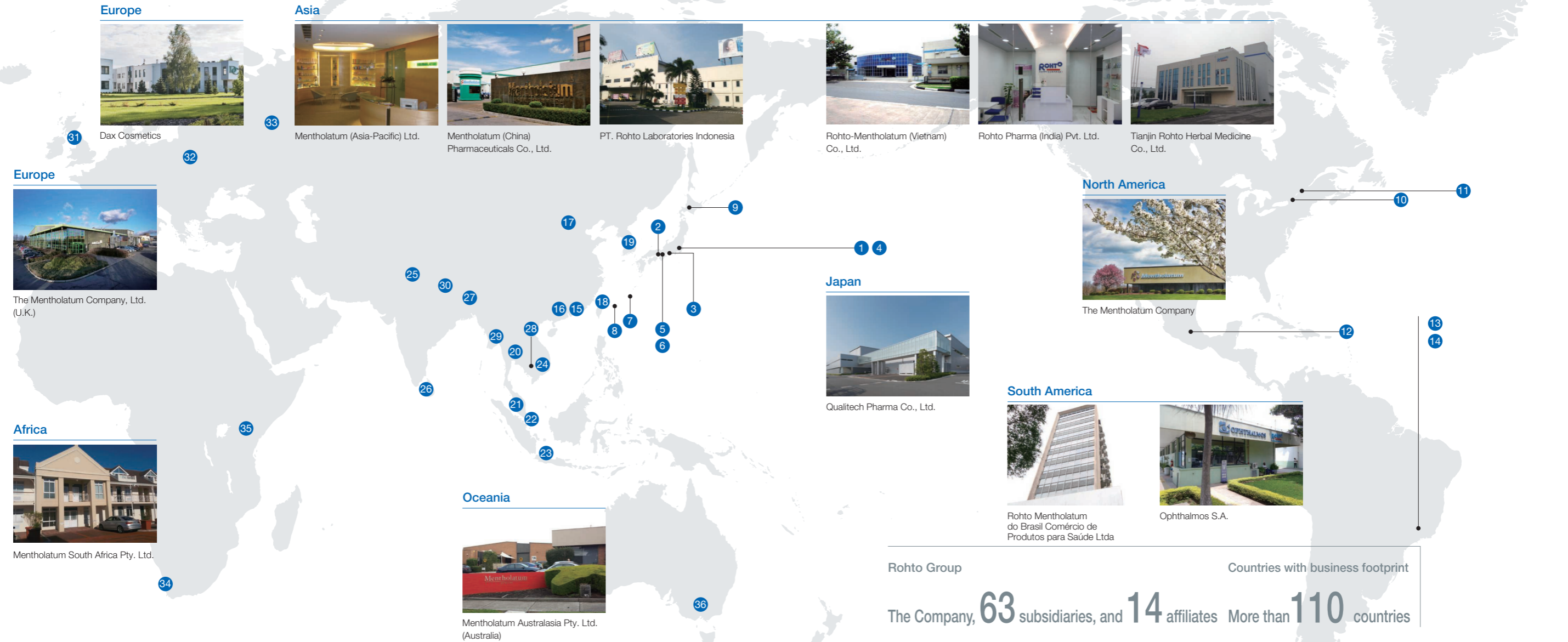
## Basic Stock Information

<b>Securities Code</b>	4527
<b>Fiscal Year</b>	April 1 to March 31 of the next year
<b>Shareholder Registry Administrator</b>	Mitsubishi UFJ Trust and Banking Corporation
<b>Stock Listing</b>	Tokyo Stock Exchange, Inc. (First Section)

## Inquiry

ESH Regional Collaboration Promotion Office,  
Public Relations & Creating Shared Value Division  
Rohto Pharmaceutical Co., Ltd.

# Global Network



Rohto Group Countries with business footprint  
 The Company, **63** subsidiaries, and **14** affiliates More than **110** countries

45 consolidated subsidiaries and 2 consolidated subsidiaries accounted for by the equity-method

## Main Subsidiaries and Affiliates

	Company Name	Location
Japan	1 Qualitech Pharma Co., Ltd.	Minato-ku, Tokyo
	2 Mayado Pharmaceutical Co., Ltd.	Kobe, Hyogo Pref.
	3 Nitten Pharmaceutical Co., Ltd.	Nagoya, Aichi Pref.
	4 Interstem Co., Ltd.	Hachioji, Tokyo
	5 Amato Pharmaceutical Products, Ltd.	Toyonaka, Osaka Pref.
	6 MG Pharma Inc.	Ibaraki, Osaka Pref.
	7 Ceres Okinawa Co., Ltd.	Ogimi, Okinawa Pref.
	8 Yaeyama Farm Co., Ltd. (Specific agricultural production company)	Ishigaki, Okinawa Pref.
	9 Hokushinfoods Co., Ltd.	Ebetsu, Hokkaido Pref.
Americas	10 The Mentholatum Company	New York, U.S.A.
	11 The Mentholatum Company of Canada, Ltd.	Ontario, Canada
	12 Mentholatum de México S.A. de C.V.	Mexico City, Mexico
	13 Rohto Mentholatum do Brasil Comércio de Produtos para Saúde Ltda	Sao Paulo, Brazil
Asia	14 Ophthalmos S.A.	Sao Paulo, Brazil
	15 Mentholatum (Asia-Pacific) Ltd.	Hong Kong, China
	16 Mentholatum (China) Pharmaceuticals Co., Ltd.	Guangdong Province, China
	17 Tianjin Rohto Herbal Medicine Co., Ltd.	Tianjin, China
	18 Mentholatum Taiwan Ltd.	Taipei, Taiwan

	Company Name	Location
Europe and Africa	19 Mentholatum (AP) Ltd., Korea Branch	Seoul, South Korea
	20 Rohto-Mentholatum (Thailand) Ltd.	Bangkok, Thailand
	21 Rohto-Mentholatum (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia
	22 Mentholatum Singapore Division	Singapore
	23 PT. Rohto Laboratories Indonesia	Jakarta, Indonesia
	24 Rohto-Mentholatum (Vietnam) Co., Ltd.	Binh Duong Province, Vietnam
	25 Rohto Pharma (India) Pvt. Ltd.	Haryana, India
	26 Rohto-Mentholatum (Lanka) Pvt. Ltd.	Colombo, Sri Lanka
	27 Rohto-Mentholatum (Bangladesh) Ltd.	Dhaka, Bangladesh
	28 Rohto-Mentholatum (Cambodia) Co., Ltd.	Phnom Penh, Cambodia
Oceania	29 Rohto-Mentholatum (Myanmar) Co., Ltd.	Yangon, Myanmar
	30 Rohto-Mentholatum (Nepal) Co., Ltd.	Kathmandu, Nepal
	31 The Mentholatum Company, Ltd. (U.K.)	Scotland, U.K.
South America	32 Dax Cosmetics	Mazowieckie Province, Poland
	33 Rohto Mentholatum RU LLC	Moscow, Russia
	34 Mentholatum South Africa Pty. Ltd.	Cape Town, South Africa
	35 Rohto-Mentholatum (Kenya) Ltd.	Nairobi, Kenya
	36 Mentholatum Australasia Pty. Ltd.	Victoria, Australia



*NEVER SAY NEVER*

**ROHTO**

Rohto Pharmaceutical Co., Ltd.

<https://www.rohto.co.jp/>

1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka, Japan 544-8666

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