ONO PHARMACEUTICAL CO.,LTD.

Corporate Report 2025

Year ended March 31, 2025

Introduction

With a history of approximately 300 years, Ono has pursued its philosophy—Dedicated to the Fight against Disease and Pain—by contributing to people's health. The creation of innovative medicines is the very foundation of our Group's value creation, and its source lies in our enduring spirit of challenge. In the "Corporate Report 2025," with "challenge," such as pioneering open innovation and driving globalization, as the key theme, we present in a single story how these challenges will realize both corporate growth and the creation of social value. Through this, we illustrate the future vision of fulfilling our purpose by continuing to take on challenges with a passionate spirit of "all for the patients."

Stakeholder Interests and Relevant Content

We feature themes that respond to two questions that have been especially frequently asked by stakeholders.

Q1 What is your growth strategy to overcome the patent cliff?

Long-Term Vision and Four Growth Strategies P. 5

Q2 What initiatives are you undertaking for long-term value creation?

Sustainable Management Policy P. 57

Table of Contents and Storyline

This report is structured along the following storyline to help you fully understand our Group's value creation throughout the entire booklet.

Editorial Policy: Our Group, recognizing the current business environment and medium- to long-term growth strategies as "priority management issues," reidentified materiality in 2025 to promote integrated management of financial and non-financial aspects. The 2025 edition emphasizes the implementation of the new materiality and expands descriptions of intellectual capital, human capital, and social relationship capital as important non-financial resources at the source of our research and development capabilities.

Coverage of This Report

Scope of Coverage: ONO PHARMACEUTICAL CO., LTD.
Some pages also include the activities of the whole Group or group companies.
Period of Coverage: April 1, 2024 through March 31, 2025
Some parts include activities after April 2025.

Reference Guidelines: Ono refers to the International Integrated Reporting Framework issued by the International Financial Reporting Standards (IFRS) Foundation, Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation compiled by the Ministry of Economy, Trade and Industry of Japan, Environmental Reporting Guidelines 2018 by the Ministry of the Environment of Japan, and the Final Report on Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The GRI Standards are also referred to. Comparative tables are on the Sustainability pages of our website.

GRI Standards Content Index

Publication Date
September 2025

Disclaimer Regarding Forward-Looking Statements: This report includes forward-looking statements regarding the Ono Group's business. All the forward-looking statements are based on forecast analysis using the information available at the time of preparation of this report. Actual financial results may therefore differ from the current business outlook due to market and industry conditions, and risks and uncertainties associated with general economic conditions at home and abroad. This report also includes information that provides details of pharmaceutical products, including pipelines under development. Please note, however, that this information is not intended for advertising purposes or for giving medical advice.

Related Information

Corporate site
Information on Ono's Sustainability Initiatives
Financial Report
Corporate Governance Report

Corporate Philosophy

Dedicated to the Fight against Disease and Pain

What does Ono do for those facing illness and suffering?

We create medicines.
That is, we create hope for people.

For patients fighting diseases and their families, medicine represents "hope for life." Based on our corporate philosophy: Dedicated to the Fight against Disease and Pain, Ono has delivered hope to patients and their families by creating innovative medicines. It is our mission to tackle diseases with no existing treatments and deliver new options to as many people as possible. We will continue to approach science with sincerity and stand alongside those fighting illness and suffering, creating countless irreplaceable futures by creating new medicines.

Our Vision

Be Passionate Challengers

What is it that only Ono can take on?

Pioneering a new future in the global healthcare field.

Ono is aiming to be a Global Specialty Pharma to contribute to the health of even more people. We concentrate our resources and continue to take on challenges ourselves in essential areas that are difficult yet needed, such as oncology, immunology, neurology, and other specialty areas with high medical needs. At the core of this approach is "Be Passionate Challengers," which forms the foundation of our vision. The acquisition of Deciphera is also one of the challenges we take on to deliver the medicines we have created and developed to patients around the world. Together with patients and their families, as well as healthcare professionals, we will continue to be the most passionate challengers in the fight against illness and suffering.

Our Values

Ono aims to be a world-changing team

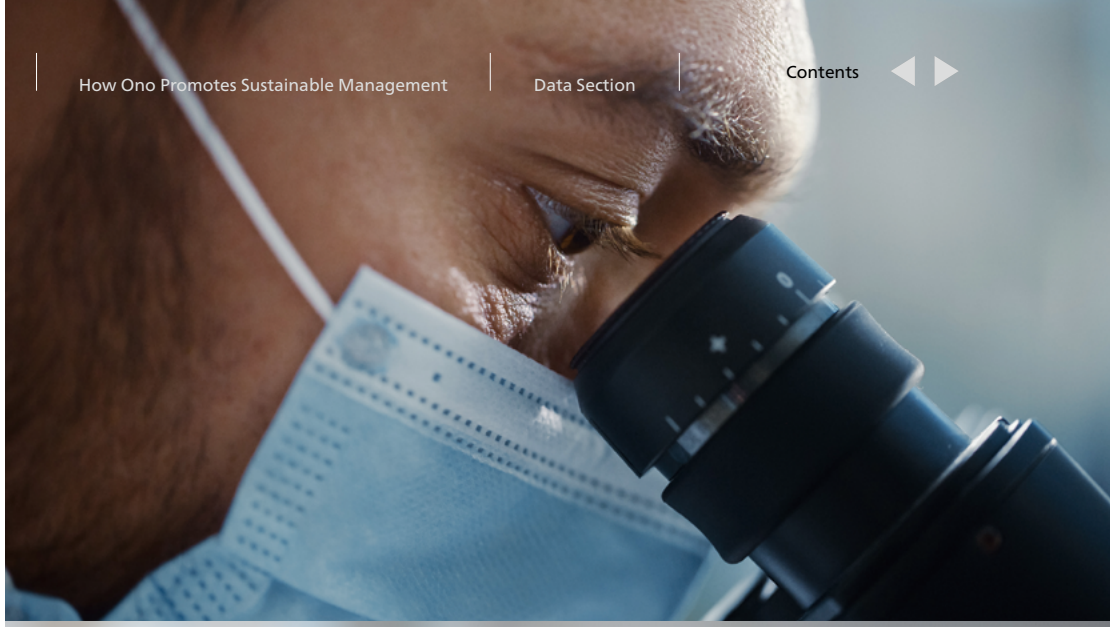
The greater the challenge, the more passionately Ono will rise to meet it

Ono acts with dignity and pride

How will Ono change the world and the future?

It is precisely when we hit a wall that our challenge begins.

The more we hear voices saying, "It's unprecedented" or "It's too difficult," the more we are motivated. That is the driving force of Ono, and by bringing together the power of our team and collaborating with cutting-edge knowledge, we turn the impossible into possible. New medicines are born only after many challenges and failures. The determination to face adversity creates a "BREAK THROUGH." Each employee takes ownership of changing the future, acts by their own will, pioneers uncharted paths, and goes beyond the conventions of medicine through challenges. We take pride in our involvement with medicines and will continue to make tireless efforts into the future.



Corporate Slogan

BREAK THROUGH

Embrace the Challenge with Ono

Ono's Ambition

Ono is aiming to be a Global Specialty Pharma, delivering innovative medicines to patients around the world. Rooted in our corporate philosophy, "Dedicated to the Fight against Disease and Pain," we introduce, through messages from the CEO and COO, the future we envision and how we plan to meet our challenges, along with Ono's vision for growth and what drives us forward.

Long-Term Vision and Four Growth Strategies

The Four Growth Strategies and Our Management Foundation

Management Targets (FY2022-2026)

Revenue CAGR	R&D expenses to revenue ratio	Operating income to revenue ratio
High single digits (compared to FY2021)	**20-25%**	**Maintain at 25% or higher**

Aiming to be a Global Specialty Pharma

The environment surrounding the pharmaceutical industry is rapidly changing, and in new drug development and the healthcare field, there are various growth opportunities such as the increasing activity of open innovation, the creation of new value through collaboration with different industries, and the rising importance of self-medication. We aim to become a globally competitive company that can respond flexibly and swiftly to any situation by implementing four growth strategies: Maximization of product value – From a patient-centered perspective –, Reinforcement of pipelines, Acceleration of global business advancement, and Expansion of business domains. Furthermore, we are striving to enhance our intangible assets that serve as the management foundation supporting these growth strategies, including our digital and IT infrastructure, human capital, and corporate brand.

The Four Growth Strategies and Our Management Foundation

Maximization of product value – From a patient-centered perspective –

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 medicines are spreading promptly.

▶P.46

Acceleration of global business advancement

As a specialty pharma capable of competing globally, accelerating development and business advancement worldwide.

▶P.33

Reinforcement of pipelines

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.

▶P.44

Expansion of business domains

Contributing to solving social issues and realizing next-generation healthcare by leveraging digital technologies and our strengths.

▶P.48

Corporate transformation through Digital & IT

A secured global IT infrastructure is realizing and corporate transformation through digital is being realized.

▶P.50

Management infrastructures to support growth strategies – Expansion of intangible assets –

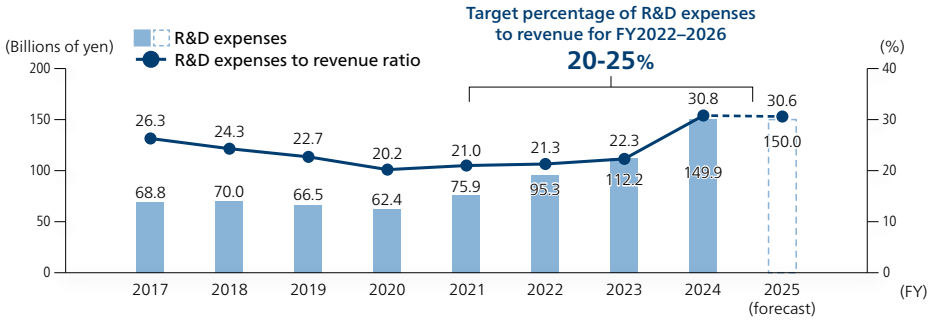
We are working to secure and develop human resources to drive business growth, while also promoting the cultivation of an organizational climate and culture that fosters high employee engagement.

By advancing the penetration of our corporate brand globally together with Deciphera, we are working to enhance corporate value.

▶P.35, 51

R&D Investment

We are actively investing in research and development to create original and innovative medicines for sustainable growth and to strengthen our development pipeline.



Roadmap to the Future

In FY2017, the 300th anniversary of our founding, we set a long-term vision targeting 2031, 15 years from now with the aim of building Ono into a Global Specialty Pharma that provides a continuous flow of innovative medicines around the world. Under the corporate philosophy "Dedicated to the Fight against Disease and Pain", four growth strategies have been established, and we are engaging in business activities accordingly.
In addition, we will strive to expand our intangible assets which are the management infrastructures supporting these growth strategies. Under our Sustainable Management Policy, looking to the next 100 years, we will continue to contribute to the realization of a sustainable society.

Corporate Philosophy **Dedicated to the Fight against Disease and Pain**

400th anniversary of Company's founding

FY2017 ····· FY2022 ····· FY2026 ····· FY2031 ····· 2117

Medium-term management plan (3 periods in total: Final period 2031)

1st period (2017-2021)	2nd period (2022-2026)	3rd period (2027-2031)

Value Provision

- Expansion of OPDIVO's indications, and launch of 8 new products to provide new treatment options
- Contribution to people's health through the launch of healthcare business

Four Growth Strategies

- Maximization of product value – From a patient-centered perspective –
- Reinforcement of pipelines
- Acceleration of global business advancement
- Expansion of business domains

+

Non-Financial Strategies

- Corporate transformation through Digital & IT
- Management infrastructures to support growth strategies – Expansion of intangible assets –

KPI (2026 target)

Revenue CAGR:
In the high **single digits** (compared to 2021)

R&D expenses-to-revenue ratio:
20~25%

Maintain operating profit to revenue ratio at
25% or higher

Value to be provided

Delivering innovative medicines to the world as a Global Specialty Pharma, contributing to people's health

Material Issues (Priority Management Issues)

Growth Strategy		Foundation for Promoting the Growth Strategy		Realization of a Sustainable Society	
1 Reinforcement of Pipelines	2 Acceleration of Global Business Advancement	5 Corporate Transformation through Digital & IT		7 Conservation of the Global Environment	8 Enhancement of Social Trust
3 Maximization of Product Value	4 Expansion of Business Domains	6 Expansion of Human Capital		9 Strengthening Governance	

ECO VISION 2050

Sustainable Management Policy

For more than 300 years since our founding, we have walked hand in hand with society. To help people who are suffering from disease, we have created a series of innovative medicines that had been thought to be impossible.
We will continue to contribute to people's health by practicing our Corporate Philosophy and taking on the challenge of realizing a sustainable society through responsible business activities.

Contributions to People's Health

- Preserving a rich global environment for future generations
- Realizing a society in which everyone can play an active role
- Establishing a highly transparent and robust management

▶P.57

Message from the CEO

Evolving into a Company that Continuously Takes on Challenges in the Global Market and Continues to Create New Value

Gyo Sagara
Representative Director,
Chairman of the Board and Chief Executive Officer

Enhancing our Presence in the Global Market

The business environment in the pharmaceutical industry is becoming increasingly challenging each year, due to intensifying societal and policy scrutiny on healthcare costs and frequent NHI price revisions. Furthermore, drug discovery itself is becoming increasingly difficult. A variety of the therapeutic medicines for areas such as high blood pressure or diabetes that many patients need have been developed leaving only extremely challenging areas such as oncology, central nervous system disorders and rare diseases yet to be developed. Amid the headwinds of rising development costs, pharmaceutical companies face steep obstacles as they strive to deliver smiles to as many patients as possible, as quickly as possible, and are thus required to further accelerate development speed.

For our Company to achieve sustainable growth, it is essential to demonstrate our presence in overseas markets. Japan's share of the global pharmaceutical market, once 20%, has now dropped to about 4%. Meanwhile, the U.S. holds 50% and Europe accounts for 15%. Amid such structural changes, while we remain committed to our long-standing policy of providing new drugs to patients in Japan, we are also transforming into a company that delivers value globally, advancing as a Global Specialty Pharma that continually delivers innovative medicines to patients around the world.

Foundations and Expectations from the Acquisition of Deciphera

As a major move to accelerate globalization, we acquired Deciphera Pharmaceuticals, Inc. in FY2024. Based in the U.S., Deciphera is a biotech venture with an innovative drug discovery platform in oncology and a track record of clinical development and sales in the U.S. and Europe. We regard them as a crucial partner driving our evolution into a Global Specialty Pharma.

Deciphera's strength lies in its proprietary drug discovery capability based on its Switch-Control Kinase Inhibitor Platform, which holds the potential to provide new treatment approaches for refractory cancers. In addition to

having strong synergy with our existing oncology pipeline, we see advantages in utilizing Deciphera's development and sales infrastructure in the U.S. and Europe as a launching pad for our own sales operations. Above all, both companies share a major commonality in putting patients first, which we believe makes this acquisition extremely effective in achieving our goal of sustainable growth.

About Deciphera's Research P. 40

In the Post Merger Integration (PMI) process, collaboration is progressing smoothly in both research & development functions and business operations. In July 2025, we integrated the functions of ONO PHARMA USA, INC., which had played a leading role as a development and sales base in the U.S. and as a development base in Europe and elsewhere, into Deciphera. As a result, Deciphera will seamlessly oversee development, regulatory filing and sales in the U.S. and Europe, enabling rapid and autonomous business operations.

In addition, researcher exchanges between the two companies have begun, and knowledge sharing is underway. Aiming for true organic integration beyond a simple capital relationship, we have begun steady collaboration based on a shared vision across research, development and business areas.

Going forward, we expect Deciphera to play a central role not only in the creation of new pipelines in oncology, but also in expanding our presence and business in the U.S. and European markets. Steadily, the Ono Group is making progress as a company that continues to deliver its products to as many patients as possible on the global stage.

Feature P. 35

Building a Foundation for Sustainable Growth

Strategic development of drug discovery and drug candidate in-licensing to build the next pillar of growth

Meanwhile, an urgent challenge for us is the imminent patent expiry of our mainstay products OPDIVO as well as FORXIGA Tablets and Glactiv Tablets in the diabetes field. Although this is an issue inherent to pharmaceutical companies, I believe these challenges serve as the foundation for a leap forward. Securing future growth drivers will be key to achieving sustainable growth.

First, in drug discovery, we will focus even more on the four priority areas of oncology, immunology, neurology and specialty, with particular emphasis on accelerating the development of our own clinical-stage pipelines. At the same time, we are also strategically promoting the acquisition of in-licensed drug candidates. Our targets range from early-stage research to projects in post-POC development stages, and through advancing open innovation cultivated over more than half a century, we will strengthen collaborations with domestic and international academia and bio-ventures.

We will further accelerate licensing activities by leveraging the network Deciphera has built in the U.S. and Europe. For example, regarding sapablursen, a candidate drug for polycythemia vera for which we announced the acquisition of global development and commercialization rights from U.S. company Ionis in March 2025, our acquisition of Deciphera—and its established development and sales infrastructure in the U.S. and Europe—was instrumental in finalizing the license agreement. This is a prime example of synergies materializing quickly post-acquisition, and we will continue to maximize the benefits of acquisitions to further contribute to patients.

Research Strategy P. 37 Development Strategy P. 42

Human resources strategies that turn diversity into strength

In a rapidly changing environment, highly specialized human resources with a global perspective, adaptability to change, high ethical standards, and the ability to collaborate in teams are essential for our Company's advancement. By combining internal training and external recruitment, we aim to create an environment where people with diverse backgrounds can thrive, which we believe will lead to sustainable growth as a company.

New employees are expected not only to acquire fundamental skills through training, but also to challenge themselves and achieve growth through practical experience. We believe that by accumulating diverse work experiences, learning proactively and broadening their range of tasks, employees will develop into human resources capable of meeting global changes.

For mid-career recruitment, we are hiring numerous experienced professionals who can immediately contribute, not only in research, development, CMC & Production and all areas of the supply chain, but also in support functions. The recruitment of diverse human resources, including women and those with experience in global business, is bringing a breath of fresh air to our traditional culture. Furthermore, we are proactively sending researchers and others to external organizations such as academia, with systems in place to feed that experience back into the Company.

Global Talent Strategy P. 51

Reorganizing materiality to clarify priority areas

In FY2024, we reorganized the materialities (key management issues) from 18 items down to 9. The previous list of 18 items was compiled to comprehensively cover wide-ranging perspectives such as environment, society, and economy, but we also received feedback that a more comprehensible structure was needed. Therefore, to allocate resources more strategically and accelerate decision-making and execution, we have integrated and reorganized these items.

In the course of the reorganization, we extracted nine themes that align with our mission and the value we provide, based on dialogue with internal and external stakeholders. The nine materialities are broadly categorized into three areas: "Growth Strategy," "Foundation for Promoting Growth Strategy," and "Realization of a Sustainable Society," reflecting our Company's current situation. Each of these nine materialities forms the foundation for our Company's medium- to long-term growth and represents essential perspectives for earning ongoing trust from society. Going forward, starting with these materialities, we will focus our management resources and unify internal awareness to establish them as company-wide initiatives.

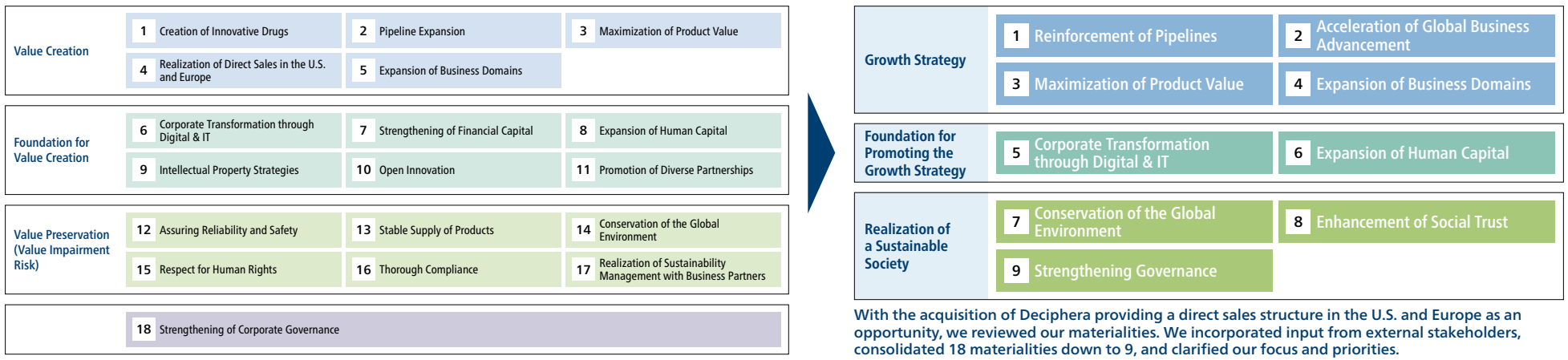
Material Issues P. 19

Toward Management that Responds to Social Trust

Starting from FY2024, our Company assigns the top executive functions to three Representative Directors ("Chairman," "President," and "Executive Vice President"), each taking on distinct roles and responsibilities. President Takino leverages his overseas experience to lead the planning and execution of global strategy, while Executive Vice President Tsujinaka advances human resources strategies and other initiatives, focusing mainly on domestic operations. As Chairman, I make decisions on the Company's overall business and take on responsibility, while also dedicating efforts to activities that help solve social issues in business and industry associations.

Looking domestically, in NHI pricing policy, the lack of predictability in NHI prices has made it difficult for companies to invest in R&D and other areas, leading to concerns

Reorganization of Materialities



With the acquisition of Deciphera providing a direct sales structure in the U.S. and Europe as an opportunity, we reviewed our materialities. We incorporated input from external stakeholders, consolidated 18 materialities down to 9, and clarified our focus and priorities.

that innovation in drug discovery is being hindered. Furthermore, in recent years, issues such as "drug loss" and "drug lag"—where it becomes difficult for Japanese patients to access necessary new medicines—have worsened, and it is no exaggeration to say that society faces a mountain of pharmaceutical-related challenges. We will address these societal issues by working together with governments and related organizations to improve systems and strengthen outreach, thereby living up to society's trust. All of us at the Company share this awareness, and by continuously questioning the ideal form of a company that provides medicines, we will strive to maintain sound and sincere management.

Corporate Governance P. 73

Balancing investment to support future-oriented challenges and shareholder return

Our Company prioritizes both strategic investments for growth and stable shareholder return to achieve sustainable enhancement of corporate value. As a fundamental policy of our financial strategy, we actively allocate funds to growth investments such as R&D and pipeline expansion, while always being mindful of improving capital efficiency.

Regarding shareholder return, we have made progressive dividends our basic policy and strive to provide stable and continuous profit returns. Furthermore, our policy remains unchanged in flexibly repurchasing treasury shares as appropriate according to circumstances. The development of drugs requires extensive time and resources, necessitating that corporate value be enhanced from a medium- to long-term perspective. To ensure sustained value creation and address forward-looking challenges, we respectfully request shareholders' ongoing understanding and support with a long-term perspective.

Financial Strategy and Resource Allocation P. 29

Always with a Patient-centered Perspective, Addressing Social Issues through our Business

In FY2021, our Company established a Sustainable Management Policy. In addition to Contributing to People's Health through our core business, we continue to take on the challenge of realizing a sustainable society under the policies of "preserving a prosperous global environment for future generations," "realizing a society where everyone can actively participate," and "establishing highly transparent and robust management." We believe the foundation of our sustainability lies in continuing to return the profits Ono generates through its core business of delivering new medicines to society, so that both the Company and society can grow together. As our Company grows, we aim to continue taking on challenges so that, using the profits as a resource, we can meet social demands through new drug creation, environmental conservation and social contribution activities.

Additionally, we believe it is also our mission to deliver innovative medicines by listening to the voices of patients worldwide in areas with high unmet medical needs or where access to healthcare is an issue, which remain inadequately addressed by existing treatments.

Delivering medicines to society not only supports the health of patients but also contributes to solving societal challenges as a whole. For example, innovative medicines

can help reduce social costs by enabling early recovery and shorter hospital stays, thereby addressing structural issues such as rising social security expenses. Improving people's health can be expected to invigorate society as a whole, by easing the burden on healthcare and nursing care and raising the labor participation rate. Although we are but a small force, we hope to approach the possibilities of medicine from this broad perspective and strive to provide value of social significance.

Taking on social challenges through medicines is a challenge that Ono has embraced in the past, and will continue to embrace into the future. Now that the values sought in healthcare are changing, we will always address unresolved issues from the perspective of putting patients first. We hope you will look forward to the continued evolution of Ono.

Representative Director,
Chairman of the Board and Chief Executive Officer

Message from the COO

Toichi Takino
Representative Director,
President and Chief Operating Officer

Continuing to Embrace Challenges in Unknown Fields, Becoming a Company that Delivers New Value to Global Healthcare

Advancing Management with an Eye on What Comes after OPDIVO

"Connecting the success of OPDIVO to our next stage of growth." This is the vision statement I shared upon assuming the role of president in 2024. This is not merely a product strategy, it expresses our commitment to remain a pharmaceutical company that relentlessly pursues innovative medicines and to aim for even greater heights. In order to continue delivering new medicines to patients around the world, we must establish solid research and development capabilities that are competitive on a global scale, build a business structure that can generate value worldwide, and pave the way for growth as a Global Specialty Pharma. I believe this is my most important mission.

The acquisition of Deciphera in 2024 was a major step toward realizing this goal. Deciphera is a bio-venture focused on oncology, equipped with development and sales infrastructure in the U.S. and Europe and proprietary

Message from the COO

technology called the Switch-Control Kinase Inhibitor Platform. Going forward, we will deliver Deciphera's new medicines such as QINLOCK and ROMVIMZA as well as new first-in-class medicines created by the Ono Group to patients around the world, especially in the U.S. and Europe, accelerating our global growth strategy.

Looking at the pharmaceutical market as a whole, more than half of the global market is occupied by North America and Europe, particularly the U.S., which is a vast market not only due to the large patient population, but also as a hub for cutting-edge treatments and clinical development. Within our Group as well, we recognize that establishing a solid footing in these regions is essential for our growth as a Global Specialty Pharma. By leveraging Deciphera's development and sales base in the U.S. and Europe, we will establish a strong presence in these rapidly growing markets. This acquisition is only the first step toward our evolution into the Global Specialty Pharma we aim to become. Looking ahead, we are open to partnerships and acquisitions with partners like Deciphera, both within and outside the Company, and will collaborate openly with suitable partners as members of our team.

Expanding the Pipeline that will Drive Growth

In our research and development strategies, we are strengthening both in-house drug discovery and in-licensing, and are focused on expanding our pipeline in the four priority areas: oncology, immunology, neurology and specialty fields. Currently, a diverse array of in-house projects are underway, which we expect to become seeds for future growth.

First, as a third pillar following Deciphera's QINLOCK and ROMVIMZA, our in-house central nervous system primary lymphoma candidate tirabrutinib is scheduled for application in the U.S. in FY2025 and launch in FY2026. To get our global expansion on track, it is essential to have multiple product lines in the target regions and a structure that can meet the diverse needs of patients and healthcare sites. With the group integration of Deciphera as a starting point, I am confident that having these three drugs will allow our Group's global expansion to steadily progress.

Furthermore, we aim for continual applications and launches of new products without interruption. Among our recent in-house products, we are working intensively on the success of several global development products, including ONO-4578 (an EP4 antagonist being developed for gastric cancer in Japan, South Korea and Taiwan, and for colon and rectal cancer in Japan, the U.S. and Europe), ONO-4685 (a PD-1×CD3 bispecific antibody in development for T-cell lymphoma), and ONO-2808 (for multiple system atrophy). Additionally sapablursen, a blood disorder treatment in-licensed from Ionis, is an important drug candidate for our future global expansion, addressing areas with high medical needs despite a limited patient population. Our Company has high expectations for both the positioning and profile of sapablursen. Moreover, we have several drug candidates with unique mechanisms of action, such as ONO-1110 and ONO-2020, currently in clinical trials as seeds for future growth. If these projects progress with clinical signals, they could become pillars supporting the next stage of growth after OPDIVO.

From now on, while seeking synergy with in-licensed drug candidates, we will utilize our development structure in Japan and overseas to establish a system for delivering new drugs even more rapidly. Currently, we are truly in the phase of "searching for what comes after OPDIVO," facing the pains of new creation. In other words, we are in a phase of accumulating strength for the next leap forward. Without rushing, step by step, we will foster new pillars that will carry the future.

Development Strategy P. 42
Clinical Development Pipeline P. 44

Building the Appeal of the Ono Group together with Deciphera

The three pillars supported by Deciphera

There are three main aspects to the significance of bringing Deciphera into our Group. First, further expansion of the pipeline and product lineup, mainly in the field of oncology. Second, acquiring development and sales platforms centered on the U.S. and Europe. Third, strengthening the research and development capabilities of our Group by adding Deciphera's drug discovery strengths.

Message from the COO

For this acquisition, we used "technology," "people," and "culture" as our evaluation criteria. I personally visited Deciphera many times to judge with my own eyes what kind of capabilities and culture they possess. What resonated with me was their corporate culture of taking on challenges with innovative drug discovery technologies, always putting patients first—a major commonality with Ono.

At the same time, I would like to value the significant differences between the two companies. Ono's strength lies in first-in-class drug discovery. It is our research capability to grasp the essence of diseases and create entirely new mechanisms of action. Meanwhile, Deciphera has a culture of successfully developing drugs using its unique technology. While respecting each other's strengths, we will fulfill our shared mission of continuously delivering innovative medicines to patients worldwide. I hope you will pay attention to the synergy created by the integration of the two companies.

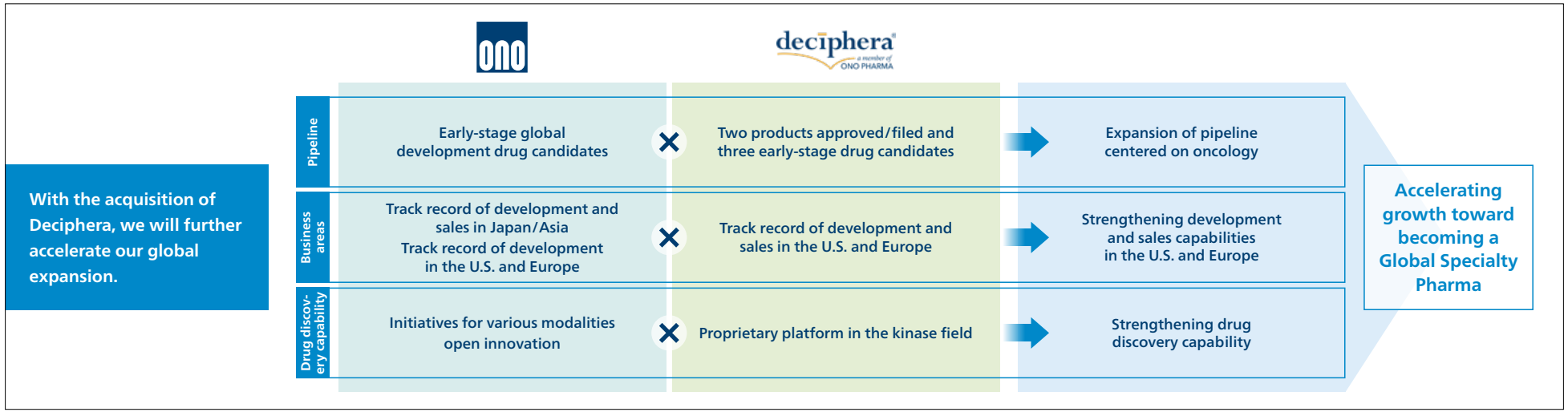
About Deciphera's Research P. 40

Advancing into a cohesive global organization

We are currently progressing with Post Merger Integration (PMI) together with Deciphera; for its success, it is important to respect their culture and to help each employee maintain pride in their work for the company. At the same time, it is also important, even as our Group expands and our people diversify, to carry on the spirit of challenge that Ono has long cherished.

With Deciphera now part of our Company, which aspires to become a Global Specialty Pharma, building a unified organization that transcends differences in nationality and location has become an even more important objective than ever before. In an environment where diverse human resources work together, a culture of recognizing differences and respecting one another is fundamental. Just as we respect the culture at Deciphera, Ono also seeks to foster an environment that balances our own identity with respect for others, so that the integration of the two companies leads to success.

As one milestone in our PMI, we integrated our Group's U.S. and European development and sales bases into Deciphera in July 2025. We are committed to further accelerating globalization, with Deciphera—which has already established a strong footing in the U.S. and Europe—at the core.



The Key Players in Transformation are People who Proactively Take on Challenges

Our Company is now in the midst of a major transformation. The driving force behind this is undoubtedly the resolve and actions of each employee seeking to create new value.

For global expansion, it is essential to respect the cultures and values of each region and to build organizations where diverse human resources can thrive. What we aim for is not simply a top-down model, but an organizational culture that values bottom-up input and enthusiasm from the field. Through our revised personnel evaluation system in 2023 and the global HR system introduced in 2024, we are committed to simple and fair operations, creating an environment in which every employee can fully realize their potential. For Deciphera as well, we will continue to consider various HR measures and initiatives based on business strategies and environmental changes.

As the saying goes, "The best long-term plan is to foster people"; cultivating human resources is the most critical factor for long-term growth.

Ono's strengths lie in our patient-centered values, our spirit of innovation and challenge, and our corporate culture where diverse human resources support, complement and elevate each other as a team. Going forward, we aspire to remain a company where the growth of each employee and the organization synergistically drive ongoing contributions to society.

It is beyond doubt that passionate and motivated human resources are the wellspring of our Company's growth. Human resources are truly the greatest asset shaping the future of our Company. We will continue to focus on human resources development, striving to achieve sustainable growth.

Global Talent Strategy P. 51

To Our Stakeholders

At Ono, many people are drawn together by our corporate philosophy: "Dedicated to the Fight against Disease and Pain," and are committed to putting it into practice. We bear the mission of contributing to patients' lives and well-being through highly public-oriented medicines, valuing not only expertise and experience, but also sincerity, respect for others, and the courage to embrace challenges.

Because there are limits to what can be achieved alone, our greatest driving force is the power of collaboration—working as a team with colleagues of diverse values and skills, challenging issues together and raising each other up. Throughout our history of unprecedented challenges, starting with the development of OPDIVO, we have built up intangible assets such as trust with healthcare professionals and patients, as well as valuable know-how. Even now, our pursuit of the unknown continues, as we strive to discover new drugs and evolve into a Global Specialty Pharma that delivers innovative treatments to patients worldwide.

Currently, Ono is on a new trajectory of growth. To further accelerate this, deepening corporate culture—by fostering collaboration across divisions and borders, recognizing challenges and sharing results—is essential. At the heart of everything is "people," and I believe that creating an environment where each individual can thrive leads to the sustainable enhancement of corporate value.

As President, I will remain steadfast in our "patient-centered" direction, leading our transformation and striving to realize sustainable growth. Our journey of transformation has only just begun, but together with all of you, we will continue to take steady steps forward. I sincerely ask for your continued support and encouragement.

Representative Director,
President and Chief Operating Officer

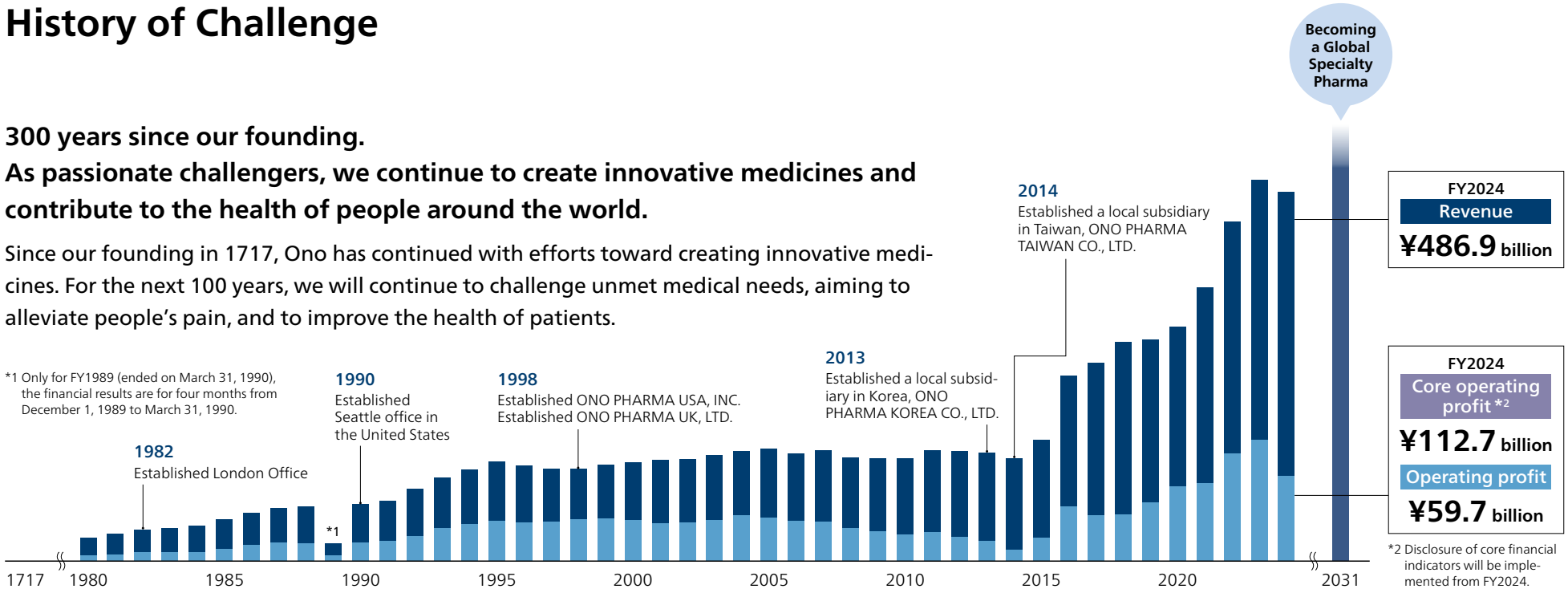
How Ono Creates Value

Ono leverages diverse forms of capital to continuously create value together with society. In this chapter, we trace our history of challenges to illustrate how we have evolved by confronting a changing business environment and capturing both risks and opportunities. We also present our nine redefined material issues, our value creation process, and the outcomes (outputs) generated through co-creation with various capitals and stakeholders.

History of Challenge

300 years since our founding.
As passionate challengers, we continue to create innovative medicines and contribute to the health of people around the world.

Since our founding in 1717, Ono has continued with efforts toward creating innovative medicines. For the next 100 years, we will continue to challenge unmet medical needs, aiming to alleviate people's pain, and to improve the health of patients.



*1 Only for FY1989 (ended on March 31, 1990), the financial results are for four months from December 1, 1989 to March 31, 1990.

*2 Disclosure of core financial indicators will be implemented from FY2024.

Pursuing value creation from our inception

1717 Started business

1934 Transformed modern management

1947 Launched drug manufacturing

Spreading drugs to alleviate more people's pain

1990's In addition to in-house drug discovery, strengthen licensing activities

Creating hope for cancer treatment

2010's Full-scale entry into the oncology field

2020's Becoming a Global Specialty Pharma capable of competing on the world stage

Contributes to a wide range of treatments through the development of innovative ethical pharmaceuticals

1960's Transformed to an ethical drug manufacturer

1970–1980's Successfully launched innovative new medicines through in-house drug discovery

● A Frontier in Cancer Immunotherapy

OPDIVO— The fourth option for cancer treatment

OPDIVO, which attacks cancer cells by restoring the body's natural immune power, is a groundbreaking cancer immunotherapy. It has attracted attention as the "fourth treatment" following conventional cancer therapies (surgery, chemotherapy, and radiation therapy), and has been approved as a therapeutic drug for over 14 types of cancer. Clinical trials are currently underway aiming for even more cancer indications.

World's First

OPDIVO

World-first Products

1974 Launched PROSTARMON-F Injection, a prostaglandin (PG) pharmaceutical product as a labor induction and delivery accelerator.

1979 Launched PROSTANDIN Injection, the world's first PG drug for cardiovascular diseases as a treatment for Buerger's disease.

1985 Launched FOIPAN Tablets, an oral protease inhibitor for the treatment of chronic pancreatitis.

1988 Launched CATACLOT for Injection, a thromboxane synthase inhibitor as a treatment for ischemic symptoms after subarachnoid hemorrhage.

1992 Launched KINEDAK Tablets, an aldose reductase inhibitor as a treatment for diabetic peripheral neuropathy.

1995 Launched ONON Capsules, a leukotriene receptor antagonist as a treatment for bronchial asthma.

2002 Launched ELASPOL 100 for Injection as a treatment for acute lung injury.

2014 Launched OPDIVO Intravenous Infusion, an anti-PD-1 antibody as a treatment for malignant melanoma.

Business Environment Recognition, Risks and Opportunities

Based on the current business environment, Ono identifies risks and opportunities that may affect its business activities and implements appropriate countermeasures. With the aim of enhancing corporate value over the medium to long term, we reviewed the external environment, examined risks and opportunities with higher priorities, reorganized the key issues to address, and revised our materialities.

