

Material Issues		Vision over the medium- to long-term	Major initiatives	Indicators (items in blue are actual for FY2023)	Evaluation	
Initiatives to Create New Value	Value Creation	1 Creation of Innovative Drugs	Cooperate with top scientists and accelerate the creation of new drugs that can change the world.	<ul style="list-style-type: none"> Explore unique breakthrough drug seeds and creation of new drug candidates through open innovation Improve the speed of creation of new drug candidate compounds by selecting optimal modalities, utilizing artificial intelligence (AI), etc. Promote drug discovery research based on human disease biology using the latest technologies, such as AI and informatics, as well as patient-derived samples Promote translational research by searching for biomarkers based on the mechanism of action 	<ul style="list-style-type: none"> The number of new products going to clinical trials: 1 	△
		2 Pipeline Expansion	The speed and accuracy of establishing PoC*1 for new drug candidates are improving, and the pipeline is enriched through licensing activities.	<ul style="list-style-type: none"> Establish PoC on multiple projects and conduct global clinical trials <ul style="list-style-type: none"> Continue system development for early establishment of PoC Further enhance activities for translational research (TR) and reverse translational research (rTR) Increase the speed and accuracy of establishing PoC by using state-of-the-art technologies and methodologies Strengthen licensing activities to obtain global rights 	<ul style="list-style-type: none"> The number of drug candidates in the clinical development stage: 20 The number of newly in-licensed drug candidates: 1 (license agreement for NXI-101 antibody against cancer immune resistance factor ONCOKINE-1) Approvals received in the U.S. and Europe: Total of 11 projects at the clinical trial stage 	○
		3 Maximization of Product Value	We have addressed our goal of achieving the well-being*2 of patients and their families in cooperation with healthcare professionals, and as a result, our new drugs are spreading promptly.	<ul style="list-style-type: none"> Engage in effective marketing activities, use digital communications to provide information, and improve the expertise of MRs Obtain approvals for drugs with indications and usage, dosage and administration that maximize the potential of developed compounds Identify needs of patients and healthcare professionals and design products to meet them Generate evidence focused on extension of the healthy life span (efficacy, safety, and QoL) 	<ul style="list-style-type: none"> Number of patients to whom our new drugs are delivered: Approx. 970,000 patients Sales by major product: OPDIVO: ¥145.5 billion, FORXIGA: ¥76.1 billion Number of approvals received in Japan, Korea, and Taiwan: Japan 2 approved 	○
		4 Realization of Direct Sales in the U.S. and Europe	Aiming to become a globally competitive specialty pharmaceutical company, we are marketing new drugs in the U.S. and Europe.	<ul style="list-style-type: none"> Establish a sales structure for the launch of ONO-4059 in the U.S. Carry out development in Europe and establish a sales structure according to the progress of the development 	<ul style="list-style-type: none"> Start direct sales in the U.S. and Europe: Increase of about 40 employees (total of about 100 employees) to reinforce development organization, sales organization, and infrastructure at ONO PHARMA USA, INC. 	○
		5 Expansion of Business Domains	ONO will contribute to solving social issues and realizing next-generation healthcare by leveraging digital technology combined with its own strengths.	<ul style="list-style-type: none"> Create and promote new businesses utilizing digital technology, starting from customers' unresolved issues (needs) Develop and commercialize evidence-based products and services to solve social issues in the healthcare sector (Ono Pharma Healthcare Co., Ltd.) Invest in and create business for venture companies engaged in businesses aimed at solving healthcare issues (ONO DIGITAL HEALTH INVESTMENT, GK) 	<ul style="list-style-type: none"> The number of new products and services provided: 1 Launched the beta version of "michiteku", a tool to support cancer patients (colorectal cancer and gastric cancer) in their daily lives during treatment.*4 	○
	Foundation for Value Creation	6 Corporate Transformation through Digital & IT	A global IT infrastructure is being implemented and corporate transformation through digital is being realized.	<ul style="list-style-type: none"> Implement cross-functional IT infrastructure based on the IT blueprint Implement a data utilization platform including internal and external data for important decision-making Improve robust information security management capabilities Develop the talent to plan and lead DX 	<ul style="list-style-type: none"> Completion and utilization of the IT blueprint (big picture for IT infrastructure and related systems) Construction and use of a data utilization platform: Operate OASIS Establishment of a cross-functional DX promotion system: Obtained DX Certification The number capable of available to participate and work in DX projects: 559 (FY2026 target: at least 500) The number of participants capable of planning, managing, and executing DX projects: 138 (FY2026 target: at least 200) 	○
