

Corporate Governance

To enhance corporate value and generate sustainable growth, we must strengthen corporate governance that is centered on reinforcing the functions of the Board of Directors and Audit & Supervisory Board. As for the Board of Directors and Audit & Supervisory Board, we are working to improve their effectiveness through various measures, moving forward with various initiatives, including those related to ensuring diversity of Directors and Audit & Supervisory Board members and reforming the remuneration system, and building a strong governance system.

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Masao Nomura

Member of the Board of Directors, Outside Director
Senior Adviser to the Board, Iwatani Corporation
Outside Director, Keihanshin Building Co., Ltd.

Shusaku Nagae

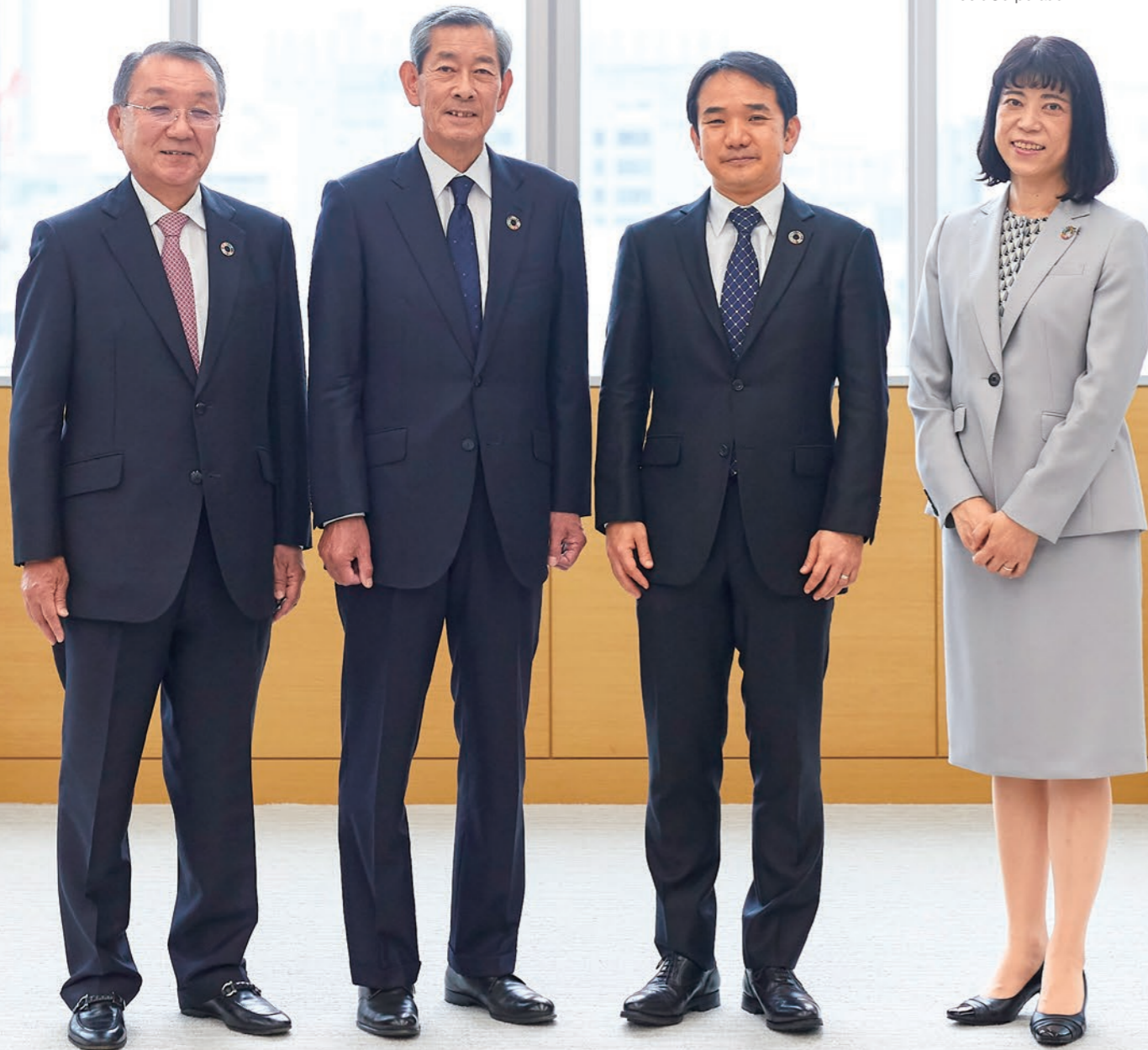
Member of the Board of Directors, Outside Director
Special Corporate Advisor, Panasonic Holdings Corporation
Outside Audit & Supervisory Board Member, Nikkei Inc.

