

Material Issues (Updated March 2025)

Material issues		Vision over the medium- to long-term	Main initiatives from FY2025 onward	Indicators
Growth Strategy	1 Reinforcement of Pipelines	<ul style="list-style-type: none"> Collaborate with top scientists to accelerate drug discovery for changing the world, and also the speed and accuracy of establishing POC for new drug candidates are improving, and the pipeline is enriched through licensing activities. 	<ul style="list-style-type: none"> Discover the seeds of creating original drugs and create new drug candidates through open innovation Accelerate research speed through optimal modality selection and use of artificial intelligence (AI) 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 (TR)* using biomarkers based on mechanism of action <ul style="list-style-type: none"> * Research bridging basic and clinical studies Promote joint research with world-class researchers, focused on priority research areas, and research and drug discovery alliances with biotech ventures Strengthen competitiveness in drug discovery and R&D activities through strategic investments by Ono Venture Investment, Inc. Create and maintain IP to create innovative new drugs Utilize IP information (IP landscape) through integrative analysis of market and business information in the evaluation of partnering projects and in-licensed products Quickly establish POC <ul style="list-style-type: none"> ~ Pursuit of optimal implementation system ~ Formulate strategic development plans to increase POC success rates <ul style="list-style-type: none"> ~ Utilizing alternative metrics through enhanced TR and data collection ~ 	<ul style="list-style-type: none"> The number of new products going to clinical trials The number of research/drug discovery partnerships Number of compound license agreements Number of clinical development stage transitions
	2 Acceleration of Global Business Advancement	<ul style="list-style-type: none"> As a specialty pharma capable of competing globally, accelerating development and business advancement worldwide. 	<ul style="list-style-type: none"> Promote and accelerate global expansion by integrating U.S. and European development and sales operations into Deciphera 	<ul style="list-style-type: none"> Maximization of Product Value for QINLOCK and ROMVIMZA Tirabrutinib U.S. application and launch preparation
	3 Maximization of Product Value	<ul style="list-style-type: none"> We have addressed our goal of achieving the well-being 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 Plan and execute application strategies aimed at maximizing indications and efficacy (dosage and administration) Strengthen the invention generation process and patent application to support lifecycle management of products and development items 	<ul style="list-style-type: none"> Number of patients to whom our new drugs are delivered Sales by major product Number of applications and approvals obtained in Japan, South Korea, and Taiwan
	4 Expansion of Business Domains	<ul style="list-style-type: none"> Contributing to solving social issues and realizing next-generation healthcare by leveraging digital technologies and our strengths. 	<ul style="list-style-type: none"> Create and promote new businesses using digital technology to resolve unmet customer 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) Utilize IP information (IP landscape) through integrative analysis of market and business information for new business development 	<ul style="list-style-type: none"> The number of new products and services provided
Foundation for Promoting the Growth Strategy	5 Corporate Transformation through Digital & IT	<ul style="list-style-type: none"> A secured global IT infrastructure is being implemented and corporate transformation through digital is being realized. 	<ul style="list-style-type: none"> Promote DX vision and strategy Develop global business infrastructure Strengthen the business foundation through digital solutions and IT 	<ul style="list-style-type: none"> Number of DX/IT projects that contributed to the creation of new drug candidates and faster development speed Status of global business infrastructure development Zero business impact from major incidents Achievement status of key milestones for DX/IT projects Status of development of IT asset portfolio management methodologies