		7 Strengthening of Financial Capital: financial strategy and policy on medium- to long-term investment	Based on our corporate philosophy, "Dedicated to the Fight against Disease and Pain," we strive to maintain and expand a robust financial base that leads to drug discovery, with the aim of becoming a Global Specialty Pharma that creates innovative new drugs that truly benefit patients, and responds to unmet medical needs.	<ul style="list-style-type: none"> Enhance operating cash flow by expanding sales revenue Increase asset efficiency by reducing cross-shareholdings Maintain and increase profitability and ROE by maximizing return on investment 	(FY2022 to FY2026) <ul style="list-style-type: none"> Revenue CAGR: In the high single digits: 39.1% for FY2021 Operating profit to revenue ratio: Maintain 25% or higher: 31.8% 	○
		8 Expansion of Human Capital	Based on the human resource strategy for the realization of the corporate philosophy and vision, we are making efforts to recruit and develop human resources that contribute to business growth and to realize an organizational culture that leads to improvement of diversity and fostering a sense of unity. Systems and measures that attract human resources have been established, and an environment is provided where all employees can work with peace of mind and safety.	<ul style="list-style-type: none"> Next executive talent: Promote the training for selected employees and the strategic personnel transfers Globally competent talent: Promote development plans based on global development and implement global strategic personnel transfers Digital talent: Develop talent to plan and lead the digital transformation, and provide training programs for them Innovation talent: Provide programs to trigger innovations, and promote innovation Other: Engage in activities to disseminate mission statements, provide voluntary-participation type training, develop a self-development learning support system, etc. 	<ul style="list-style-type: none"> In next executive talent pool: 200 (FY2026 target: at least 250) In globally competent talent pool: 171 (FY2026 target: at least 300) The number of human resources capable of being made available to participate and work in DX projects: 559 (FY2026 target: at least 500) The number of talent capable of planning, managing, and executing DX projects: 138 (FY2026 target: at least 200) Core innovation talent: 69 (FY2026 target: at least 180) 	○
		9 Intellectual Property Strategies	In our research and development activities, we ensure that IP that leads to innovative drugs is licensed, and we create new IP by leveraging internal and external IP to create financial value.	<ul style="list-style-type: none"> Create and maintain IP to create innovative new drugs Strengthen the inventive process to lengthen the life of launched products and products in development, and file patents effective for LCM*3 Utilize IP (IP landscape) through integrated analysis with market and business information to determine the appropriateness of in-licensed products, new businesses, investments, etc. 	<ul style="list-style-type: none"> Products and the R&D pipeline Frequency of utilizing IP information (IP landscape) 	○
		10 Open Innovation	Based on the original seeds discovered through collaborative research with world-class researchers, the Company is continually creating new drug candidates through drug discovery partnerships with biopharmaceutical companies.	<ul style="list-style-type: none"> Promote collaborative research with world-class researchers, and drug discovery partnerships and research collaboration with biopharmaceutical companies focusing on priority research areas Strengthen competitiveness in drug discovery and R&D activities through strategic investments by ONO VENTURE INVESTMENT, INC. 	<ul style="list-style-type: none"> The number of research/drug discovery partnerships: Approx. 280 globally (active as of the end of March 2024) 	○
		11 Promotion of Diverse Partnerships	We strengthen Company brands, etc. and accelerate business activities to promote partnerships with diverse stakeholders.	<ul style="list-style-type: none"> Collaborate with partner companies in the research and development and sale of drugs Build relationships with local communities and municipalities Build cooperative relationships with the suppliers Build relationships with many partners for our business 	<ul style="list-style-type: none"> The number of companies with which in-license and out-license agreements are concluded: 1 The number of research/drug discovery partnerships: Approx. 280 globally (active as of the end of March 2024) Other partnering results 	○