Material Issues (Priority Management Issues)

Growth Strategy
- 1 Reinforcement of Pipelines
- 2 Acceleration of Global Business Advancement
- 3 Maximization of Product Value
- 4 Expansion of Business Domains

Foundation for Promoting the Growth Strategy
- 5 Corporate Transformation through Digital & IT
- 6 Expansion of Human Capital

Realization of a Sustainable Society
- 7 Conservation of the Global Environment
- 8 Enhancement of Social Trust
- 9 Strengthening Governance

Short-term: Until 2026 | Medium-term: 2027–2040 | Long-term: 2041 and beyond

Business environment	Risks and opportunities (▲ Risk ● Opportunity)	Period of occurrence: Short-term	Period of occurrence: Medium-term	Period of occurrence: Long-term	Impact	Likelihood	Stakeholders affected	Strategy/response	Time axis	Materiality
Increasing difficulty of new drug development	▲ Depleted development pipeline ● Technological innovation through open innovation				Major	High	Patients Medical professionals Shareholders and investors	• Promotion of open innovation • Promotion of diverse partnerships, in-licensing/out-licensing, research collaborations, etc. • Drug discovery utilizing digital technology • Active investment in R&D	Short-term:	
Changes in the market environment	▲ Intensified competition with competing and generic products				Major	High	Shareholders and investors Partner companies	• Search for drug seeds through open innovation • Selection of optimal modalities • Promotion of drug discovery using technologies such as AI • Building of system for early establishment of POC	Long-term:	
Advances in information management technology and DX	▲ Concerns about cyber attacks, unauthorized access, and leakage of personal information				Major	High	Partner companies Society in general	• Formulation of policies for security and stable operation • Selection of technologies and services in line with technological and social changes • Employee training on information security, etc. • Measures based on third-party security evaluations	Short-term:	1 2 3 4 5 6
Changes in the medical insurance system	▲ Shrinking domestic market for prescription drugs ▲ Changes in the laws and regulations of countries with overseas subsidiaries				Major	High	Government agencies Shareholders and investors	• Maximization of product value Addition of indications, combination of agents, and improvement of formulations Acceleration of development Early expansion of sales • Realization of direct sales in the U.S. and Europe	Short-term:	
Heightened importance of intellectual property	▲ Infringement of third-party intellectual property ● Settlement payments from litigation				Major	High	Competing companies	• Operation that does not infringe on patents of others • Litigation in the event our own patents are infringed • Consideration of intellectual property creation from the drug discovery stage	Short-term:	

Business Environment Recognition, Risks and Opportunities

Business environment	Risks and opportunities (▲ Risk ● Opportunity)	Period of occurrence: Short-term	Period of occurrence: Medium-term	Period of occurrence: Long-term	Impact	Likelihood	Stakeholders affected	Strategy/response	Time axis	Materiality
Financial markets	▲ Fluctuations in exchange rates and financial markets ▲ Changes in sales, purchase costs, and R&D expenses			■	Moderate	High	Investors	• Profit growth through exchange rates • Shortage of venture capital = investment opportunities from rising interest rates • Risk hedging through forward foreign exchange contracts	Short-term:	
Partnerships with other companies	▲ Changes or termination of partnership agreements			■	Moderate	Low	Partner companies		Short-term:	
Advances in regenerative medicine and genomic medicine Extension of healthy lifespan (pre-symptomatic, prevention of illness)	▲ Relative decline in the value of pharmaceutical products ● Market growth in the healthcare sector			■	Moderate	Low	Patients	• Expansion of business domains in the healthcare sector	Long-term:	1 2 3 4 5 6
Progression toward an aging society with declining birthrate	▲ Difficulty in recruiting, training, and retaining human talents ● Diversification of human talents		■	■	Minor	Medium	Employees	• Training to promote penetration of our mission • Promotion of the activities of young talent, career hires, and women • Innovation cafes • Venture proposals and secondment programs • HOPE Business Contest • Promotion of male employees taking childcare leave • Promotion of health and productivity management • Implementation of a global human resources system in 2023	Medium-term:	
Rising societal awareness of compliance	▲ Damage to corporate value due to legal violations, etc.			■	Major	Low	Patients and medical institutions Business collaborators Industry groups	• Establishment of a code of conduct • Building of a compliance promotion system • Development of reporting and consultation system • Compliance training	Long-term:	
Major disasters and climate change	▲ Occurrence of disasters, accidents, etc. ▲ Impact on stable supply			■	Major	Low	Patients and medical institutions Pharmaceutical wholesalers Shareholders and investors	• Creation of BCP manuals, identification and disclosure of climate change risks • Installation of seismic isolation equipment at important sites • Use of multiple manufacturing bases (Fujiyama and Yamaguchi Plants) • Manufacturing at multiple bases, including outsourcing plants	Short-term:	7 8 9
	▲ Increased costs to counter global warming, environmental pollution accidents (from drug research and manufacturing), and destruction of biodiversity			■	Moderate	Low	The Earth	• Realization of a decarbonized society • Realization of a water-recycling society • Realization of a resource-recycling society	Short-term:	
Supply chain and stable supply	▲ Supply chain risks ▲ Disasters, accidents, and legal violations at supplier factories ▲ Fair, equitable, and transparent procurement activities			■	Moderate	Medium	Business partners Pharmaceutical wholesalers Patients and medical institutions	• Sustainable procurement code Health and safety, human rights and labor, environment, ethics, information management	Short-term:	

Material Issues

Materiality Identification Process and PDCA Management Cycle Implementation

Step 1

Identifying management Issues

Analyze the external and internal environment

- Analyze in conjunction with the formulation of the medium-term management plan
- Identifying stakeholders expectations
- Refer to ISO 26000, ESG disclosure criteria, etc. for CSR issues

Extract issues to realize the long-term vision

- Analyze gaps between the vision and current state

Step 2

Define the priority issues

Classify and analyze the importance of issues to stakeholders and business from the following perspectives:

- Opportunity for value creation
- Foundation for value creation
- Value preservation (erosion risks)

Analysis process and validation of identified materialities

- Dialogue with external experts
- Discussion, validation, and approval by the Board of Directors

After identification

Setting and review of KPIs

Issue setting linked with Medium-Term Management Plan

- Goal setting linked with Medium-Term Plan
- Progress review
- Periodic review in response to changes in internal/external environment

FY2021: Re-identification of materialities
FY2023: Changes implemented for some materialities
March 2025: Materialities consolidated into 9 items

Re-identification of materialities (2024 to 2025)

Re-identified in response to changes in business environment

As a result of acquiring the U.S. and European direct commercial capabilities through the acquisition of Deciphera, we reviewed our materialities. By incorporating feedback from external stakeholders, we reclassified 18 materialities into 9, clarifying our focus and priorities. For details on the new materialities, please refer to P.20-21. For an overview of the previous materialities and the FY2024 evaluation, please refer to P.22-23.

Deliberation structure

- "After review by all department heads (R&D, Marketing & Sales, Reliability Assurance, Manufacturing, Administration, etc.), deliberation by the Management Meeting and the Board of Directors."
- Between June 2021 and March 2022, the Corporate Planning Department operated as the secretariat of the company-wide cross-functional project for the Medium-Term Management Plan and the secretariat of the former Sustainability Promotion Committee (now Sustainability Strategy Meeting) (Corporate Planning Department Sustainability Promotion Office).

Dialogue with Stakeholders

- Opinions of stakeholders are extracted from the issues confirmed by each division in the course of business activities, dialogues with investors, evaluations by the ESG-rating agencies, etc.

Materialities updated to reflect changes in business environment and social issues

In our "Sustainable Management Policy," which serves as a guiding principle for management, we place "Contributing to People's Health" at the core and focus on three key pillars: "conserving a rich global environment for future generations," "realizing a society in which everyone can play an active role," and "establishing highly transparent and robust management."

Based on this policy, in response to changing social issues and business environment, materiality selection and prioritization were carried out, reclassifying the previous 18 items into 9 as of March 2025. By integrating overlapping objectives and revising according to changes in environment, we clarified issues of highest importance and made our initiatives more effective.

The new materialities are categorized into three groups: "Growth Strategy," "Foundations for Promoting the Growth Strategy," and "Realization of a Sustainable Society," reflecting the Company's current status and medium- to long-term direction. The "Reinforcement of Pipelines" materiality within the "Growth Strategy" category aims to create innovative medicines through open innovation with top scientists. We consolidated previously separated elements of "Creation of Innovative Drugs," "Pipeline Expansion," and "Open Innovation," and redefined them as our most important issue.

This review was decided after in-house discussions, as well as by considering feedback from external stakeholders and discussion by the Board of Directors. Going forward, guided by this new materiality, we will steadily advance our efforts to contribute to people's health and to achieve sustainable growth for both society and our Company.

Material Issues

In today's rapidly changing business environment, enhancing corporate value over the medium-to-long term requires identifying external environments that have significant impact on business growth and responding appropriately. At Ono Pharmaceutical, we identify "risks" that threaten business activities and "opportunities" for business growth, and formulate countermeasures.

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	• 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.	• 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 * 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 ~ Pursuit of optimal implementation system ~ • Formulate strategic development plans to increase POC success rates ~ Utilizing alternative metrics through enhanced TR and data collection ~	• 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	• As a specialty pharma capable of competing globally, accelerating development and business advancement worldwide.	• Promote and accelerate global expansion by integrating U.S. and European development and sales operations into Deciphera	• Maximization of Product Value for QINLOCK and ROMVIMZA • Tirabrutinib U.S. application and launch preparation
	3 Maximization of Product Value	• 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.	• 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	• 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	• Contributing to solving social issues and realizing next-generation healthcare by leveraging digital technologies and our strengths.	• 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	• The number of new products and services provided
Foundation for Promoting the Growth Strategy	5 Corporate Transformation through Digital & IT	• A secured global IT infrastructure is being implemented and corporate transformation through digital is being realized.	• Promote DX vision and strategy • Develop global business infrastructure • Strengthen the business foundation through digital solutions and IT	• 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

Material Issues

Material Issues (Updated March 2025)

Material issues		Vision over the medium- to long-term	Main initiatives from FY2025 onward	Indicators
Foundation for Promoting the Growth Strategy	6 Expansion of Human Capital	• 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.	• Future executive talent: Promote training and strategic personnel transfers through Talent Development Committee • Global talent: Implement training and personnel transfers to develop talent for global business • 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 • Others: Implement global mission statement training, DEI promotion initiatives, self-improvement learning support system, etc.	Number of employees in the following: • The next executive talent pool: FY2026 target: at least 250 • The globally competent talent pool: FY2026 target: at least 300 • Those ready to participate in DX projects: FY2026 target: at least 500 • Those capable of planning, managing and executing DX projects: FY2026 target: at least 200 • Those with core innovation talent: FY2026 target: at least 180
Realization of a Sustainable Society	7 Conservation of the Global Environment	• 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.	• Reduce greenhouse gas emissions and increase share of renewable energy in total electricity consumption • Efficiently use water resources and reduce water pollution risks • Recycling of unnecessary materials	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 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%
	8 Enhancement of Social Trust	• 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.	Quality assurance, safety management, stable supply • Create appropriate global systems for product quality and safety management • Development of inspection response systems for U.S.-bound products in preparation for U.S. launch of Tirabrutinib • Build a stable supply system capable of handling uncertainty	Quality assurance, safety management and stable supply of products • Completion of global quality assurance and safety management systems • Zero critical findings from regulatory inspections • Zero recalls of Ono products • No out-of-stock incidences
			Build relationships with numerous partners related to our business • Obtain signed agreements to the Sustainable Procurement Code from business partners, conduct risk assessments, and implement on-site audits	Build relationships with numerous partners related to our business (until 2026) • Build a robust risk management system (formulate policies, establish the Sustainable Procurement Code, and develop systems) • Comprehensive evaluations of companies in high-risk areas
			Human rights risk management (up to 2026) • Conduct human rights due diligence within the Group • Conduct employee training on human rights	Human rights risk management (up to 2026) • Whether or not human rights due diligence has been carried out for our Group • Whether or not employee training on human rights has been conducted
			Improving access to healthcare • Develop new drugs and get additional approvals for rare diseases and pediatric indications with high unmet medical needs • Support local capacity building in regions with underdeveloped medical infrastructure through collaboration with NPOs/NGOs	Improving access to healthcare • Number of approved rare disease/pediatric indications • Project outcome goals
	9 Strengthening Governance	• 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.	• 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 by the Board of Directors	• Number of significant compliance violations
			• 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)	• Improve operation through evaluations of the effectiveness of the Board of Directors

Material Issues

Materialities, main initiatives, and achievements up to FY2024

(Through FY2024) Material issues	(Through FY2024) Vision over the medium- to long-term	(Through FY2024) Major initiatives	Indicators and achievements up to FY2024 (items in blue are actual for FY2024)	Evaluation (2024)
Creation of Innovative Drugs	Cooperate with top scientists and accelerate the creation of new drugs that can change the world.	• 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	The number of new products going to clinical trials: 2 (ONO-4915, ONO-7428)	△
Pipeline Expansion	The speed and accuracy of establishing POC*1 for new drug candidates are improving, and the pipeline is enriched through licensing activities.	• Establish POC on multiple projects and conduct global clinical trials • 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	(1) The number of drug candidates in the clinical development stage: 24 (2) The number of newly in-licensed drug candidates: 1 (Sapablursen) (3) Approvals received in the U.S. and Europe: 1 item (ROMVIMZA approved in the United States). Global development For development products, 1 item (QINLOCK) is undergoing Phase III trials, and 7 items are in Phase II trials (POC trials) ongoing.	(1) ○ (2) ○ (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.	• 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)	(1) Number of patients to whom our new drugs are delivered: Approx. 970,000 patients (2) Sales by major product: OPDIVO: ¥120.3 billion, FORXIGA: ¥89.6 billion (3) Number of approvals received in Japan, Korea, and Taiwan: 3 approvals in Japan, 1 approval in South Korea, 1 approval in Taiwan	(1) ○ (2) △ (3) ○
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.	• Establish a sales structure for the launch of Tirabrutinib in the U.S. • Carry out development in Europe and establish a sales structure according to the progress of the development	Launch of sales in U.S./Europe markets / Acquisition of development and sales capabilities in U.S./Europe markets: Acquired Deciphera in June 2024, gaining development and commercials capabilities in the U.S. and European markets	○
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.	• 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)	The number of new products and services provided: 1 Launch of the outpatient management app "michiteku YOHA" for cancer patients	○
Corporate Transformation through Digital & IT	A global IT infrastructure is being implemented and corporate transformation through digital is being realized.	• 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	(1) Completion and utilization of the IT blueprint (big picture for IT infrastructure and related systems) (2) Construction and use of a data utilization platform: Establishment of a digital compliance system (3) Establishment of a cross-functional DX promotion system: DX Certification acquired (4) The number capable of available to participate and work in DX projects: 659 (FY2026 target: at least 500) (5) The number of participants capable of planning, managing and executing DX projects: 213 (FY2026 target: at least 200)	(1) ○ (2) ○ (3) ○ (4) ○ (5) ○
Strengthening of Financial Capital	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.	• 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) (1) Revenue CAGR: In the high single digits: 10.4% for FY2021 (2) Operating profit to revenue ratio: Maintain 25% or higher; operating profit to revenue ratio: 12.3% (Core operating profit to revenue ratio: 23.1%)	(1) ○ (2) ×
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.	• 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.	Number of employees in the following: (1) The next executive talent pool: 200 (FY2026 target: at least 250) (2) The globally competent talent pool: 194 (FY2026 target: at least 300) (3) Those ready to participate in DX projects: 659 (FY2026 target: at least 500) (4) Those capable of planning, managing and executing DX projects: 213 (FY2026 target: at least 200) (5) Those with core innovation talent: 108 (FY2026 target: at least 180)	(1) ○ (2) ○ (3) ○ (4) ○ (5) ○
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.	• 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 • Utilize IP information (IP landscape) through integrated analysis with market and business information to determine the appropriateness of in-licensed products, new businesses, investments, etc.	(1) Products and the R&D pipeline (2) Frequency of utilizing IP information (IP landscape)	(1) ○ (2) ○

*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.

Material Issues

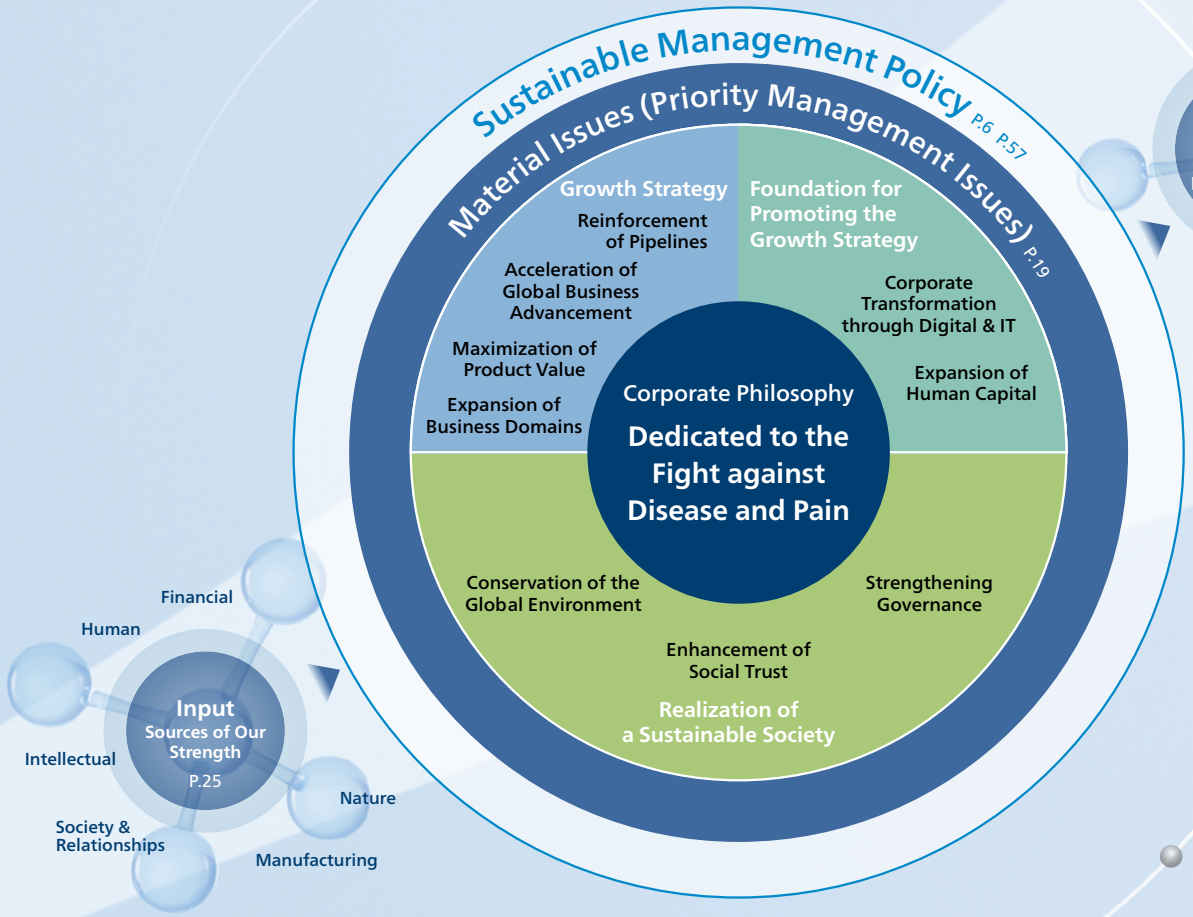
Materialities, main initiatives, and achievements up to FY2024

(Through FY2024) Material issues	(Through FY2024) Vision over the medium- to long-term	(Through FY2024) Major initiatives	Indicators and achievements up to FY2024 (items in blue are actual for FY2024)	Evaluation (2024)
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.	• 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.	The number of research/drug discovery partnerships: Approx. 150 globally (active as of the end of March 2025)	○
Promotion of Diverse Partnerships	We strengthen Company brands, etc. and accelerate business activities to promote partnerships with diverse stakeholders.	• 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	(1) The number of companies with which in-license and out-license agreements are concluded: 2 (2) The number of research/drug discovery partnerships: Approx. 150 globally (active as of the end of March 2025) (3) Other partnering results	(1) ○ (2) ○ (3) ○
Assurance of Reliability and Safety	A Global Specialty Pharma with established organizational systems for appropriate quality assurance and safety management.	• 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.	(1) Completion of global quality assurance and safety management systems (2) Zero critical findings from regulatory inspections: achieved (3) Zero recalls of Ono products: achieved	(1) ○ (2) ○ (3) ○
Stable Supply of Products	Our products are supplied stably to patients throughout the world.	• 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.	No out-of-stock incidences: achieved	○
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.	• Reduce greenhouse gas emissions and increase share of renewable energy in total electricity consumption • Reduce use of water resources • Recycling of unnecessary materials	Achievement of medium- to long-term environmental targets associated with ECO VISION 2050 (1) Realization of a decarbonized society: Scope 1 + 2 emissions (compared to FY2017) reduced by 65%, renewable energy utilization rate in purchased electricity reached 75% (2) Realization of a water-recycling society: Water resource consumption (water intake) reduced by 38% year-on-year (compared to FY2017) (3) Realization of a resource-recycling society: Recycling rate of unnecessary materials 81.4%	(1) ○ (2) ○ (3) ○
Respect for Human Rights	Human rights risk management • 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) Improving access to healthcare • 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).	Human rights risk management • Conduct human rights due diligence Improving access to healthcare • 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	Human rights risk management (up to 2026) (1) Conduct human rights due diligence within the Group (2) Conduct human rights risk assessments for high priority suppliers Improving access to healthcare (3) Number of approved rare disease/pediatric indications: 0 (4) Project outcome goals: See ONO Bridge Project goals	(1) ○ (2) ○ (3) △ (4) ○
Thorough Compliance	Establish a compliance risk management system to support global business expansion and prevent compliance violations.	• 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	Number of significant compliance violations: 0	○
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.	• Share our code of conduct, get consent forms • Assess risk • Carry out on-site audits • Confirm corrective action efforts	(1) Establish a stronger risk management system (formulate policies and Sustainable Procurement Code, and create related system) (up to 2026) (2) Comprehensive evaluations of companies in high-risk areas (up to 2026)	(1) ○ (2) ○
Strengthening of Corporate Governance	Establish an effective governance structure to achieve sustainable growth	• 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	Sharing awareness of issues related to the composition of the Board of Directors (including succession issues for outside officers), reviewing the standards for agenda submissions to the Board of Directors, expanding feedback on IR/SR meeting content, setting up meetings for outside Directors only, and strengthening collaboration between outside Directors and the Internal Audit Department	○

*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.

Ono's Value Creation Process

Ono aims to contribute to people's health by delivering impactful and innovative medicines to the world, leveraging our six types of capital strengths (Financial, Human, Intellectual, Society & Relationships, Manufacturing and Nature) cultivated through our drug discovery business as a Global Specialty Pharma. By becoming a true global company, we will continue to expand our stakeholders and areas of contribution to achieve sustainable growth.



We contribute to people's health by delivering innovative medicines worldwide

Contributing to People's Health

Conservation of a rich global environment for future generations

Realizing a society in which everyone can play an active role

Related SDGs

Co-created Value with Stakeholders for Each Type of Capital

Promoting partnerships with diverse stakeholders is vital in order to advance Ono's business and strategy. By meeting stakeholder expectations and establishing relationships based on trust and cooperation, we aim to co-create value and enhance corporate value and sustainable growth.

	Financial	Human	Intellectual	Society & Relationships	Manufacturing	Nature
Input (Sources of Strength)	**Robust financial foundation leading to sustainable new drug discovery** • Stable financial foundation: ¥788.2 billion • High equity ratio: 73.5% • Profit margin from in-house products • Active investment in R&D • Domestic sales of OPDIVO and prescription medicines (¥120.3 billion) • OPDIVO and royalty revenue: Approx. ¥140.0 billion	**Providing a challenger culture and opportunities for personal growth** • Active investment in people (development of versatile and professional human resources) • Number of employees (consolidated): 4,287 • Training hours per employee: 63.1 hours • Difference between health age and actual age due to promotion of health management: -1.9 years • Employee satisfaction: 70% engagement score (FY2024) • Fertile ground for creating innovation (Ono Innovation Platform (OIP))	**R&D capabilities based on original drug discovery approaches and open innovation** • Open innovation - Experience in drug discovery for prostaglandin-related and OPDIVO - Drug discovery and research collaborations (Approx. 157 domestic and international collaborations) • Intellectual property focusing on lipids and cancer immunity / drug discovery through research collaboration with Nobel laureates • Aggressive R&D investment - R&D expenses: ¥149.9 billion - R&D expense-to-revenue ratio: 30.8% • Focus areas: Oncology, immunology, neurology and specialty areas, all with high medical needs • Development pipeline - The number of products in the clinical development stage in FY2024: 24 - New products/indications obtained: Japan 3, Korea 1, Taiwan 1 - Number of approval applications: Japan 1, Korea 1, Taiwan 1 • Drug discovery that reflects patient opinions	**Diverse partnerships to realize a sustainable society** • Pioneering open innovation that has continued uninterrupted for generations • Trust earned from patients and healthcare professionals • Research/drug discovery partnerships: Approx. 157 partnerships • Trust from physicians (external evaluation)	**Manufacturing base that ensures stable supply of high-quality medicines** • Stable supply system without shortages • Capital investment: ¥8.1 billion • Manufacturing centers: 2 • Measures to ensure stable supply during disasters - Multiple manufacturing bases and contract manufacturing, and inventory management	**ECO VISION 2050 and environmental management** • Energy consumption: 83,748.9 MWh • Water resource consumption (water intake): 202.8 thousand m^3
Identification of Stakeholders and Their Expectations, Interests and Needs	**Shareholders and investors** • Dividend policy - Progressive dividend policy of maintaining or increasing annual dividends • Consolidated payout ratio: 75.1% for FY2024 • Growth investments for FY2022-2026 - R&D investment: ¥650 billion scale - Strategic investments: ¥600 billion scale - M&A, acquisition of development pipeline, establishment of overseas bases, creation of healthcare businesses, investment in venture companies	**Employees** - Corporate culture - Growth opportunities - Employment conditions and welfare benefits - Working environment	**Government agencies** - Extending citizens' healthy life expectancy - Stable ability to pay tax, and employment in the pharmaceutical industry - Enhanced scientific and technological capabilities, and realizing innovation **Co-creation partners** - Contract payment, maximizing product value, research and development results, sales results - Securing high levels of trust from society (maintaining and strengthening governance)	**Pharmaceutical wholesalers, healthcare professionals, patients** - Addressing unmet medical needs - Patient-centered drug discovery - Stable supply of medicines - Provision of information on appropriate use - Increasing awareness of prevention and pre-symptomatic disease detection **Co-creation partners** - Contract payment, maximizing product value, research and development results, sales results - Securing high levels of trust from society (maintaining and strengthening governance) **Local communities** - Increased awareness of corporate social responsibility	**Healthcare professionals and patients** - Ensuring the quality and stable supply of medicines - Easy-to-use medications	**Society in general (Including Local Communities)** - Sustainable management policies - Conservation of the Global Environment

Co-created Value with Stakeholders for Each Type of Capital

Financial | Human | Intellectual | Society & Relationships | Manufacturing | Nature

Outcome

Economic Value

Shareholders and investors

- **Stable earnings and increase in economic value**
  - Dividend per share: 80 yen (payout ratio: 75.1%)

Societal Value

Patients

- **Creation and provision of innovative medicines**
  - Number of patients to whom our new medicines are delivered: Approx. 970,000
  - Number of approvals received: Japan 3, Korea 1, Taiwan 1
- **Training diverse talent**
  - Versatile human resources who support the management foundation: total 1,374
  - Professional human resources who promote our growth strategies: 353
  - Employee satisfaction: Engagement score 70% (+1 point from FY2023)
- **Stable supply of medicines**
  - Out-of-stock incidences: 0
  - Recalls of Ono products: 0

Environmental Value

Society in general (Including Local Communities)

- **Realization of a decarbonized society**
  - Greenhouse gas emissions Scope 1 + 2 70.3% reduction from FY2017 (FY2024)
  - Percentage of purchased electricity using renewable energy: 93.2% (FY2024)
- **Realization of a water recycling society**
  - Water resource consumption 37.6% reduction from FY2017 (FY2024)
- **Realization of a resource recycling society**
  - Recycling rate for unnecessary materials: 81.4% (FY2024)
- **Conservation of biodiversity**
  - Endorsement of TNFD

Initiatives to Provide Further Value

Shareholders and investors

- **Cash management for corporate value creation**
- **Maximizing revenue and optimizing expenditures to strengthen the financial capital, the source of growth**
  - Maximizing the generation of new cash
  - R&D investment: Focused investment in oncology, immunology, neurology and specialty areas
  - Strategic investment: strategic investment to strengthen the drug discovery business, expand areas of business, and strengthen management infrastructure
  - Shareholder returns: stable dividends, consideration of flexible share buybacks ▶P.29

Patients / Employees

- **Develop strategic human talent to realize growth strategies**
  - Enhance management, global, digital and innovation talent
  - Promote the Ono Innovation Platform (OIP) initiative to foster innovation ▶P.51
- **Maintain "Ono-ness" in global expansion**
  - Develop talent who can realize the corporate philosophy on a global scale and implement strategies ▶P.51
- **Promote the active participation of women**
  - Develop a system and environment that allows for fair recruitment, development, and securing of human talents regardless of gender, aimed at improving the ratio of female managers ▶P.51

Co-creation Partners

- **Pipeline expansion**
  - Promoting open innovation in searching for original drug seeds. Pipeline Improving the quality and speed of drug discovery research to ensure smooth pipeline stage transitions
  - Promote licensing activities with a focus on drug candidates deemed to be strategic and efficient from a business perspective in order to expand existing products and the development pipeline ▶P.37, 42, 44
- **Research/drug discovery partnerships**
  - Strengthen drug discovery and research collaborations with academia and collaborative partner companies in order to lead to the creation of innovative medicines ▶P.37
- **Building development and research systems in the U.S. and Europe**
  - Aim to improve our global presence, further strengthen collaboration between the three R&D divisions, and acquire global in-licensed products ▶P.35, 37, 42
- **Promotion of next-generation healthcare business**
  - Utilize the knowledge and strengths cultivated over the history of drug discovery to expand business domains. ▶P.46

Government agencies

- **Enhancing recognition and brand power in global markets**
  - Build sales structures for business expansion in large markets in the U.S. and Europe ▶P.33
- **Strengthening collaboration with co-creation partners**
  - Further advancing relationship of trust and cooperation with partners to actively and strategically advance forward
  - Strengthen human rights risk management and build governance systems capable of appropriate response, with the aim of realizing a society where human rights are respected ▶P.37

Local communities

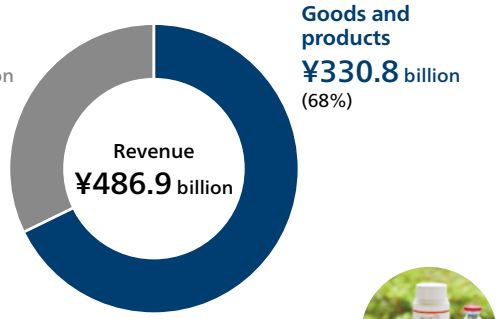
- **Maintaining a stable supply system without shortages**
  - Building a global product supply system to ensure a consistent supply of products to patients worldwide ▶P.66

Society in general (Including Local Communities)

- **Achieving carbon neutrality by 2035**
- **Realization of a resource-recycling society**
  - Reducing waste and water usage to maintain a rich global environment for future generations ▶P.58
- **Conservation of biodiversity**
  - Awareness of corporate responsibility, and actions needed to reduce the burden on the global environment and local communities
  - Contributing to the realization of a nature-positive society by 2030 ▶P.58

Outputs

Details of Revenue (FY2024)




OPDIVO and FORXIGA

Main products

- **OPDIVO Intravenous Infusion**
  - Cancer
  - ¥120.3 billion
- **FORXIGA Tablets**
  - Diabetes, heart failure, CKD
  - ¥89.6 billion
- **ORENCIA for Subcutaneous Injection**
  - Rheumatoid arthritis
  - ¥26.6 billion
- **GLACTIV Tablets**
  - Type 2 Diabetes
  - ¥18.3 billion
- **VELEXBRU Tablets**
  - Primary central nervous system lymphoma
  - Macroglobulinemia and lymphoplasmacytic lymphoma
  - ¥10.5 billion
- **KYPROLIS for Intravenous Injection**
  - Refractory multiple myeloma
  - ¥8.6 billion
- **PARSABIV Intravenous Infusion for Dialysis**
  - Secondary hyperparathyroidism
  - ¥8.4 billion
- **ONGENTYS Tablets**
  - Parkinson's disease
  - ¥7.6 billion

Royalty and others

BMS: Royalties for OPDIVO Intravenous Infusion ¥113.0 billion

Merck: Royalties for Keytruda® ¥26.4 billion

Others ¥16.6 billion

Output examples

1

Provision of a New Therapeutic Drug for Tenosynovial Giant Cell Tumor (TGCT)

Launch of ROMVIMZA for the Treatment of TGCT in the U.S.

In February 2025, Deciphera, a member of our Group in the United States, launched kinase inhibitor ROMVIMZA, developed through their research and development, in the U.S. after receiving approval from the U.S. Food and Drug Administration (FDA) as a treatment for adults with tenosynovial giant cell tumor (TGCT).

TGCT is a rare, non-malignant tumor arising inside or in proximity to joints. Severe joint pain and impaired mobility may occur, posing significant obstacles to daily life, and ROMVIMZA is expected to contribute to the treatment of many TGCT patients.

* In the phase III MOTION trial, ROMVIMZA achieved statistically significant improvement in the primary endpoint of objective response rate (ORR) compared to placebo, as well as statistically and clinically significant improvement in all secondary endpoints, including quality of life assessments, with a highly tolerable safety profile.

Output examples

2

Contribution to Patients through Maximization of Product Value

Addition of Indications or Effects for BRAFTOVI and MEKTOVI

In May 2024, we obtained supplemental domestic approval for manufacturing and marketing concerning the addition of indications or effects for the combination therapy of BRAFTOVI and MEKTOVI in "unresectable thyroid cancer with a BRAF mutation that has progressed following chemotherapy" and "unresectable anaplastic thyroid cancer with a BRAF mutation".

Output examples

3

Contribution to Patients through Maximization of Product Value

Addition of Indications or Effects for OPDIVO Intravenous Infusion

In December 2024, we obtained supplemental domestic approval for manufacturing and marketing concerning the addition of indications or effects for OPDIVO Intravenous Infusion in combination therapy with cisplatin and gemcitabine for "unresectable urothelial carcinoma".

How Ono Addresses Challenges

To realize the value creation story, Ono is driving transformation across business, research, development and talent under strategic resource allocation. With the integration of Deciphera into our Group, our pipeline has been further reinforced and our evolution toward a Global Specialty Pharma is accelerating. We present our multifaceted execution strategies.

Financial Strategy and Resource Allocation

Growth into a Global Specialty Pharma through Strategic Resource Allocation

Masaki Itoh
Corporate Executive Officer /
Division Director, Corporate Strategy & Planning, Business Management Division, Business Management Department /
President, ONO DIGITAL HEALTH INVESTMENT, GK.

Our company aims to grow into a "Global Specialty Pharma" delivering innovative medicines to patients worldwide. To achieve this, our financial strategy is not merely about reaching numerical goals, but plays the role of "strategic resource allocation" directly linked to the realization of our management vision. Under top management by our executive team, we are building a system that balances financial soundness and growth, by making investment decisions based on capital efficiency indicators such as ROIC (Return on Invested Capital).

In FY2024, through the acquisition of Deciphera, which has strengths in oncology in the U.S., we have achieved geographical diversification and expanded our business model as growth drivers. At the time of acquisition, Deciphera had global sales track records for its products and held one new drug candidate under regulatory review in the U.S. and Europe, plus three additional new drug candidates in development. The acquisition of Deciphera greatly contributed to our growth strategies of "Realization of direct sales in the U.S. and Europe" and "Reinforcement of pipelines."

Based on the Deciphera acquisition, we have updated our growth strategy to "Expansion and acceleration of direct sales in the U.S. and Europe," and by leveraging Deciphera's capabilities, we aim to achieve further corporate growth. We anticipate Deciphera's turnaround to profitability in FY2027, continuing efforts to ensure that the success of the acquisition translates directly into enhanced overall corporate value.

Growth strategy targets (FY2022–2026)

	FY2021 result	FY2022 result	FY2023 result	FY2024 result	FY2025 forecast	FY2026 target
Revenue (¥ billion)	361.4	447.2	502.7	486.9	490.0	**Revenue CAGR* High single-digit**
Operating profit margin (% of revenue)	28.6	31.7	31.8	12.3	17.3	**Maintain 25% or higher**
R&D expenses (¥ billion)	75.9	95.3	112.2	149.9	150.0	–
R&D expense ratio (% of revenue)	21.0	21.3	22.3	30.8	30.6	**20~25%**

* Compared to FY2021

Overview and Progress of Financial Strategy in Growth Strategy

Ono's Financial Policy

- Emphasizing Capital Efficiency and Financial Soundness
  We use capital efficiency indicators such as ROIC and ROE, and pursue profitability that exceeds our capital cost (around 6%). We prioritize medium- to long-term value creation over short-term profits.
- Execution of Strategic Resource Allocation
  We invested approximately ¥850 billion (¥350 billion in R&D + ¥500 billion in strategic investments) from FY2022 to FY2024. We plan to invest a total of approximately ¥400 billion in FY2025 to FY2026 as well.
- Shareholder Return and Capital Structure Optimization
  With a progressive dividend policy (2025 forecast: ¥80 per share), we will reduce the ratio of cross-shareholdings to below 10% and aim to improve ROE and increase corporate value.

Overview of Growth Strategy

- Accelerate Global Expansion
  Through the acquisition of Deciphera, we have expanded our direct sales structure in the U.S. and Europe. Profitable turnaround expected in FY2027, which is anticipated to be a medium- to long-term growth engine.
- Focused Strengthening of R&D
  By integrating our own drug discovery and acquired assets in oncology, immunology, and neurology, we aim to improve efficiency and success rates. Several products are in the final stages of development toward FY2025.
- Flexible and Dynamic Strategic Evolution
  We regularly review our growth strategies and incorporate external growth such as M&A to ensure flexibility and scalability, advancing toward becoming a Global Specialty Pharma.

FY2024 evaluation

Achievements

- In March 2025, we licensed the polycythemia vera treatment drug sapablursen from Ionis.
- P2 trial of ONO-4059 completed
- Achieved less than 10% of cross-shareholdings against net assets

Challenges

- For the fiscal year ended March 2025, revenue and profit are expected to decline year on year.
- Full-base operating profit and profit for the year are expected to fall short of full-year forecasts due to milestone achievement on FORXIGA sales, etc.

Financial Strategy and Resource Allocation

Review of 2024 and Progress of Growth Strategy

With the goal of becoming a "Global Specialty Pharma," our Company has continually evolved its growth strategies. In FY2024, based on our medium- to long-term vision, our growth strategies for "Realization of direct sales in the U.S. and Europe" and "Reinforcement of pipelines" were enhanced by integrating external growth through M&A, enabling greater flexibility and scalability throughout our strategy.

The acquisition of Deciphera in the U.S., which has strengths in oncology, is particularly noteworthy. At the time of acquisition, Deciphera already had a track record of product sales in the U.S. and Europe and products under regulatory review in these markets, making the transaction a major contributor to our growth strategies of "Realization of direct sales in the U.S. and Europe" and "Reinforcement of pipelines."

Furthermore, the multiple drug candidates as well as R&D and sales capabilities obtained through this acquisition matched the conditions we have sought as we globalize, and the outlook for future cash flow could be praised highly in economic value terms, making the deal financially appealing. Triggered by this acquisition, at the end of FY2024, we revised our growth strategy and newly articulated "Expansion and acceleration of global business." From FY2025 onward, we will vigorously drive sustainable growth by delivering new drugs to patients around the world.

Additionally, for the priority disease areas defined for R&D—oncology, immunology and neurology—we are working to improve R&D efficiency and success rates through an integration of our drug discovery and deployed assets. Domestically, new drug discovery projects for post-OPDIVO are underway, and in the U.S., development of VELEXBRU is in its final stages for regulatory submission in FY2025. These are not just product launches, but are seen as strengthening the foundation for becoming a "Globally autonomous and continuously growing player."

As our growth strategy progresses, we continually and dynamically review it, evolving for both flexibility and soundness and establishing it as the business strategy compass from FY2025 onward.

Results and Financial Impact of M&A

The Deciphera acquisition was carried out in anticipation of affinity and synergies with our medium- to long-term growth strategy, based on a high appraisal of Deciphera's proprietary drug discovery technology, "Switch-Control Kinase," as well as its R&D and commercialization capabilities in the U.S. and Europe.