Yasuo Hishiyama

Outside Audit & Supervisory Board Member
Partner Attorney at Law, TANABE & PARTNERS
Member or appraisal committee (Land Lease Non-Contentious Cases) at Tokyo District Court

Akiko Tanabe

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



Cross talk

Round-table Discussion with Outside Officers

Reinforcing the governance system and accelerating sustainable management to achieve sustainable growth

ONO continually strives to reinforce corporate governance by actively incorporating the opinion of outside officers. Two Outside Directors and two Outside Audit & Supervisory Board members discussed the governance system, compliance, and outlook for achieving sustainable growth.

Steadily reinforcing the corporate governance system and related activities

Nomura When I took up the position of Outside Director in FY2018, the number of Outside Directors was raised to three from two, resulting in three of the eight Directors being Outside Directors. Two years later, in FY2020, a female director was appointed, and in FY2021, the following year, I replaced the President as the chairman of the Executive Appointment Meeting and Executive Compensation Meeting. Even regarding cross-shareholdings, we have reduced their weight to 14.4% as of March 2023 from 31.6% five years earlier.

Looking back over the five years since I took up my position, one can probably argue that efforts related to our corporate governance have steadily moved forward.

Nagae I feel that the Company has created a system to support Outside Officers. Despite becoming an Outside Director only two years ago, I have had many opportunities to deepen my understanding of the Company, which has included visiting various bases such as research bases and interacting with employees. As an Outside Director, I try to make statements without worrying about what people will think. For example, the President currently serves as the Chairman of the Board of Directors, but I have made several proposals, including "it may be good to separate supervision and execution in the future" and "it may be good to allocate time for open discussions on topics set by the Board of Directors," and I was able to do that because of the firm support that makes it possible to deepen my understanding of the Company.

Hishiyama I have served as an Outside Audit & Supervisory Board member for seven years, and by always possessing a perspective of "making the Company better," the full-time Audit & Supervisory Board members work extremely close to the workplace,

which includes collecting information through direct contact with more than several hundred employees each year.

As an attorney, I am sometimes in charge of the helpline, and the opinion of employees play a key role in improving the organization. In that sense, it is very meaningful that Audit & Supervisory Board members directly hear the opinions of employees. If the business expands overseas in the future, it may become more difficult to do that for various reasons, but I will continue to do so as much as possible.

Tanabe I have been involved in three evaluations of effectiveness, and I think that the operation of the Board of Directors has gradually improved. Full-time Audit & Supervisory Board members also look at issues related to the operation of the various bases and provide penetrating proposals to the President from an independent perspective, which leads to lively deliberations by the Audit & Supervisory Board, too, which I think is wonderful.

Aiming to create an effective compliance system

Nomura Taking into consideration previous serious compliance violations, we have worked to reinforce the compliance system, which has included appointing a Compliance Officer as the responsible person for each department in FY2021 and installing a Compliance Manager in all departments as a consultation counter. However, I think it is important to take care so that employees do not feel they are being monitored in their work. We will create an open worksite in which anything can be said. It is important to move forward with the creation of the system by having people take to heart the idea that this is directly linked to preventing scandals.

Nagae There was a focus on how to promote the creation of a

system to prevent recurrences, and I got the impression that decision-making was quick, and things were moving forward smoothly. In addition to being a size that makes it easy to demonstrate its maneuverability, the foundation of a strong desire for compliance makes this possible.

Hishiyama Japan Exchange Regulation released its “Principles for Preventing Corporate Scandals,” which states that “companies should establish this cycle of early detection (of compliance violations), swift response, and subsequent corrective action and embed the process into their corporate culture.” Having reinforced our compliance system, we now quickly detect speech and actions that could lead to violations, and efforts to contribute to prevention have taken root. I see this as truly being in line with that principle. Furthermore, in the message from the President to new recruits in FY2023, he stated that he wants them to take the following three points to heart—“be honest and comply with laws and regulations,” “have a dream, continually take on challenges to achieve the dream, and enjoy the process,” and “make decisions from a patient perspective.” It is extremely significant that top management communicated a message that compliance should be given the greatest priority.