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Foundation for Promoting the Growth Strategy	6 Expansion of Human Capital	<ul style="list-style-type: none">Based on the human resource strategy for the realization of the corporate philosophy and vision, we are committed to recruiting and developing talent that contributes to business growth and to realizing an organizational culture that enhances diversity and fosters 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">Future executive talent: Promote training and strategic personnel transfers through Talent Development CommitteeGlobal talent: Implement training and personnel transfers to develop talent for global businessDigital talent: Develop talent to plan and lead the digital transformation, and provide training programs for themInnovation talent: Provide programs to trigger innovations, and promote innovationOthers: Implement global mission statement training, DEI promotion initiatives, self-improvement learning support system, etc.	<p>Number of employees in the following:</p> <ul style="list-style-type: none">The next executive talent pool: FY2026 target: at least 250The globally competent talent pool: FY2026 target: at least 300Those ready to participate in DX projects: FY2026 target: at least 500Those capable of planning, managing and executing DX projects: FY2026 target: at least 200Those with core innovation talent: FY2026 target: at least 180
	7 Conservation of the Global Environment	<ul style="list-style-type: none">Under “ECO VISION 2050,” we aim to become a leading environmentally friendly company in the pharmaceutical industry, and will strive to inherit 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 consumptionEfficiently use water resources and reduce water pollution risksRecycling of unnecessary materials	<p>Achievement of medium- to long-term environmental targets associated with ECO VISION 2050</p> <ul style="list-style-type: none">Realization of a decarbonized society: Scope 1 + 2 emissions (compared to FY2017) reduced by 73%, renewable energy utilization rate in purchased electricity reached 100%Realization of a water-recycling society Efficient use of water resources, 100% assessment of the impact of wastewater on aquatic organisms (target sites: our factories and research institutes)Realization of a resource-recycling society: Recycling rate of unnecessary materials 60%
Realization of a Sustainable Society	8 Enhancement of Social Trust	<ul style="list-style-type: none">We will continue to ensure robust quality assurance and safety management systems, while stably supplying and continuously improving our products for patients.We are implementing management practices based on the “UN Guiding Principles on Business and Human Rights,” while also identifying sustainability-related risks with our business partners and working together to realize a sustainable society.We are providing innovative medicines for rare diseases and pediatric diseases to improve access to healthcare, and supporting the development of healthcare infrastructure in underdeveloped areas.	<p>Quality assurance, safety management, stable supply</p> <ul style="list-style-type: none">Create appropriate global systems for product quality and safety managementDevelopment of inspection response systems for U.S.-bound products in preparation for U.S. launch of TirabrutinibBuild a stable supply system capable of handling uncertainty	<p>Quality assurance, safety management and stable supply of products</p> <ul style="list-style-type: none">Completion of global quality assurance and safety management systemsZero critical findings from regulatory inspectionsZero recalls of Ono productsNo out-of-stock incidences
			<p>Build relationships with numerous partners related to our business</p> <ul style="list-style-type: none">Obtain signed agreements to the Sustainable Procurement Code from business partners, conduct risk assessments, and implement on-site audits	<p>Build relationships with numerous partners related to our business (until 2026)</p> <ul style="list-style-type: none">Build a robust risk management system (formulate policies, establish the Sustainable Procurement Code, and develop systems)Comprehensive evaluations of companies in high-risk areas
			<p>Human rights risk management (up to 2026)</p> <ul style="list-style-type: none">Conduct human rights due diligence within the GroupConduct employee training on human rights	<p>Human rights risk management (up to 2026)</p> <ul style="list-style-type: none">Whether or not human rights due diligence has been carried out for our GroupWhether or not employee training on human rights has been conducted
			<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 needsSupport local capacity building in regions with underdeveloped medical infrastructure through collaboration with NPOs/NGOs	<p>Improving access to healthcare</p> <ul style="list-style-type: none">Number of approved rare disease/pediatric indicationsProject outcome goals
	9 Strengthening Governance	<ul style="list-style-type: none">Establishing an effective corporate governance system to achieve our sustainable growth, including the establishment of 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 complianceComply 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 violationsStrengthen governance by the Board of Directors <p>Set agendas and review submission standards for the Board of Directors based on progress of growth strategies, etc. (Speed up decision-making through proper submission standards, strengthen oversight functions in response to changes in the business environment)</p>	<ul style="list-style-type: none">Number of significant compliance violationsImprove operation through evaluations of the effectiveness of the Board of Directors