Financially, while the acquisition temporarily lowered our equity ratio and had a short-term impact on ROE (Return on Equity), we expect to create cash flow through expanded sales of QINLOCK, new launches such as ROMVIMZA, and sales of multiple internally developed products such as VELEXBRU. Deciphera, currently in its investment phase, is also expected to return to profitability in FY2027. We position these as investments that will generate returns exceeding the cost of capital over the medium to long term.

In the post-merger integration (PMI) process, development and sales functions are smoothly integrating around our U.S. subsidiary, and a framework that enables quick decision-making and market response is being established. While personnel transfers from Japan are progressing, we plan to accept researchers from Deciphera in the future, promoting integration of corporate cultures and expertise, and thereby creating further synergy in terms of human and intellectual capital.

Continuous investment in such intangible assets not only directly leads to the promotion of open innovation and pipeline acquisition but also contributes to enhancing future human resources acquisition and engagement. A

Deciphera's business performance trends

- Acquisition completed in June 2024, with P/L consolidation starting from July 2024.
- Sales of the already marketed pharmaceutical QINLOCK are progressing steadily, with sales for the fiscal year ended March 2025 at ¥25.5 billion. Sales for the fiscal year ending March 2026 are expected to be ¥34 billion.
- In February 2025, sales of the tenosynovial giant cell tumor treatment ROMVIMZA began in the United States.

FY2025 Result (2024.7-2025.3)	Product sales: ¥26.1 billion (102.4% of plan) Expenses: ¥42.3 billion - R&D expenses ¥24.2 billion, SG&A expenses ¥18.1 billion
Full-year forecast for the fiscal year ending March 2026 (2025.4-2026.3)	Product sales: about ¥40.0 billion Expenses: about ¥57.0 billion - R&D expenses: about ¥36.0 billion, SG&A expenses: about ¥21.0 billion

(Launched in over 40 countries)

(Launched in the U.S., under application in Europe)

The annual exchange rate assumption for the earnings forecast outlook is 1 USD = 145 JPY.

Financial Strategy and Resource Allocation

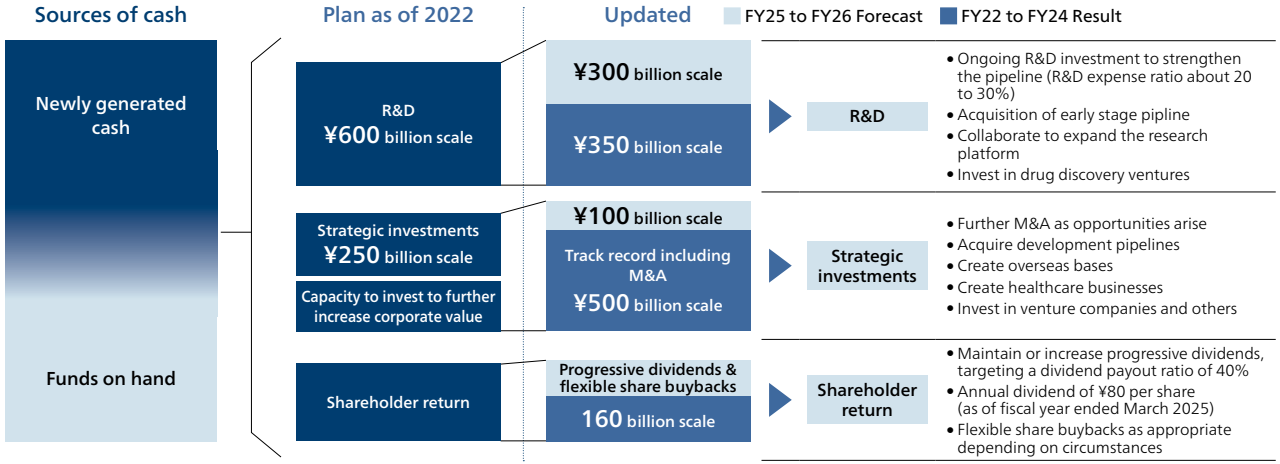
flow has emerged where a diverse range of new graduates and mid-career professionals are attracted to and join our Company, which is steadily leading to the strengthening of our research and development capabilities.

Furthermore, in the fields of in-licensing and out-licensing, participation by talented personnel is leading to more advanced operations, and we recognize that an attractive work environment, open dialogue, and motivation initiatives will support our competitive advantage even in the increasingly intense competition for human resources expected in the future.

In this way, investment in human and intellectual capital functions as a "source of corporate strength" that goes beyond mere financial results, and it is leading to the success of the Deciphera acquisition and the formation of networks going forward. Believing that networks, trust, and creativity created by people are the foundation of corporate value, our Company intends to continue making ongoing investments in this area.

Looking ahead to the expiration of the patents on our main products scheduled for 2031, we believe that the overall strategy we have been working on so far has consistently contributed to strengthening human capital as a stepping stone for next-generation growth.

Updated investment allocation (FY2022 to FY2026)



* In June 2024, we acquired Deciphera Pharmaceuticals based on our strategic investment and capacity for further enhancing corporate value.

Advancements in Cash Allocation

Over the three years from FY2022 to FY2024, Ono Pharmaceutical invested approximately ¥350 billion in R&D expenses and about ¥500 billion in strategic investments. For the next two years, FY2025 to FY2026, we anticipate investing about ¥300 billion in R&D and approximately ¥100 billion in strategic investments such as M&A and pipeline acquisition. These investments prioritize medium- to long-term value creation over securing short-term profit.

Our cash allocation policy is to "pursue growth returns that exceed ROIC" and "balance this with financial soundness." With respect to acquisitions, although the upfront acquisition costs were substantial, in exchange, we have acquired stable, long-term cash flows as well as difficult-to-quantify positive elements such as strengthened sales infrastructure, development infrastructure, and R&D capabilities. These enhancements have also contributed to greater negotiating power in global license deals.

Shareholder Return and Improved Capital Efficiency

At our Company, securing profitability above the cost of capital and improving capital efficiency are positioned as important management indicators, and we are working continuously to improve ROE. Currently, we estimate our cost of capital to be around 6%, and, in FY2024, we managed to secure an ROE just above that level. For FY2025, which is underway, ROE is expected to reach 8%, ensuring profitability that exceeds the "minimum capital cost level" sought by domestic and international investors.

However, management is not satisfied with this level, and we are aiming for ROE above 10% in the medium to long term. In particular, if the ongoing M&A of Deciphera is successfully monetized, we expect an even higher level from FY2027 onward.

On the other hand, it is not easy to dramatically improve profitability in the short term, and the impact of capital policies such as share buybacks on ROE is limited. Therefore, while aiming for more substantive improvements in profitability, our Company clearly states its "progressive dividend policy," clarifying our commitment to

Financial Strategy and Resource Allocation

providing long-term returns to shareholders. This stance has been highly praised particularly among individual investors and helps strengthen trust with investors. By thus advancing our growth strategy and increasing income gains, we aim to sustainably enhance corporate value, boost market evaluations, and increase TSR.

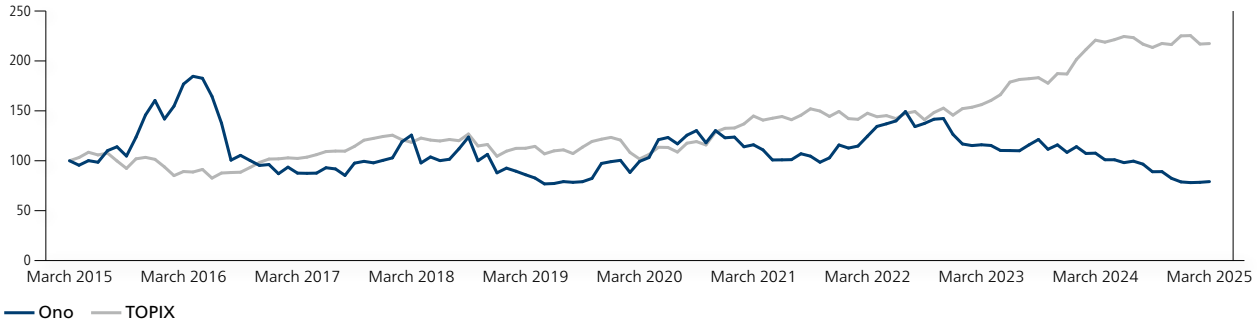
Additionally, as part of our efforts to improve capital efficiency, we have been actively reducing cross-shareholdings, and in FY2024, we achieved our goal of reducing the ratio of cross-shareholdings to net assets to less than 10%. We will continue to reduce cross-shareholdings after FY2025 and strive to enhance corporate value by reallocating capital toward growth investments.

We are working on this for the following reasons:

- Cross-shareholdings are a factor in lowering ROE and ROIC
- Increasing calls from shareholders to improve capital efficiency
- Stewardship Code and Corporate Governance Code recommend the sale of shares for which there is no rational reason to hold them.

Going forward, while thoroughly managing with an awareness of the cost of capital, we will continue to strengthen shareholder returns through both dividends and capital policies.

Total shareholder return (TSR)

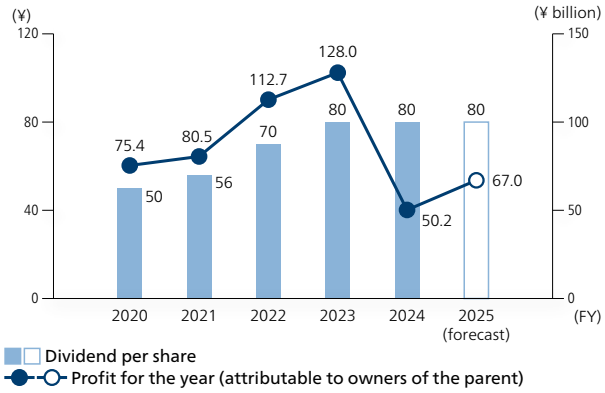


Stock Performance (Total Shareholder Return)

	1-year	3-year		5-year		10-year	
		Cumulative	Annual	Cumulative	Annual	Cumulative	Annual
Ono	-31.5%	-40.2%	-15.8%	-22.0%	-4.9%	-20.9%	-2.3%
TOPIX	-1.5%	+47.2%	+13.8%	+113.4%	+16.4%	+117.4%	+8.1%

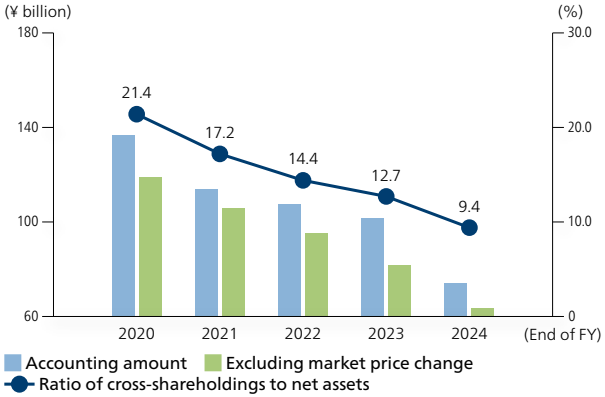
- Total Shareholder Return (TSR): Total return to shareholders. Total return on investment including capital gains and dividends
- TSR is calculated based on the cumulative dividends and stock price for Ono and based on the stock price index including dividends for TOPIX (created based on Bloomberg data).
- Graph values are indexed to the market value by TSR with the closing price data at the end of March 2015 as 100 (holding period is until the end of March 2025)
- Returns are expressed as a percentage change in the initial investment amount, which is commonly used to measure return on investment.

Shareholder returns



Fiscal year	2020	2021	2022	2023	2024	2025 (forecast)
Total dividends (¥ billion)	25.0	27.7	34.2	37.9	37.6	37.6
Payout ratio (%)	33.1	34.5	30.3	30.0	75.1	56.1
Share buybacks (¥ billion)	–	30.0	–	50.0	–	Undecided
Total return ratio (%)	33.1	71.6	30.3	69.1	75.1	Undecided

Reduction of cross-shareholdings



Acceleration of Global Business Advancement

Accelerating Global Business through the Acquisition of Deciphera

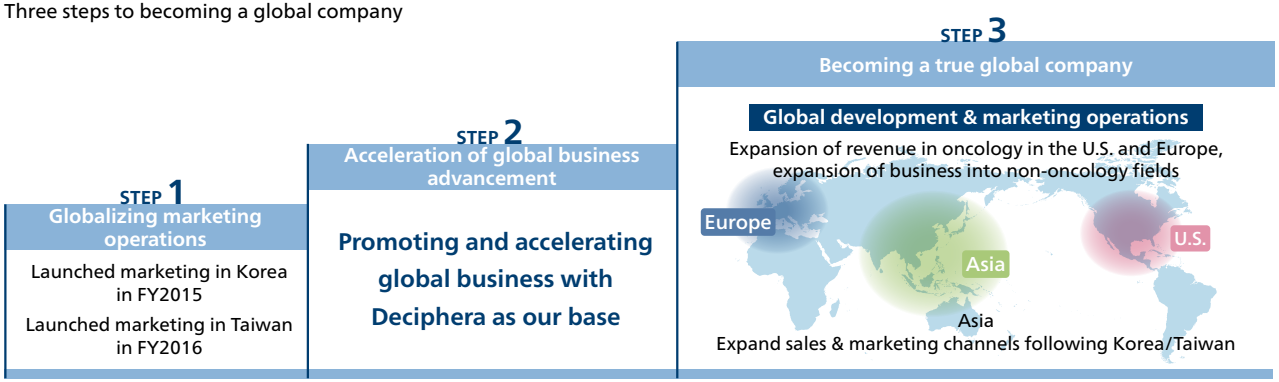
Masayuki Tanigawa
Corporate Officer /
Corporate Development & Strategy

Our company is aiming to be a Global Specialty Pharma to deliver innovative medicines to patients worldwide. Last year, we acquired Deciphera Pharmaceuticals, a U.S. biopharmaceutical company, gaining its research and development as well as its commercial capabilities in the U.S. and Europe. This has strengthened our own commercial capabilities in the U.S. and Europe and accelerated our global expansion.

In our PMI (Post Merger Integration), we are deepening our understanding of management policies and organizational culture, building governance frameworks, and standardizing business processes. Deciphera will serve as an important base for the development and sales not only in oncology but also in other disease areas in the U.S. and Europe. Going forward, Deciphera will take the lead in driving the development and commercialization of tirabrutinib (ONO-4059) and sapablursen.

To respond quickly to changing external environments, we established the Business Strategy Division to promote licensing and M&A, and the Global Business Division to drive global business expansion. Both divisions will utilize their expertise to boost agility and execution, working to expand and accelerate our global business.

Three steps to becoming a global company



Overview and progress of the global sales strategy in our growth strategy

Material Issue 2 Acceleration of Global Business Advancement

Vision over the medium- to long-term	As a specialty pharma capable of competing globally, accelerating development and business advancement worldwide.

		FY2024 Evaluation
Indicators	• Start direct sales in the U.S. and European markets • Acquired development and commercial capabilities for the U.S. and European markets	○

Overview of the Growth Strategy

- Integrated U.S. and European markets development and commercial functions into Deciphera
- Promotion and acceleration of global business

FY2024 Assessment

Achievements

- Started direct sales in the U.S. and European markets
- Acquired development and commercial capabilities for the U.S. and European markets

Challenges

- Swift integration of operations and the cultivation of corporate culture and values
- Expansion of the global product lineup

FY2025 Strategy

- Maximize the product value of QINLOCK and ROMVIMZA
- U.S. application and launch preparation for tirabrutinib

Acceleration of Global Business Advancement

Progress of Global Strategy

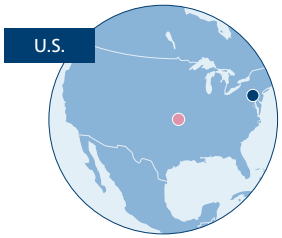
Strategy development through acquisition

We are aiming to be a Global Specialty Pharma that delivers innovative medicines to patients worldwide. To accelerate these efforts, we acquired Deciphera last year, obtaining their pipeline, research and development and commercial capabilities in the U.S. and Europe. Additionally, with a view to further accelerating our global expansion, which is critical to our growth, we reorganized the functions of our local subsidiaries in the U.S. and Europe. As part of this reorganization, the functions of ONO PHARMA USA, INC., which has played a key role as the U.S. base for development and commercials, will be integrated into Deciphera in July 2025. We have also closed the development functions of ONO PHARMA UK LTD.

With the acquisition of a direct commercial capability in the U.S. and Europe through the Deciphera acquisition and functional consolidation in the U.S. and Europe, we have achieved the material issue in our growth strategy—Realization of direct sales in the U.S. and Europe—and have updated our strategy to "Acceleration of Global Business Advancement."

Deciphera's bases

- **400** total employees *As of March 2025
- R&D and CMC functions **based in the U.S.**
- Commercialization network established in the U.S. and **six** countries in Europe



- **Headquarters**
  (Development, Regulatory, Sales, Business Development, CMC)
  Waltham, Massachusetts
- **Research**
  Lawrence, Kansas

- **European Commercial Headquarters**
  Zug, Switzerland
- **European Commercial Bases**
  Munich, Germany
  Paris, France
  Milan, Italy
  Barcelona, Spain
  Amsterdam, Netherlands

PMI progress (Integration of management, business operations, and organizational culture)

After acquiring Deciphera last year, we have strengthened our mutual understanding of management policies, current status, organizational culture, and operations. Further, in anticipation of PMI (Post Merger Integration), we have worked on establishing governance structures, standardizing business processes, examining the supply chain, integrating our medium-term management plans, and reorganizing the functions of our subsidiaries. As a result, Deciphera has become our group's business hub for development and commercialization of not only existing oncology but also other disease areas in the U.S. and Europe, and is central to preparation for the development and commercialization of tirabrutinib (ONO-4059) and sapablursen, which we licensed globally from Ionis Pharmaceuticals. For pipeline drugs in the early development stage as well, we are building a structure with Deciphera to conduct global clinical trials together. Going forward, we will continue to enhance and strengthen Deciphera's infrastructure, governance system, and business processes in the U.S. and Europe, accelerating and expanding our global business. In addition, we will further strengthen our pipeline by accelerating in-house R&D and creating opportunities to acquire new product candidates.

Challenges to be solved and future initiatives

One of the challenges in PMI is to deepen mutual understanding of differing values and corporate cultures in order to further enhance corporate value. Deciphera's corporate philosophy "One Mission" and its behavioral guidelines "PATHS," which include patient focus and accountability, are in line with our mission statement. Prior to integration, each department worked to promote communication for mutual understanding. After integration, we are now at a stage where we work together in the development and commercialization of each other's compounds, making an even deeper mutual understanding necessary. To that end, we decided to share not only our corporate philosophy but also mid- to long-term goals, and to repeat a process in which each department shares its culture with others through practice. Specific initiatives include multiple visits by our management to Deciphera in FY2024 to directly communicate our corporate philosophy, exchange opinions, and set shared goals. Additionally, we have promoted more active cross-departmental communication through project management. As a result, although we are still midway, the mission statement is gradually taking root and mutual understanding of values and culture is deepening. We are making steady progress toward building a corporate structure that can further expand and accelerate our global business.

Feature The Path to Becoming a Global Specialty Pharma Accelerated by the Integration of Deciphera to the Group

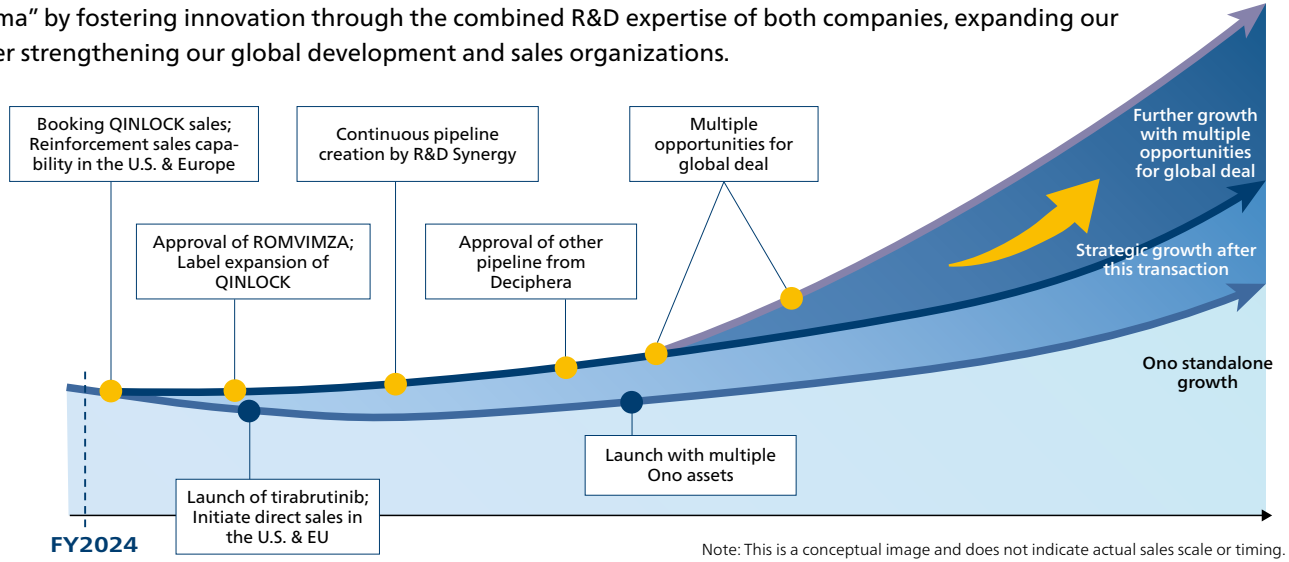
In 2024, our company acquired Deciphera, a company with a proven track record of launching products in the U.S. and Europe, strong R&D capabilities, and established sales operations in those regions.
We will accelerate our growth into a "Global Specialty Pharma" by fostering innovation through the combined R&D expertise of both companies, expanding our pipeline through new partnership opportunities, and further strengthening our global development and sales organizations.

Deciphera Pharmaceuticals, Inc.

Company focusing on discovering, developing and commercializing new medicines for cancer, with rich pipeline of oral kinase inhibitors (founded 2003)

Locations	[U.S.] Waltham, Massachusetts (Headquarters), Lawrence, Kansas (Research) [Europe] Zug (Switzerland), Munich (Germany), Paris (France), Milan (Italy), Barcelona (Spain), Amsterdam (Netherlands)	
Pipeline	• QINLOCK	4th line GIST*1/Approved in over 40 countries including the U.S. and Europe, some*2 in 2nd line GIST Phase 3
	• ROMVIMZA	TGCT*3/Launched in the U.S., under application in Europe, cGVHD*4 Phase 2
	• DCC-3116	KRAS G12C mutation-positive cancers and GIST/Phase 1b

*1 Gastrointestinal Stromal Tumor
*2 Patients with c-KIT gene exon 11+17/18 mutations
*3 Tenosynovial Giant Cell Tumor
*4 Chronic Graft-versus-Host Disease



Note: This is a conceptual image and does not indicate actual sales scale or timing.

Deciphera's Strong Oncology Portfolio and Compelling Pipeline

Six in-house discovered products and pipelines in oncology, with proven results in research, development, and sales

Products and late-stage pipelines	• QINLOCK is approved in over 40 countries including the U.S. and Europe (2024 sales: 25.5 billion yen), with plans to expand to earlier treatment lines • ROMVIMZA for TGCT to be launched in the U.S. in February 2025, under application in Europe
Commercial expertise in the U.S. and Europe	• QINLOCK: Direct sales in the U.S. and 6 European countries • ROMVIMZA: Complementary commercial opportunity with QINLOCK, 70-80% overlap in the U.S. prescribing physicians for GIST and TGCT
Early-stage pipeline	• Proprietary 4 assets in oncology therapeutic area, including First-in-Class mechanism of action
Propriety discovery platform	• Proprietary Switch-Control Kinase Inhibitor Platform allows for design of highly selective drug candidates • All compounds in clinical stage are discovered by Deciphera
Management team	• Deep knowledge of market practice in the U.S. and Europe with decades of expertise in biotechnology and pharmaceutical industry

Strategic Rationale of Acquisition

The acquisition of Deciphera is a pivotal growth driver toward becoming a Global Specialty Pharma

Reinforcement of pipeline in oncology therapeutic area	• QINLOCK: launched product in U.S. and Europe • ROMVIMZA is approved in the U.S. and under application in Europe • Multiple pipeline in clinical stage	• Secure short to mid-term revenue • Addressing forthcoming LOE of diabetes drugs and decrease in PD-1-related royalty revenue
Reinforcement of sales and development team in the U.S. & Europe	• Acquisition of experienced development, regulatory affairs, and commercial teams in oncology and specialty areas with a proven record of approval in the U.S. and Europe.	• Accelerating globalization in parallel with the U.S. & Europe, which potentially advantage future collaboration activities
Further strengthening of kinase drug discovery capabilities	• Know-how and platform with track records of creating multiple pipelines by a research organization	• Contribution for mid to long-term growth by continuing creation of pipelines

Growth Strategy in the U.S. and European Markets: Accelerating Global Expansion through Integration with Deciphera

In July 2025, our company's development and sales functions in Europe and the U.S. were integrated into Deciphera. We will position Deciphera as a key business base in the U.S. and European markets and accelerate strengthening our global presence and product penetration.

U.S. market	ROMVIMZA (Tenosynovial Giant Cell Tumor (TGCT))	ROMVIMZA, launched in the U.S. in February 2025, targets TGCT patients for whom surgical resection is difficult. We are working to promote broader use by providing multifaceted information to both oncologists and patients. ROMVIMZA offers a favorable safety profile compared to existing therapies and the convenience of twice-weekly dosing, contributing to improved quality of life for patients. We are maximizing our relationships with oncologists built through QINLOCK, strengthening treatment opportunities for untreated TGCT patients, and actively promoting disease awareness initiatives in collaboration with patient advocacy groups.
	QINLOCK (Gastrointestinal Stromal Tumor (GIST))	QINLOCK is approved as a treatment for adult GIST patients with a history of treatment with at least three kinase inhibitors, including imatinib. Since its launch in 2020, we have established a strong relationship with GIST treating physicians, and since many GIST treating physicians also manage TGCT, this has created significant synergies in the promotion of ROMVIMZA. Currently, development is underway as a second-line therapy for KIT Exon 11+17/18 mutation-positive GIST patients, and future label expansions are expected to create further growth opportunities.
	Velexbru (tirabrutinib) (Primary Central Nervous System malignant Lymphoma (PCNSL))	Velexbru is being developed for primary central nervous system lymphoma, with plans to submit an application for approval in FY2025. Global development and sales are being led by Deciphera, aiming to maximize its expertise and network to deliver early benefits to patients.
European market	ROMVIMZA (Tenosynovial Giant Cell Tumor (TGCT))	Approval by the European Medicines Agency (EMA) is expected in 2025. As there have been no approved medicines for TGCT in Europe so far, there is a high level of unmet medical need, and we plan to launch sales activities to address this need. Leveraging our U.S. launch experience and our relationships with key opinion leaders in Europe built through QINLOCK, we will strengthen our activities targeting oncologists.
	QINLOCK (Gastrointestinal Stromal Tumor (GIST))	QINLOCK is approved and marketed as a treatment for GIST. We have established a sales network in major European countries, obtained reimbursement, and built strong relationships with European KOLs. As in the U.S., TGCT and GIST treating physicians overlap as in Europe, and we expect significant synergy in the sales of ROMVIMZA.

Overview of QINLOCK

Characteristic	The most common sarcoma of the gastrointestinal tract and present in the stomach or small intestine The total number of annual cases in the U.S. and Europe is 4,000 - 5,000 patients for each *1
Mechanism of action	KIT inhibitor/Small molecule (oral)
Development	1) 4th line GIST: Launched (U.S. 2020, Europe 2021) 2) Phase 3 trial ongoing for 2nd line GIST (partial*2), Both granted US FDA Breakthrough Therapy Designation
Sales results	Sales revenue for FY2024 are 25.5 billion yen
Collaboration	Zai Lab collaboration for Greater China from 2019

*1 Ono market survey in 2024
*2 Patients with c-KIT gene exon 11+17/18 mutations

Overview of ROMVIMZA

Characteristic	• Locally aggressive tumors in joints • High disease burden with multiple symptoms including severe pain, limited function, swelling, and stiffness • The total number of all cases in the U.S. and Europe is 15,000 patients for each *3
Mechanism of action	CSF1R inhibitor/Small molecule (oral)
Development	TGCT*4/Launched in the U.S., under application in Europe cGVHD*5 Phase2

*3 As of February 2024
*4 Tenosynovial Giant Cell Tumor
*5 Chronic Graft-versus-Host Disease

((Voice))

Deciphera's Growth Drives New Value for the Ono Group

Ryota Udagawa
President, Chief Executive Officer
Deciphera Pharmaceuticals, LLC.

In becoming a member company of the Ono Group, Deciphera leverages its R&D capabilities together with Ono's global network, maximizing the synergies between both organizations. As a leading global development and commercial hub for the Ono Group, Deciphera pioneers future global healthcare through innovative medicine development. The integration of Deciphera and Ono will accelerate the delivery of new treatment options for patients and strengthens the business foundation of the entire Ono Group. Moving forward, Deciphera will continue contributing to patients worldwide by expanding the sale of its global products and will drive the Ono Group's global expansion.

Unlocking New Growth Potential Through Globally Launched Products

Margarida Duarte
Executive Vice President, Global Chief Commercial Officer
Deciphera Pharmaceuticals, LLC.

Through its globally launched products, QINLOCK and ROMVIMZA, Deciphera is expanding its distribution channels in existing markets and is actively pursuing new product launches in countries and regions where it has not yet established a presence. In addition, Deciphera plans to develop and launch new products in the future, aiming to deliver innovative therapies to even more patients. These initiatives further accelerate the Ono Group's global expansion and enable Deciphera to contribute to patients and society worldwide.

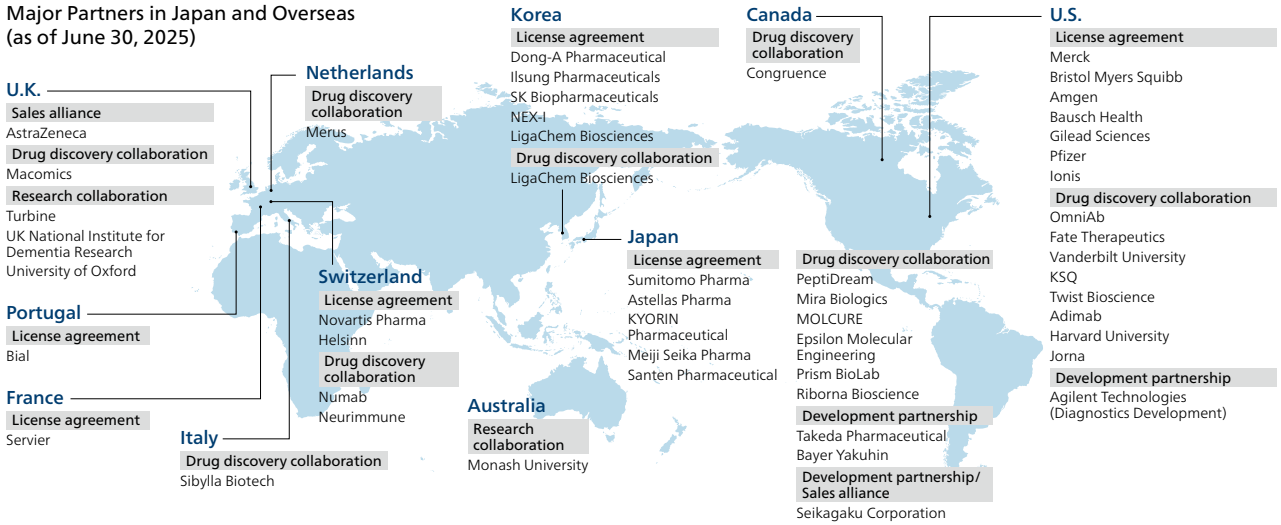
Research Strategy

Taking on the Challenge of New Drug Discovery through Highly Proactive Open Innovation

Seishi Katsumata
Corporate Officer / Executive Director,
Discovery & Research

Ono's history in drug discovery is challenges. We are promoting highly proactive open innovation such as acquiring unique drug discovery seeds through research collaborations with academia, and creating innovative new drug candidates through drug discovery collaborations with bio-venture companies with cutting-edge technologies, aiming to create innovative new drugs that address unmet medical needs. Recently, we have been accelerating the search for new drug discovery seeds and shortening the time to creation of novel compounds by using Artificial Intelligence (AI) to analyze and utilize the vast amounts of information obtained from pioneering research, and with this are working to improve the success rate and speed of drug discovery. Additionally, we are actively promoting opportunities for our researchers to visit our collaborative research institutions as visiting scientists, and to take up positions at our subsidiaries in the U.S. and Europe that explore opportunities for research and drug discovery collaborations, thereby raising the level of and engagement with each researcher. Going forward, we will further strengthen our systems to promote rapid, world-class drug discovery.

Major Partners in Japan and Overseas
(as of June 30, 2025)



Overview and Progress of Research Strategy in Growth Strategy

Material Issue 1 Reinforcement of pipelines

Vision over the medium- to long-term	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.

		FY2024 evaluation
Indicators	• The number of new drug candidates going to clinical trials: **2** (ONO-4915, ONO-7428)	△
	• The number of companies with which in-license and out-license agreements are concluded: **4** (**See p.41**)	○
	• The number of research/drug discovery collaborations: **Approx. 150 globally** (active as of the end of March 2025)	○
	• Other partnering results: **See p.39**	○

Material Issue 2 Acceleration of global business advancement

Vision over the medium- to long-term	As a specialty pharma capable of competing globally, accelerating development and business advancement worldwide.

		FY2024 evaluation
Indicators	• The number of research/drug discovery collaborations: **Approx. 150 globally** (active as of the end of March 2025)	○

Overview of the Growth Strategy

- Creation of innovative new drugs through highly proactive open innovation

FY2024 evaluation

Results

- Two new drug candidates have progressed to the clinical trial stage (ONO-4915, ONO-7428)
- Launched seven new research and drug discovery collaborations (see p.39)

Challenges

- Expansion (Enhancement) of drug discovery seeds leading to innovative new medicines
- Further improving speed and probability of success in drug discovery using the cutting-edge technologies

Drug Discovery Strategy

Our four priority areas of research and development

Guided by our Drug Discovery Strategy of "creating unique and innovative new drugs," we have designated oncology, immunology, neurology, and specialty as our priority areas, focusing on deepening our biological knowledge and understanding of disease onset and progression, while actively promoting open innovation and working to strengthen our drug discovery capabilities. In addition, we are working to improve the quality and speed of drug discovery research by utilizing digital technologies, while also strengthening translational research to bridge basic and clinical research. As of May 2025, there are 24 drug candidates currently in the clinical stage, of which 16 are in-house discovered. From the early research stage, we actively utilize research tools such as human genome information and human iPS cells, as well as informatics technologies, to analyze the relevance of target molecules to diseases, identify biomarkers that can more accurately predict and evaluate the efficacy of new drug candidates in humans, and thereby improve the probability of success in drug discovery.

Open Innovation Is the Lifeline of Ono

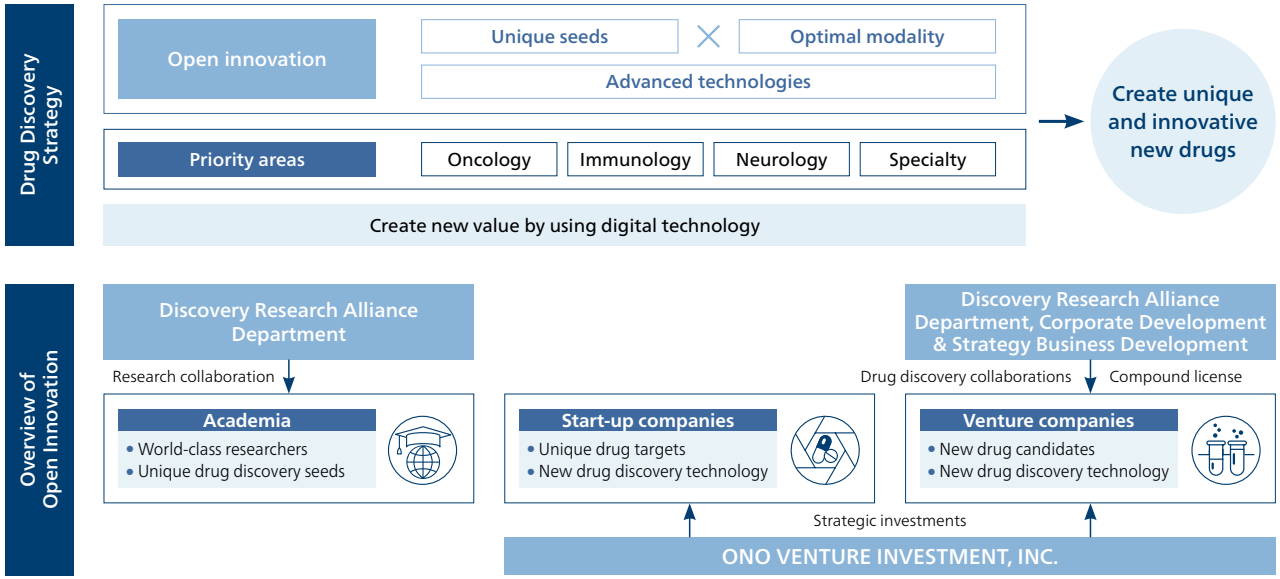
Collaboration with top scientists worldwide

In the 1960s, we identified new drug discovery seeds through collaborations with universities and other research institutes in drug discovery research into prostaglandins, and this led to the creation of innovative new drugs. This drug discovery activity through collaboration between industry and academia occurred more than 30 years before Professor Chesbrough of Harvard University proposed the concept of open innovation in 2003. Currently, about 150 research and drug discovery collaborations are in operation globally. To be at the forefront and acquire the latest research information ahead of other companies, and to accelerate drug discovery, it is essential to engage in agile collaboration activities. Our R&D divisions work closely together and collaborate with top scientists and biotech ventures worldwide, primarily in our priority areas, through research and drug discovery collaborations and proactive compound licensing activities.

FY2024 initiatives

Since April 2024, we have initiated seven new drug discovery alliances aimed at the creation of new drug candidates or the development of new drug discovery technologies in our priority therapeutic areas. In addition to alliances aimed at the creation of small molecule drugs, we are also strengthening alliances focused on the discovery of antibody drugs and nucleic acid-regulating drugs. We are also boldly working to accelerate drug discovery and improve the probability of success by leveraging Artificial Intelligence (AI) to utilize the vast amount of literature information and proprietary internal data.

For small molecule drug discovery, we are working on the creation of new drug candidates that inhibit protein-protein interactions through a drug discovery collaboration with Prism BioLab. In addition, we have launched a drug discovery collaboration with Congruence using the company's proprietary computational chemistry platform, Revenir™, and a collaboration with Receptor AI using their



Research Strategy

artificial intelligence drug discovery design technology. In drug discovery targeting RNA regulation, in collaboration with Riborna Bioscience, we started developing small molecule drugs targeting RNA in the neurology field, and with Jorna, we launched a drug discovery collaboration aiming to create nucleic acid-based therapeutics using their RNA editing technology. In antibody drug discovery, we entered into a research collaboration with Monash University to create novel anti-GPCR antibodies, with an option agreement attached. We signed a drug discovery collaboration agreement with LigaChem to create new antibody-drug conjugates (ADCs) using their proprietary ConjuAll™ ADC platform.

Comprehensive research/drug discovery alliances with academia and co-creation partner companies

To identify highly competitive drug discovery targets and create high-quality new drug candidates in our priority areas, we are actively pursuing research collaborations with academia both in Japan and overseas. In addition to the five-year comprehensive research collaborations with Harvard University in the U.S. that began in FY2023, and the comprehensive drug discovery collaborations with the University of Oxford in the U.K. aimed at validating drug discovery seeds and acquiring new drug candidates for the creation of innovative medicines, we joined the Quebec Consortium for Drug Discovery in FY2024. Through this consortium, we will continue to proactively pursue research collaborations with academia in Canada in addition to Japan, the U.S. and Europe.