Opportunity, motive, and justification are the three bases of the so-called “fraud triangle,” and one can argue that motive and justification, the psychological factors, are deeply rooted in the corporate culture. Therefore, it is important that the attitude of valuing compliance not become an empty idea. I want to properly conduct monitoring as an Outside Audit & Supervisory Board member.

Tanabe Examining the compliance monitoring results report, one cannot miss that there were compliance violations for reasons other than lack of integrity. There were many cases when the act was not recognized as a violation, but was actually considered good. Even so, the person was, of course, disciplined. Because a company has a responsibility to protect its employees, it is important to know where the risk of compliance violations lie. One issue that should be examined is employing creative ways, such as training, so that reinforcing compliance does not become a burden for employees.



Nomura Because of my experience as manager I think that compliance is the lifeline, the last line of defense, for companies. A small compliance violation can snowball into a big problem, and shake even massive companies. Furthermore, as Outside Audit & Supervisory Board member Tanabe pointed out, there have been cases when compliance violations occurred with the person not realizing that what they did was a compliance violation, and it is important to continue to foster a corporate culture in which employees immediately ask if they are not sure or have a concern.

Tanabe The Company has added compliance initiatives as an item for employee evaluations. It is only natural that a violation lowers an employee’s score, but in the future, it may be important to examine what activities should raise a score. A mechanism in which the Company positively evaluates employees working on compliance would increase employee’s awareness of the issue, and make it easier for this to take root as corporate climate.

Issues that should be tackled when implementing the global strategy

Nomura As for promoting a global strategy, the Company first moved forward with efforts to implement governance, compliance, and sustainability within Japan, our home base. For the U.S., the country we are focusing on the most, we are undertaking such efforts as expanding training, because it is necessary to instill an awareness of harassment related to religion and race.

While accepting the values of local people is the most important point when expanding overseas, there are limits to what can be done by dispatching leaders from Japan. It is also necessary to simultaneously promote initiatives to quickly train leaders who can handle management locally.

Tanabe It is extremely important that we implement global governance when expanding overseas and business domains. Having formulated the code of conduct “Ono Pharmaceutical Code of Practice” and “Compliance Global Policy,” we are moving forward with such efforts as reviewing the various provisions, and I think

we must conduct further deliberations and make preparations regarding such issues as to what extent to delegate authority to local subsidiaries, to what degree should headquarters supervise this, and what type of monitoring should be used.

Nagae As for compliance training, it is critical to expand the content of training from a perspective of our global expansion. When promoting the global expansion at Panasonic, I truly saw the importance of “localization.” If aiming to implement a business model based on local production and local sales, there are many things that must be taken into account, including properly ascertaining local conditions, such as demand, culture, and prices, which are completely different than those of Japan, and taking into consideration exchange rate risk, other risks, trends among competitors, and other factors.

There are many companies that have been forced to withdraw from markets if insufficient groundwork is done, particularly research on competitors, and this must be taken to heart. For ONO, the business expansion is limited to the U.S., Europe, Korea, and Taiwan, which means sufficient research can be conducted; therefore, it is important to always firmly understand the Company’s position. It is necessary to envision both an optimistic and pessimistic scenario, and if things start to look even slightly negative, to quickly decide to withdraw.

Accelerating sustainable management and generating sustainable growth

Tanabe Having changed the name of material issues from “CSR material issues” to “material issues for management” based on the Sustainable Management Policy newly formulated in FY2021, employees, too, can probably understand that sustainability-related activities are important initiatives tied to our Corporate Philosophy. All eighteen of the material issues are important, but I am particularly focused on expanding human capital. We are moving forward with an examination of a global human resources system, which Outside Director Okuno is providing advice on, and we will gradually expand the scope of human resources needed as we expand the business



domain and promote sustainability activities, not simply promote existing businesses. On the other hand, as Japan’s labor force shrinks, an important issue is whether we can capture outstanding human resources. I also think that it is necessary to further examine the ideal state for the Company’s finance to maximize corporate value.

Nagae I always say that employees are the most important stakeholders. First of all, unless employees are autonomous, business performance will not improve and corporate governance and compliance will not properly function. As Outside Audit & Supervisory Board member Tanabe has pointed out, the existence of the Company will be in danger if it cannot attract outstanding human resources. When I see the lively exchange between employees at such venues as the Medium-term Management Plan Announcement Meeting and in-house Business Contest, I truly feel that ONO values employees.