*1 PoC (Proof of Concept): PoC studies are an early stage of clinical drug development to confirm that the safety and efficacy anticipated during drug discovery are demonstrated in clinical settings.

*2 "Well-being" refers to a state in which satisfaction in mental, physical, social, and life conditions are achieved.

*3 Life Cycle Management

*4 Released michiteku β-version in May 2023

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Value Preservation (Risk of damage to value)	12 Assurance of Reliability and Safety	A Global Specialty Pharma company with established organizational systems for appropriate quality assurance and safety management.		<ul style="list-style-type: none"> • Create appropriate global systems for product quality and safety management • Establish an operation to study safety signals of investigational products • Establish a system to respond to inspections of products for the U.S. market in preparation for the launch of ONO-4059 in the U.S. 	<ul style="list-style-type: none"> • Completion of global quality assurance and safety management systems • Zero critical findings from regulatory inspections: achieved • Zero recalls of ONO products: achieved 	<ul style="list-style-type: none"> ○ ○ ○
	13 Stable Supply of Products	Our products are supplied stably to patients throughout the world.		<ul style="list-style-type: none"> • Build a global product supply system • Implement risk management for overall operations related to product supply, such as strengthening response to BCP, maintaining proper inventory, etc. • Examine mid- to long-term stable production systems, including increased production efficiency and the use of CMO, etc. 	<ul style="list-style-type: none"> • No out-of-stock incidences: achieved 	<ul style="list-style-type: none"> ○
	14 Conservation of the Global Environment	Under "ECO VISION 2050," we aim to become a leading company for the environment in the pharmaceutical industry, and will strive to maintain a rich global environment for future generations so that people can have a healthy and sound society.		<ul style="list-style-type: none"> • Reduce greenhouse gas emissions and increase share of renewable energy in total electricity consumption • Reduce use of water resources • Recycling of unnecessary materials 	<ul style="list-style-type: none"> • Achievement of medium- to long-term environmental targets associated with ECO VISION 2050 • Realization of a decarbonized society: Scope 1 + 2 emissions (compared to FY2017) reduced by 46.2%, renewable energy utilization rate in purchased electricity reached 48.5% • Realization of a water-recycling society: Water resource consumption (water intake) reduced by 3.3% year-on-year • Realization of a resource-recycling society: Recycling rate of unnecessary materials 70.3% 	<ul style="list-style-type: none"> ○ ○ ○
	15 Respect for Human Rights	<p>Human rights risk management</p> <ul style="list-style-type: none"> • Aim to construct a management system based on the UN Guiding Principles on Business and Human Rights • Aim to construct a governance system with adaptability to appropriately respond whenever human rights problems arise and establish a foundation of trust with society for the Group (including supply chain) <p>Improving access to healthcare</p> <ul style="list-style-type: none"> • We are delivering innovative medicines for rare and pediatric diseases. • We are contributing to local capacity-building*1 in areas with immature medical infrastructures (in collaboration with NPOs and NGOs). 		<p>Human rights risk management</p> <ul style="list-style-type: none"> • Conduct human rights due diligence <p>Improving access to healthcare</p> <ul style="list-style-type: none"> • Develop new drugs and get additional approvals for rare diseases and pediatric indications with high unmet medical needs • Collaborate with NPOs and NGOs and support local capacity-building in areas with immature healthcare infrastructure 	<p>Human rights risk management</p> <ul style="list-style-type: none"> • Conduct human rights due diligence within the Group (up to 2026) • Conduct human rights risk assessments for high priority suppliers (up to 2026) <p>Improving access to healthcare</p> <ul style="list-style-type: none"> • Number of approved rare disease/pediatric indications: 2 • Project outcome goals (A new project began in FY2022) → See ONO Bridge Project goals 	<ul style="list-style-type: none"> ○ ○ ○ ○
	16 Thorough Compliance	Establish a compliance risk management system to support global business expansion and prevent compliance violations.		<ul style="list-style-type: none"> • Establish overall risk management (ERM) for global response, including compliance • Comply with relevant laws and regulations of the pharmaceutical business, promote proper use of pharmaceuticals, prevent corruption and corrupt practices, protect information, etc. • Foster a culture of proactive involvement in preventing compliance violations • Strengthen governance of compliance risks by the Board of Directors 	<ul style="list-style-type: none"> • Number of significant compliance violations*2: 0 	<ul style="list-style-type: none"> ○
	17 Realization of Sustainability Management with Business Partners	Strengthen collaborative relationships with business partners and manage sustainability-related risks such as the natural environment and human rights.		<ul style="list-style-type: none"> • Share our code of conduct, get consent forms • Assess risk • Carry out on-site audits • Confirm corrective action efforts 	<ul style="list-style-type: none"> • Establish a stronger risk management system (formulate policies and Sustainable Procurement Code, and create related system) (up to 2026) • Comprehensive evaluations of companies in high-risk areas (up to 2026) 	<ul style="list-style-type: none"> ○ ○
	Corporate Governance	18 Strengthening of Corporate Governance	Establish an effective governance structure to achieve sustainable growth		<ul style="list-style-type: none"> • Improve function of the Board of Directors to enhance governance • Continue taking measures to enhance function of the Board of Directors through communications with stakeholders and evaluation of the effectiveness of the Board of Directors • Establish governance system for sustainable growth • Continue monitoring risk management-related measures by the Board of Directors 	<ul style="list-style-type: none"> • Improve operation through evaluations of the effectiveness of the Board of Directors: Expand support for Outside Directors, Board of Directors review of SR Activity Report (shared opinion of shareholders and investors) and agenda setting

*1 Providing support for the development of medical human resources and the establishment of medical systems so that communities facing challenges can overcome them on their own.

*2 Violations that have a great impact on sales and profits and have a great social impact.