Research/drug discovery collaborations initiated since April 2024

Area	Collaborative partner	Start	Objective
Oncology	Prism BioLab Inc. (Japan)	April 2024	Creation of novel small molecule drug candidate compounds that inhibit protein-protein interactions in oncology
	LigaChem Biosciences Inc. (Korea)	October 2024	Drug development collaboration for creating novel antibody-drug conjugates using LigaChem Biosciences' ConjuAll™ ADC platform
	Congruence Therapeutics Inc. (Canada)	December 2024	Creation of novel small molecule drug candidate compounds targeting multiple conformations of proteins in oncology
Immunology	Monash University (Australia)	August 2024	Creation of novel anti-GPCR antibody therapeutics in the fields of autoimmune and inflammatory diseases
Neurology	Riborna Bioscience Inc. (Japan)	March 2025	Creation of novel small molecule drug candidate compounds targeting ribonucleic acid (RNA) in neurology
Undisclosed	Jorna Therapeutics Inc. (U.S.)	December 2024	Research collaboration to discover novel nucleic acid sequences as new drug candidates using Jorna Therapeutics' RNA editing platform
	Receptor AI Inc. (U.K.)	March 2025	Creation of novel small molecule drug candidate compounds using Receptor AI's artificial intelligence drug discovery platform

Voice

License agreement with LigaChem Biosciences Inc. of Korea

Erina Yamakawa
Research Center of Oncology

Antibody-drug conjugates (ADC) are a type of biopharmaceutical in which highly pharmacologically active compounds are bound to antibodies that target specific cells, and in recent years, they have attracted attention as a cancer treatment. By directly delivering anticancer drugs to cancer cells, ADCs are expected to provide higher efficacy and reduce side effects compared to traditional chemotherapy.

At Ono Pharmaceutical, in October 2024, we entered into a license agreement with LigaChem Biosciences Inc. (LCB) of Korea regarding LCB97, an ADC against L1 cell adhesion molecule (L1CAM), a first-in-class target. L1CAM is expressed in several solid tumors, including ovarian cancer, small-cell lung cancer, melanoma, breast cancer, and colorectal cancer, and thus, LCB97 is expected to become a new treatment option for many cancer patients. I was involved in the introduction of LCB97, and as a current nonclinical pharmacology representative, I am energetically working together both within the Company and with LCB teams on a daily basis, so we can provide this innovative drug candidate to patients as soon as possible.

In addition to the license agreement for LCB97, we have also signed a drug discovery collaboration agreement with LCB for the creation of new ADCs using the ConjuAll™ ADC platform, aiming to develop additional ADCs targeting targets selected by our Company.

About Deciphera's Research

Features of Deciphera's research institute

Deciphera's research institute utilizes cutting-edge technologies and expertise to develop new therapies for hard-to-treat diseases. In particular, they adopt a unique approach called the switch-control kinase inhibitor platform for the design and development of kinase inhibitors. At the research institute, experts in molecular biology, chemistry, and pharmacology collaborate closely, challenging themselves to create innovative therapies quickly and efficiently.

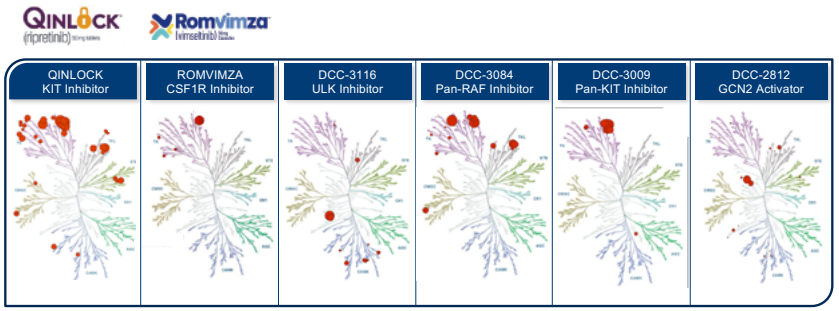
About the Switch-Control Kinase Inhibitor Platform

Kinases are enzymes found inside cells that regulate various important cellular processes by phosphorylating other proteins. When kinases phosphorylate other proteins, their three-dimensional structure greatly changes from an inactive "off switch" state to an active "on switch" state. To switch from an inactive to an active state, the area called the "switch pocket" and the area called the "activation switch" must come close together. In the Switch-Control Kinase Inhibitor Platform, drug candidates are designed to directly target the switch pocket, enabling selective and powerful control of target kinases.

This platform has already generated several approved drugs and compounds in clinical stages. Ripretinib, a treatment for gastrointestinal stromal tumors (GIST), aims to provide more effective therapy for GIST patients by extensively inhibiting mutant forms of KIT and PDGFRA kinases. Vimseltinib, a treatment for tenosynovial giant cell tumor (TGCT), is a highly specific CSF1R inhibitor. TGCT is a soft tissue tumor that commonly occurs around joints and tendon sheaths in the peripheral limbs, and Vimseltinib provides a new treatment option for this tumor. Deciphera is also conducting clinical trials of several compounds, including DCC-3116, DCC-3084, and DCC-3009, which are expected to become therapies for various types of cancer.

Through these innovative treatments, Deciphera pursues improved treatment outcomes for cancer patients, aims to enhance their quality of life, and strives to open new possibilities in cancer treatment.

Creation of multiple drugs and compounds through the Switch-Control Kinase Inhibitor Platform



Notes: CSF1R=colony-stimulating factor 1 receptor; GCN2=general control nonderepressible 2; KIT=KIT proto-oncogene receptor tyrosine kinase; RAF=rapidly accelerated fibrosarcoma;ULK=unc-51-like autophagy-activating kinase.

Voice

To address unresolved medical needs for patients

Gada Al-Ani Ph.D.
Executive Director,
Biological Sciences
Deciphera
Pharmaceuticals, LLC.

Deciphera's mission is "to improve patients' lives." We aim to quickly deliver needed therapies to patients by leveraging expertise in kinase biology, proprietary switch-control technologies, and teamwork.

Our approach is leading to the development of new treatments that overcome the limitations of conventional therapies. For example, the oral CSF1R inhibitor ROMVIMZA, characterized by high kinase selectivity and safety, was approved by the FDA in February 2025.

ROMVIMZA provides new treatment options for adult patients with symptomatic tenosynovial giant cell tumor (TGCT), for whom surgery is difficult and treatment options are limited, improving function and symptoms.

Investment in venture companies

Investment in drug discovery-related bio-venture companies is being conducted by ONO VENTURE INVESTMENT, INC. (hereafter, OVI), a corporate venture capital (CVC), while investment in healthcare venture companies outside of the pharmaceutical business is being carried out by ONO DIGITAL HEALTH INVESTMENT, GK (hereafter, Ono Digital Health Investment). OVI manages and operates the ONO VENTURE INVESTMENT FUND I, L.P., a fund of approximately 200 million USD, and is actively engaging in investment activities aimed at strategic returns for our company. Including undisclosed companies, we have directly invested in more than ten venture companies so far.

Going forward, we will continue to expand our investments in technologies and innovations that contribute to strengthening our future pipeline.

Ethical Considerations in R&D

Ethical considerations in research and development are essential as a responsibility to test subjects, animals and society as a whole. In clinical trials, we comply with international standards such as the Declaration of Helsinki and ICH-GCP (International Council for Harmonisation's Guideline for Good Clinical Practice), rigorously protect the human rights and personal information of subjects, and ensure thorough informed consent procedures. The ethical and scientific validity of research plans are ensured through impartial review by clinical trial review committees within the Company and at implementing medical institutions.

Meanwhile, in animal testing, from the perspective of animal welfare, we have established appropriate management systems in compliance with relevant laws and guidelines, based on the 3Rs* principle (replacement, reduction, and refinement). Through these initiatives, we are enhancing the transparency and reliability of research and development, thus gaining trust from society.

*3Rs: Replacement, Reduction, Refinement

Animal Ethics

Licensing Activities

Our Company also actively pursues licensing activities for new drug candidates under development by pharmaceutical and bio-venture companies both domestically and internationally. We focus on new drug candidates that offer high business strategy and efficiency—considering existing products and development pipelines—or address diseases with high unmet medical needs. Furthermore, we are actively seeking to acquire late-stage development products and to pursue mergers and acquisitions to further strengthen our business foundation. The acquisition of Deciphera in FY2024 marks the first step, and by obtaining a promising global pipeline, strengthening development and sales structures in the U.S. and Europe and acquiring research and development platforms, we are accelerating our growth strategy toward becoming a Global Specialty Pharma.

In October 2024, we entered into a license agreement with LigaChem for LCB97, an antibody-drug conjugate (ADC) targeting the L1 cell adhesion molecule (L1CAM). In March 2025, we entered into a license agreement with Ionis for Sapablursen, which is being developed as a treatment for polycythemia vera. Furthermore, in April 2025, we signed a basic agreement with Seikagaku Corporation for co-development and marketing collaboration in Japan of Gel-One, a drug under development as an osteoarthritis treatment; in June 2025, we entered into an exclusive license agreement with Vertex for the development and commercialization in Japan and South Korea of Povetacicept, a treatment under development for several serious B-cell-mediated diseases including IgA nephropathy and primary membranous nephropathy.

Licensing Activities (as of the end of July 2025)

Agreement date	In-licensing	Designation	Collaboration details	Disease	Stage
October 2024	LigaChem Biosciences (Korea)	LCB97	A global exclusive license agreement to develop and commercialize the antibody-drug conjugate "LCB97," designed to target the L1 cell adhesion molecule for solid tumors	Oncology	Preclinical
March 2025	Ionis Pharmaceuticals (U.S.)	Sapablursen	An exclusive worldwide license agreement to develop and commercialize the nucleic acid drug "Sapablursen," which targets TMPRSS6	Polycythemia vera	P2 trial ongoing
April 2025	Seikagaku Corporation (Japan)	Gel-One	Signing of a basic agreement for co-development and marketing collaboration in Japan for the osteoarthritis treatment "Gel-One"	Osteoarthritis	P3 trial ongoing
June 2026	Vertex Pharmaceuticals (U.S.)	Povetacicept	An exclusive license agreement to develop and commercialize in Japan and South Korea the dual antagonist "Povetacicept," a recombinant fusion protein targeting BAFF (B cell activating factor) and APRIL (a proliferation inducing ligand)	IgA nephropathy, primary membranous nephropathy	P3 trial ongoing

Development Strategy

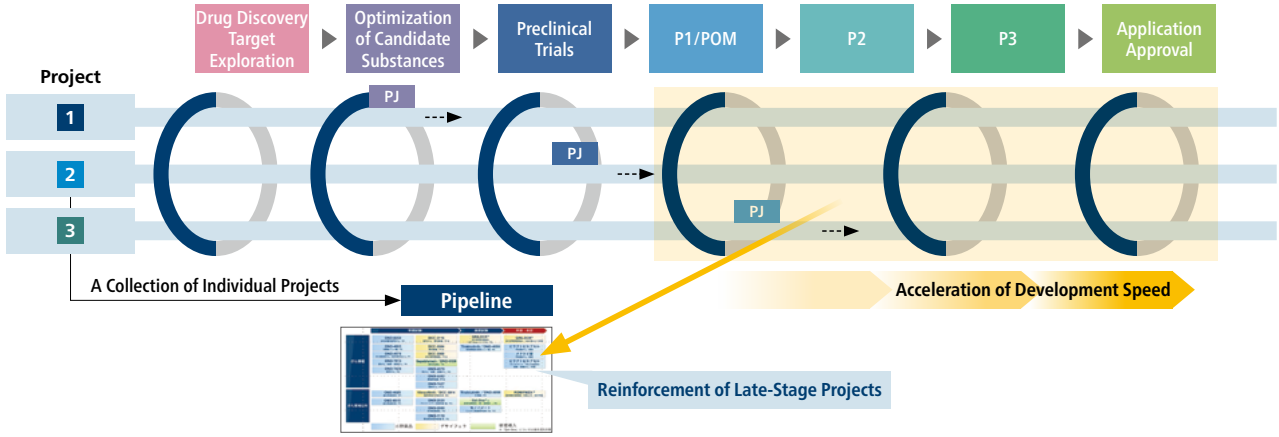
Striving to Become a Global Specialty Pharma – Reinforcement of Pipelines, Maximization of Product Value and Acceleration of Global Clinical Development –

Tatsuya Okamoto
Corporate Officer / Executive Director,
Clinical Development

We are moving forward with clinical development in the key areas of oncology, immunology, neurology and specialty, and focusing on pipeline reinforcement (strengthening), maximizing product value, and accelerating global development. To strengthen the pipeline, we are enhancing our ability to conduct trials in order to establish proof of concept (POC) at an early stage, and also incorporating various strategies to improve the accuracy of result interpretation.

For products in the pipeline that have already been launched, we are maximizing product value by adding supplementary indications and developing new combination therapies to meet the diverse unmet needs that still exist. Accelerating development speed—obtaining approval faster—is extremely important to maximize the value of new drug candidates. We maximized the development functions of Deciphera in the U.S. and Europe, which newly joined our Group last year, and will steadily proceed with international joint trials to obtain global approval as soon as possible.

Reinforcement of pipelines



Overview and Progress of Development Strategy in Growth Strategy

Material Issue 1 Reinforcement of pipelines

Vision over the medium- to long-term

By collaborating with top scientists to accelerate the creation of innovative new drugs that change the world, we are improving both the speed and precision of establishing POC for new drug candidates, and expanding our pipeline through licensing activities.

Indicators	FY2024 Evaluation
• The number of drug candidates in the clinical development stage: **24 items**	○
• The number of newly in-licensed drug candidates: **1 item**	○
• Obtain approval in the U.S. and Europe: **1 item** (ROMVIMZA approved in the U.S.) **For global development products, one product** (QINLOCK) **is undergoing a Phase III trial, and 7 products are in Phase II trials** (POC trials)**.**	○

Overview of the Growth Strategy

- Establishment of POC at an early stage and reinforcement of the pipeline

FY2024 evaluation

Achievements

- Number of approvals obtained: Japan 3, South Korea 1, Taiwan 1
- Number of approval applications: Japan 1, South Korea 1, Taiwan 1
- Number of POC trials started: 7

Challenges

- Pipeline reinforcement (strengthening)

Clinical Development

Reinforcement of pipelines

In clinical development, we are committed to achieving a qualitative enhancement of our pipeline. This refers to establishing a robust portfolio of projects with validated proof of concept (POC), and realizing a state in which numerous pivotal studies are actively underway. To deliver drug candidates created by our drug discovery research and those acquired through licensing activities as quickly as possible to patients suffering from diseases around the world, it is necessary to strengthen the quality of our pipeline. Accordingly, it is important to establish POCs early and to build and operate systems that allow for the parallel implementation of clinical trials targeting multiple diseases simultaneously, thereby shortening the time from a transition to the clinical stage, to the establishment of the POC. We are also actively working to utilize biomarkers based on Translational Research along with real-world data and clinical data obtained in-house as a way to accurately establish POC in clinical trials that are as compact as possible.

Maximization of product value

To enhance the product value of compounds, we are also working on expanding the indications of existing marketed products. In addition to expanding the indications of existing marketed products, we are also continuing work to develop combination therapies that can be used at earlier stages of treatment and that improve treatment efficacy in order to meet unmet medical needs. Furthermore, we are implementing measures to reduce the burden on patients by considering more convenient methods of administration.

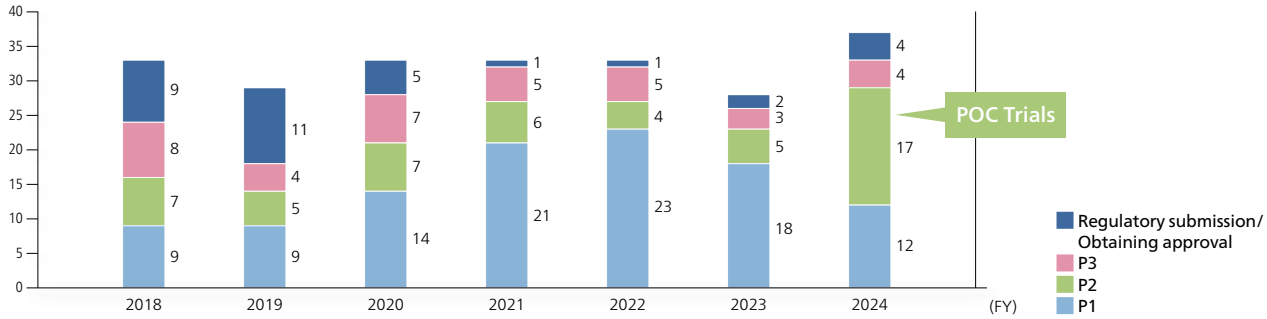
Toward the Realization of the Growth Strategy

Acceleration of global clinical development

Up until now, with the exception of Korea and Taiwan, where we have established our own sales systems, we have licensed out to partner companies the clinical development and sale of drug candidates discovered in-house. However, from now on we intend to ourselves deliver the drug candidates we have discovered and developed ourselves to patients in the U.S. and Europe, the world's largest markets. To achieve this goal, we have been working to strengthen and develop a system capable of handling all clinical development processes, including not only conducting clinical trials in the U.S. and Europe, but also everything from regulatory submission to obtaining approval. With Deciphera, which has experience with regulatory submissions and obtaining approvals in the U.S. and Europe, joining our Group last year, we will consolidate clinical development functions in Deciphera and accelerate global development even further.

Reorganizing U.S. and European business functions to accelerate global expansion

Main number of clinical trials (by development phase: excluding OPDIVO-related)



Clinical Development Pipeline

This document lists the pipeline in which our Company, either independently (including 100% subsidiaries) or jointly with partners, is conducting clinical development, or holds contractual rights that may potentially allow for future clinical development and/or commercialization as of August 1, 2025, but it does not include all development activities.

- For regions where we hold sales rights and marketing approval has been obtained for any indication, product names are also provided.
- For development stages, the main countries/regions in which we hold rights are listed.
- The standard for start of clinical trial information is the date of clinical trial notification acceptance (unless otherwise specified).
- For company-owned/licensed products, those involving Ono Group in the drug discovery process of joint research are categorized as company-owned, while those with commercialization rights are categorized as licensed. For limited rights, separate countries/regions are specified.

Oncology

Development Code / Generic Name / Product Name (Administration route)	Mechanism	Target Indication (Combination therapy)	Phase	In-house / In-license
ONO-4538/Nivolumab/OPDIVO (Intravenous formulation)	Human anti-human PD-1 monoclonal antibody	Hepatocellular carcinoma First-line therapy (In combination with Yervoy)	(JP) 25/06, (KR, TW) 25/07	In-house (Co-developed with Bristol-Myers Squibb)
		MSI-H/dMMR colorectal cancer First-line therapy (In combination with Yervoy)	(JP)24/09	
		Hepatocellular carcinoma Adjuvant therapy		
		Non-small cell lung cancer Neoadjuvant and adjuvant therapy (In combination with chemotherapy)		
		Bladder cancer Neoadjuvant and adjuvant therapy (In combination with chemotherapy)		
		Gastric cancer First-line therapy (In combination with Yervoy/chemotherapy)		
		Rhabdoid tumor Second-line therapy		
		Richter syndrome Second-line therapy		
ONO-7702/Encorafenib/Braftovi (Oral formulation)	BRAF inhibitor	Colorectal cancer First-line therapy, BRAF gene mutation positive (In combination with cetuximab and chemotherapy (FOLFOX))	(JP)24/12	License-in (JP, KR) (Pfizer)
DCC-2618/Ripretinib/QINLOCK (Oral formulation)	KIT inhibitor	Gastrointestinal stromal tumor Second-line therapy KIT Exon 11+ 17/18		In-house
ONO-4578 (Oral formulation)	Antagonistic effect on prostaglandin receptor (EP4)	Gastric cancer First-line therapy (In combination with standard therapy (OPDIVO/chemotherapy))		In-house
		Colorectal cancer First-line therapy (In combination with OPDIVO and standard therapy)		
		Non-small cell lung cancer Second-line therapy (In combination with OPDIVO and standard therapy)		
		Hormone receptor-positive, HER2-negative breast cancer First-line therapy (In combination with standard therapy)		
ONO-4059/Tirabrutinib hydrochloride/ VELEXBRU Tablets (Oral formulation)	BTK (Bruton's tyrosine kinase) inhibitor	Primary central nervous system lymphoma Second-line or later therapy	(US)	In-house
		Primary central nervous system lymphoma First-line therapy	(US)	
ONO-0530/Sapablursen (Subcutaneous formulation)	Inhibition of TMPRSS6 gene expression (nucleic acid medicine)	Polycythemia vera		License-in (Ionis Pharmaceuticals)
ONO-4482/Relatlimab (Intravenous formulation)	Anti-LAG-3 antibody	Melanoma Second-line or later therapy★	*	License-in (JP, KR, TW) (Co-developed with Bristol-Myers Squibb)

★Combination with OPDIVO *Indicates development stage I/II

Clinical Development Pipeline

Development Code / Generic Name / Product Name (Administration route)	Mechanism	Target Indication (Combination therapy)	Phase	In-house / In-license
ONO-7427 (Intravenous formulation)	Anti-CCR8 antibody	Solid tumor★	I→III*	License-in (JP, KR, TW) (Co-developed with Bristol-Myers Squibb)
DCC-3116/Inlexisertib (Oral formulation)	ULK inhibitor	Solid tumor (In combination with Sotorasib)	I→III*	In-house
		Malignant tumor (In combination with Ripretinib)	I→III*	
DCC-3084 (Oral formulation)	Pan-RAF inhibitor	Malignant tumor	I→III*	In-house
DCC-3009 (Oral formulation)	Pan-KIT inhibitor	Gastrointestinal stromal tumor	I→III*	In-house
ONO-7913/Magrolimab (Intravenous formulation)	Anti-CD47 antibody	Pancreatic cancer First-line therapy★	I	License-in (JP, KR, TW, ASEAN)(Gilead)
		Colorectal cancer First-line therapy★	I	
ONO-4685 (Intravenous formulation)	PD-1×CD3 bispecific antibody	T-cell lymphoma Second-line therapy	I	In-house
ONO-4538HSC (Subcutaneous formulation)	Human anti-human PD-1 monoclonal antibody	Solid tumor	I	License-in (JP, KR, TW) (Co-developed with Bristol-Myers Squibb)
ONO-8250 (Intravenous formulation)	iPS cell-derived HER2 CAR-T cell therapy	HER2-expressing solid tumor	I	In-house (co-developed with Fate Therapeutics)
ONO-7428 (Intravenous formulation)	Anti-ONCOKINE-1 antibody	Solid tumor	I	License-in (NEX-I)

★Combination with OPDIVO *Indicates development stage I/II

Areas other than oncology

Development Code / Generic Name / Product Name (Administration route)	Mechanism	Target Indication (Combination therapy)	Phase	In-house / In-license
DCC-3014/Vimseltinib/ROMVIMZA (Oral formulation)	CSF-1 receptor inhibitory effect	Tenosynovial giant cell tumor	I→Filed (EU)24/07	In-house
		Chronic graft-versus-host disease	I→II	
ONO-2017/Cenobamate (Oral formulation)	Inhibition of voltage-gated sodium currents/positive allosteric modulator of $GABA_A$ ion channel	Primary generalized tonic-clonic seizures	I→II	License-in (JP)(SKBP)
		Partial-onset seizures	I→II	
ONO-4059/Tirabrutinib Hydrochloride/ VELEXBRU Tablets (Oral formulation)	Bruton's tyrosine kinase (BTK) inhibitor	Steroid-resistant pemphigus	I→II	In-house
ONO-8531/Povetacicept (Subcutaneous formulation)	BAFF/APRIL dual antagonistic effect	IgA nephropathy	I→II	License-in (JP, KR) (Vertex)
ONO-2808 (Oral formulation)	S1P5 receptor agonist	Multiple system atrophy	I→II	In-house
ONO-2020 (Oral formulation)	Epigenetic regulation	Alzheimer's disease	I→II	In-house
		Agitation associated with Alzheimer's disease	I→II	
ONO-1110 (Oral formulation)	Endocannabinoid regulation	Postherpetic neuralgia	I→II	In-house
		Depression	I→II	
		Fibromyalgia	I→II	
		Social anxiety disorder	I→II	
		Hunner-type interstitial cystitis	I→II	
ONO-4685 (Intravenous formulation)	PD-1×CD3 bispecific antibody	Autoimmune disease	I	In-house
ONO-4915 (Intravenous formulation/ Subcutaneous formulation)	PD-1×CD19 bispecific antibody	Autoimmune disease	I	In-house

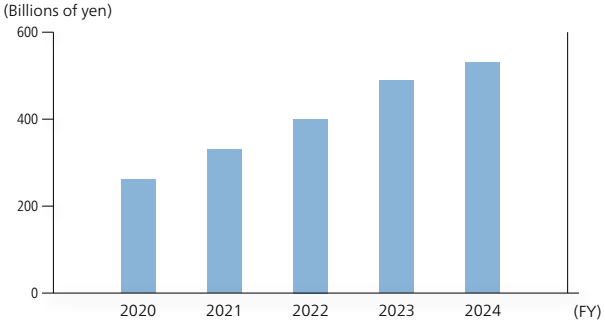
Maximization of Product Value

Maximizing Product Value from a Patient-Oriented Perspective

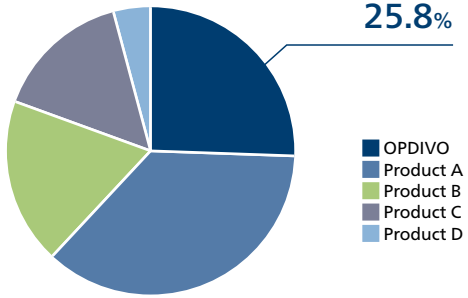
Hirokazu Kitada
Corporate Officer / Executive Director,
Sales and Marketing

A patient-centered perspective is essential to our business operations. Patients suffer not only from physical pain, but also from psychological and social anxieties and worries. We want to solve these problems and bring smiles to the faces of patients and their families. Driven by this passion, we have been promoting the proper use of our products and delivering innovative medicines. As a result, for example, OPDIVO has been used by approximately 190,000 cancer patients since its launch in 2014. We will continue our efforts to maximize the value of our products by providing timely and appropriate information on efficacy and safety to healthcare professionals in order to realize the wellbeing of patients and their families.

PD-1/PD-L1 Market (April 2025 Drug Price Conversion)



FY2024 PD-1/PD-L1 Inhibitors Sales Composition Ratio



Overview and Progress of Development Strategy in Growth Strategy

Material Issue 3 Maximization of Product Value

Vision over the medium- to long-term	We have addressed our goal of achieving the wellbeing of patients and their families in cooperation with healthcare professionals, and as a result, our new drugs are spreading promptly

		FY2024 Evaluation
Indicators	• Number of patients to whom our new medicines are delivered: **Approx. 970,000 patients**	◎
	• Sales by major product: **OPDIVO: ¥120.3 billion, FORXIGA: ¥89.6 billion**	○
	• Number of approvals received in Japan, Korea, and Taiwan: **Japan 3, Korea 1, and Taiwan 1**	○

Overview of the Growth Strategy

- New medicines are being appropriately used for more than four million new patients (cumulative over five years)

FY2024 evaluation

Achievements

- Number of patients to whom our new drugs are delivered: Approx. 970,000 patients
- Sales by major product: OPDIVO: ¥120.3 billion, FORXIGA: ¥89.6 billion
- Number of approvals received: Japan 3, Korea 1, and Taiwan 1

Challenges

- Accelerated penetration of value in major products

Maximization of Product Value

Realizing Patient Wellbeing through Maximization of Product Value

Ono has set targets for the number of patients to whom our new medicines are delivered, sales by major product, and the number of approvals received in Japan, Korea, and Taiwan as indicators for realizing patient wellbeing. To achieve these targets, we are sharing unmet medical needs and patient feedback in the medical field, and working to maximize product value.

Implementing the Appropriate Use of Medications

The realization of patient wellbeing requires an understanding of the patients' symptoms, concerns, and worries, as well as the proper use of pharmaceuticals. Ono has established KPIs for each fiscal year with the goal of ensuring that new drugs are used appropriately by as many new patients as possible.

In the oncology field, we are working to implement appropriate use by providing information related to not only efficacy and long-term use, but also the management of immune-related adverse events. Since FY2022, we have been providing "Fukusapo," a physical condition management application, to patients undergoing treatment with immune checkpoint inhibitors. As of March 2025, at a designated cancer care hospital including 227 facilities, this has been utilized, with the aim of raising patients' awareness of self-management and facilitating early detection and early treatment of immune-related adverse events.

In addition to information on diseases and pharmaceuticals, the ONO ONCOLOGY® website for patients provides information to support cancer patients in their daily physical care, mind, and life, so that they and their families can face treatment with peace of mind. These initiatives let us provide OPDIVO to approximately 30,000 patients in FY2024.

In the areas of diabetes, heart failure, and kidney disease, we are working to disseminate information in accordance with the guidelines for the treatment of chronic kidney disease, and implement appropriate, evidence-based use. In FY2024, we held more than 1,200 seminars for healthcare professionals (300,000 participants in total) to offer information that leads to appropriate use. Through these initiatives, we were able to provide FORXIGA to approximately 900,000 patients in FY2024.

ONCOLOGY® Ono Oncology (in Japanese)

Side effect management App "Fukusapo"

"Fukusapo" is a side effect management application developed for patients undergoing treatment with immune checkpoint inhibitors. Side effects of immune checkpoint inhibitors may include immune-related adverse effects such as interstitial pneumonia, gastrointestinal disorders, and endocrine disorders.

"Fukusapo" was developed with an emphasis on ease of use, focusing on four key functions. With the simple functions of "Fukusapo" that support health management, we will contribute to the well-being of patients.

Main features of Fukusapo

- Questionnaire function: You can record your daily health status by answering the questionnaire.
- Information function: You can view various information for cancer patients.
- Alert function: If symptoms are detected that may require you to contact a medical institution, you will be notified on the screen.
- Monitoring function: Family members can check the response status to the questionnaire.

Maximizing the Value of OPDIVO

Together with our partner company Bristol-Myers Squibb, Ono is working to maximize product value from the four perspectives of expansion of indications for cancer types, expansion of treatment lines, development of combination therapies, and exploration of biomarkers. In FY2024, we received additional approval in Japan for efficacy or results in "Unresectable Urothelial Carcinoma." We will continue to expand applicable cancer types and contribute to cancer treatment.

Expansion of Business Domains

Developing Next-Generation Healthcare Businesses

Masahiko Fujiyama
Corporate Strategy & Planning BX Promotion Department, Manager and President of michiteku Co., Ltd.

In order to achieve sustainable growth, we have set our sights beyond just the creation of new medicines, and we have targeted the expansion of our business domains as one of our growth strategies and are developing new businesses. To provide new value by addressing the expanding needs of the healthcare sector, we are taking on the challenge of expanding into new markets by leveraging digital technology and the expertise and know-how we have cultivated. Additionally, through open innovation rooted in our company, we are advancing collaborations with companies that possess technologies and business models we do not have.

Ono Pharma Healthcare Co., Ltd. is working to expand its user base by selling the sleep supplement "REMWELL," foods with functional claims utilizing knowledge from lipid research cultivated in the pharmaceutical field. Furthermore, we are advancing product development based on consumers' health challenges. Michiteku Co., Ltd. operates "michiteku (web service)," which provides appropriate information to cancer patients, and in 2024, launched the app "michiteku YOHA," which can be used to manage outpatient visit schedules and health conditions.

In parallel with these activities, Ono Digital Health Investment, GK is advancing collaborations and investment considerations with venture companies in the healthcare sector, aiming to create new businesses.

Discovery of New Businesses

Overview and Progress of the Expansion of Business Domains in the Growth Strategy

Material Issue 4 **Expansion of Business Domains**

Vision over the medium- to long-term	Contributing to solving social issues and realizing next-generation healthcare by leveraging digital technologies and our strengths.

		FY2024 Evaluation
Indicators	• The number of new products and services provided: **1 Launch of the outpatient visit management app "michiteku YOHA" for cancer patients**	○

Overview of the Growth Strategy

- Building customer touchpoints and creating/providing solutions through digital means
- Development of foods with functional claims based on our expertise and evidence

FY2024 evaluation

Achievements

- Expansion of cancer types supported by "michiteku" and launch of the app
- Expansion of regular customer numbers through strengthened customer acquisition measures for REMWELL

Challenges

- Expansion and retention of active users for "michiteku"
- Development of new services addressing unresolved issues for patients
- Improvement of continued consumption among REMWELL purchasers

Strategies and initiatives for FY2025

- Strengthening functionality and expanding recognition of michiteku through collaboration with medical institutions
- Accelerating validation of new services through collaboration with venture companies and experts
- Promoting continued consumption by enhancing understanding of REMWELL's uniqueness

Expansion of Business Domains

Ono Pharma Healthcare Co., Ltd.: Evidence Based Supplement (EBS) Business

To address social issues in the healthcare field, such as the aging of society and the extension of healthy life expectancy, we are promoting the development and commercialization of products based on solid evidence, such as clinical trial results, by effectively utilizing knowledge obtained through pharmaceutical R&D.

In March 2022, as the first product in its EBS (Evidence Based Supplement) business, Ono launched sales through the mail-order channel of the "REMWELL" sleep supplement as foods with functional claims, the first of its kind in Japan which increases the proportion of deep sleep and REM sleep for improving overall sleep quality. The development of "REMWELL" leverages our expertise in lipid research cultivated through our work in the pharmaceutical field.

Going forward, we will continue to develop unique supplements as foods with functional claims based on solid evidence, starting from customer's needs, to address modern health challenges.

Ono Pharma Healthcare Co., Ltd. (in Japanese)

Michiteku Co., Ltd.: Solving Social Challenges through Information Provision Services

The tool "michiteku," which supports the coexistence of treatment and daily life for cancer patients, will expand its supported cancer types to four by 2025, adding breast cancer to the previously supported stomach, colorectal, and lung cancers. In October 2024, we began joint research with the National Cancer Center to provide personalized information to each patient, working on service design that better aligns with patients' realities. Additionally, in January 2025, we launched the outpatient visit management app "michiteku YOHA," which allows users to switch between recording and managing outpatient visits and daily life. It supports a lifestyle that values both cancer treatment and daily life while organizing emotions and schedules.

Furthermore, in May 2025, we exhibited at the Osaka Healthcare Pavilion at the Osaka-Kansai Expo. Going forward, we aim to further expand our business while strengthening collaboration with organizations and groups involved in cancer treatment, including medical institutions.

michiteku Co., Ltd. (in Japanese)

Ono Digital Health Investment, GK: Promotion of Venture Collaboration

Ono Digital Health Investment, GK acts as a source of corporate venture capital (CVC), investing in startup companies that work to solve healthcare issues through digital healthcare services and other means other than medicines.

Investment achievements for FY2024 include WizWe Co., Ltd. (providing a habit-forming platform that promotes behavioral change and retention) and TechDoctor Co., Ltd. (developing digital biomarkers that derive health insights from daily sensing data obtained from wearable devices). We are also implementing initiatives in the startup ecosystem through participation in the Kansai startup incubation program "KIDOU", meaning "Launch". Going forward, we will continue to expand our business domains and aim to extend healthy life expectancy and realize a sustainable society, not only through investment but also through collaboration with our investees.

Ono Digital Health Investment, GK

Investment partners (as of March 2025)

Investment partners	Business
Rehab for JAPAN Corporation (Tokyo)	Plans, develops, sells, and operates the scientific nursing software Rehab Cloud
BMG Incorporated (Kyoto)	Develops products such as medical devices that make use of distinctive characteristic of the medical adhesive LYDEX®
aetherAI Co., Ltd. (Taipei, Taiwan)	Develops and provides digital pathology image management systems that incorporate AI
WizWe, Inc. (Tokyo, Japan)	Development and operation of the habit-forming platform Smart Habit
TechDoctor Co., Ltd. (Tokyo)	Development and operation of the digital biomarker development platform "SelfBase"

Corporate Transformation through Digital & IT

Material Issue 5 Corporate Transformation through Digital & IT

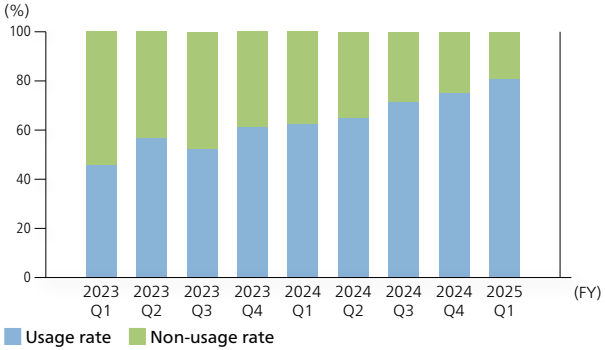
Vision over the medium- to long-term	A secured global IT infrastructure is being implemented and corporate transformation through digital is being realized.

		FY2024 Evaluation
Indicators	● Construction and use of a data utilization platform: **Development of digital compliance mechanisms** ● Establishment of a cross-functional DX promotion system: **DX certification obtained** ● The number capable of available to participate and work in DX projects: **At least 750** (FY2026 target: at least 500) ● The number of participants capable of planning, managing, and executing DX projects: At least **230** (FY2026 target: at least 200)	○

DX Implementation Strategy

At Ono, we define DX as a powerful engine that will drive our Four Growth Strategies. DX/IT activities focused on the most effective areas to overcome the patent cliff are considered important, and we are strengthening DX activities for the creation of new drug candidates as one of our key initiatives. Additionally, as part of establishing a global business infrastructure, we have been advancing the implementation of various global business systems, and we are currently working on the organization and integration of IT infrastructure and business systems in light of the business integration with Deciphera. We are also promoting initiatives such as regulatory compliance for business systems, improving the stability, scalability, speed, flexibility and maintainability of IT infrastructure, strengthening security measures against external attacks and internal misconduct, optimizing investments through IT portfolio management, and advancing the utilization of data.

ChatGPT usage rate trends for businesses



Examples of global business infrastructure development

In light of the business integration with Deciphera, we are promoting the organization and integration of a global IT infrastructure and business systems that are resilient to future changes. Regarding IT infrastructure, we are establishing global security policies, organizing security reporting systems, implementing security measures, and integrating standard business systems such as Microsoft, ensuring the smooth transfer of Ono's U.S. operations. Meanwhile, business systems such as ERP/CRM/QMS/HRM* are being introduced and deployed globally, with global standard ERP and CRM systems being implemented in various countries. For QMS and HRM, we are developing and promoting a roadmap for achieving a global system foundation in collaboration with Deciphera and business divisions, keeping future business integration in mind.

* ERP: Enterprise Resource Planning system, CRM: Customer Relationship Management system, QMS: Quality Management System, HRM: Human Resource Management system

DX application example: Implementation of ChatGPT

To improve the productivity, creativity, and IT literacy of all employees, ChatGPT was implemented in a secure environment in May 2023. Over 1,300 employees participated in post-implementation training, and more than 2,700 PC users in research, development, manufacturing, sales and management departments use it in their daily work. Even in work handling highly confidential information, such as document creation for research, development and business support for sales activities, the accuracy of documents and operational efficiency have improved. In an employee survey, over 80% responded that it contributed to improved work efficiency. For future development, we aim to establish more advanced and unique AI utilization methods by analyzing prompt logs and integrating and analyzing information from internal documents.

Utilization of generative AI

	Use of general-purpose generative AI		Use of generative AI solutions specialized for individual business operations	Use of original generative AI specialized for the drug discovery field
	ChatGPT	M365 Copilot	Specialized generative AI	Generative AI for drug discovery
Examples of features and applications	Safely utilize internal information for various tasks such as text generation, translation and summarization	Integrates with Microsoft Office products to support document creation and business efficiency	Specializes in information gathering and summarization to improve information accuracy	AI systems for drug discovery research using RNA editing technology, topic extraction, analysis of medical papers, etc.
Users	All employees	Approximately 1,300	Approximately 500	Drug discovery-related departments
Use of internal information	○	○	○	○
Recommended business tasks	Text generation, translation, summarization, etc.	Tasks integrating with office products	Research tasks (Regulatory, market research and analysis)	General drug discovery tasks

Global Talent Strategy

Aiming to Realize Human Capital Expansion and Global Talent Management

Daisuke Seki
Senior Director, Talent Management and Organization Development Department

We have established four growth strategies to realize our corporate philosophy, "Dedicated to the Fight Against Disease and Pain," and are actively engaged in our business activities. It is our "Human Resources" who implement these strategies and support the sustainable development of the Company. Therefore, we are promoting activities that consider the expansion of human capital to be one of our important business challenge. Specifically, we have established "Growth Strategy and Talent Strategy Towards Achievement of Corporate Philosophy," and are advancing initiatives such as recruiting and developing Human Resources (Versatile Human Resources and Professional Human Resources) who contribute to our growth strategy, enhancing the capabilities of all employees, and fostering an organizational climate and culture that realizes high employee engagement. In FY2024, we unified our HR systems globally*—including grade, evaluation, and compensation—but will continue our efforts to ensure their thorough adoption and to foster a sense of global unity.

* Excluding Deciphera, which was acquired in June 2024.