I think that to further promote globalization of the business, it is important for all employees to take on more challenges on various front. For this, too, the Company must continue to have an open atmosphere.

Hishiyama As for sustainability-related initiatives, they are important not only to reduce risk but also to link them to continued earnings. For example, one possible idea is to examine creating additional new businesses linked to well-being, such as “extension of healthy life expectancy,” through the use of digital IT.

Nomura People have been talking about our being in a time of 100-year lifespans for a good while now, but after that, there will likely be “a time of healthy lifespans of 100 years.” I want ONO to become a corporate group that can take on the challenge of achieving “a time of healthy lifespans of 100 years.” It would probably be best if both management and employees unite to learn while firmly ascertaining global trends.



Directors, Audit & Supervisory Board Members

(as of July 1, 2023, shares held as of March 31, 2023)

Members of the Board of Directors



Gyo Sagara

President, Representative Director, and Chief Executive Officer

Number of the Company's shares held : 103,100

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 (to date)



Toshihiro Tsujinaka

Member of the Board of Directors, Senior Executive Officer
 Executive Director, Corporate Strategy & Planning

Number of the Company's shares held : 21,500

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 (to date)
 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 (to date)



Toichi Takino

Member of the Board of Directors, Senior Executive Officer
 Executive Director, Discovery & Research

Number of the Company's shares held : 22,000

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 (to date)
 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 (to date)



Shusaku Nagae

Member of the Board of Directors Outside

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.
 April 2011 Senior Managing Executive Officer, Panasonic Corporation (currently Panasonic Holdings Corporation)
 June 2012 Representative Director, Executive Vice, Panasonic Corporation
 June 2013 Representative Director, Chairman of the Board, Panasonic Corporation
 June 2017 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)

[Status or important concurrent holding of positions]
 Special Corporate Advisor, Panasonic Holdings Corporation
 Outside Audit & Supervisory Board Member, Nikkei Inc.



Katsuyoshi Nishimura

Full-time Audit & Supervisory Board Member

Number of the Company's shares held : 12,100

April 1977 Joined the Company
 April 2003 Senior Director, Research Management and General Affairs
 October 2005 Deputy Executive Director, Discovery & Senior Director, Research Management and General Affairs
 April 2006 Deputy Executive Director, Sales and Marketing and Senior Director, Sales Operations
 June 2007 Senior Director, Sales Operations
 November 2007 Director, Business Audit Department
 June 2010 Senior Director, Research Management and General Affairs
 June 2011 Full-time Audit & Supervisory Board Member (to date)



Hironobu Tanisaka

Full-time Audit & Supervisory Board Member

Number of the Company's shares held : 1,800

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)



Kiyooki Idemitsu

Member of the Board of Directors, Executive Officer
 Executive Director, Clinical Development

Number of the Company's shares held : 10,400

April 1987 Joined the Company
 December 2000 President, ONO PHARMA UK LTD.
 January 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 (to date)
 June 2020 Corporate Executive Officer
 June 2021 Member of the Board of Directors, Executive Officer (to date)



Masao Nomura

Member of the Board of Directors Outside

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.



Akiko Okuno

Member of the Board of Directors Outside

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 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



Yasuo Hishiyama

Audit & Supervisory Board Member Outside

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-ichi Tokyo Bar Association)
 April 2006 Joined TANABE & PARTNERS (to date)
 January 2010 Member or appraisal committee (Land Lease Non-Contentious Cases) at Tokyo District Court (to date)
 June 2016 Outside Audit & Supervisory Board Member (to date)

[Status or important concurrent holding of positions]
 Partner Attorney at Law, TANABE & PARTNERS
 Member or appraisal committee (Land Lease Non-Contentious Cases) at Tokyo District Court



Akiko Tanabe

Audit & Supervisory Board Member Outside

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

Material Issue 18

Strengthening of Corporate Governance

[Vision over the medium to long term]

Establish an effective corporate governance system to achieve our sustainable growth.