Development of "Versatile Human Resources" to support the management foundation across departments

	Training method	Indicators and goals (Number of talents to be pooled by FY2026)	Progress (FY2024)
Next generation executive talent	Candidate talents who may become future executives are trained by dividing them into four levels, including general employees, mid-level employees, managers, and senior managers, through training and planned tough assignments.	250 or more	200
Global talent	They are trained through the Global Skill Improvement Program (GSIP) or with planned dispatch overseas, etc. to acquire international perspective, cross-cultural communication, language skills, and other skills necessary to perform in a global business.	300 or more	194
Digital talent	Business side (research, development, marketing, and other departments) other than Digital Technology departments are also engaging in activities to train talents with high digital literacy through DX promotion.	700 or more	872
Innovation talent	We started our unique activity, Ono Innovation Platform (OIP), in FY2021 and are conducting training by providing a program consisting of three fields that include learning, experience, and challenges.	180 or more	108

Recruitment and development of "Professional Human Resources" to drive growth strategies

Strategy	Requirements for talents and skills	Indicators and goals (Number of talents to be employed and trained by FY2026)	Progress (FY2024)
Maximization of product value	Talents who can identify needs from a patient-centered perspective, propose solutions, and execute the solutions	About 700 persons	353
Reinforcement of pipelines	Talents who can globally implement and manage open innovation, in-licensing, and clinical developments.		
Acceleration of global business advancement	Talents who can implement business by supervising a diversity of talents who can actively work globally		
Expansion of business domains	Talents who can identify needs and conduct social implementation of solutions with economic rationality.		

Overview and Progress of Human Capital Expansion

Material Issue 6 Expansion of Human Capital

Vision over the medium- to long-term

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.

		Progress (FY2024)
Indicators	• Versatile Human Resources recruitment and development goals	*1
	• Professional Human Resources recruitment and development goals	*1
	• Percentage of behavioral change after training: **Maintained at least 85% at the mean of essential training by stratum**	**84%**
	• Engagement: **Level of global life sciences companies** (average) **or higher** (FY2026)	**70***2
	• Percentage of female managers (DE&I): **10%** (FY2026) → **20%** (FY2031)	**7.4%**
	• Percentage of male employees taking childcare leave Male childcare leave + shorter working hours (Women's Advancement Requirements Law): **80%** (FY2026)	**78.8%** **83.8%**
	• Difference between healthy age and actual age: **-3.0 years (FY2026)**	**-1.9 years**

*1 For Versatile Human Resources and Professional Human Resources, see table on the left

*2 Global life sciences company (average): 77

Overview of the growth strategy

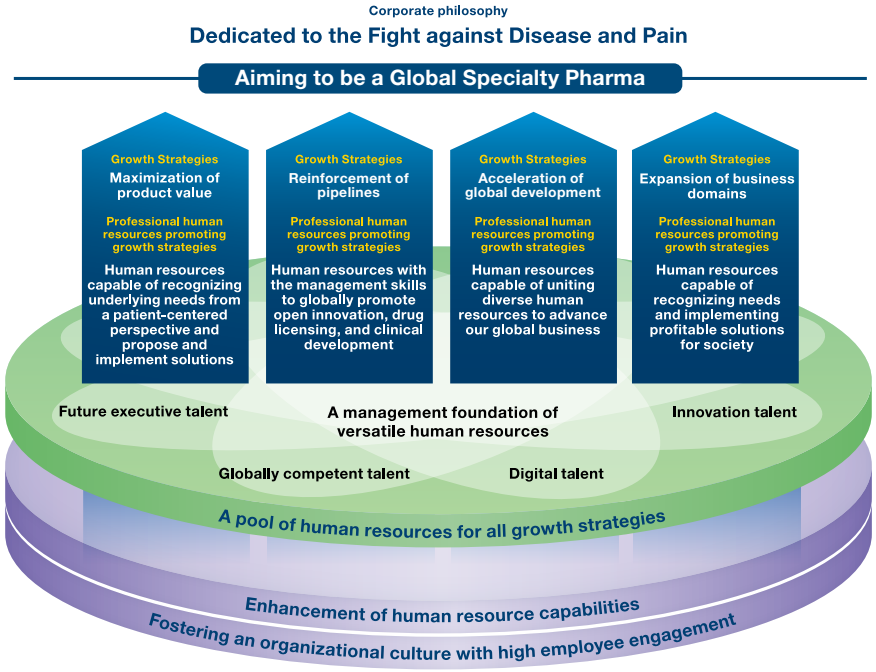
- Through training and other efforts, both versatile and professional human resources are steadily progressing toward targeted numbers.
- We continue activities aimed at achieving targets for raising talent capabilities, improving engagement, and promoting DEI through various initiatives.

Boosting the Capabilities of All Human Resources

To continue producing versatile and professional human resources that supports our growth strategy, we believe raising the overall capabilities of all employees is essential. In addition to mandatory training by level, we offer a wide range of training programs that employees can proactively participate in on a voluntary basis, to support their autonomous career development. The annual training hours per regular employee in FY2024 were 63.5 hours on a non-consolidated basis. Going forward, we will continue to enhance training programs that support further skill improvement and autonomous career development, and foster human resources who contribute to our business. As an indicator for measuring training outcomes, we set the average behavioral change rate after mandatory training by job grade and use higher quality training to raise employee capabilities and promote independent career development.

In FY2024, to ensure the global HR system was properly understood and operated, we conducted training for all managers at headquarters. Specifically, we held three types of training: "Competency workshop" for organizing goals, strengths, and growth areas by competency level based on last year's evaluations; "Communication skills training" for understanding and tailoring communication styles using a survey; and "Dialogue workshop" to further deepen mutual understanding and improve communication and relationship quality between managers and subordinates. We also provided "Assertive communication training" in e-learning format for all members, to enhance understanding of the importance of feedback and learn key points for logically conveying main ideas. As improving human resources

Growth strategies and talent strategies aimed at realizing our corporate philosophy



HR system familiarization training

		2024 6	7	8	9	10	11	12	2025 1	2	3	4	5
Training for managers													
(1) Competency workshop	Use competencies to identify and communicate strengths and growth areas for subordinates' development	Directors, Associate Directors			Senior Directors								
(2) Communication skills training	Understand your own and others' communication styles to tailor your approach accordingly				Directors, Associate Directors		Senior Directors						
(3) Dialogue workshop	Use constructive "dialogue" approaches to deepen relationships through mutual understanding								Senor Directors, Directors, Associate Directors				
Training for members													
(4) E-learning	Develop smooth communication with those around you to achieve further growth											Members	

capabilities relies heavily on dialogue and communication between managers and subordinates, we will continue to promote training in this area going forward.

Fostering an Organizational Climate and Culture that Realizes High Employee Engagement—DEI Initiatives (Promotion of diverse human resources)

Our efforts to promote diversity focus on three main areas: management, individual experiences and perspectives, and work styles.

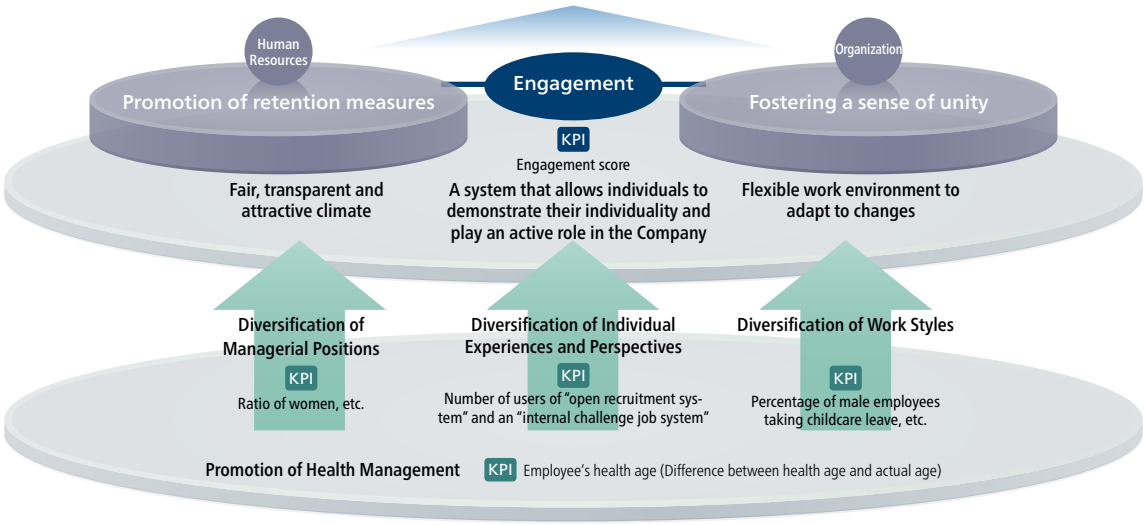
As for diversifying our management positions, our goal is to improve decision-making quality by actively accepting various proposals, unbound by conventional wisdom. In particular, we are advancing the diversification of management positions based on three pillars: young human resources, career hires, and women. Specifically, starting in FY2025, we will abolish seniority-based tenure as a promotion requirement, enabling early promotion of capable human resources regardless of age or length of service, and ensuring that childcare leave does not become an obstacle to career development. Additionally, externally hired managers are gradually increasing, now accounting for 21.6% of our management team, or 155 people, as of March 31, 2025—and they are making valuable contributions. For female managers, we are working to create an environment where women can continue working even as they experience life events, including providing support for balancing work and family. However, the ratio of female managers remains at just 7.4% (as of March 31, 2025), and addressing this is one of our challenges. With the aim of creating growth opportunities for future female managers, we are offering training programs where candidates work on stretch assignments with their supervisors, as well as initiatives where division heads and general managers serve as mentors to broaden the perspectives of female management candidates and encourage their endeavors to become managers.

In accordance with the Act on Promotion of Women's Participation in the Workplace, we have set the goals of increasing the ratio of female managers to 10% or higher and the percentage of male employees taking either childcare leave or shorter working hours to 80% or more within four years from April 2023, and are working on systems and work styles that allow employees to be active regardless of their gender. As a result, the percentage of male employees taking childcare leave, which was 0% in 2016, increased to 78.8% in FY2024.

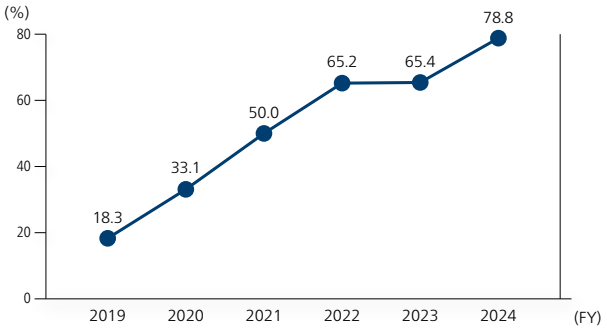
To smoothly advance various initiatives for realizing our growth strategies and expanding human capital, it is crucial to create a workplace where employees are healthy and can

Working to achieve high employee engagement

Fostering an Organizational Climate and Culture that Realizes High Employee Engagement



Percentage of male employees taking childcare leave



Global Talent Strategy

work with peace of mind. Under the "Health Improvement Declaration 2018," we set a goal to widen the gap between employees' "health age" and actual age (which was -1.8 years in FY2022) to -3.0 years by FY2026. We are building systems and environments that enable employees to manage and improve their own health; in FY2024, the gap was -1.9 years. Going forward, we will continue to promote health management through various activities, aiming for an eighth consecutive certification as a "2026 Certified Health & Productivity Management Outstanding Organizations—White 500" (Large Corporation Division) and to once again be selected as a "Health & Productivity Stock."

Initiatives to Enhance Employee Engagement and Foster a Sense of Unity

Since FY2022, we have been conducting an employee engagement survey to visualize the status of the entire Company and each department and to assist in identifying issues, formulating hypotheses, and preparing and implementing measures to embody our corporate philosophy. The survey scores employees on their willingness to devote themselves and their efforts to the success of the organization to which they belong. We will continue to improve this score (Engagement Index) by benchmarking it against the average of global life sciences companies. The result for FY2024 was 70%*, a 1% increase from last year. However, there is still a 7% gap compared to global life sciences companies, so further efforts to improve engagement are necessary. We focus on measures based on key drivers for enhancing engagement, and in FY2024 the main drivers were: "empathy with the mission," "sense of meaning/purpose/job satisfaction," "dialogue/trust with the Company," and "career realization." Among these, "empathy with the mission" is a particular strength for our Company, with relatively high scores compared to others. This factor is also crucial for ensuring everyone is moving in the same direction as we expand globally. Therefore, in FY2025, we will conduct mission statement workshops globally to deepen understanding and empathy toward our corporate mission statement. Each employee will be encouraged to reflect on their own role and work, create their personal mission statement, and put it into practice. Through these activities, we believe that by empowering diverse human resources to thrive while sharing the same values, organizational cohesion and improved engagement will be achieved.

* For six engagement-related questions, the percentage of employees giving a positive answer (4 or 5 on a five-point scale, average)

Measures to promote adoption of the mission statement

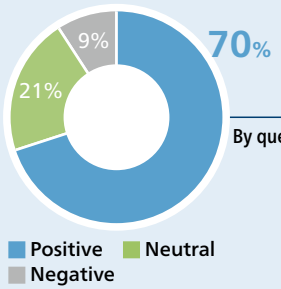
Engagement survey results (FY2024)

Implementation Period
January 6, 2025 – January 31, 2025

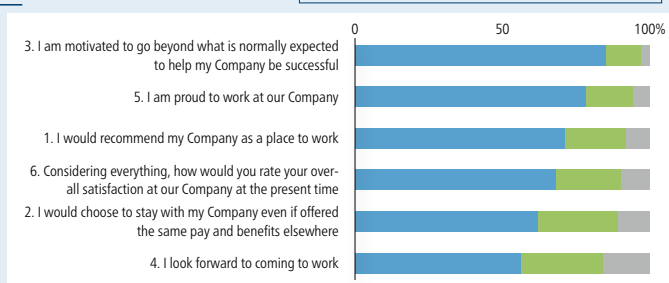
Subject persons
Target: **3,567** people across the entire Group

Response rate
92.3% (Valid responses: 3,294)

Engagement (Company-wide)



By question



	Global life sciences companies	All industries in Japan	FY2023 comparison
3. I am motivated to go beyond what is normally expected to help my Company be successful	+1	**+12**	+4
5. I am proud to work at our Company	**-6**	**+12**	+3
1. I would recommend my Company as a place to work	**-6**	**+22**	+2
6. Considering everything, how would you rate your overall satisfaction at our Company at the present time	**-9**	**+14**	-1
2. I would choose to stay with my Company even if offered the same pay and benefits elsewhere	**-7**	**+9**	-2
4. I look forward to coming to work	**-16**	**+15**	+1
Overall engagement (average of 6 questions)	**-7**	**+14**	+1

Benchmarks with a difference of ±5 or more are shown in bold

- **Slightly below the benchmark for global life sciences**
- **Engagement is at a high level compared to the domestic all-industry benchmark**
- **Compared to last year, the engagement score is up by 1 point**

How Ono Promotes Sustainable Management

Ono considers contributing to the realization of a sustainable society a corporate responsibility. We sincerely address various social issues such as the environment, human rights, supply chain, and corporate governance, build trusting relationships with stakeholders, aim to enhance corporate value, and seek co-existence with society.

Message from the Vice President

By upholding responsible actions globally, we will continue to grow and become a company that is needed even 100 years from now.

Ono Pharmaceutical aims to embody "Sustainability Management for the Next 100 Years" by realizing our corporate philosophy, with the aim of remaining an indispensable company for society.

Even as our Group expands and our human resources diversifiy, at the core of every employee's actions is a "patient-centered perspective." To contribute to patients and their families, we remain committed to strengthening our management foundations, including the expansion of human capital, under our medium-term business plan targeting FY2031.

As the scope of our business expands globally, the social responsibilities we must fulfill are also becoming even greater. Our responsibilities are diverse, including contributing to the realization of a recycling society through CO_2 emissions reduction and efficient use of water resources, promoting diversity, further enhancing our compliance system, respecting human rights throughout the supply chain, and contributing to market access. We must sincerely address each of these issues and respond to the demands of society.

Going forward, we will focus on building an even more transparent governance system and, by demonstrating responsible conduct across the entire Group, pursue the realization of a sustainable society for the next 100 years and beyond.

Toshihiro Tsujinaka

Representative Director, Executive Vice President /
Executive Director, Corporate Strategy & Planning, HR Division

Sustainable Management Policy

For more than 300 years since our founding, we have walked hand in hand with society. To help people who are suffering from disease, we have created a series of innovation medicines that had been thought to be impossible. We will continue to contribute to people's health by practicing our Corporate Philosophy and taking on the challenge of realizing a sustainable society through responsible business activities.

To Continue Being a Company Needed by the World

In order to realize the desire to "help people who are suffering from disease" we have been making relentless efforts toward the creation of innovation medicines. As a result, we have been able to deliver many new drugs to patients, including the world's first prostaglandins formulation and OPDIVO, which has paved a new path in cancer immunotherapy. Our next goal is to become a Global Specialty Pharma that continues providing innovative medicines worldwide. In order to continue being a company that is needed by the world in the next 100 years, we must not only focus on our core business but also continue to fulfill our corporate social responsibility into the future by, for example, developing environmentally friendly products, adopting recycling processes, contributing to local communities, promoting diversity and inclusion, and improving work-life balance. We will continue to challenge ourselves to realize a sustainable society by instilling in the actions of each and every employee the principles of conserving a rich global environment for future generations, realization of a society in which everyone can play an active role, and establishment of a highly transparent and robust management, as set forth in our Sustainable Management Policy, while responding to the demands of society.

Contributions to People's Health

- In addition to our own drug discovery, we will take on the challenge of drug research and development in collaboration with the world's top scientists, and bring more hope to patients and their families around the world by providing them with original and innovative medicines that are safe, secure, and appropriate.
- We will contribute to the realization of a society in which people can live healthier lives through our evidence-based, next-generation healthcare business.

Conserving a rich global environment for future generations

We are deeply aware of our social responsibility to the environment, and will actively adopt eco-friendly technologies and work together with our suppliers and partners to pass on a prosperous and sustainable global environment to future generations.

Realization of a society in which everyone can play an active role

Through our business activities, we will contribute to the realization of a society in which the human rights and diversity of all people are respected and everyone can play an active role.

Establishment of a highly transparent and robust management

We will build a strong foundation through corporate governance and conduct highly transparent business activities by strengthening compliance and risk management.

Conservation of the Global Environment

Material Issue 7 Conservation of the Global Environment

Vision over the medium- to long-term	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.

Indicators	FY2024 Evaluation
Achievement of medium- to long-term environmental targets associated with ECO VISION 2050	
(1) Realization of a decarbonized society: **Scope 1 + 2 emissions reduced by 70.3% (compared to FY2017), renewable energy utilization rate in purchased electricity reached 93.2%**	○
(2) Realization of a water recycling society: **Water resource consumption (water intake) reduced by 37.6% (compared to FY2017)**	○
(3) Realization of a resource recycling society: **Recycling rate of unnecessary materials 81.4%**	○

Commitment to Conservation of the Global Environment

We view our efforts to conserve the global environment as a corporate social responsibility, and in 2019, we formulated our medium- to long-term environmental vision for 2050, Environment Challenging Ono Vision (ECO VISION 2050). With the aim of becoming a leading company for the environment in the pharmaceutical industry, we have set targets and promoted relevant initiatives in three key areas: realization of a decarbonized society, realization of a water recycling society, and realization of a resource recycling society. We have also endorsed the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) and those of the Task Force on Nature-related Financial Disclosure (TNFD) in 2019 and 2024, respectively, to strengthen our efforts and promote information disclosure.

In order to realize a decarbonized society, we are naturally committed to "keeping the increase in the global average temperature well below 2°C above pre-industrial levels and pursuing efforts to limit the increase to 1.5°C," as agreed in the Paris Agreement. We have set a target of zero greenhouse gas emissions from our company by 2035 and are striving to realize a "1.5°C world." In addition, in order to realize a water recycling society, we contribute to achieving SDGs goal 6 through efficient water use and wastewater measures. Furthermore, for the realization of a resource recycling society, we are committed to improving industrial waste recycling rates. We strive to minimize the environmental impact of our business activities and pass on a rich global environment to the next generation by promoting initiatives based on ECO VISION 2050 and our medium- to long-term environmental targets.

Environmental Governance Structure

The Representative Director and President is appointed as the chief executive responsible for environmental management, and the Representative Director and Executive Vice President is appointed as the director in charge of environmental affairs. Our sustainability strategies, including measures against climate change, are discussed by the respective committees shown in the environmental governance structure chart below, with the Board of Directors ultimately overseeing the execution of decisions.

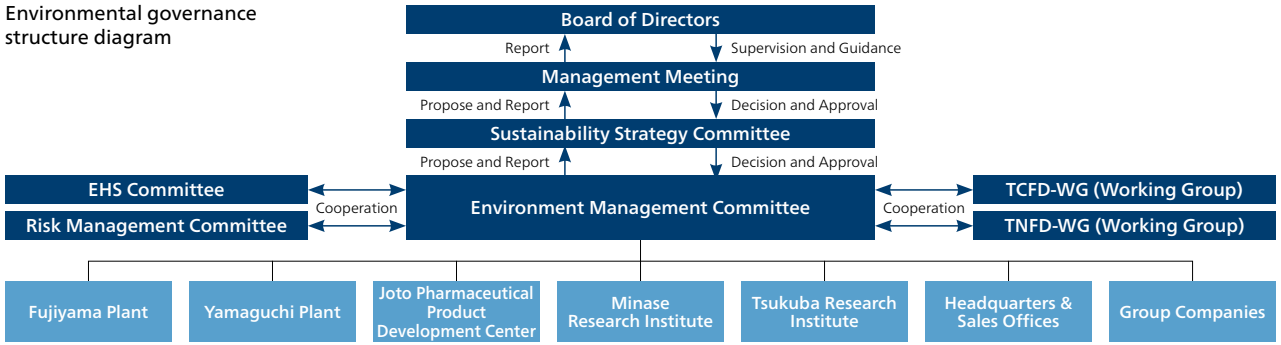
Realization of a Decarbonized Society

Promotion of greenhouse gas emissions reduction

Under our policy of reducing greenhouse gas emissions, we are promoting company-wide energy-saving initiatives and procuring renewable energy. By promoting initiatives company-wide, we have achieved all of our targets set for FY2024 in line with our medium- to long-term environmental targets.

In particular, for air conditioning equipment, which accounts for the majority of our energy consumption, we are optimizing operating hours as well as temperature and humidity control. Specifically, since temperature and humidity have a significant impact on the quality of pharmaceuticals, our plants make adjustments while

Environmental governance structure diagram



Conservation of the Global Environment

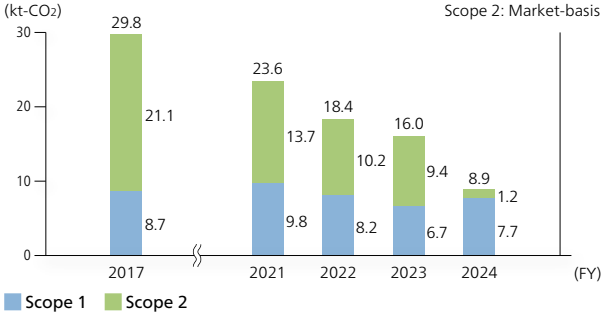
confirming with data that there is no impact on quality. In addition, when updating equipment, we select high-efficiency devices to further improve energy efficiency.

Regarding the procurement of renewable energy, we are expanding contracts for electricity through the installation of solar power generation equipment and renewable energy electricity plans, and from FY2025, we have established a system to supply all of our business sites with renewable energy electricity. Furthermore, from January 2025, a portion of our electricity contracts has been switched to a Power Purchase Agreement (PPA), under which electricity generated by renewable energy is directly supplied to our company.

Through these efforts to reduce greenhouse gas emissions from both hardware and software perspectives, we have consistently received recognitions such as the CDP A List (for 7 consecutive years), S Class under the Act on Rationalizing Energy Use (for 10 consecutive years), and A Rank for fluorocarbon measures (for 3 consecutive years).

Realization of a Decarbonized Society

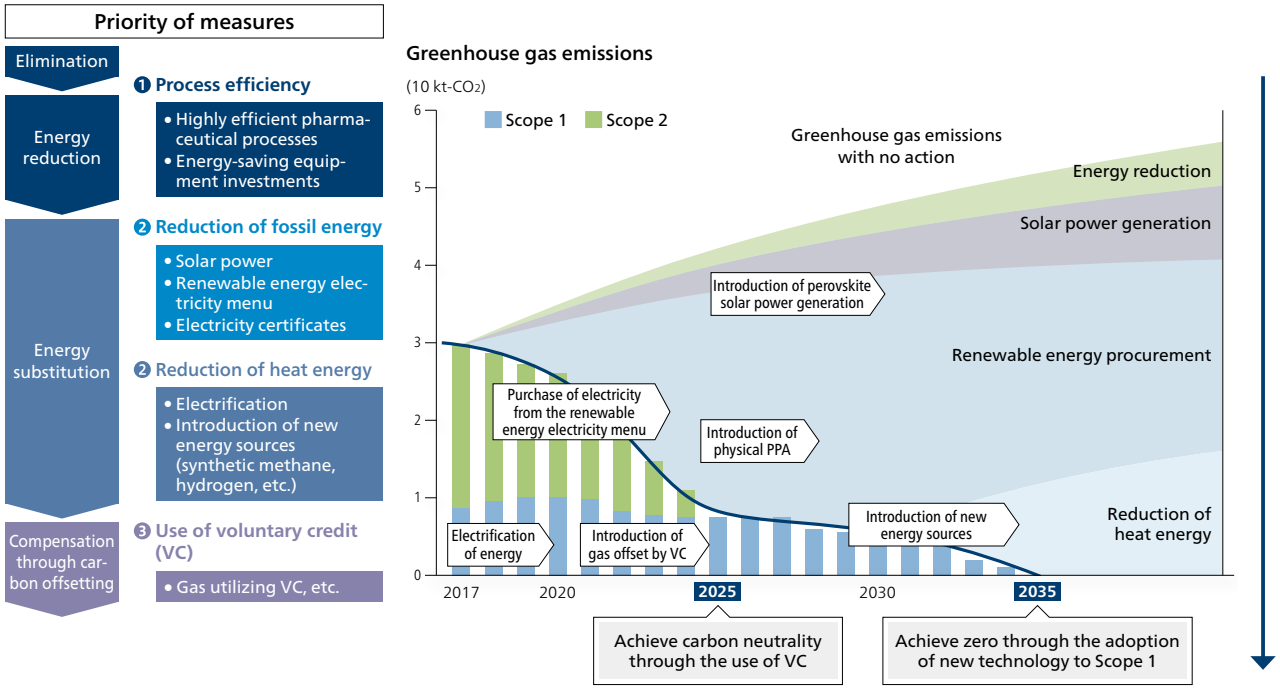
Greenhouse gas emissions (Scope 1 + 2)



Note: Target: Non-consolidated

Note: Greenhouse gas emissions (Scope 1 + 2) do not include CO_2 offset by voluntary credits (carbon neutral city gas purchases). Including the amount of CO_2 offset by voluntary credits (carbon neutral city gas purchases) gives greenhouse gas emissions (Scope 1 + 2) of 2.0 kt-CO_2 in FY2024.

Scope 1 + 2 greenhouse gas emissions reduction roadmap



Medium- to long-term environmental targets and FY2024 targets and results

Medium- to long-term environmental targets		Targets and results for FY2024
Greenhouse Gas Emissions (Scope 1 + 2)	**Achieve carbon neutrality by FY2025** (Virtually zero greenhouse gas emissions by offsetting with voluntary carbon credits) **Achieve zero greenhouse gas emissions by FY2035**	**Targets: reduction of 65% or more (10.4 kt-CO_2)** – Base year: 2017 **Results: 70.3% reduction (8.9 kt-CO_2)**
Renewable Energy Rate in Purchased Electricity	**Achieve 100% by FY2025** – Coverage: Ono's operation sites	**Targets: more than 75%** **Results: 93.2%**
Greenhouse Gas Emissions (Scope 3)	**Reduce by 30% by FY2030** **Reduce by 60% by FY2030** – Base year: FY2017	**Targets: 16.2% reduction (103.1 kt-CO_2)** – Base year: FY2017 **Results: Reduce by 18.4% (100.5 kt-CO_2)**

Realization of a Water Recycling Society

Medium- to long-term environmental targets

Realization of a water recycling society	
Water shortage risk	**FY2030** **Sales growth rate ≥ Water consumption increase rate** Coverage: Ono's operation sites Base year: FY2017 **Promotion of measures that lead to the conservation of the locals' rich water resources**
Water pollution risk	**Control 100% of wastewater more strictly than applicable laws and regulations** (Maintenance and improvement of current operation) Coverage: Ono plants & research institutes **FY2025 Conduct an aquatic life impact assessment for 100% of wastewater** Coverage: Ono's manufacturing plants / research institutes **FY2030 Disclose the results of the aquatic organisms impact assessment for developing compound** Coverage: In-house drug candidates
Supply chain risk	**FY2026** **Conduct water-related risk assessment and comprehensive risk management for important business partners**

Promotion of water resource consumption reduction

To achieve our medium- to long-term environmental targets, we are promoting the reduction of water resource consumption (water intake) at our business sites through the introduction of water-saving equipment and operational improvements. Water intake in FY2024 was 202.8 thousand m^3, a 37.6% reduction compared to FY2017 (base year). We will continue to work on improving the operation of identified reduction targets and the reuse of cooling water and air conditioning condensate water to enhance water use efficiency and reduce water consumption.

Responsible water resource management

High quality water is essential to our research and production activities. We regularly assess water risks at our research and production sites, as well as at key suppliers involved in pharmaceutical manufacturing, and take steps to mitigate risks when they are identified. For the concentration of harmful substances in wastewater generated by our research and production activities, we set a voluntary management target value at 1/10 of the legal regulatory limit and strictly control our wastewater. In addition, by FY2025, we will establish a system to evaluate the impact of wastewater from our own factories and research institutes on aquatic organisms. In addition, by FY2030, we will sequentially evaluate the impact of late-stage development products and pharmaceuticals on aquatic organisms and disclose the results of environmental impact assessments. In addition, we will strengthen collaboration with key partners in each watershed and work to preserve ecosystems and maintain and improve the water environment.

Realization of a Water Recycling Society

Realization of a Resource Recycling Society

Medium- to long-term environmental targets

Realization of a resource recycling society	
Final Landfill Disposal Rate of Industrial Waste	**≤ 1%** Coverage: Ono's manufacturing plants/research institutes, and logistics centers
Recycling Rate	**FY2025 ≥ 60%　FY2030 ≥ 80%** Calculation: In accordance with the calculation rules of the Federation of Pharmaceutical Manufacturers' Associations of JAPAN (FPMAJ) Coverage: Unnecessary materials (wastes, valuables, free materials, etc.) generated from Ono's manufacturing plants/research institutes, and logistics centers
Reduce the Environmental Impact of Product Packaging	**FY2030 100% correspondence** Prioritize the use of FSC® certified paper, and use other recycled papers for materials that it is not possible to use FSC® certified paper Coverage: Individual packaging boxes for our marketed products

* FSC®-certified paper is certified based on the standards of the FSC (Forest Stewardship Council®). (FSC®N003217)

Promoting waste reduction and recycling

Our company is working toward the achievement of medium- and long-term environmental targets to contribute to the realization of a resource recycling society. In FY2024, industrial waste emissions totaled 818.6 tons, an increase of 248.9 tons compared to the previous year.

The final landfill disposal rate for industrial waste was 0.00% in FY2024. In addition, the recycling rate of unneeded materials, newly set as a medium- to long-term environmental target from FY2023, reached 81.4% through ongoing optimization of industrial waste disposal contractors, sales for reuse of surplus experimental equipment, and efforts to promote waste separation.

Realization of a Resource Recycling Society

Major initiatives

Refuse	• Promoting the purchase of products compliant with the "Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities."
Reduce	• Reduction of waste through thorough separation
Reuse	• Sale of experimental equipment that is no longer used due to replacement or aging with the aim of reuse • Reuse of wooden pallets at our company by converting them into valuable resources
Recycle	• Conversion of paper waste and metal waste that are no longer needed into valuable resources • Conversion of used plastics into a valuable resource • Conversion of plastics into fuel • Use of food waste (kitchen waste and leftovers) generated at cafeterias as animal feed • Material recycling of PTP packaging waste • Conversion of liquid waste into fuel
Other	• Optimization of industrial waste (including specially controlled industrial waste) treatment contractors

Conservation of the Global Environment

Material recycling of PTP packaging waste (Fujiyama Plant)

PTP packaging waste generated during the pharmaceutical packaging process at the Fujiyama Plant is recycled. PTP sheets, widely used as packaging for pharmaceuticals, are formed by laminating plastic material and aluminum foil using heat and pressure, making separation and sorting difficult. In the past, the only option for disposal was incineration, so the recycling rate was about 10%. Currently, separation into plastic and aluminum using a peeling machine has made it possible to recycle 100% of this waste as raw material for new products. In addition, incineration is no longer necessary, enabling us to reduce CO_2 emissions.

Product packaging

We are changing packaging materials and forms to save resources, adopting environmental impact reducing materials, and switching to material labels and packaging forms that encourage recycling at the time of disposal.

As of March 2025, paper material used for individual boxes of 38 items have been changed to FSC®-certified paper, and the progress rate in adopting FSC®-certified paper for individual boxes, a medium- to long-term environmental target, is 79%.

Response to TCFD Recommendations

We assess and manage risks and opportunities related to climate change and disclose information in line with the TCFD recommendations.

Strategy

In FY2024, we confirmed that there were no changes to the risks and opportunities identified in FY2023, and we also reviewed the financial impact and the progress of countermeasures. As a result of scenario analysis, no climate-related risks requiring a major change in business or large-scale investment was identified. However, we believe that it is important to continue analyzing risks such as the impact of natural disasters on production bases and procured goods, and various legal and regulatory risks in each country and region. In particular, we recognize that the physical risks of the 4°C scenario, "natural disasters (heavy rain, typhoons, floods)," could pose a risk to the stable supply of high-quality pharmaceuticals. We will continue to promote BCP measures, such as securing sufficient inventories and supporting multiple locations for production and procurement.

Climate change-related risks and opportunities

The identified risks and opportunities, as well as their countermeasures and the progress of initiatives to promote opportunities, are managed by the TCFD-WG, headed by the executive in charge of environmental affairs and consisting of members responsible for each corporate function, and by the cross-functional Environmental Committee, which manages and promotes environmental issues at each site, such as factories and research institutes. The management status is supervised by the Board of Directors through the environmental management structure (p.58). Climate change-related risks are shared with the Risk Management Committee, and risks affecting business continuity are managed as company-wide risks in accordance with the Risk Management Global Policy.

For more information, see Disclosure Based on TCFD Recommendations.

Biodiversity

In order to minimize the negative impact of our business activities on the global environment, we engage in various efforts, including reduction of greenhouse gas emissions, efficient use of water and other natural capital, assessment of the environmental impact of pharmaceuticals, chemical substance management, control of genetically modified organisms and pathogens, reduction of waste discharge, and prevention of air, water, and soil pollution. By 2030 , in order to contribute to the realization of Nature Positive (restoration of nature),* we will collaborate with local governments, NPOs, NGOs, and other stakeholders to promote nature conservation activities that have a positive impact on biodiversity.

* Halting and reversing the loss of biodiversity to put nature on track to recovery.

Conservation activities through wild bird surveys

The Fujiyama Plant, one of our main plants, has a green space (36,000 m^2) on its premises that is almost equivalent to the size of a baseball stadium. Since 2017, we have adopted conservation activities (community contribution activities) through wild bird surveys as an environmental goal based on our environmental management system (ISO14001). Every year, during the spring breeding and wintering seasons, we request the Wild Bird Society of Japan to conduct surveys (up to four times a year) and use the results of those surveys as the basis for efforts to protect the abundance of biodiversity in the Fujiyama Plant (establishing green zones that are intentionally not mowed, planting trees that birds like, maintaining ponds and waterways, etc.). There has been no significant change in the species and total number of birds observed over an eight-year period, which can be interpreted to mean that

Conservation of the Global Environment

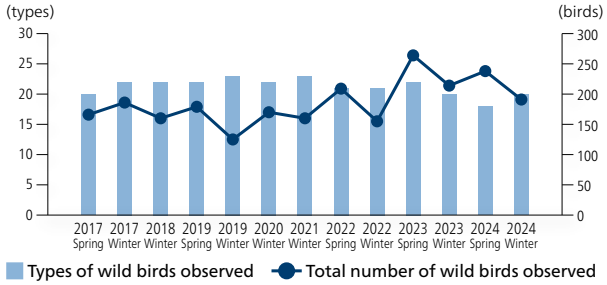
Ono's production activities have not had a significant impact on nature. These results are also shared with Fujinomiya City and utilized in conservation activities related to biodiversity in local communities.


Waterways within the factory (watering holes for wild birds)


Planting camellia trees favored by Japanese white-eyes and brown-eared bulbuls


A common buzzard (Accipitriformes, Accipitridae) observed in December 2024

Wild bird survey in the Fujiyama Plant



Response to TNFD Recommendations

In 2024, to accelerate initiatives related to biodiversity, our company is the first in the industry to disclose information based on the TNFD recommendations. Led by the TNFD-WG, as recommended by TNFD In accordance with the LEAP approach,*1 after confirming dependencies and impacts on nature in our business activities, we conducted publicly available analysis tools and desktop surveys for not only direct operations but also the upstream and downstream (logistics and pharmaceutical wholesaling) value chains related to pharmaceutical manufacturing, and identified priority areas where significant dependencies or impacts on nature are of concern. Based on the identified priority areas, we have identified nature-related risks and opportunities in our business operations. No items that would have a significant impact on the continuation of our business were identified among the risks.

For more information, see Disclosure Based on the TNFD Recommendation.

We will continue to promote initiatives to achieve our medium- to long-term environmental targets in order to further strengthen and accelerate our efforts to address global environmental issues, and to contribute to the realization of Nature Positive by 2030.

*1 A systematic approach to assessing nature-related risks and opportunities, consisting of four phases: Locate, evaluate, assess, and prepare.

Biodiversity

TNFD risk and opportunity assessment procedure

STEP1 Confirmation of dependencies and impacts on nature
- Utilization of ENCORE

STEP2 Comprehensive assessment of dependencies and impacts on nature
- Water stress (baseline/2050) and flood (river/coastal) assessment by aqueduct: For sites with high or extremely high risk, risks are confirmed using the WWF Water Risk Filter
- Biodiversity and key areas by TNFD-IBAT: Out of five levels, sites rated 3 or higher, or sites rated 4 or higher in Protected/Conserved Areas and Key Biodiversity Areas of the WWF Biodiversity Risk Filter, are classified as at risk (up to 5)

STEP3 Identification of priority areas with significant dependencies or impacts on nature
- Sites where risks were confirmed in the Step 2 assessment
- Desktop survey: Sites that do not possess an environmental management system or have had major environmental accidents or violations in the past, and for which environmental pollution risks cannot be ruled out

STEP4 Identification of risks and opportunities, consideration of countermeasures

Biodiversity-related risks

TNFD risk classification		Contents of Risks	Duration*2
Physical risk	Acute	• Increased procurement costs for plant-based pharmaceutical excipient • Ecosystem restoration costs due to pollution caused by natural disasters (leakage of hazardous substances) and the spread of living modified organisms, etc.	Short, medium, and long term
	Chronic	• Impact of water scarcity on production activities (interruption of manufacturing plant operations and increase in production costs)	Medium to long term
Transition risk	Policy	• Increased costs of responding to stricter regulations and their introduction in each country and region	Medium to long term
	Market	• Loss of sales opportunities due to delays in responding to the shift in society's interest toward biodiversity-conscious products	Long term
	Technology	• Increased costs to comply with mandatory wastewater analysis of chemical substances, etc. • Stagnation of business activities due to increased competition for the use of innovative technologies that reduce the impact on nature	Medium to long term
	Reputation	• Decrease in corporate value due to lack of biodiversity initiatives	Medium to long term
	Liability	• Liability in the event of environmental pollution due to natural disaster, accident, etc.	Short, medium, and long term

*2 Short term (within 3 years), medium term (3-10 years), long term (10-30 years)

Biodiversity-related opportunities

TNFD opportunity category	Contents of opportunities	Duration*3
Resource efficiency	• Reduction in costs, waste, etc. through efficient production activities	Medium to long term
Market	• Creation of new businesses linking biodiversity and healthcare	Medium to long term
Capital flow and financing	• Potential for inclusion in ESG index and financing through sustainable finance	Short, medium, and long term
Reputation	• Enhancing corporate value through advanced biodiversity initiatives	Short, medium, and long term

*3 Short term (within 3 years), medium term (3-10 years), long term (10-30 years)

Respect for Human Rights

Material Issue 8	Enhancement of Social Trust
Vision over the medium- to long-term	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.

		FY2024 Evaluation
Indicators	• Conduct human rights due diligence within the Group (up to 2026)	○
	• Conduct human rights risk assessments for high priority suppliers (up to 2026)	○

Approach to Human Rights

Ono Group has adopted "Enhancement of Social Trust" as one of its materialities and is promoting initiatives for human rights risk management and improvement of access to healthcare.

In all of our business activities, both in Japan and overseas, Ono Group understands and respects the human rights, diverse values, personalities, and individuality of all people, and acts accordingly. In July 2020, we formulated the Ono Group Human Rights Global Policy based on the United Nations Guiding Principles on Business and Human Rights, and applied it to all directors and employees. We are also encouraging all business partners related to the Group's businesses, products, and services to comply with this policy.

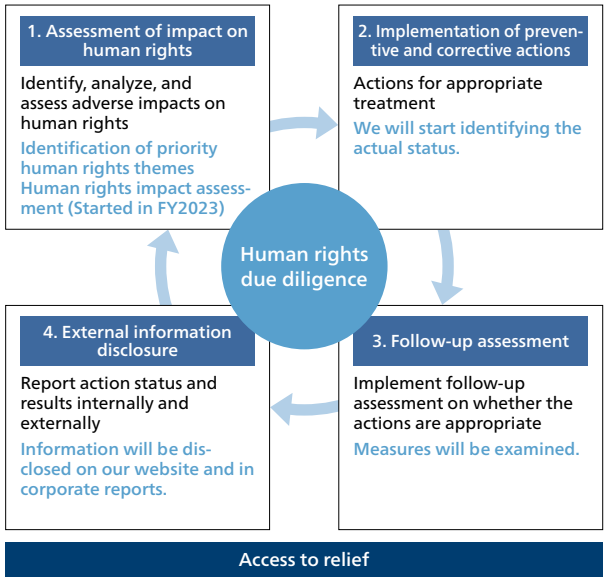
Ono Group Human Rights Global Policy

Human Rights Due Diligence Framework

We recognize that we may have adverse impacts on human rights directly or indirectly through our business activities. In accordance with the United Nations Guiding Principles on Business and Human Rights, we have established a human rights due diligence system to prevent or reduce adverse impacts on human rights that Ono's business activities may have in society. We will continue to implement the system, and will externally disclose the results as well as its progress.

Respect for human rights demanded by the world and our response

Ono Group Human Rights Global Policy (Established in July 2020)



Human rights risk assessment and risk identification

In FY2022, we conducted an impact assessment of potential risks to human rights (human rights risk assessment) in our Group and value chain and specified our priority human rights themes to address intensively.

To identify these themes, we first conducted a desktop survey to extract potential human rights risks associated with our business activities throughout our value chain. In addition, we held a two-day workshop with 25 participants in total from relevant departments to find out themes and areas with high potential human rights risks and to identify our risks. In the workshop, we considered social requirements and changes, and listed out potential human rights issues that may have impacts on our business and that may occur among rights holders or anywhere in the value chain.

As a result of the assessment we conducted on the potential human rights issues that are of concern identified through the desktop survey and the human rights due diligence workshop, it turned out that there were some issues for which the details of the risks were not known to us. We are currently working together with our group companies and business partners to grasp the actual status regarding the two issues:"working environment of workers at production sites of procured articles, including raw materials" and "Labor contracts and work environments for diverse workers, foreign workers, etc., in Japan, including in our group companies and in our supply chain." In addition, while implementing preventive and corrective actions as necessary, we are also working to establish a system in which high priority human rights issues and potential future human rights issues can be promptly recognized.

Respect for Human Rights

Progress and FY2024 initiatives

In FY2024, we first reviewed the status of labor conditions and working conditions of diverse workers in the supply chain based on the themes identified in FY2022. Among these, we conducted a questionnaire survey with major suppliers related to packaging to understand the realities of foreign workers. At one company, we interviewed six technical interns to confirm their employment conditions and respect for human rights. As a result, no major concerns were identified regarding respect for human rights for technical interns. Additionally, a follow-up survey conducted six months later confirmed further improvements in working conditions. Moving forward, we will continue to ascertain the actual working situation in areas other than packaging, as well as build a mechanism that enables us to quickly recognize and address urgent and potential human rights issues.

Initiatives to prevent human rights violations

Each employee deepens their understanding and acquires correct knowledge regarding human rights. In addition, we conduct training for all employees with the aim of preventing harassment and other human rights violations, and are working to create a comfortable work environment. In FY2024, we conducted training on themes such as "Business and Human Rights" and "Respect for Human Rights in the Workplace".

To ensure access to remedies, we have established the "Ono Group Compliance Hotline," an external reporting channel available in multiple languages for all executives, employees, and external parties. For cases identified as compliance violations, disciplinary actions, including dismissal, are imposed on the perpetrators.

Main human rights training

Description	Number of Participants
Business and Human Rights	Approx. 3,500

Risk identification

Target value chain	Research and development → Procurement → Manufacturing → Logistics → Sales → Consumption → Disposal		
Rights holders who may be impacted	Workers in the supply chain, workers of our business partners, our employees, local communities, patients		
Potential areas of risks of concern	• Access to healthcare and pharmaceuticals • Pharmaceutical safety and health damage • Risks during development • Human rights issues related to the environment and climate change • Pharmaceutical distribution • Human rights issues under supply chain	• Provision of appropriate pharmaceutical information • Industrial safety and health • Waste treatment • Discrimination • Race, age, sex • Gender (including sexual minorities) • Various forms of harassment • Excess and unfair working hours	• Foreign worker rights • Child labor and forced labor • Privacy rights • Equal pay for equal work • Impact on indigenous peoples and local residents • Compliance • Human rights issues related to technology and AI

Improving Access to Healthcare

Efforts to improve access to healthcare consistent with our corporate philosophy

Under our corporate philosophy, "Dedicated to the Fight against Disease and Pain," we aim to improve access to healthcare. Through "research and development of innovation medicines," we focus on developing treatments for diseases with unmet medical needs while collaborating with NPOs to "strengthen healthcare infrastructure," such as medical personnel and facilities in low- and middle-income countries.

Improving Access to Healthcare

Providing innovation medicines for patients

As part of improving access to medicines, we are working on developing drugs for rare diseases and pediatric conditions that currently lack treatment options. In FY2024, we submitted approval applications for additional indications or effects for OPDIVO intravenous infusion for "unresectable advanced or recurrent colorectal cancer high-frequency microsatellite instability (MSI-High)" and BRAFTOVI capsules for "unresectable advanced or recurrent colorectal cancer with BRAF-mutations."

To deliver our innovation medicines to more patients, we neither apply for nor enforce patent rights in Least Developed Countries defined by the United Nations, and Low Income or Lower Middle Income Countries defined by the World Bank, with some exceptions. In the event of a national public health emergency situation, such as the spread of an infectious disease, we will consider flexible and appropriate licensing of patent rights according to the given circumstances.

Respect for Human Rights

Support for strengthening healthcare infrastructure

There are still many people in the world who do not have access to necessary healthcare due to the immaturity of the medical infrastructure. Since FY2018, we have been addressing these challenges through partnerships with NPOs.

Starting in FY2022, we launched a new healthcare access improvement project, "ONO Bridge Project," implementing programs in Cambodia and Myanmar. In addition to financial support necessary for NPO measures, we are raising public awareness of healthcare access issues, encouraging employee participation in volunteer activities, and implementing cooperative measures leveraging our expertise.

Participation in access accelerated

Since 2023, Ono has been participating in Access Accelerated, a global partnership that aims to improve access to non-communicable diseases (NCDs) prevention, treatment, and care in low and lower-middle income countries. In low-income and lower-middle-income countries, by 2030, the United Nations Sustainable Development Goals aim to reduce premature deaths caused by NCDs by one-third. We are working in collaboration with participating companies, the World Bank Group, and other organizations to achieve this goal.

For more information on Access Accelerated activities

ONO Bridge Project

ONO Bridge Project

Myanmar

Maternal and Child Health Service Improvement Program

Myanmar's maternal mortality rate is 250 per 100,000, significantly higher than the SDG 3.1 target of less than 70 per 100,000. One cause is childbirth without medical assistance, which is attributed to factors such as a shortage of healthcare workers, physical barriers to access, traditional home birth practices, and a lack of understanding of childbirth risks. Given the pronounced disparity in healthcare access in rural areas, this program aims to address knowledge gaps about childbirth risks and strengthen local health service networks to improve access to maternal and child health services for pregnant women.

FY2024 activities

- Training and development of new maternal and child health promoters*
- Health education and home visits for pregnant women by maternal and child health promoters*
- Skill monitoring and training for auxiliary midwives

* Maternal and child health promoters: Individuals who provide health education and home visits for pregnant women, acting as a bridge between local residents and health services

Health education for pregnant women

Supporting and Collaborating NPOs: People's Hope Japan https://www.ph-japan.org/en/

Cambodia

Program to Improve Access to Advanced Pediatric Medical Care

In Cambodia, there are many pediatric patients who cannot have access to advanced medical care. In high-income countries, the survival rate for pediatric cancer patients is 80%, but in Cambodia, the rate is extremely low, at less than 30%. A major cause is the shortage of medical institutions and healthcare professions that can provide advanced medical care. In addition, the lack of economic power of people in the community, hospital visitation habits, and trust in healthcare are barriers to accessing healthcare. This program supports the activities of the Japan Heart Children's Medical Center in Cambodia, working to improve access to advanced medical care for pediatric patients through training healthcare professionals, providing medical care to underserved rural areas, and expanding medical facilities.

FY2024 activities

- Training skilled healthcare professionals: Local doctors undergo clinical training at hospitals within Cambodia
- Improvement of access to healthcare in rural areas: Conducting free medical consultations and surgeries at public hospitals in rural areas (mobile clinics)
- Enhancement of advanced medical devices: Operationalizing medical devices (C-arm)

Scenes from mobile clinics

Supporting and Collaborating NPOs: International Medical NGO Japan Heart https://www.japanheart.org/en/

Supply Chain Strategy

So That We Can Reliably Deliver High-Quality Pharmaceuticals to Patients

Akira Takada
Corporate Executive Officer,
Executive Director, CMC & Production

The major mission of pharmaceutical companies is ensuring their quality and stable supply to patients. We have positioned the enhancement of social trust as a materiality, and are promoting product quality assurance, stable supply, and safety management, while ensuring that the entire supply chain operates in compliance with laws and regulations under a robust quality assurance system. However, issues such as equipment malfunctions or natural disasters can disrupt production. In addition to preventive measures, we are reducing risks by implementing appropriate inventory management and securing multiple manufacturing sites. Moreover, the entire supply chain is sincerely striving to address societal challenges such as environmental issues and human rights, focusing on fulfilling social responsibilities. In order to reliably deliver high-quality medicines to patients, each employee is committed to maintaining a high sense of ethics and is working to ensure product quality and safety management.

Achieving "Stable Supply" on a Global Scale

With manufacturing sites and suppliers of pharmaceutical active ingredients, raw materials, and finished products now spread around the world, leading to increasingly complex supply chains, we have established a target of zero supply shortages to ensure that we deliver medicines patients can use with confidence, in a stable manner. We are committed to stable supply while complying with regulations and corporate compliance requirements in each country or region. With Deciphera Pharmaceuticals joining the Ono Group and realizing global supply of medicines, we are working even harder to strengthen stable supply on a broader scale. In addition, depending on manufacturing lead times, delivery dates, and the number of manufacturing sites, we set appropriate inventory levels for each active ingredient and product. By constantly monitoring and maintaining appropriate inventory levels, we are able to ensure a stable supply of products, even when production is temporarily halted due to problems. We were able to avoid out-of-stock incidences and maintain a stable supply of products once again in FY2024.

Establishment of Global Quality Assurance and Safety Management Systems

Ono manufactures all medicines under appropriate quality assurance system. At our own manufacturing plants, we established quality assurance system complying with global standards, such as GMP*1 in each country and PIC/S*2 GMP, etc., and in case of contract manufacturing, we periodically conduct quality audit to confirm the operation is executed under appropriate manufacturing and quality control. In addition, based on the ICH*3 Q10 guideline for pharmaceutical quality systems, we have developed a global quality manual and are continuously improving our quality assurance system. Through various initiatives including employee education and training, and establishing risk management systems, we provide high-quality medicines considering the perspective of patients, caregivers, and healthcare professionals. Regarding safety management, as with quality assurance, we have established and operate systems that comply with relevant laws and regulations not only in Japan but also in regions where our products are marketed outside of Japan, so that patients and healthcare professionals can have peace of mind. In FY2024, there were no significant findings from regulatory inspections or recall of products.

Material Issue 8 Enhancement of Social Trust

Vision over the medium- to long-term	We will continue to ensure robust quality assurance and safety management systems, while stably supplying and continuously improving our products for patients.

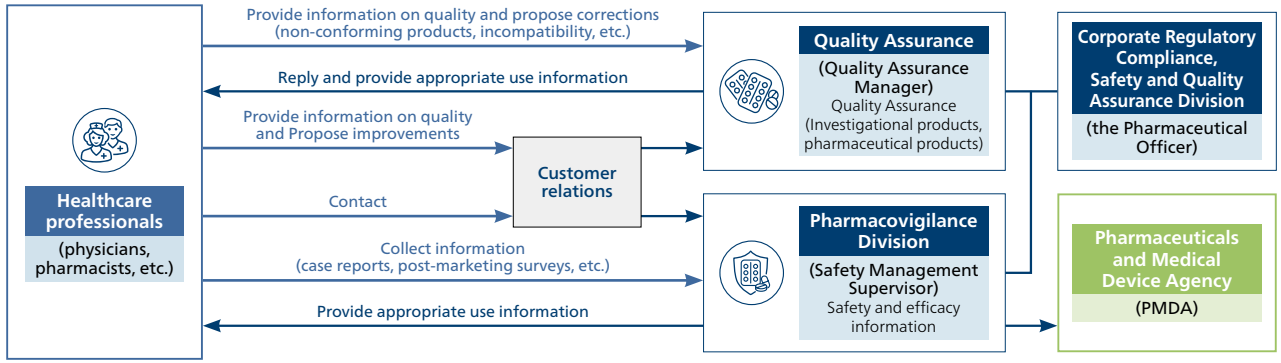
		FY2024 Evaluation
Indicators	• Establish a stronger risk management system (formulate policies and Sustainable Procurement Code, and create related system) (–2026)	○
	• Comprehensive evaluations of companies in high-risk areas (–2026)	○

*1 GMP (Good Manufacturing Practice): Standards for pharmaceutical manufacturing and quality control.
*2 PIC/S: (Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme): An informal cooperative organization among inspection authorities aimed at developing, implementing, and maintaining internationally harmonized GMP standards and quality systems for inspection authorities in the pharmaceutical sector.
*3 ICH (International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use): An international conference of drug regulatory authorities and pharmaceutical industry representatives from around the world to develop guidelines on pharmaceutical regulations.

Quality System and Training System

Supply Chain Strategy

Safety and Quality Information Gathering and Management System



Stable Supply of Products in Disasters

In preparation for a major disaster, we have formulated a crisis management and business continuity manual and conduct regular training. Furthermore, we try to diversify risk through the active use of multiple manufacturing bases and outsourcing plants. For our main product OPDIVO, we have already established a system in which the product is manufactured at both the Fujiyama Plant (Shizuoka Prefecture) and Yamaguchi Plant (Yamaguchi Prefecture). In particular, the Yamaguchi Plant is increasing production capacity for future business expansion, and is envisioned to serve as a stable supply base for products that enable continuation of business even in the event of a large-scale disaster. For other products, we are examining manufacturing at multiple bases, including outsourcing as needed, and we are also working to increase the number of outsourced manufacturing sites for APIs. We also conduct risk assessments of the supply chain unrelated to products and APIs.

Initiatives for Appropriate Use of Medications

Ono has established a risk management plan for each pharmaceutical product and conducts Group-wide safety management activities. We evaluate the details of collected information and take safety measures, such as the revision of the description of package insert for our products and provide information related to the appropriate use of medications, etc. as necessary. In particular, after the launch of the anticancer drug OPDIVO, safety information in and outside Japan increased. We evaluate this information based on the opinions of external experts and then disseminate the information through information materials, academic societies, medical journals, etc., in order that the medicine is appropriately used.

Cases of medication harm have occurred as a result of inadequate safety monitoring. As a pharmaceutical company involved in medicines related to human life, we take to heart the tragic nature of medication harm and corporate responsibility, and we regularly conduct education on such incidents for all employees.

Quality-Related Training System

All new employees assigned to our plants first receive classroom training on basic GMP principles and the roles of each department. After this, for approximately two months, they undergo on-site training in manufacturing, quality testing, and quality assurance. They then receive practical training in their assigned departments and, based on their proficiency, can earn three levels of certification.

Each year, we create an education plan for all plant employees, and based on this plan, provide education on the Pharmaceutical and Medical Device Act, GMP ministerial ordinances, internal rules necessary for production, and procedures required for manufacturing and testing operations. This education includes training jointly implemented by our

FY2024 Training Sessions

Description	Target number of sessions	Number of sessions conducted
GMP Training	Three or more times per year (Number of sessions set by the responsible department at the start of the fiscal year)	3 to 12 times
Talent development and our approach in Quality Culture	6 times per year	12 times
Case study training on GMP inspections	4 times per year	10 times
Data integrity training	2 times per year	3 times
Basic GMP training	24 times per year	29 times
Training on revisions to procedures	Each time a procedure is established or revised	2,715 times (Total for two plants)

plants, CMC & Production, and Corporate Regulatory Compliance, Safety and Quality Assurance.

Training on Quality Culture

At pharmaceutical companies, quality culture forms the foundation of corporate activities. Based on our corporate philosophy, "Dedicated to the Fight against Disease and Pain," we conduct training to foster our company-wide quality culture.

Our Approach to Sustainable Procurement

We have identified "enhancement of social trust" as one of our materialities. In order to ensure the quality and stable supply of medicines, we aim to solve social issues together with our business partners by promoting sustainability initiatives regarding human rights, labor conditions, and the natural environment.

All employees involved in procurement activities are required to comply with the "Basic Policy on Procurement Activities" to ensure fair, just, and highly transparent procurement activities. In addition, we use the "Ono Sustainable Procurement Code for Business Partner," which summarizes matters we ask our business partners to cooperate with, to request their cooperation and strengthen our collaboration. Through these activities, we work together with our business partners to contribute to the realization of a sustainable society.

Procurement Activities Basic Policy

Ono Sustainable Procurement Code for Business Partner

Sustainability Management with Business Partners

We select key suppliers based on an understanding of sustainability-related risks in the supply chain, and prioritize them to promote activities. For key suppliers, we share our approach to sustainable procurement and related codes, and request their cooperation and the acquisition of signed agreements. Furthermore, in order to identify potential risks in the supply chain, we have a management system in place that conducts risk assessments and, depending on the situation, performs on-site audits and requests corrective actions. By the end of FY2024, we collected consent forms from 333 companies and received responses to risk assessments from 238 companies. We conducted an on-site audit of 3 companies and confirmed that no corrective action plan was necessary.

Membership in PSCI

As part of our sustainability management and sustainable procurement activities with business partners, EHS audits among business partners are rapidly becoming more widespread. The PSCI system shares EHS audit results among business partners using designated audit tools, which helps avoid duplication of similar audits and enables industry-wide EHS risk management in the pharmaceutical sector. We utilize our participation in PSCI as a guideline for EHS initiatives and as a framework for conducting audit activities that minimize the burden on our business partners.

PSCI PHARMACEUTICAL SUPPLY CHAIN INITIATIVE
Building responsible supply chains

Progress of sustainability management activities

	Activity target		
	FY2022	FY2023	FY2024 -
Agreement	• Key business partners accounting for over 80% of transaction value	• Key business partners accounting for over 98% of transaction value • New business partners • Drug discovery partners	• Key business partners accounting for over 99% of transaction value • New business partners • Drug discovery partners • Secondary suppliers of direct materials
Risk assessment	• Key business partners accounting for over 80% of transaction value	• Key business partners accounting for over 98% of transaction value • New business partners • Drug discovery partners	• Key business partners accounting for over 99% of transaction value • New business partners • Drug discovery partners • Secondary suppliers of direct materials

* From FY2022, activities have expanded to include not only direct materials but also indirect materials and outsourced suppliers.

Round-table Discussion with Outside Directors

Governance System Supporting Challenge and Transformation toward Becoming a Global Specialty Pharma —External Directors Discuss the Past and Future of Ono

Akiko Okuno	Masao Nomura	Shusaku Nagae
Outside Director	**Outside Director**	**Outside Director**
Professor, Faculty of Business Administration, KONAN UNIVERSITY	Corporate Advisor, Iwatani Corporation Outside Director, Keihanshin Building Co., Ltd.	Special Corporate Advisor, Panasonic Holdings Corporation Outside Audit & Supervisory Board Member, Nikkei Inc.

Evaluation of the New Structure

Q1 Please share your evaluation of management following the transition to the new management structure.

Okuno In FY2024, the transition to the new management structure coincided with major M&A activities. Among these, the acquisition of Deciphera was an extremely important management decision, and the fact that there are now three Representative Directors was, I feel, very timely. Having a structure in place that allowed for appropriate division of duties during a phase when decision-making could easily become centralized was highly significant for our Company.

Nomura Currently, as we pass the midpoint of the medium-term business plan, the most pressing issue is addressing the patent cliff for OPDIVO. I believe the system of three Representative Directors has been highly meaningful as we aim for further growth. With global experience and perspective, we have now established a management framework that can fully face the goal pursued by Ono: the "realization of a Global Specialty Pharma."

Nagae While each leader maintains their own unique perspective, we have developed relationships where we can tackle common challenges together. The pharmaceutical business in particular lends itself to easy consensus on direction, which also raises the quality of discussions. In diversified companies, it is not uncommon for different departments to have varying awareness of issues, leading to misalignment or conflicting opinions. I feel it is ideal that every employee at our Company is aware of the shared goal of contributing to patients and can participate in the decision-making process with this in mind.

Round-table Discussion with Outside Directors

Nomura The structure led by three top executives has been established, and the agility of the Board of Directors has greatly improved. The reorganization of our U.S. and European bases following the addition of Deciphera to the Group is also progressing at a globally required speed. Each role is clearly defined: President and COO Takino oversees global strategy, Vice President Tsujinaka is responsible for domestic business, and Chairman Sagara supervises and supports the whole organization as CEO. Diversity of perspectives is naturally incorporated into decision-making, resulting in a well-balanced structure.

Okuno In regard to this top management appointment, we Outside Directors, as external members, were actively involved. In this case, there was a clear theme of selecting the president, and because we had human resources suited to the changing business environment and desired direction, the process proceeded smoothly. However, I felt a more medium- to long-term perspective is needed regarding management personnel who will support the current leaders and become top candidates in the future. At present, we do monitor the executive layer to some extent, but going forward, we need a mechanism to systematically develop and identify candidates not just for the next round but also the one after that.

Evaluation of the Effectiveness of the Board of Directors

Q2 Please share your thoughts on efforts to enhance governance through the effectiveness evaluation of the Board of Directors.

Nagae I feel that effectiveness evaluations at Ono have become firmly established at a very high standard. The process has continued for nearly ten years, but its content has evolved year by year, making it much more than just a formal exercise.

Nomura Of note is that, in addition to external surveys, the Company's internal administrative office conducts careful interviews. By probing deeper into areas that external evaluations cannot fully capture, I believe it has led to more effective governance improvements. Especially in recent years, we have used time after Board of Directors meetings for presentations by candidates for the next generation of leaders and for explanations of department-specific strategies. This has enabled us not only to evaluate but also to assess and get involved in the development of the next management layer, thereby linking it to succession planning.

The transformation in management structure has dramatically improved the agility of the Board of Directors. The diverse perspectives of the three Representative Directors are naturally incorporated into decision-making.

Masao Nomura

Okuno The method of effectiveness evaluation continues to evolve, including the introduction of external evaluation institutions. I feel these accumulated efforts are forming the very governance culture within our Company. It is noteworthy that the evaluation process does not end as a mere checklist, but functions as a real mechanism for enhancing governance. It is institutional effectiveness that is realized not just through formal arrangements, but because the organization itself has receptivity and a willingness to improve.

About the Acquisition of Deciphera

Q3 Please share your views on the course of discussions at the Board of Directors regarding the acquisition of Deciphera, and on future challenges and expectations.

Nagae The purposes of M&A by business companies vary widely, but for us, this acquisition of Deciphera was essential for future growth.

What is important is that it was a project with clear complementary value to our existing businesses and high rationality. This was a high-value case. In particular, the acquisition filled a necessary gap toward establishing our business foundation in the U.S. and Europe, which we have been aiming for. Business development is already progressing swiftly under a very clear objective, and I believe it was a highly meaningful opportunity for us.

Nomura I share the same evaluation. Securing a foundation for direct sales in the U.S. and Europe, strengthening our pipeline, and enhancing our drug discovery capabilities have all been of great significance as the first step toward becoming a Global Specialty Pharma. The status and challenges of integration with Deciphera are reported to the Board of Directors as they occur.

Okuno From my perspective as a human resources expert, I am focused on PMI (Post Merger Integration) after the acquisition.

From a human resources standpoint, a major theme is how Deciphera's diverse human resources can contribute to the entire Group going forward. The ratio of female managers at Deciphera is far higher than at our Company,

Round-table Discussion with Outside Directors

reaching 60%. As personnel exchange increases, I hope the Company's culture will inspire us, not only in promoting female participation but also in advancing global diversity.

Through the acquisition of Deciphera, we expect that their diverse human resources and culture will stimulate the advancement of global diversity within our Company.

Akiko Okuno

Nagae PMI is truly the key determinant of future success or failure. It is important to ensure that both parties can create value in an equal relationship. Especially in international human resources management, it is essential that the parent company does not take a top-down approach, but instead respects the local culture while integrating organizations.

Nomura The Board of Directors is also continuously monitoring post-acquisition progress. We are monitoring multiple milestones on a monthly basis, including the progress of new drug development, restructuring of our U.S. and European operations, and forecasts for timing of profitability. While things are progressing smoothly at this point, the next stage will truly be the test of our capabilities.

Nagae In fact, this acquisition has dramatically expanded our pool of global talent. If we can leverage this to appoint future management and specialized human resources, the significance of the acquisition will become even greater.

Nomura This was an acquisition deal worth approximately 380 billion yen, and I believe it was an M&A that put our Company's future on the line. Acquiring Deciphera, a company with both sales and R&D capabilities, is a major achievement in realizing direct sales in the U.S. and Europe. However, how we utilize this strength in our overall growth strategy, whether development is progressing smoothly, and whether overseas business expansion continues to grow are important oversight themes for the Board of Directors going forward.

On Updating Materialities

Q4 What kind of discussions took place in the Board of Directors regarding the revision of materialities?

Okuno Previously, there were 18 materialities, which provided comprehensive coverage, but at the same time was somewhat complex and difficult for external parties to understand. We reorganized them into nine items and reconstructed into a framework integrated with our strategy, which I feel has made dialogue both inside and outside the Company significantly easier.

Nomura Even with the 18 items, there was meaningful value, especially for our employees, as they could view which materialities they were contributing to with a sense of ownership. However, I believe this reorganization was carried out after a certain level of understanding had been achieved in order to move on to the next stage.

Nagae The overall structure has become much easier to understand. The four pillars of the growth strategy link with the medium-term management plan, along with foundational elements such as human resources and digital, plus three items related to sustainability. This organization into nine items is visually clear and, compared to other companies, easier to understand. I believe the section on our growth strategy, in particular, really showcases what makes us unique.

Nomura Furthermore, I think this was not merely an organizational exercise, but a declaration of our intention to shift our strategy. Having cleared the major goal of taking on the challenge of the U.S. and European markets, the clear message is that we will now move to the next stage, aiming for the "expansion and acceleration of global business." I believe this has great significance for both our internal organization and external stakeholders.

Okuno I am paying close attention to the item on human capital. Especially regarding opportunities for women, we have set numerical targets for 2030, listed individual candidates, and created a specific development roadmap outlining how to train each person for certain positions. Because we are setting target values based on this process and tracking progress so closely, it demonstrates an effective approach.

Nomura As our management foundation, which used to be mainly domestic, is entering a new phase of overseas expansion, I believe that developing global talent remains a significant challenge.

Expectations for Ono as it Continues to Transform

Q5 Please tell us about the challenges you believe should be addressed as we work toward realizing a "Global Specialty Pharma."

Nomura As we aim to become a Global Specialty Pharma, I believe the most fundamental requirement is to have a strong foundation. Only after further strengthening the earnings base of our domestic business will we be able to

Round-table Discussion with Outside Directors

fully demonstrate our capabilities in overseas expansion. In that sense, I believe that further reinforcing our domestic business is vital as a foundation for our global strategy.

To grow overseas sales, we need leaders who can lead local human resources. We should focus on increasing and developing local human resources, aiming for a management system that can operate independently in each region.

Shusaku Nagae

Nagae Our overseas sales revenue ratio is over 30%, but in reality, almost all of it consists of royalties, and product sales themselves account for about 1%. From that perspective as well, I see significant challenges in the human resources needed to grow overseas sales. Among our domestic employees, global talent is still quite limited. If we're going to entrust management overseas, we need leaders who understand the local culture and can lead local human resources. Currently, human resources are dispatched from Ono headquarters to foster close communication and promote mutual understanding and unity, but looking ahead a few years, we need to further increase local human resources and develop them into the kind of employees who embody our corporate philosophy, ensuring the Ono Group's values take root globally. Ultimately, we should aim for a management system that can operate independently overseas.

Okuno Human resources development inevitably requires time. At this phase, it is also necessary to hire immediately effective human resources from outside the Company. The approximately 400 employees at Deciphera represent a large pool of global talent, but unless we also bring in management human resources from outside the Company to further develop global talent, we will not achieve our 2031 vision in time. However, simply hiring is not enough. First and foremost, we need to be a company where outstanding human resources want to work. To achieve this, we need to make major decisions regarding recruitment and development, including offering attractive incentives.

Nomura In realizing a Global Specialty Pharma, I believe we should also be aware that the power of open innovation that our Company possesses is once again a strength. As demonstrated by the success of OPDIVO, our ability to identify and commercialize external technologies and ideas is highly regarded in the industry. If we can apply our efforts to absorb good ideas from outside through open innovation to our global business expansion, it will become a major advantage.

Okuno Recently, I have increasingly come to value what lies behind the word "transformation," which our Company advocates. Our Company has a corporate culture that is sincere and honest. I believe the real appeal of this Company lies in this kind of "balance"—changing without losing those strengths. Rather than abandoning our traditions, it is desirable to evolve toward the next global expansion by utilizing our foundations.

Nagae This is an era where not only systems and strategies, but also a company's "stance" is being called into question. In recent years, there have been numerous scandals at various companies, and I believe that at the root of these issues lies the corporate culture. On the other hand, whenever I talk to our employees or Director Member of the Board of Directors, I am left with the impression that this is a very honest, transparent company where everyone does their jobs properly.

Nomura The core value of a pharmaceutical company is, after all, "contributing to people's health." Since we are engaged in businesses directly related to patients' lives, developing new drugs is the greatest contribution we can make to our stakeholders. I believe that by staying true to our principles and leveraging our strengths as we take on global challenges, we can enhance our corporate value.

Nagae What stakeholders expect is a company's future prospects. As we face the upcoming patent cliff, our ability to overcome it through the acquisition of Deciphera and to introduce new growth drivers will test our group management.

Okuno If we look beyond shareholders to patients, healthcare professionals, and local communities—in other words, a wide range of stakeholders—it is necessary to explain not only our short-term performance, but also the essential value of our innovative medicines and our contributions to the environment and society, as part of the long-term value we provide to society. Our Company practices environmentally-conscious management, and this very stance supports our corporate trustworthiness. Even in challenging times, I am convinced that by communicating carefully and consistently, and by demonstrating the value we provide to various stakeholders, we can foster future growth.

Corporate Governance

Material Issue 9 Strengthening Governance

Vision over the medium- to long-term	Establish an effective governance system to achieve sustainable growth, such as establishing a compliance risk management system that prevents compliance violations before they occur.
Indicators	• Sharing awareness of issues regarding the composition of the Board of Directors (including the succession issue of outside officers), reviewing the criteria for matters to be submitted to the Board of Directors, expanding feedback on discussions with IR/SR, setting up meetings attended only by Outside Directors, and strengthening collaboration between Outside Directors and the Internal Audit Department

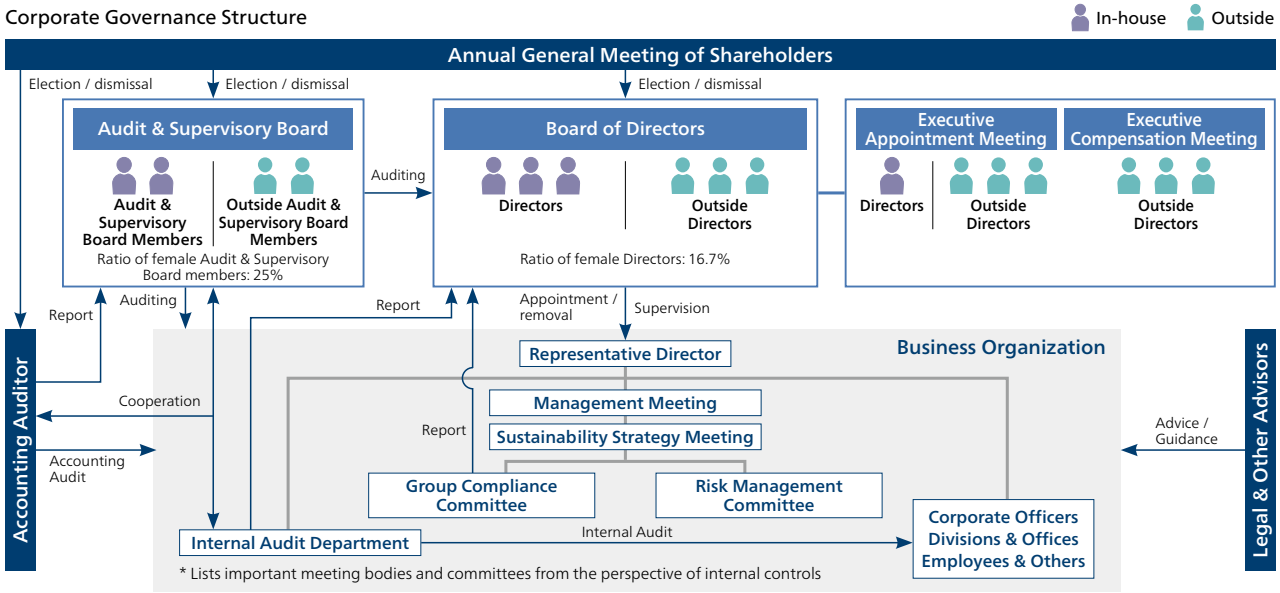
FY2024 Evaluation: ○

Basic Approach and Governance Structure

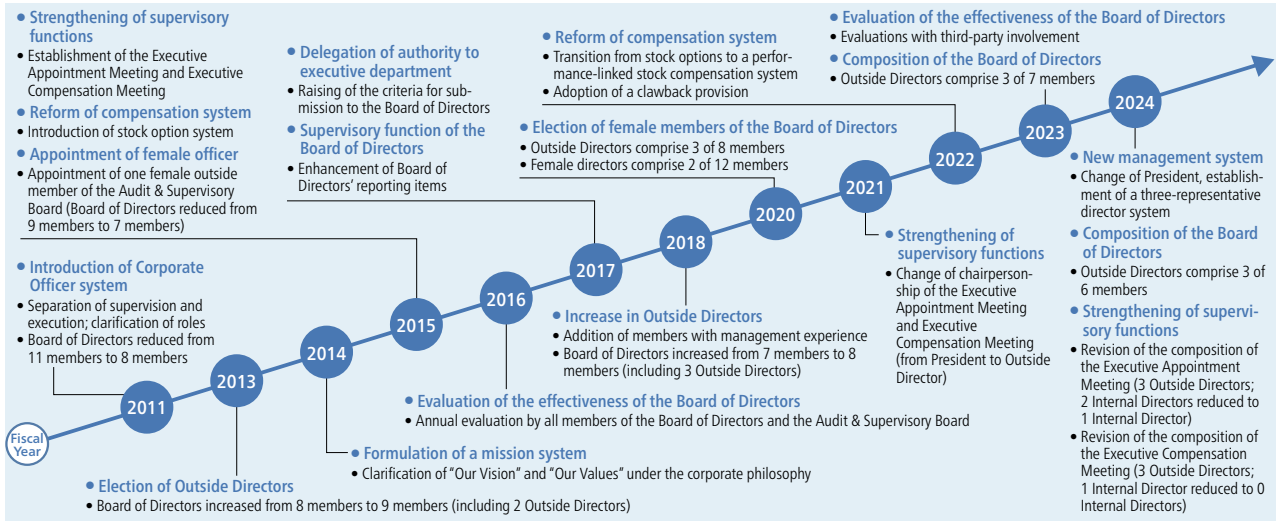
As part of our endeavors to strengthen corporate governance, Ono has adopted an organizational framework with an Audit & Supervisory Board, and aims to focus on enhancing the functions of the Board of Directors and the Audit & Supervisory Board. In addition, to ensure the independence and objectivity in decisions related to the nomination and compensation of Directors and other executives, we have established an "Executive Appointment Meeting" in which a majority of members, including the chairperson, are Outside Directors, and an "Executive Compensation Meeting" composed exclusively of Outside Directors.

Regarding business execution, we have adopted the Corporate Officer system to improve management efficiency and expedite decision-making. Meanwhile, for important business execution matters, appropriate operation is ensured by deliberating and making decisions in meetings such as the "Management Meeting" and other meetings chaired by the Representative Director or responsible Corporate Officers according to the importance and nature

Corporate Governance Structure



Progression of governance system



Corporate Governance

of the management issues, thereby taking care to incorporate effective mutual supervision functions.

At our company, with the recognition that building an effective governance system is essential to achieving sustainable growth, we continuously discuss the appropriate management structure through evaluations of the effectiveness of the Board of Directors and other means.

Overview of the Board of Directors, Audit & Supervisory Board, and Various Meetings

Board of Directors

Taking into consideration the development status of our internal control systems, our Company aims to maintain a Board of Directors of an appropriate size to ensure business operations based on management transparency, strengthened oversight functions, and swift decision-making. The Board currently consists of three Representative Directors well-versed in the pharmaceutical business and company affairs, and three Outside Directors with extensive managerial experience or broad expertise, such as university professors.

When selecting candidates for members of the Board of Directors and Audit & Supervisory Board members, we consider the characteristics of a research and development-based pharmaceutical company and ensure a balance of knowledge, experience, and abilities so that the Board of Directors as a whole can make specialized and comprehensive management decisions. Deliberations are conducted from diverse perspectives to achieve appropriate decision-making and effective audits and supervision, with attention also paid to diversity in gender, age, international background, and other factors. Director and Audit & Supervisory Board member candidates are selected by the Executive Appointment Meeting—chaired by and consisting of a majority of Outside Directors (including two members with managerial experience at other companies)—and finalized by the Board of Directors.

In order for members of the Board of Directors and Audit & Supervisory Board to appropriately fulfill their roles and responsibilities, the attendance rate at the meetings of the Board of Directors is, in principle, set at 75% or more. Taking into account the time required to be devoted to duties as a member of the Board of Directors or Audit & Supervisory Board, we limit the number of companies on which the members of the Board of Directors and Audit & Supervisory Board may concurrently serve as officers or in other capacities (appointment as officers of listed companies, etc.) at up to four in principle, not including Ono.

Audit & Supervisory Board

The Audit & Supervisory Board, as an organization independent from the Board of Directors and executive bodies, is composed of two full-time Audit & Supervisory Board

Executive Appointment Meeting / Executive Compensation Meeting

■ Overview and Main Activities of the Executive Appointment Meeting

Purpose of Establishment/ Role, etc.	Established as a system to ensure transparency, fairness, and objectivity in the process of determining executive appointments, in order to strengthen corporate governance
Main Deliberation Items	• Matters related to executive personnel proposals (appointments/ dismissals of Representative Directors, Directors, Audit & Supervisory Board members, Corporate Officers, etc.) to be submitted to the Shareholders' Meeting or the Board of Directors • Matters concerning succession plans for the President and others • Other important matters related to executive personnel
Composition, etc.	(Chair) Outside Director Masao Nomura, Outside Director Akiko Okuno, Outside Director Shusaku Nagaei, Chairman of the Board & CEO Gyo Sagara. This meeting is chaired by an Outside Director. In light of the meeting's purpose, the internal Director (Chairman of the Board & CEO) may be asked to leave the meeting if the chair deems their participation in discussions inappropriate.
Activity Status (FY2024) Number of meetings: 2	• On the terms of office and succession issues of outside officers • On executive appointments following the 77th Annual Shareholders' Meeting (including Corporate Officer appointments)

■ Overview and Main Activities of the Executive Compensation Meeting

Purpose of Establishment/ Role, etc.	Established as a system to ensure transparency, fairness, and objectivity in the process of determining executive remuneration, in order to strengthen corporate governance
Main Deliberation Items	• Matters related to the executive remuneration system • Matters related to the amounts and calculation methods of Directors' remuneration (including performance-based evaluation for performance-linked remuneration)
Composition, etc.	(Chair) Outside Director Masao Nomura, Outside Director Akiko Okuno, Outside Director Shusaku Nagaei
Activity Status (FY2024) Number of meetings: 2	• On the performance evaluation of performance-linked remuneration for FY2023 (Director bonuses, performance-linked restricted stock remuneration) • On the levels and structure of Directors' remuneration from July 2024 onward • On the standard amounts for Directors' bonuses for FY2024 • On the performance-linked restricted stock remuneration for FY2024 (standard number of shares, evaluation indicators, targets, etc.) • On the amount of monetary compensation claims to be granted for the allotment of employment retention-type restricted stock to be delivered (paid) in July 2024

Composition

		Executive Appointment Meeting	Executive Compensation Meeting
Masao Nomura	Outside Director	● (Chairperson)	● (Chairperson)
Akiko Okuno	Outside Director	●	●
Shusaku Nagae	Outside Director	●	●
Gyo Sagara	Representative Director, Chairman of the Board & CEO	●	

Corporate Governance

members who are well-versed in our business and possess advanced information-gathering skills, as well as two outside Audit & Supervisory Board members with a high degree of independence and expertise in law and accounting. Collaboration among all Audit & Supervisory Board members enhances the effectiveness of audits. In addition, the Audit & Supervisory Board members conduct systematic and efficient audits in cooperation with the Internal Audit Department and work to enhance the effectiveness of audits through collaboration with the Accounting Auditors, thereby aiming to improve management oversight functions.

The Audit & Supervisory Board convened a total of 15 times in FY2024, with 11 resolutions/consent items, 19 deliberation/discussion items, and 63 reporting items (average meeting duration: 140 minutes). In addition, to enhance the thoroughness and effectiveness of audits by Audit & Supervisory Board members, opportunities for opinion exchange and information sharing are arranged as appropriate separately from the Audit & Supervisory Board meetings.

Priority Audit Items for FY2024

- Status of efforts to strengthen and enforce the legal compliance and compliance framework
- Status of development and operation of internal control systems
- Content and progress of the medium-term management plan
- Status of company-wide risk management operations
- Group company management (Including the status of Post Merger Integration of acquired companies)
- Initiatives toward appropriate promotion of DX/IT strategies and strengthening cybersecurity measures
- On product quality management and stable supply
- Status of responses toward sustainability goals

Skill Matrix

Under our corporate philosophy "Dedicated to the Fight against Disease and Pain," we have established the

Major Fields of Expertise and Experience of Members of the Board of Directors and Audit & Supervisory Board Members

- Subject persons: Members of the Board of Directors and Audit & Supervisory Board Members who are required to attend the Board of Directors' meetings
- Skill recognition criteria: In-house Members of the Board of Directors: Experiences in operations and management positions; Outside Directors of the Board of Directors/Audit & Supervisory Board Members: Fields where supervision, auditing, and advice are expected.

	Name	Years of service	Major fields of expertise and experience								
			Corporate management	Finance and accounting	Legal and risk management	Research and development	Business strategy and marketing	Personnel affairs and human resources development	ESG and sustainability	Global experience	DX and IT
Members of the Board of Directors	Gyo Sagara	19 years	●	●			●		●		
	Toichi Takino	5 years	●			●	●		●	●	
	Toshihiro Tsujinaka	5 years	●	●	●		●	●	●		
	Masao Nomura	7 years	●	●	●		●	●	●		●
	Akiko Okuno	5 years						●	●	●	
	Shusaku Nagae	4 years	●			●	●		●	●	●
Audit & Supervisory Board Members	Hironobu Tanisaka	4 years			●				●		
	Kiyoaki Idemitsu	1 year			●	●	●		●	●	
	Yasuo Hishiyama	9 years			●				●		
	Akiko Tanabe	5 years		●					●		

Rationale for Selecting Skill Items

Skill items	Reason for selecting the skill
Corporate management	In an era of a rapidly changing business environment, achieving our long-term vision of becoming a Global Specialty Pharma requires expertise in global business environments and experience in corporate management, including managing overseas operations.
Finance and accounting	Expertise and experience in finance and accounting are key to boosting corporate value and ensuring sustainable growth by investing in research, development, and growth initiatives, all while maintaining and expanding the financial foundation.
Legal and risk management	Expertise and experience in corporate governance and managing risk in business activities are essential to ensuring transparent and fair corporate management and achieving sustainable growth and medium-to-long-term corporate value improvement.
Research and development	To advance the "Reinforcement of Pipeline" growth strategy, experience in leading the formulation and execution of research and development strategies and expertise and experience that enables evaluation and guidance on research and development projects from the perspectives of progress and risk management are essential.
Business strategy and marketing	To drive the "Maximizing of Product Value -From a Patients-centered Perspective-" and "Expansion of Business Domains" growth strategies, expertise in market trends, competitive landscapes, and technology trends as well as expertise and experience in strategic partnerships and open innovation in business activities are essential.
Personnel affairs and human resources development	Expertise and experience in personnel affairs and human resources development are essential for expanding human capital, which forms the foundation of our growth strategy, and for realizing global talent management and enhancing employee engagement.
ESG and sustainability	To contribute to people's health through our corporate philosophy, tackle important management issues (materiality) in line with our Sustainable Management Policy, and achieve value creation and resilience in response to societal expectations, a strong understanding of sustainability—including environmental and social trends, as well as societal demands on corporations—is essential.
Global experience	To advance the "Acceleration of Global Business Advancement" growth strategy, expertise and experience are essential for analyzing and evaluating strategies from an international perspective, grounded in cross-cultural understanding, and providing advice on risk management and compliance.
DX and IT	To accelerate growth strategies and drive innovation in business processes and the creation of new value, expertise and experience are essential for overseeing and advising on the effective use of the latest technologies in corporate activities and enhancing competitiveness through digital transformation (DX).

necessary skills required for Directors and Audit & Supervisory Board members in order to enable proper decision-making and effective audits/oversight toward becoming a Global Specialty Pharma, through deliberation from diverse perspectives.

Cooperation and support systems between Outside Directors and Audit & Supervisory Board members

At the Company, once a year, we hold a coordination meeting attended by all Audit & Supervisory Board members and all Outside Directors, during which the full-time Audit & Supervisory Board members explain the audit policy, audit plan, and the status and results of audits, and we set themes mainly related to corporate governance for the exchange of opinions. This year, the head of the Internal Audit Department was also added to the meeting, and opinions were exchanged on the theme "Collaboration between the Internal Audit Department and Non-executive Officers (Audit & Supervisory Board members and Outside Directors)." Additionally, Outside Directors conduct on-site inspections of bases (this term: Tokyo Branch) in conjunction with the visits of Audit & Supervisory Board members, and exchange opinions from diverse perspectives.

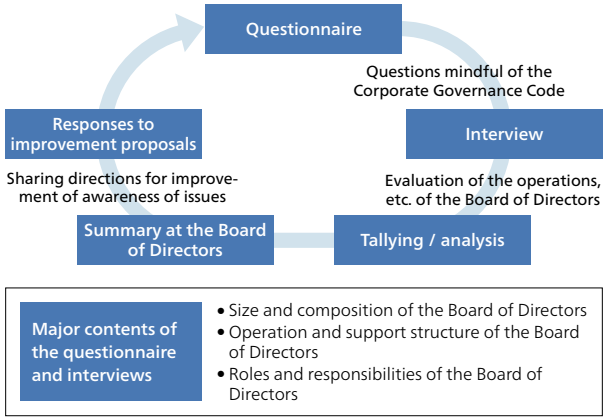
For Outside Directors and Audit & Supervisory Board members, the Board of Directors Office acts as a coordination contact with each internal department, providing information and supporting the execution of their duties. Furthermore, we provide support to promote understanding of our business activities by offering opportunities for explanations of business and for opinion exchanges outside of Board of Directors meetings. For Audit & Supervisory Board members, one staff member (with concurrent duties) is assigned as Audit & Supervisory Board Secretariat staff, providing support for the execution of duties by Audit & Supervisory Board members, including outside members.

Evaluation of the Effectiveness of the Board of Directors

Ono conducts self-evaluations on the composition, operation and other matters of the Board of Directors once a year with the aim of improving the effectiveness of the Board of Directors as a whole.

(1) Method of evaluation

An anonymous questionnaire conducted by a third party and individual interviews conducted by the Secretariat of the Board of Directors are conducted for all Directors and all Audit & Supervisory Board members. The results of the third-party analysis and evaluation of the questionnaire are shared, and for the individual interviews, opinions are compiled and then the Board of Directors analyzes and self-evaluates the current effectiveness of the Board and discusses future issues.



(2) Summary of results of analysis and evaluation

- The self-evaluation conducted through a third-party questionnaire confirmed that the effectiveness of the Board is secured at a high level, even in relative comparison with other companies.
- The Board of Directors makes important management decisions in an expeditious and appropriate manner, and a system that allows appropriate supervision of business execution is ensured.
- Measures have been taken on an ongoing basis to improve the operation of the Board of Directors, including a review of matters for deliberation at the Board of Directors in light of the management environment and the situation of the Company.
- Members of the Board of Directors and Audit & Supervisory Board, including Outside Directors and Outside Audit & Supervisory Board Members, are freely expressing their opinions from their own perspectives, based on the common understanding of the corporate philosophy and the management issues of the Company.

Based on the results above, Ono concluded that the effectiveness of the Board of Directors is ensured. In addition, the following discussions were held in order to make further improvements.

- Regarding the composition of the Board of Directors and other related matters, we have confirmed that we will continue to monitor developments, such as legal revisions, and review matters where applicable In addition, regarding the agenda of the Board of Directors, we confirmed that by reviewing changes in the business environment, we will strive to enhance the effectiveness of the Board of Directors.

(3) Initiatives to improve effectiveness

Amid the drastically changing environment surrounding the Company, the Board of Directors will further improve its effectiveness by enhancing discussions on the direction of management from a medium- to long-term perspective.

Corporate Governance

Main matters discussed by the Board of Directors during the current period

Management Strategy & Sustainability

- Progress report on growth strategies (discussions held by theme: "Acceleration of global business advancement," "Reinforcement of pipelines," "Expansion of business domains," "Management infrastructures to support Growth Strategies," and "Corporate transformation through Digital and IT")
- Materiality
- Acquisition of Deciphera and management, operation, and integration policy
- Analysis, etc. of cost of capital, return on capital, and market valuation
- Sustainability activity report

Corporate Governance, etc.

- Matters related to the General Meeting of Shareholders (decisions on convening and agenda items, etc.)
- Matters related to financial results
- Personnel matters related to the Representative Director, Members of the Board of Directors, Members of the Audit & Supervisory Board, and Corporate Officers
- Agenda setting of the Board of Directors
- Revision of criteria for submission to the Board of Directors
- Evaluation of the effectiveness of the Board of Directors
- Company indemnification contract matters
- Matters related to Directors' and other officers' liability insurance contracts
- Decision on the payment of Directors' remuneration, etc.
- Individual review of cross-shareholdings
- Development and operation status of internal control systems
- Establishment of a global whistleblowing policy
- Establishment of global policy on interaction with healthcare professionals
- Report on the management and operation status of compliance matters
- Risk Management Report
- IR and SR Activity Report

Investment Projects and Other Matters

- Growth investments
- Investment in core system
- Compound licensing and drug discovery partnerships
- Matters related to litigation and dispute resolution

Overview of responses following the 2024 evaluation of the effectiveness of the Board of Directors

Issues and proposals confirmed through the 2024 Board of Directors effectiveness evaluation

- Ongoing review of Board of Directors composition (internal/external composition, diversity, etc.)
- Need for succession plan for Outside Directors
- Review of disclosure content for the skill matrix
- Review of submission criteria for investment projects, etc., in view of expansion into Europe and the United States
- Improvement of explanatory materials at Board of Directors meetings
- Further sharing of dialogues with investors
- Setting up meetings exclusively for Outside Directors

▼

Summary of responses to the above

- Discussion on the ideal state of the Board of Directors, including selection of organizational structure
- Raising the submission criteria for R&D investments
- Discussion of succession issues for outside officers at the Executive Appointment Meeting
- Disclosure of reasons for selecting skills in the skill matrix
- Formulation and dissemination of guidelines for preparation of Board of Directors materials
- Expansion of IR/SR activity reporting
  (review of reporting frequency and information sharing methods)
- Discussion of Board of Directors effectiveness evaluation exclusively with Outside Directors

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Issues and proposals confirmed through the 2025 Board of Directors effectiveness evaluation

- Regarding the composition of the Board of Directors (continued review confirmed)
- Regarding agenda setting at Board of Directors meetings (confirmed that setting agendas based on changes in the business environment will enhance Board of Directors effectiveness)

Executive Compensation System

Basic approach

- The compensation of members of the Board of Directors encourages them to continue pursuing a medium- to long-term vision so that they can address achieving sustainable growth as a research and development-type pharmaceutical company, share awareness of interests with shareholders, and improve company value. The compensation makes it possible to increase the awareness of the Board of Directors (excluding Outside Directors) of performance goals and facilitate their contribution to improving company value.
- Compensation for Directors and Audit & Supervisory Board Members shall be set to an appropriate level, taking into consideration the scale of the Company's business, responsibilities, management strategy, etc., and referring to the management compensation database of an external professional organization, with the prerequisite that the level of compensation is appropriate to secure excellent human resources.

Decision-making process

- The amount of individual compensation of members of the Board of Directors is proposed to and determined by the Board of Directors to the extent that approval is obtained at the annual General Shareholders' Meeting after examination at the Executive Compensation Meeting.
- The amount of compensation of Audit & Supervisory Board Members is determined in discussions among the Audit & Supervisory Board to the extent that approval is obtained at the annual General Shareholders' Meeting.

Compensation system

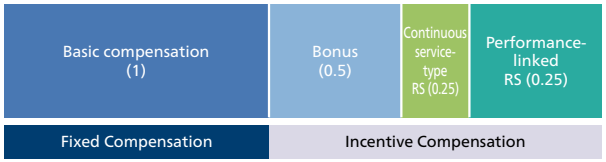
Types of compensation			Purpose/summary
Fixed compensation		Basic compensation	**Monthly fixed compensation**
Incentive compensation	Short-term	Bonus	**Incentive compensation to increase awareness of performance goals for each fiscal year** Amount paid: Calculated taking into consideration individual performance evaluation after reflecting degree that performance indicator targets were met When paid: Lump-sum payment immediately after each fiscal year
	Medium- and long-term	Restricted-stock remuneration*1	**Incentive compensation to provide incentive to enhance medium- and long-term corporate value and work even more to share value with shareholders** • In principle, stock restrictions shall be released and the stock delivered in a lump sum after the retirement of a director.
		Continuous service-type	Number of shares to deliver: Calculated according to the level of responsibility in making decisions When shares are delivered: Delivered after the end of the annual general meeting of shareholders following director's appointment (pre issuance)
		Performance-linked*2,3	Number of shares to deliver: Calculated based on the degree of achievement of performance targets (including ESG targets) set on a fiscal year-by-fiscal year basis, which are linked to medium-term management targets and management issues, and the degree of achievement of target figures for performance indicators for each fiscal year. Number of shares to be delivered to each director = the base number of shares*4 x percentage to be delivered*5 When shares are delivered: Delivered after the end of the annual general meeting of shareholders based on results of the performance evaluation at end of the performance evaluation period (one fiscal year) (post issuance). Moreover, if the delivery of restricted stock is not appropriate for any of various reasons, including the director resigning at end of term, cash may be paid in lieu of stock.

*1 There is a "Malus Clause" to the effect that all or some restricted stock can be seized for such reasons as major violations of laws, regulations, or internal rules during the term.
*2 The same number of performance-linked restricted transfer shares will be issued to executive officers who do not concurrently serve as directors.
*3 In addition to *1, there is a "clawback clause" to the effect that for such reasons as violation of laws, regulations, in-house rules during the term, the Company can demand return of stock compensation (amount equivalent to the value disposed of) even after a set amount of time following the lifting of restrictions on transfer.
*4 The Board of Directors shall determine the amount of the compensation based on the position, responsibility, etc. of the director.
*5 The Board of Directors will determine the percentage of achievement of each performance target, etc. for each performance evaluation period in the range of 0 to 200%.

Composition of officer compensation

	Monetary compensation		Restricted-transfer stock compensation	
	Basic compensation	Bonus	Continuous service-type restricted-transfer stock	Performance linked-type restricted-transfer stock
Directors (excluding Outside Directors)	●	●	●	●
Outside Directors	●	—	—	—
Audit & Supervisory Board Members	●	—	—	—

Composition of compensation for directors (excluding Outside Directors) (when reference target is achieved)



Note: The proportions of the compensation structure for directors (excluding Outside Directors) will be determined based on the characteristics of Ono's business, management issues at the time, and the business environment. The proportion of each type of remuneration is an estimate calculated based on a certain company size and the unit price of the Company's shares, and is only a guideline figure and will change according to changes in business performance and stock price, etc.
RS stands for restricted transfer stock.

Corporate Governance

Performance-linked remuneration, etc.

(1) Bonuses

For FY2024 bonuses, the evaluation indicators for company performance are set on the premise of excluding the impact of the Deciphera acquisition, with forecasts for "consolidated revenue," "consolidated operating profit," and "consolidated profit attributable to owners of parent" at the start of the fiscal year as target figures, and performance achievement is evaluated accordingly. The results are evaluated at the Executive Compensation Meeting, and taking into account the presence or absence of special factors not anticipated when the initial targets were set, as well as the validity of those considerations in performance evaluation, it was deemed appropriate to regard company performance as having met the initial targets. Regarding the evaluation of individual performance, the Chairperson and CEO evaluated the performance of Directors other than the Chairperson and CEO, and the validity was reviewed at the Executive Compensation Meeting. In addition, the evaluation of the Chairperson and CEO was conducted only by Outside Directors at the Executive Compensation Meeting.

(2) Performance-linked restricted stock remuneration

The targets and results related to the main evaluation indicators for FY2024 performance-linked restricted stock remuneration are shown in the table below.

Evaluation items			Targets	Results	Composition
Financial targets	Consolidated revenue		*1		10%
	Consolidated operating profit				
Strategic targets	Initiatives for increasing corporate value over the medium term	Maximization of product value	Individually set	**Individual evaluation*2**	70%
		Reinforcement of the pipeline and acceleration of global development			
		Realization of our own marketing in the US and Europe			
		Expansion of business domains			
		Management foundation that supports the growth strategy (expansion of intangible assets)			
		Corporate transformation via digital and IT platforms			
	Medium-term growth – value creation	Consolidated revenue trend [5-year average growth rate]	Revenue growth trend	**Maintain revenue growth trend**	10%
		Consolidated operating profit trend (before R&D expenses) [5-year average growth rate]	Profit increase trend	**Maintain profit increase trend**	
		Consolidated R&D expenses trend (excluding impact of impairment) [% change FY2023/FY2024]	Increase	**Increase**	
		Consolidated ROE change/trend [5-year average]	Maintain high levels	**5-year average: 12.8%**	
Non-financial targets	Materiality initiatives		Status of initiatives for identified challenges	**Achieve goals set by the Company**	10%
	Status of inclusion in ESG indices		Status of inclusion in identified indicators, etc.	**Achieve goals set by the Company**	

*1 Financial target indicators are evaluated based on performance forecasts set at the beginning of the period, excluding the impact of the Deciphera acquisition, and achievement is assessed based on the evaluation standards predetermined by the Executive Compensation Meeting (actual "consolidated operating profit" is evaluated after excluding impairment, etc.). As a result, "consolidated revenue" achieved the target, while "consolidated operating profit" did not meet the target.

*2 For the evaluation of individual efforts to enhance corporate value over the medium to long term in the current fiscal year, the Chairperson of the Board & CEO evaluated the Directors (Members of the Board of Directors) other than the Chairperson CEO, and the validity of the evaluation was reviewed at the Executive Compensation Meeting. In addition, the evaluation of the Chairperson of the Board & CEO was conducted only by Outside Directors at the Executive Compensation Meeting.

Total amount of executive compensation* (FY2024)

(Millions of yen)

Executive category	Total amount to be paid	Fixed compensation	Bonus	Restricted-transfer stock compensation		Number of recipients
				Continuous service-type	Performance-linked	
Members of the Board of Directors (excluding Outside Directors)	460	193	137	47	83	4
Outside Directors	69	69	—	—	—	3
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board members)	71	71	—	—	—	3
Outside Audit & Supervisory Board Members	37	37	—	—	—	2
Total	636	370	137	47	83	12

* As of the end of FY2024, the number of Directors (excluding Outside Directors) is three and the number of Audit & Supervisory Board members (excluding Outside Audit & Supervisory Board members) is two; however, the above amount of compensation includes one Director (excluding Outside Directors) and one Audit & Supervisory Board member (excluding Outside Audit & Supervisory Board members) who retired as of June 20, 2024, respectively.

Management Team

(as of July 1, 2025, shares held as of March 31, 2025)

Members of the Board of Directors

Representative Director, Chairman of the Board and Chief Executive Officer

Gyo Sagara

■ Number of the Company's shares held: 141,100

April 1983	Joined the Company
April 2006	Executive Director, General Administration and Senior Director, Corporate Management
June 2006	Member of the Board of Directors
April 2007	Executive Director, Corporate Management
November 2007	Executive Director, Sales and Marketing
December 2007	Managing Member of the Board of Directors
February 2008	Member of the Board of Directors, Vice President
April 2008	Executive Director, Corporate Management
June 2008	Vice President and Representative Director
September 2008	President, Representative Director & CEO
April 2024	Representative Director, Chairman of the Board & CEO (to date)

Representative Director, President and Chief Operating Officer

Toichi Takino

■ Number of the Company's shares held: 57,400

April 1995	Joined the Company
April 2006	Senior Director, International Business
April 2008	Senior Director, Business Development
May 2008	Senior Director, Global Business Development & Licensing
July 2009	Vice President, ONO PHARMA USA INC.
June 2011	Corporate Officer
April 2012	Executive Director, Corporate Development & Strategy
October 2018	Executive Director, Discovery and Research Division
April 2019	Executive Director, Discovery & Research
June 2019	Corporate Executive Officer
June 2020	Member of the Board of Directors, Executive Officer
June 2021	Member of the Board of Directors, Senior Executive Officer
April 2024	Representative Director, President & COO (to date)

Representative Director, Executive Vice President

Toshihiro Tsujinaka

■ Number of the Company's shares held: 38,600

April 1988	Joined the Company
June 2004	Senior Director, Koshinetsu Branch Sales Division
November 2007	Senior Director, Sales Operations
October 2012	Senior Director, Sendai Branch Sales Division
October 2015	Senior Director, Oncology Planning & Promotion
April 2016	Division Director, Oncology Business Division
June 2016	Corporate Officer
October 2018	Executive Director, Corporate Strategy & Planning
June 2019	Corporate Executive Officer
June 2020	Member of the Board of Directors, Executive Officer
June 2021	Member of the Board of Directors, Senior Executive Officer
June 2023	Executive Director, Corporate Strategy & Planning; Senior Director, Sustainability Promotion Department
April 2024	Representative Director, Executive Vice President (to date)
January 2025	Executive Director, Corporate Strategy & Planning, HR Division, and EHS Promotion
April 2025	Executive Director, Corporate Strategy & Planning, HR Division (to date)

Member of the Board of Directors

Outside

Masao Nomura

■ Number of the Company's shares held: 5,000

March 1972	Joined Iwatani Corporation
June 2007	Director, Executive Officer, Iwatani Corporation
April 2009	Executive Director, Executive Officer, Iwatani Corporation
April 2010	Senior Executive Director, Executive Officer, Iwatani Corporation
June 2012	President, Representative Director, Executive Officer, Iwatani Corporation
April 2017	Director, Senior Adviser to the Board, Executive Officer, Iwatani Corporation
June 2017	Senior Adviser to the Board, Iwatani Corporation
June 2018	Member of the Board of Directors, Outside Director (to date)
June 2019	Outside Director, Keihanshin Building Co., Ltd. (to date)
June 2020	Outside Director, NEW COSMOS ELECTRIC CO., LTD.
July 2022	Corporate Advisor, Iwatani Corporation (to date)

[Status or important concurrent holding of positions]

Corporate Advisor, Iwatani Corporation
Outside Director, Keihanshin Building Co., Ltd.

Member of the Board of Directors

Outside

Akiko Okuno

■ Number of the Company's shares held: 0

April 2002	Associate Professor, Faculty of Economics, Osaka University of Economics and Law
April 2004	Associate Professor, Faculty of Business Administration, Tezukayama University
April 2007	Associate Professor, Faculty of Management and Information Science, Tezukayama University
April 2010	Professor, Faculty of Business Administration, Tezukayama University
April 2012	Professor, Faculty of Business Administration, KONAN UNIVERSITY (to date)
June 2020	Member of the Board of Directors, Outside Director (to date)

[Status or important concurrent holding of positions]

Professor, Faculty of Business Administration, KONAN UNIVERSITY

Member of the Board of Directors

Outside

Shusaku Nagae

■ Number of the Company's shares held: 0

April 1972	Joined Matsushita Electric Works, Ltd.
December 2004	Managing Executive Officer, Matsushita Electric Works, Ltd.
June 2007	Managing Director, Matsushita Electric Works, Ltd.
June 2010	Representative Director, President, Panasonic Electric Works Co., Ltd.
June 2012	Representative Director, Executive Vice, Panasonic Corporation (currently Panasonic Holdings Corporation)
June 2013	Representative Director, Chairman of the Board, Panasonic Corporation
June 2017	Director, Chairman of the Board, Panasonic Corporation
June 2021	Member of the Board of Directors, Outside Director (to date)
June 2021	Special Corporate Advisor, Panasonic Corporation (currently Panasonic Holdings Corporation) (to date)
March 2023	Outside Audit & Supervisory Board Member, Nikkei Inc. (to date)
March 2024	Outside Director, Poppins Corporation

[Status or important concurrent holding of positions]

Special Corporate Advisor, Panasonic Holdings Corporation
Outside Audit & Supervisory Board Member, Nikkei Inc.

Management Team

Audit & Supervisory Board Members

Full-time Audit & Supervisory Board Member

Hironobu Tanisaka

■ Number of the Company's shares held: 2,900

April 1984	Joined the Company
August 2007	Senior Director, Legal Department
January 2018	Senior Director, Business Audit Department
June 2021	Full-time Audit & Supervisory Board Member (to date)

Full-time Audit & Supervisory Board Member

Kiyoaki Idemitsu

■ Number of the Company's shares held: 18,600

April 1987	Joined the Company
December 2000	President, ONO PHARMA UK LTD.
January 2008	Senior Director, Discovery Research
May 2008	Senior Director, Discovery Research Alliance
January 2010	Senior Director, Global Business Department & Licensing
April 2012	Division Director, Discovery Research Alliance Division
October 2013	Senior Director, Nivolumab Strategic Planning
April 2017	Division Director, Medical Affairs
October 2018	Corporate Officer
October 2018	Executive Director, Clinical Development
June 2020	Corporate Executive Officer
June 2021	Member of the Board of Directors, Executive Officer
April 2024	Executive Director, Clinical Development; Director, Global Development Management Unit
May 2024	In charge of Clinical Development
June 2024	Full-time Audit & Supervisory Board Member (to date)

Audit & Supervisory Board Member

Outside

Yasuo Hishiyama

■ Number of the Company's shares held: 0

April 1999	Appointed as a judge (served at Sendai District Court, Saitama District Court and Osaka Family Court)
April 2006	Registered as an attorney at law (Dai-lchi Tokyo Bar Association)
April 2006	Joined TANABE & PARTNERS (to date)
January 2010	Member of appraisal committee (Land Lease Non-Contentious Cases) at Tokyo District Court (to date)
June 2016	Outside Audit & Supervisory Board Member (to date)
June 2023	Outside Audit & Supervisory Board Member, Yoshimoto Pole Co., Ltd. (To date)

[Status or important concurrent holding of positions]

Partner Attorney at Law, TANABE & PARTNERS
Outside Audit & Supervisory Board Member, Yoshimoto Pole Co., Ltd.
Member of appraisal committee (Land Lease Non-Contentious Cases) at Tokyo District Court

Audit & Supervisory Board Member

Outside

Akiko Tanabe

■ Number of the Company's shares held: 0

October 1993	Joined Century Audit Corporation (Present: Ernst & Young ShinNihon LLC)
May 1997	Registered as Certified Public Accountant
January 2012	Established Akiko Tanabe CPA office (to date)
June 2015	Outside Director, OIE SANGYO CO., LTD. (to date)
July 2019	Partner of Midosuji Audit Corporation (to date)
April 2020	Provisional Outside Audit & Supervisory Board Member
June 2020	Outside Audit & Supervisory Board Member (to date)

[Status or important concurrent holding of positions]

Representative, Akiko Tanabe CPA office
Outside Director, OIE SANGYO CO., LTD.
Partner of Midosuji Audit Corporation

Stakeholder Engagement Dialogue with Shareholders and Investors / Social Contribution Activities

Dialogue with Shareholders and Investors

Constructive dialogue with shareholders and investors is essential for the Company's sustainable growth and the enhancement of corporate value over the medium to long term. Corporate Communications, which reports directly to the President, is responsible for overall dialogue with shareholders and investors. Feedback such as opinions and other information obtained through these dialogues is appropriately provided to Members of the Board of Directors and relevant departments as needed, in order to share and utilize this information. Furthermore, to ensure appropriate dialogue, Corporate Communications has established a cooperative framework through information exchange with divisions such as Business Management, Human Resources, and Corporate Governance. In response to individual requests for dialogue from shareholders and investors, the Chairman, President, Executive Officers, division heads, and other appropriate personnel respond to such requests. In addition, Ono holds quarterly financial results briefings for analysts, investors, and media following the announcement of financial results, as well as R&D meetings and Sustainability meetings. We also hold meetings for individual investors.

Achievements of dialogue initiatives

Initiative Description	FY2024
Meetings for individual investors	1 time
Meetings for institutional investors and analysts	4 times
Sustainability meetings	1 time
R&D meetings	0 times
Individual meetings with institutional investors and analysts*1	Domestic: 221 persons/ 154 companies Overseas: 194 persons/ 91 companies
Overseas roadshows	3 times
Conferences hosted by securities firms	5 times
Small meetings	5 times
Individual meetings with voting staff (SR activities)	Domestic: 8 companies Overseas: 3 companies

*1 Total number of participating companies and participants

Status of dialogues with shareholders and investors (FY2024)

Item	Description
Main responders involved in dialogue, etc.	Chairman of the Board of Directors, Member of the Board of Directors (President), Member of the Board of Directors (Executive Vice President), Corporate Officers, Corporate Communications, and other departments (Corporate Management, Corporate Governance, Sustainability, etc.)
Overview of dialogue partners	Conducted dialogues with a diverse range of shareholders, analysts, etc., including domestic and foreign active and passive institutional investors
Main topics of dialogue and issues of interest to shareholders and investors	• Status of integration with Deciphera, as well as future growth strategies and R&D policies including overseas expansion • Status of the Company's mainstay product, OPDIVO, and progress in the product pipeline • Financial strategies and shareholder return policies, status of initiatives for non-financial activities including ESG, etc.
Feedback of shareholder and investor opinions and concerns to management and the Board of Directors	• Reported five times a year at the Board of Directors meeting (4 IR activity reports, 1 SR activity report) • Reported once per quarter, or as necessary, to Corporate Officers (General Managers)
Main items incorporated based on feedback	• With the implementation of M&A, we disclosed our core financial indicators and updated investment allocation. • Changes to the members of the Executive Compensation Meeting and personnel of Corporate Officers • We provided an opportunity for Outside Director Okuno to explain efforts related to diversity. • Regarding the Board of Directors' skill matrix, we disclosed the reasons for selecting each skill item. • In response to comments regarding the large number of materialities and considering the progress of the business, we updated our materialities.

Social Contribution Activities

We have established "Ono's Global Policy for Social Contribution Activities"*2 and are engaged in various social contribution activities by focusing on specific priority areas. In FY2024, more than 600 employees participated in social contribution activities.

*2 https://sustainability.ono-pharma.com/en/themes/109

Supporting children under long-term care through sports

We support the activities of the certified NPO Being ALIVE Japan, which helps children undergoing long-term treatment to realize their "youth" through sports. In FY2024, our employees participated as volunteers in sports events held at four locations across Japan, where children undergoing long-term treatment could interact with their peers.

Children participating in sports and support employees

Snow gift for hospitalized children

In cooperation with the Solaputi Kids' Camp, a public interest incorporated foundation that provides nature experiences for children with illnesses, we support initiatives to deliver snow from Hokkaido to children hospitalized at medical institutions in regions where it does not snow.

Delivering snow

On-site science classes for elementary school students

Our researchers conduct on-site classes as lecturers for sixth-grade students at elementary schools near our business sites to enhance students' interest in science education, experiments, and medicine.

On-site class at an elementary school

Compliance

Material Issue 9 Strengthening Governance

Vision over the medium- to long-term	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.
Indicators	● Number of significant compliance violations:* **0** * Violations that have a great impact on sales and profits and have a great social impact

FY2024 Evaluation: ○

Compliance system

Being aware of our responsibilities as a pharmaceutical company dealing in medicines upon which human lives depend, Ono has the Ono Group Code of Conduct, to ensure that it acts in compliance with laws and regulations and that it meets high ethical standards. Under our Corporate Philosophy, we established the Ono Group Code of Conduct as a basic guideline that should be adhered to when conducting corporate activities and the Compliance Global Policy that contains our approach and management structure for promoting those activities. We also formulated and comply with the Ono Code of Practice, which is based on the Japan Pharmaceutical Manufacturers Association (JPMA) Code of Practice for promotional activities.

Promotion and training system

We have a system where an Officer in charge of Compliance is appointed and the Group Compliance Committee examines and deliberates on compliance-related issues, plans and promotes training and other activities, as well as addresses and deliberates on reports from subsidiaries. The Committee also cooperates with the Internal Audit Department and various committees, including the Risk Management Committee (see p. 84) to monitor the status of initiatives and to manage compliance risks. To strengthen our compliance framework, we have appointed Compliance Promotion Leads as operational leaders in each division and Compliance Managers as workplace contacts for compliance-related matters in all departments. These leads and managers work in coordination with Risk Managers, who oversee overall organizational risks, to ensure a system that allows for swift responses to any issues raised within the organization. To maintain and improve compliance awareness, we conduct annual training for officers and all employees on themes such as prevention of bribery and prevention of harassment.

Whistleblowing system

To prevent compliance violations before they occur and prevent recurrence, ensure appropriate working environments, and quickly respond and take action to minimize the loss of social trust and damage in the event of a violation, we have established reporting contact points both inside and outside the company. The external contact point "Ono Group Compliance Hotline," which is available 24/7, can be used by all officers and employees of our Group as well as external parties, and is available in multiple languages.

Compliance

Message from Outside Audit & Supervisory Board Members

Focusing on maintaining and improving compliance throughout the Group and conducting audits from a fair perspective

Yasuo Hishiyama
Outside Audit & Supervisory Board Member
Lawyer,
Certified Fraud Examiner

In order to achieve the expected synergy effects from the acquisition of Deciphera, we are promoting integration of management policies, operations, organizations, and corporate cultures by maintaining thorough communication with the company. The establishment of a global Group governance system is also one of the key challenges. Through the Board of Directors, Audit & Supervisory Board, and other meetings, we have received reports that the company is actively and resolutely pursuing PMI. As an Audit & Supervisory Board member, I will continue to closely monitor these efforts to ensure their objectives are achieved.

To fulfill my responsibilities as an outside Audit & Supervisory Board member, obtaining necessary information from the company in a timely manner is most important, and I have been appropriately provided with information as needed, including detailed reports from the two full-time Audit & Supervisory Board members. On the other hand, with the expansion of the company's scale, the volume of study materials is increasing, and care must be taken to avoid information overload. In FY2025, we plan to shift from frequent audits of sales offices to theme-based audits; however, we believe it remains necessary to continue seeking appropriate audits based on a risk-based approach.

Engaging in proactive dialogue with a sense of responsibility and accompanying Ono's growth

Akiko Tanabe
Outside Audit & Supervisory Board Member
Certified Public Accountant,
Certified Fraud Examiner

With the addition of Deciphera to the Group, the importance of appropriate Group governance has increased. With the reorganization of our U.S. and European offices, I will focus on accurately obtaining information to ensure that appropriate governance systems are in place according to circumstances and will provide timely input as necessary. Additionally, the acquisition of this company involved investment beyond the usual investment allocation. Therefore, while watching our future financial strategy, I am paying attention not only to the validity of investment decisions regarding R&D and strategic investments, but also to whether post-investment monitoring is being appropriately conducted.

As part of promoting DE&I, Ono is working to increase the ratio of women in management positions. Although the ratio is still low, I appreciate that steady progress has been made in recent years due to continued efforts. Moving forward, I will continue to support reforms in awareness and engagement—and, by extension, the enhancement of corporate value—from an external perspective.

Our Audit & Supervisory Board has strengthened its risk-based approach in accordance with major changes in the company. As a certified public accountant and outside Audit & Supervisory Board member, I will work to strengthen collaboration with the accounting auditor and, together with other Audit & Supervisory Board members and the Internal Audit Department, carry out highly effective audits.

Risk Management

Risk Management

Material Issue 9 Strengthening Governance

Vision over the medium- to long-term	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.

		FY2024 Evaluation
Indicators	• Number of significant compliance violations:* **0** * Violations that have a great impact on sales and profits and have a great social impact	○

Enterprise Risk Management (ERM) Framework

Our Group has adopted ERM (Enterprise Risk Management) with the goal of optimal risk management across the entire organization. We recognize the potential for risks to occur, strive to prevent their occurrence, and respond accurately should they arise. We appoint the Chief Risk Management Officer (Representative Director and President) and the Risk Management Director (Representative Director and Vice President/Head of Corporate Strategy & Planning), designate the Risk & Compliance Management Department as the supervising division, regularly hold the Risk Management Committee based on the "Global Risk Management Policy," and pursue risk management initiatives.

Basic approach in ERM

(1) In order to ensure stable business continuity and to achieve our business goals, we will develop and promote an Enterprise Risk Management (ERM) System with the aim of minimizing losses for the Company, our customers and other stakeholders while at the same time fulfilling our necessary accountability to society.

(2) We will identify major risks that are deemed important or urgent as having a significant impact on management, and promote risk management throughout the Company.

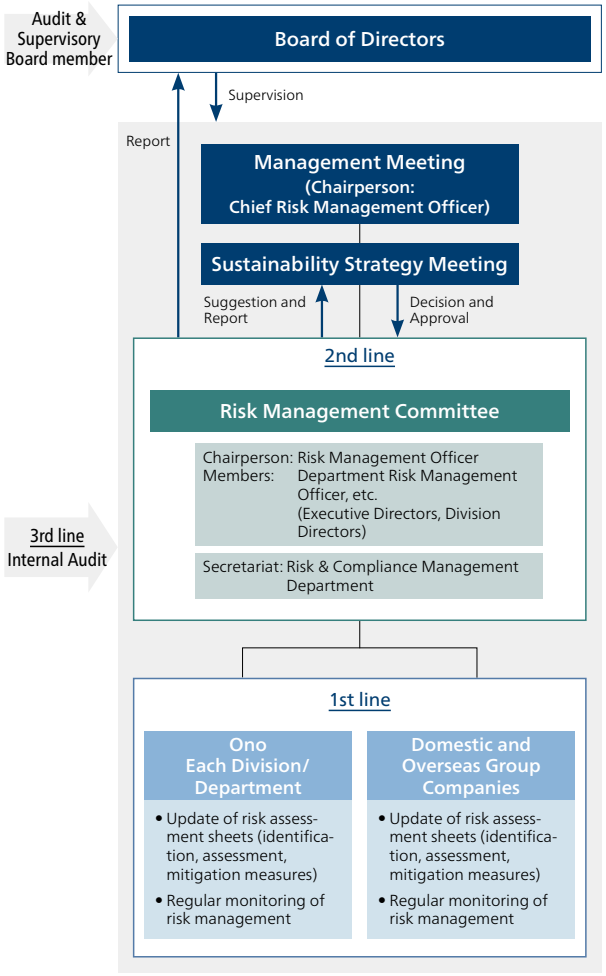
(3) If a risk emerges, we will implement measures to minimize damage and swiftly recover, and resolve the problem as soon as possible.

Promotion system

The Head of Corporate Strategy & Planning serves as the responsible executive to establish our ERM framework. Management identifies risks considered important, and risk managers selected from each department evaluate and classify risks (categorizing risks as Extra Large, Large, Medium, or Small based on frequency and impact). Risks classified as "Large" or higher are designated as "Key Risks," and the Departmental Risk Management directors at the General Manager or Senior General Manager level assume responsibility as risk owners for cross-departmental countermeasures. Furthermore, the Risk & Compliance Management Department continuously improves the precision of risk management by monitoring departmental risk response in collaboration with risk managers.

Within each division, the Division General Manager oversees overall risk management through the "Departmental Risk Management Promotion Meeting," while Senior Directors handle day-to-day risk management. At the "Departmental Risk Management Promotion Meeting," issues are identified using "Risk Assessment Sheets" that cover a broad spectrum of risks, and autonomous risk management is promoted by considering, planning, and implementing prevention measures and countermeasures according to importance and urgency.

ERM system diagram



1st Line: Role of practicing business promotion and risk management
2nd Line: Role of monitoring and overseeing 1st line activities
3rd Line: Role of providing independent assurance

Risk Management

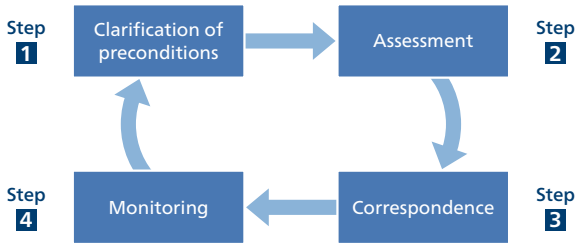
Group-wide and company-wide risk management

We respect the autonomy of each Group company, providing advice and guidance based on regular business reports and discussions on important matters. To enhance risk management across the Group, we introduced the ERM framework to domestic and overseas Group companies in FY2020 and, starting FY2024, have expanded its scope to Group companies engaged in businesses other than pharmaceuticals. We continuously conduct tailored risk management based on the situation of each Group company and work to strengthen the framework at the Group-wide level.

Ongoing review of ERM

In addition to continuous improvement of risk management through ERM operation and promotion, we also periodically review the ERM system itself. Starting FY2024, a framework has been established to enable substantive discussions by management at the Risk Management Committee, with the Risk Management Director serving as Chairperson and Departmental Risk Management Directors as committee members.

Annual risk management cycle



Business Continuity Plan (BCP)

We have formulated a Business Continuity Plan (BCP) to ensure rapid recovery and resumption of operations even if our business is interrupted due to natural disasters or accidents. By securing two production bases—Fujiyama Plant and Yamaguchi Plant—and multiple logistics hubs across Japan, we mitigate risks to ensure the stable supply of our products. At key sites such as Headquarters, Tokyo building, each plant, and each research institute, we have implemented equipment such as emergency power sources and redundant power supply lines as disaster prevention measures against power outages. Additionally, Headquarters, Tokyo building, Minase Research Institute, and Yamaguchi Plant are equipped with seismic isolation devices to mitigate risks from earthquakes. In preparation for large-scale disasters, we have developed a system that enables response at both Headquarters and Tokyo building, introduced a system for prompt confirmation of employee safety, and continue to strengthen response capabilities through internal system improvements and regular training. The BCM Committee, responsible for business continuity management (BCM), undertakes the formulation of Business Continuity Plan that address not only natural disasters and major accidents but also various incidents (All-Hazard BCP). Furthermore, we are advancing the development of crisis response and business continuity plans globally, including overseas subsidiaries.

Business Continuity Plan (BCP)

Information Security

Basic approach

Our Company has established a global policy on information security and strictly protects data related to research and development and information assets including personal information of internal and external stakeholders, preventing leaks and appropriately managing such information. In response to the increase in recent cyber attacks and security threats, we are working to further strengthen cybersecurity based on globally recognized frameworks.

Response to cybersecurity

We have established a security management framework based on the "Global Information Security Policy." In 2023, we set up specialist organizations and advanced improvement activities, and organized a CSIRT (Computer Security Incident Response Team) aimed at prompt resolution of security incidents and minimizing damage.

Employees undergo regular security training and targeted email attack drills to raise security awareness. As technical countermeasures, we proactively conduct website security diagnoses, strengthen endpoint protection, and enhance measures against information leakage risks. Through these efforts, we work to minimize damage and ensure business continuity in the face of increasingly sophisticated cyber attacks.

Information Security Management

Data Section

Ono's value creation journey and its outcomes are presented through both financial and non-financial data. By visualizing our achievements, we provide evidence of our sustainable growth and the consistency between our strategy and execution.

Financial Review

Performance Overview

Revenue status

Revenue totaled ¥486.9 billion, which was a decrease of ¥15.8 billion (3.1%) from the previous fiscal year (year on year). Anticancer drug for malignant tumors "OPDIVO Intravenous Infusion" was affected by NHI price reductions and other factors, resulting in a decrease of ¥25.2 billion (17.3%) year on year to ¥120.3 billion. "FORXIGA Tablets" for diabetes, chronic heart failure and chronic kidney disease saw an increase in usage for chronic kidney disease, resulting in a year-on-year increase of ¥13.5 billion (17.7%) to ¥89.6 billion.

Among other major products, "ORENCIA for Subcutaneous Injection" for rheumatoid arthritis recorded ¥26.6 billion (a year-on-year increase of 3.0%), "GLACTIV Tablets"for type-2 diabetes recorded ¥18.3 billion (a year-on-year decrease of 13.4%), "VELEXBRU Tablets" for malignant tumors recorded ¥10.5 billion (a year-on-year increase of 3.1%), "KYPROLIS for Intravenous Infusion" for multiple myeloma recorded ¥8.6 billion (a year-on-year decrease of 5.9%), "PARSABIV Intravenous Infusion for Dialysis" for secondary hyperparathyroidism on hemodialysis recorded ¥8.4 billion (a year-on-year increase of 2.5%), and "ONGENTYS Tablets" for Parkinson's disease recorded ¥7.6 billion (a year-on-year increase of 21.0%).

Overseas product sales: "QINLOCK" for gastrointestinal stromal tumor sold by Deciphera Pharmaceuticals recorded sales of ¥25.5 billion for the nine months from July to March. Additionally, sales of "ROMVIMZA" for tenosynovial giant cell tumor (TGCT) began in February 2025.

Royalty and others: The decrease in income of ¥17.0 billion year on year due to the settlement of patent-related litigation with AstraZeneca, as well as a decrease in royalty income from Merck and others due to lower royalty rates, resulted in a year-on-year decrease of ¥29.6 billion (15.9%) to ¥156.1 billion.

Performance Overview

(Billions of yen)

	FY2020	FY2021	FY2022	FY2023	FY2024	% change FY2023/FY2024
Revenue	309.3	361.4	447.2	502.7	**486.9**	-3.1%
Core operating profit	—	—	—	180.9	**112.7**	-37.7%
Operating profit	98.3	103.2	142.0	159.9	**59.7**	-62.6%
Core profit for the year	—	—	—	142.5	**90.4**	-36.6%
Profit for the year (attributable to owners of the Company)	75.4	80.5	112.7	128.0	**50.0**	-60.9%

Details of Revenue

(Billions of yen)

		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 (forecast)
Revenue of Major Products	OPDIVO Intravenous Infusion	98.8	112.4	142.3	145.5	**120.3**	125.0
	FORXIGA Tablets	22.4	36.7	56.5	76.1	**89.6**	80.0
	ORENCIA for Subcutaneous Injection	21.9	22.9	24.8	25.8	**26.6**	28.0
	GLACTIV Tablets	25.5	24.5	22.5	21.2	**18.3**	12.0
	VELEXBRU Tablets	2.1	6.3	8.5	10.2	**10.5**	11.0
	KYPROLIS for Intravenous Infusion	7.1	8.4	8.7	9.1	**8.6**	9.0
	PARSABIV Intravenous Infusion for Dialysis	8.1	8.9	8.4	8.2	**8.4**	9.0
	ONGENTYS Tablets	0.3	2.9	5.0	6.3	**7.6**	9.0

Note: Based on ex-manufacturer prices

Breakdown of Revenue	Goods and products	214.5	246.0	295.0	317.0	**330.8**	330.0
	Royalty and others	94.7	115.4	152.1	185.7	**156.1**	160.0
	OPDIVO Intravenous Infusion	59.8	69.9	89.6	97.9	**113.0**	*
	Keytruda® (Merck)	24.3	30.8	45.2	53.0	**26.4**	*
	AstraZeneca	—	—	—	17.0	**—**	*
	Other	10.6	14.7	17.4	17.7	**16.6**	*

*Not disclosed.

Revenue by Region	Japan	212.9	242.0	288.2	308.2	**295.2**
	Americas	86.3	106.9	142.8	158.9	**167.0**
	Europe	2.7	3.6	4.6	21.9	**7.5**
	Asia	7.4	8.9	11.6	13.6	**16.3**
	Other	—	—	—	—	**0.7**
	Total	309.3	361.4	447.2	502.7	**486.9**

Note: Categories for information by region were revised due to changes in the location of customers. Information by region for March 2022 and before has been reclassified.

(Billions of yen)	FY2023	FY2024	% change FY2023/FY2024
Goods and products	317.0	330.8	+4.3%
Royalty and others	185.7	156.1	-15.9%
Total	502.7	486.9	-3.1%

Profit and loss (Core basis)

Core operating profit decreased by ¥68.3 billion (37.7%) year on year to ¥112.7 billion.

Cost of sales: Cost of sales decreased by ¥2.7 billion (2.5%) year on year to ¥106.9 billion.

Research and development expenses: Research and development expenses increased by ¥34.9 billion (32.1%) year on year to ¥143.3 billion due to increased clinical trial development costs, expenses related to the drug discovery partnership agreement with LigaChem Biosciences, and

expenses related to research and development by the acquired Deciphera Pharmaceuticals.

Selling, general, and administrative expenses (except for research and development expenses): Selling, general, and administrative expenses (excluding research and development expenses) increased by ¥21.9 billion (21.8%) year on year to ¥122.2 billion due to increased co-promotion costs associated with the sales expansion of "FORXIGA Tablets" and expenses related to the business operations of the acquired Deciphera Pharmaceuticals.

(Billions of yen)	FY2023	FY2024	% change FY2023/FY2024
Cost of sales	109.6	**106.9**	-2.5%
Research and development expenses	108.5	**143.3**	32.1%
Selling, general, and administrative expenses	100.3	**122.2**	21.8%

Cash flows

Cash and cash equivalents remaining at the end of the current fiscal year totaled ¥204.6 billion, which was an increase of ¥38.4 billion from ¥166.1 billion at the end of the previous fiscal year.

Cash flows from operating activities: Pre-tax net profit of ¥59.3 billion and depreciation and amortization expenses of ¥26.9 billion resulted in an income of ¥82.5 billion.

Cash flows from investing activities: Income from the repayment of fixed deposits totaling ¥203.5 billion was offset by expenditures of ¥364.8 billion due to subsidiary acquisitions, resulting in a net expenditure of ¥136.8 billion.

Cash flows from financing activities: Dividend payments of ¥37.5 billion and expenditures of ¥15.0 billion for long-term loan repayments were offset by income of ¥150.0 billion from long-term borrowing, resulting in a net income of ¥94.3 billion.

(Billions of yen)	FY2023	FY2024
Cash flows from operating activities	110.7	**82.5**
Cash flows from investing activities	48.1	**-136.8**
Cash flows from financing activities	-89.8	**94.3**
Impact of exchange rate changes related to cash and cash equivalents	1.1	**-1.5**
Cash and cash equivalents at the end of the fiscal year	166.1	**204.6**

Investment in plant and equipment

Plant and equipment investment during the fiscal year totaled ¥8.1 billion. This included investment in enhancing and maintaining research facilities (¥3.9 billion), business facilities (¥2.8 billion), and manufacturing facilities (¥1.4 billion).

There was no disposal or sale of significant facilities during the fiscal year.

Future outlook (Core basis)

Revenue: The revenue of goods and products are expected to be ¥330.0 billion, a decrease of ¥0.8 billion (0.2%) year on year. Among the main products, "OPDIVO Intravenous Infusion" is expected to expand its use in non-small cell lung cancer, esophageal cancer, etc., despite the intensifying competitive environment, and is forecasted to increase by ¥47 billion (3.9%) compared to the previous fiscal year, reaching ¥125.0 billion. On the other hand, "FORXIGA Tablets" are expected to see a year-on-year decrease of ¥9.6 billion (10.7%) to ¥80.0 billion due to the anticipated impact of generic drugs following the expiration of some patents covering type-2 diabetes starting in December 2025. "QINLOCK" for gastrointestinal stromal tumor sold by Deciphera Pharmaceuticals is expected to record sales for nine months in the current fiscal year and twelve months in the next fiscal year due to the acquisition date being the end of June 2024, resulting in a forecasted year-on-year increase of ¥8.5 billion (33.4%) to ¥34.0 billion. Additionally, sales on "ROMVIMZA" for tenosynovial giant cell tumor (TGCT), which began in February 2025, are forecasted to reach ¥5.0 billion. Royalty and other income are expected to increase by ¥3.9 billion (2.5%) year on year to ¥160.0 billion. Revenue is therefore expected to be ¥490.0 billion, an increase of ¥3.1 billion (0.6%) year on year.

Profit and loss: Cost of sales is expected to decrease by ¥3.4 billion (3.1%) year on year to ¥103.5 billion due to the decrease in sales of "FORXIGA Tablets" and long-listed products. Research and development expenses are expected to increase by ¥6.7 billion (4.7%) year on year to ¥150.0 billion due to development expenses related to "Sapablursen," introduced from Ionis Pharmaceuticals in the U.S., and research and development expenses related to Deciphera Pharmaceuticals, which will be recorded for nine months in the current fiscal year and twelve months in the next fiscal year. Selling, general, and administrative expenses (excluding research and development expenses) are expected to decrease by ¥2.2 billion (1.8%) year on year to ¥120.0 billion due to increased expenses related to the business operations of Deciphera Pharmaceuticals, which will be recorded for nine months in the current fiscal year and twelve months in the next fiscal year, offset by efforts to improve cost efficiency. As a result, core operating profit is forecasted to increase by ¥1.3 billion (1.2%) year on year to ¥114.0 billion, and core profit for the year is forecasted to increase by ¥0.6 billion (0.7%) year on year to ¥91.0 billion.

(Billions of yen)	FY2025 (forecast)	% change FY2024/FY2025
Revenue	**490.0**	0.6%
Revenue of goods and products	**330.0**	-0.2%
Royalty and others	**160.0**	2.5%
Core operating profit	**114.0**	1.2%
Core profit for the year	**91.0**	0.7%

11-Year Financial Summary

(Millions of yen)

IFRS	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	2023.3	2024.3	2025.3
Financial Data											
Operating Results (full basis)											
Revenue	135,775	160,284	244,797	261,836	288,634	292,420	309,284	361,361	447,187	502,672	**486,871**
Cost of sales	35,136	41,524	65,524	65,391	83,829	79,063	85,573	93,511	110,062	127,126	**147,950**
Selling, general, and administrative expenses	42,222	43,979	62,049	68,055	70,033	67,679	69,230	77,057	89,486	100,270	**125,671**
Research and development expenses	41,346	43,369	57,506	68,821	70,008	66,497	62,384	75,879	95,344	112,174	**149,866**
Operating profit	14,794	30,507	72,284	60,684	62,010	77,491	98,330	103,195	141,963	159,935	**59,747**
Profit for the year (attributable to owners of the parent company)	12,976	24,979	55,793	50,284	51,539	59,704	75,425	80,519	112,723	127,977	**50,047**
Operating Results (core basis)											
Operating profit	–	–	–	–	–	–	–	–	–	502,672	**486,871**
Core operating profit	–	–	–	–	–	–	–	–	–	180,925	**112,667**
Core profit for the year	–	–	–	–	–	–	–	–	–	142,545	**90,361**
Financial position, cash flows, etc.											
Total assets	524,588	540,450	617,461	609,226	655,056	673,444	745,428	739,203	882,437	913,668	**1,064,046**
Total equity	475,213	476,255	524,211	529,619	562,736	568,022	639,743	661,674	747,812	798,604	**788,203**
Cash flows from operating activities	31,579	12,842	74,450	15,727	66,774	74,157	73,977	61,829	159,610	110,660	**82,459**
Cash flows from investing activities	(12,756)	13,037	(17,989)	(34,189)	(49,763)	(10,234)	(57,586)	6,038	(100,259)	48,077	**(136,785)**
Cash flows from financing activities	(19,603)	(19,465)	(20,552)	(62,549)	(22,279)	(54,721)	(24,754)	(60,237)	(32,484)	(89,848)	**94,299**
Investment in plant and equipment	16,031	15,771	9,532	18,593	21,351	9,520	9,100	9,336	7,725	6,493	**8,061**
Depreciation and amortization	6,100	6,534	7,821	9,213	10,621	14,214	15,820	17,721	17,451	18,140	**26,894**
Amount Per Share*1											
Basic earnings (Yen)	24.48	47.13	105.27	97.00	100.25	118.47	151.11	162.19	230.85	266.61	**106.55**
Equity attributable to owners of the parent company (Yen)	887.81	889.38	979.42	1,019.97	1,084.08	1,126.95	1,270.45	1,343.40	1,519.19	1,688.43	**1,665.61**
Cash dividends (Yen)	180.00	180.00	40.00	45.00	45.00	45.00	50.00	56.00	70.00	80.00	**80.00**
Key Indicators											
Operating income to revenue ratio (%)	10.9	19.0	29.5	23.2	21.5	26.5	31.8	28.6	31.7	31.8	**12.3**
R&D expense-to-revenue ratio (%)	30.5	27.1	23.5	26.3	24.3	22.7	20.2	21.0	21.3	22.3	**30.8**
Equity ratio (%)	89.7	87.2	84.1	86.1	85.1	83.5	85.1	88.7	84.1	86.8	**73.5**
ROA (%)*2	3.6	6.2	12.9	10.4	10.3	12.0	14.2	14.1	17.7	18.2	**6.0**
ROE (%)*3	2.8	5.3	11.3	9.6	9.5	10.7	12.6	12.5	16.1	16.7	**6.4**
Payout ratio (%)	147.1	76.4	38.0	46.4	44.9	38.0	33.1	34.5	30.3	30.0	**75.1**

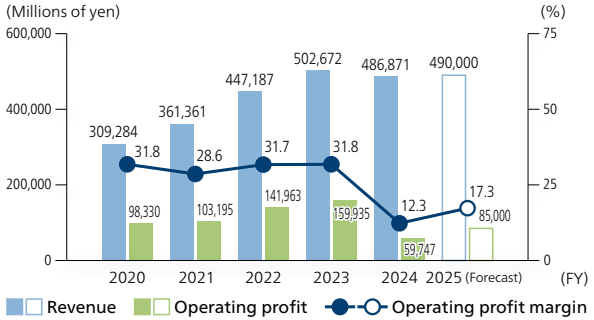
*1 Ono conducted a 5-for-1 stock split of its common stock, effective April 1, 2016. "Basic net income" and "Equity attributable to owners of the parent" are calculated on the assumption that the stock split was executed at the beginning of the fiscal year ended March 31, 2015. The "Dividends" for the fiscal years ended March 31, 2015 through March 31, 2016 are the amounts prior to such stock split.

*2 ROA = Profit before tax / Total assets (average of beginning and end of fiscal year)

*3 ROE = Profit for the year attributable to owners of the parent company / Equity attributable to owners of the parent company (average of beginning and end of fiscal year)

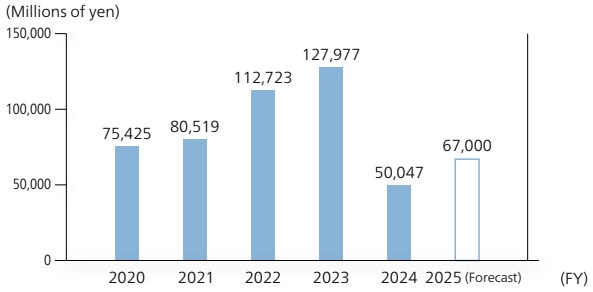
Financial Highlights (Full basis)

Revenue / Operating profit / Operating profit margin



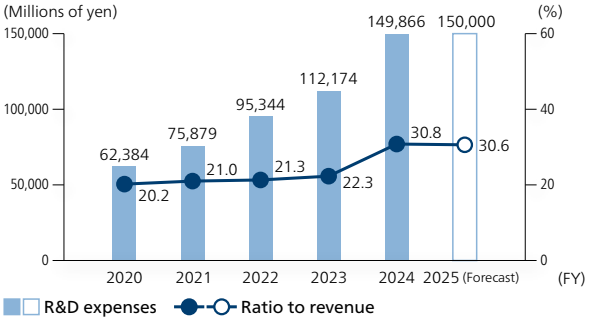
Revenue decreased by 15.8 billion yen (3.1%) year on year to 486.9 billion yen, due to factors such as a NHI price reduction for the anticancer drug for malignant tumors "OPDIVO Intravenous Infusion" as well as a reactionary decrease following the posting of a one-time income of 17.0 billion yen in the previous fiscal year associated with the settlement of patent-related litigation with AstraZeneca, and a decrease in royalty income from Merck and others due to a decline in royalty rates. Operating profit decreased by 100.2 billion yen (62.6%) year on year to 59.7 billion yen, with an operating profit margin of 12.3%, down 19.5 points from the previous fiscal year.

Profit for the year (attributable to owners of the parent company)



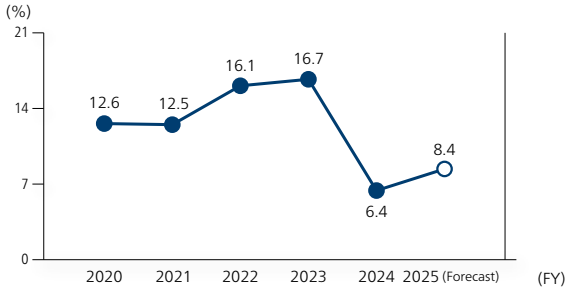
Due to a decrease in profit before tax, profit for the current period decreased by 77.9 billion yen (60.9%) year on year to 50.0 billion yen.

R&D expenses / Ratio to revenue



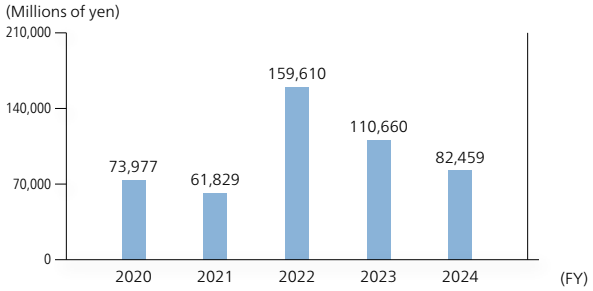
R&D expenses increased by 37.7 billion yen (33.6%) year on year to 149.9 billion yen, and the R&D expense-to-revenue ratio increased by 8.5 percentage points to 30.8%. In the short term, this ratio is expected to increase, but in the medium term, we aim to invest approximately 20 to 25% of revenue in R&D as sales continue to expand.

ROE



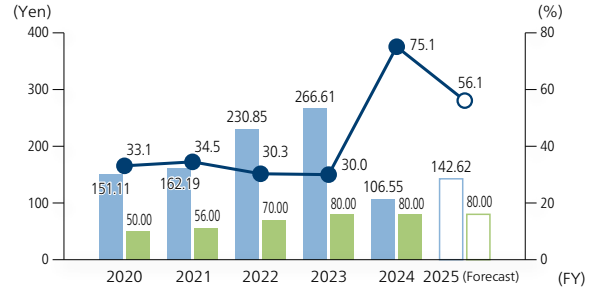
ROE decreased by 10.3 percentage points year on year to 6.4%. We believe that expanding profits through revenue growth will help raise the level of ROE.

Operating cash flow



To strengthen our financial capital, we are working to continuously enhance our cash flows from operating activities through revenue growth. In FY2024, income before tax was 59.3 billion yen and depreciation and amortization expenses were 26.9 billion yen, resulting in 82.5 billion yen in income.

Basic earnings per share / Dividends per share / Consolidated payout ratio



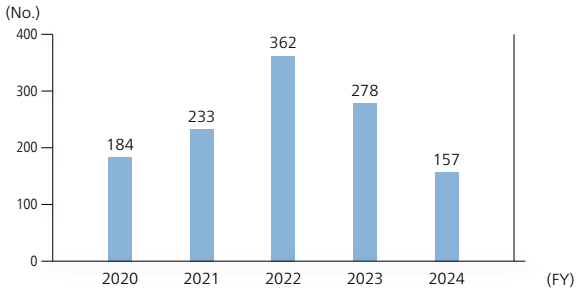
The dividend amount for FY2024 was 80 yen per share for the year, resulting in a consolidated payout ratio of 75.1%. For the next fiscal year and beyond, we will follow a progressive policy of maintaining or increasing the annual dividend each year, aiming for a consolidated payout ratio of 40%, taking into account business performance and various indices for each fiscal year. For the next fiscal year's annual dividend, we forecast 80 yen per share.

11-Year Non-Financial Summary

IFRS	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	2023.3	2024.3	2025.3
Non-Financial Data											
Environment											
Greenhouse gas (GHG) emissions Scope 1 (total) (thousand tons-CO_2)	–	–	–	–	–	–	–	–	8.2	6.7	**7.7**
Greenhouse gas (GHG) emissions Scope 2 (total) (thousand tons-CO_2)	–	–	–	–	–	–	–	–	10.4	9.5	**1.2**
Greenhouse gas (GHG) emissions Scope 3 (total) (thousand tons-CO_2)	–	–	138.7	123.1	–	–	–	128.1	90.8	95.7	**–**
Total amount of renewable energy used (MWh)	–	–	89,323.5	89,163.1	93,763.8	101,605.6	103,204.3	9,039.9	10,451.4	20,345.2	**37,933.1**
Total water withdrawal (thousand m^3)	–	–	298.4	325.1	348.0	296.7	245.6	219.4	196.4	189.9	**220.7**
Total wastewater volume (thousand m^3)	–	–	199.7	234.6	259.9	235.2	200.8	184.5	171.2	167.1	**183.8**
Industrial waste emissions (tons)	–	–	534.6	719.1	446.4	430.8	502.7	479.1	492.8	569.7	**818.6**
Final landfill disposal amount (tons)	–	–	0.7	7.4	0.4	0.2	1.1	0.2	0.1	0.1	**0.0**
Final landfill disposal rate (%)	–	–	0.1	1.0	0.1	0.1	0.2	0.04	0.02	0.02	**0.00**
Society											
Annual training hours and expenses per person (consolidated) (hours)	–	–	–	–	–	–	–	50.8	54.8	64.5	**63.1**
Annual training hours and expenses per person (consolidated) (ten thousand yen)	–	–	–	–	–	–	–	–	12.2	15.1	**14.1**
Number of consolidated employees (persons)	2,913	3,116	3,290	3,480	3,555	3,560	3,607	3,687	3,761	3,853	**4,287**
Number of overseas employees (persons)	41	54	68	89	86	90	101	134	170	196	**599**
Ratio of female employees (non-consolidated) (%)	16.1	16.1	17.1	17.8	18.3	18.6	19.0	19.6	19.9	20.3	**20.9**
Ratio of female managers (non-consolidated)(%)	1.1	1.4	1.7	2.0	1.8	1.5	2.8	3.7	4.1	5.8	**7.4**
Difference in wages between men and women (All workers) (%)	–	–	–	–	–	–	–	–	67.0	67.0	**69.1**
Ratio of female employees in STEM-related occupations (%)	–	–	–	–	–	–	–	–	–	22.9	**23.2**
Percentage of male employees taking childcare leave (%)	–	–	–	–	–	–	–	50.0	65.2	65.4	**78.8**
Percentage of female employees taking childcare leave (%)	–	–	–	–	–	–	–	100	97.4	104.3	**107.7**
Engagement score (overall) (%)	–	–	–	–	66.0	–	79.0	–	68.0	69.0	**70.0**
Percentage of employees who took paid leave (non-consolidated) (%)	40.3	47.8	49.9	56.8	57.5	65.0	57.5	62.5	66.0	71.3	**69.9**
Governance											
Compliance training participation rate (non-consolidated) (%)	–	–	–	–	100	100	100	100	100	100	**100**
Number of reports (non-consolidated) (cases)	–	–	–	–	44	68	22	60	50	49	**43**
Number of compliance violations (disciplinary cases) (non-consolidated) (cases)	–	–	–	–	5	9	1	11	13	6	**4**

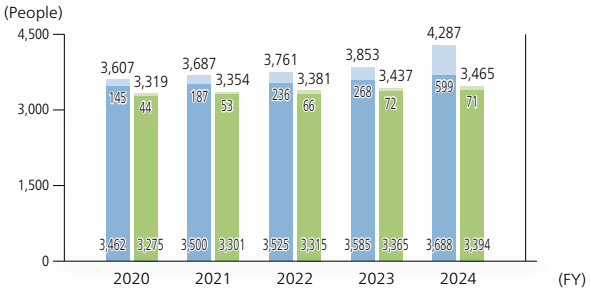
Non-Financial Highlights

Number of research collaborations



Through the promotion of open innovation, we actively engage in research collaborations with academia and biotech ventures to create innovative medicines.

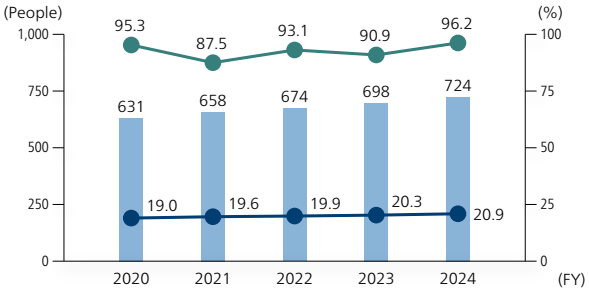
Number of employees



Consolidated: Japan Overseas
Non-consolidated: Japan Overseas

To expand globally, we strengthen our corporate foundation by recruiting diverse talents through both new graduate hiring and mid-career recruitment.

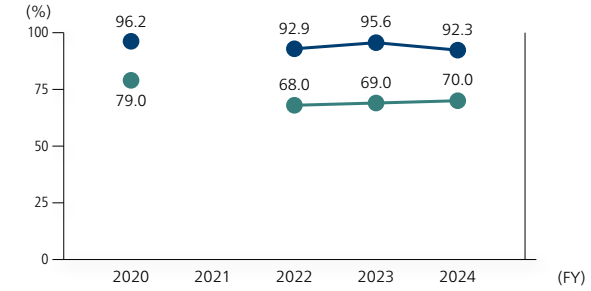
Number of female employees / Ratio of female to male workforce / 3-year retention rate (females)



Number of female employees
Ratio of female to male workforce
3-year retention rate (females)

We promote diverse work styles and the creation of a fair organization where women can work comfortably and aspire to managerial positions.

Engagement score

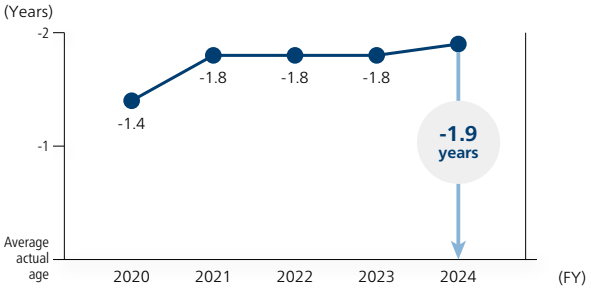


Engagement response rate Engagement score

FY2024 employee satisfaction survey, we maintained a high response rate of 92.3%. Engagement score increased by 1.0 point compared to the previous period.

* The survey was conducted on a non-consolidated basis until FY2020, and on a non-consolidated basis plus domestic and overseas 100% owned subsidiaries in FY2022. In addition, in order to expand the scope of the survey to overseas subsidiaries, the survey method and survey items were revised in FY2022.

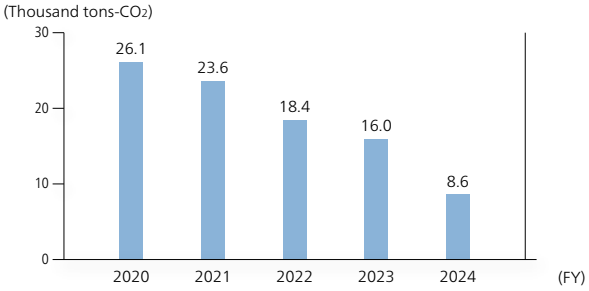
Employee Health Age®
—Average and difference from actual age



Health Age® is an indicator that expresses a person's state of health using an age calculated based on data obtained from comprehensive medical examinations and other sources. We are focusing on various measures related to maintaining and improving the health of employees so that they can maintain a health age that is less than their actual age.
Coverage: employees 35 or older (employees who received comprehensive medical examinations)

*Health Age® is a registered trademark of JMDC Inc.

GHG emissions (Non-consolidated, Scope 1 + 2)



Aiming to achieve zero greenhouse gas emissions from our operations by 2035, we have set annual targets and are working towards achieving them.

Corporate Information / Stock Information

Profile (as of March 31, 2025)

Company Name	ONO PHARMACEUTICAL CO., LTD.
Founded	1717
Date of Incorporation	1947
Paid-in Capital	17,358 million yen
Number of Employees	4,287 (Consolidated) 3,464 (Non-consolidated)

Total Number of Authorized Shares	1,500,000,000
Number of Shares Issued and Outstanding	498,692,800 (Including 28,919,831 shares of treasury stock)
Number of Shareholders	105,681
Stock Exchange Listing	Tokyo Stock Exchange (Code number: 4528)

Major Offices (as of March 31, 2025)

Head Office	8-2, Kyutaromachi 1-chome, Chuo-ku, Osaka 541-8564, Japan Tel: +81-6-6263-5670 (Registered Office) 1-5, Doshomachi 2-chome, Chuo-ku, Osaka, Japan
Tokyo Building	9-11, Nihonbashi-Honcho 4-chome, Chuo-ku, Tokyo 103-0023, Japan
Branches in Japan	Sapporo, Sendai, Tokyo, Yokohama, Nagoya, Kyoto, Osaka, Hiroshima, Fukuoka, and other branches in major cities
Research Institutes, etc.	Minase Research Institute, Osaka, Japan Tsukuba Research Institute, Ibaraki, Japan Joto Pharmaceutical Product Development Center, Osaka, Japan
Manufacturing Plants	Fujiyama Plant, Shizuoka, Japan Yamaguchi Plant, Yamaguchi, Japan
Domestic Subsidiaries	TOYO Pharmaceutical Co., Ltd. Bee Brand Medico Dental Co., Ltd. Ono Pharma Healthcare Co., Ltd. Ono Digital Health Investment, GK Ono Pharma UD Co., Ltd. michiteku Co., Ltd. OPhrs Co., Ltd.

Overseas Subsidiaries	ONO PHARMA USA, INC., Cambridge, USA ONO PHARMA UK LTD., London, UK ONO PHARMA KOREA CO., LTD., Seoul, South Korea ONO PHARMA TAIWAN CO., LTD., Taipei, Taiwan Ono Venture Investment, Inc., California, USA Ono Venture Investment Fund I, L.P., California, USA The following 12 companies became subsidiaries in June 2024. Deciphera Pharmaceuticals, Inc. Deciphera Pharmaceuticals, LLC. Deciphera Pharmaceuticals Securities Corporation Deciphera Pharmaceuticals (Netherlands) B.V. Deciphera Pharmaceuticals (Germany) GmbH Deciphera Pharmaceuticals (UK) Limited Deciphera Pharmaceuticals (Australia) Pty. Ltd. Deciphera Pharmaceuticals (Canada) Corp. Deciphera Pharmaceuticals (Switzerland) AG Deciphera Pharmaceuticals (Spain) S.L. Deciphera Pharmaceuticals (France) SAS Deciphera Pharmaceuticals (Italy) S.r.l.

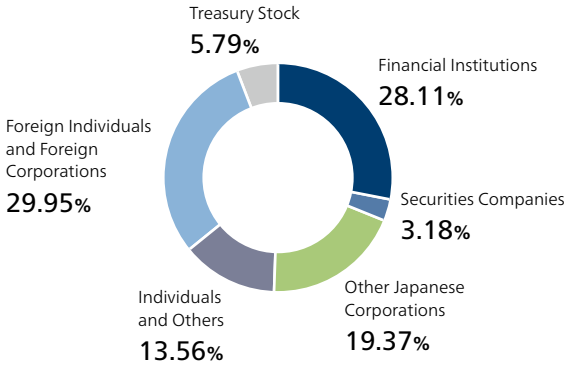
Stock Information (as of March 31, 2025)

Principal Shareholders

Name of shareholders	Number of shares held (Thousands of shares)	Shareholding percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	63,838	13.58
Meiji Yasuda Life Insurance Company	18,594	3.95
Ono Scholarship Foundation	16,428	3.49
KAKUMEISOU Co., LTD	16,153	3.43
Custody Bank of Japan, Ltd. (Trust account)	16,018	3.40
STATE STREET BANK & Trust Company 505001	10,069	2.14
STATE STREET BANK WEST CLIENT – TREATY 505234	9,240	1.96
MUFG Bank, Ltd.	8,640	1.83
Aioi Nissay Dowa Insurance Co., Ltd.	7,779	1.65
STATE STREET BANK & Trust Company 505103	6,185	1.31

Note: 1. The Company is excluded from the principal shareholders listed in the table above, although the Company holds 28,919,831 shares of treasury stock.
2. The shareholding percentage is calculated by deducting treasury stock (28,919,831 shares).

Shareholders by Category



Note: The ratio by shareholders listed above is rounded down to two decimal places. Therefore, their total does not amount to 100%.

Statement of Authenticity, Third-party Assurance and External Evaluation

Statement of Authenticity

In issuing the Corporate Report 2025

Ono publishes its Integrated Report with the aim of making the Group's value creation efforts widely known to its stakeholders. In 2017, we formulated a long-term vision looking ahead to FY2031, 15 years in the future, and have been working on medium-term management plans in five-year increments. We are currently at the halfway point of these efforts.

In the "Corporate Report 2025," we reorganized the 18 materialities identified in 2021 into nine categories, taking into account changes in society and the business environment, and structured the policies and progress on value creation for each, with a conscious alignment to our strategy. We place importance on communicating concrete initiatives in our growth strategy—"Acceleration of Global Business Advancement," "Reinforcement of Pipelines," "Maximization of Product Value," and "Expansion of Business Domains"—from both quantitative and qualitative perspectives. In particular, the acquisition of Deciphera is a critical decision that will accelerate our evolution into a Global Specialty Pharma, and we also introduce the background and future outlook of this acquisition.

Furthermore, we focus on the relationship between ESG initiatives and corporate value, including expansion of human capital, conservation of global environment, supply chain management, respect for human rights, and corporate governance.

This report was created through the integrated efforts of relevant departments, and as the person responsible for its production, I hereby declare the legitimacy of the preparation process and the authenticity of the contents. I hope this report will serve as a catalyst for deeper dialogue with all of you. We invite you to read this report and share your honest opinions and requests.

ONO PHARMACEUTICAL CO., LTD.
Senior Director, Corporate Communications
Ryuta Imura

Third-Party Assurance of ESG Information

Please refer to the following website for third-party assurance on our ESG information.

Major ESG External Assessments

Cited as a Socially Responsible Investing (SRI) Stock

Dow Jones Sustainability Indices (DJSI)
(Five consecutive years starting in 2020/DJSI World Index*1, DJSI Asia Pacific Index*2)
The DJSI is a sustainability stock index published annually by S&P Dow Jones Indices in the U.S., analyzing corporate activities in terms of the three aspects of economy, environment, and society, and selecting index components.
*1 The name was changed to "Dow Jones Best-in-Class World Index" on February 10, 2025.
*2 The name was changed to "Dow Jones Best-in-Class Asia Pacific Index" on February 10, 2025.

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

MSCI Nihonkabu ESG Leaders Index
(Selected from the start of operations in 2024)
Among the stocks making up the MSCI Nihonkabu IMI Index, this index includes only selected Japanese companies with the highest ESG evaluations in each industry sector.

FTSE4Good

FTSE4Good Index Series
(Selected for eight consecutive years starting in 2018)
This is an international index developed by FTSE Russell, a member of the London Stock Exchange Group. Companies are selected for their relative ESG responsiveness in their respective sectors.

FTSE Blossom Japan Index

FTSE Blossom Japan Index
(Selected for eight consecutive years starting in 2018)
The index, developed by FTSE Russell, selects Japanese companies that excel in ESG responsiveness.

Environmental Assessment

CDP A List 2024

CDP "Climate Change" "Water Security" A List
(Selected for four consecutive years starting in 2021)
CDP, an international environmental nonprofit organization, has given us the highest rating in the two areas of "Climate Change" and "Water Security" in recognition of our efforts and proactive information disclosure on climate change and water security.

Health and Safety Evaluation

Outstanding Organizations of KENKO Investment for Health – White 500
This certification system recognizes the top 500 companies in the "Large Enterprise Category" which are implementing particularly outstanding health and productivity management activities based on initiatives by METI that are in line with the health-related issues of local communities, as well as health-promoting initiatives that are being encouraged by the Nippon Kenko Kaigi.

Disclaimer:
The inclusion of Ono Pharmaceutical Co., Ltd. in the MSCI Indexes and the use of the MSCI logo, trademark, service mark, and index name in this notice does not constitute sponsorship, advertising, or promotion of Ono Pharmaceutical Co., Ltd. by MSCI or its affiliates. MSCI has exclusive rights to the MSCI Indexes, and MSCI, MSCI Index names, and their logos are trademarks or service marks of MSCI or its affiliates.

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Ono Pharmaceutical Co., Ltd. has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.
https://www.lseg.com/en/ftse-russell/indices/ftse4good

FTSE Russell confirms that Ono Pharmaceutical Co., Ltd. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.
https://www.lseg.com/en/ftse-russell/indices/blossom-japan

ONO PHARMACEUTICAL CO.,LTD.

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