[Indicators]

Evaluation of the effectiveness of the Board of Directors (evaluated by all members of the Board of Directors and the Audit & Supervisory Board)

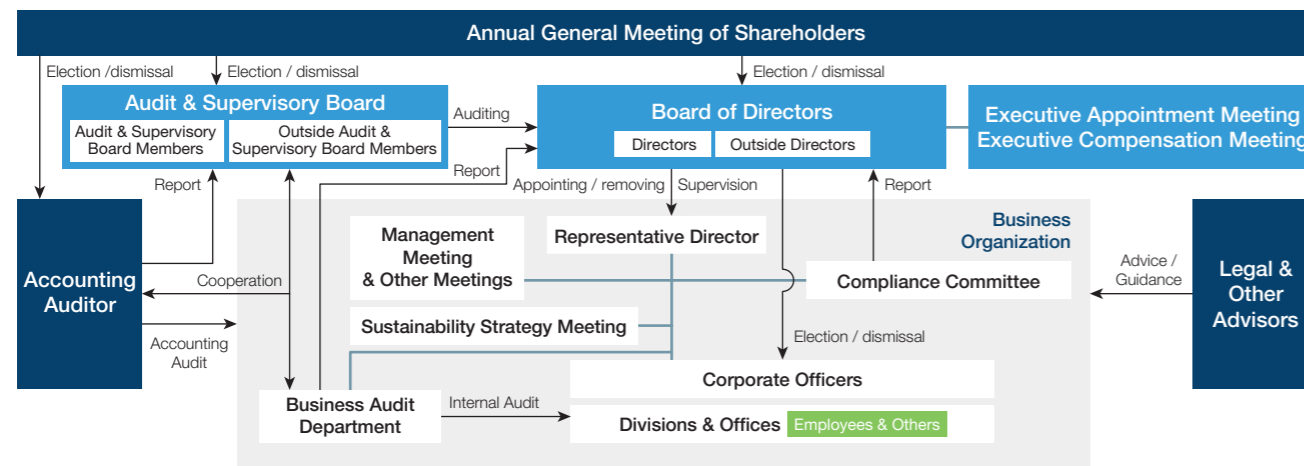
Corporate Governance Structure

Basic Approach

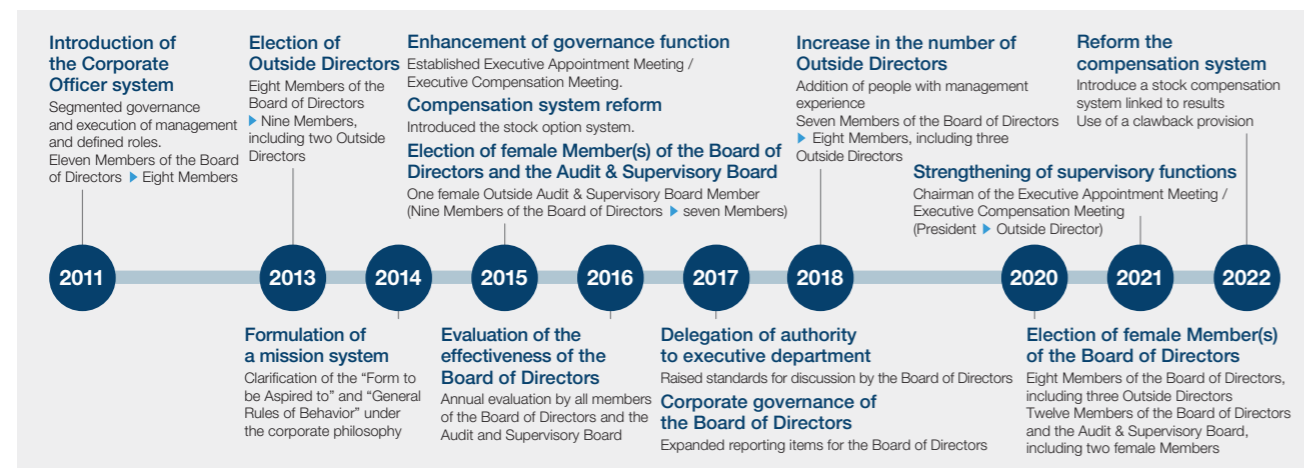
As part of our endeavors to strengthen corporate governance, ONO has adopted an organizational framework with an Audit & Supervisory Board, whose task is to focus on enhancing the functions of the Board of Directors and the Audit & Supervisory Board. ONO has established an Executive Appointment Meeting and an Executive Compensation Meeting, both of which are composed of a majority of Outside Directors and have an Outside

Director as chairman to ensure independence and objectivity with regard to the appointment and compensation of executives. Regarding business execution, we have adopted a corporate officer system to improve management efficiency and speed up decision-making. On the other hand, important matters related to business execution are deliberated and determined by the Management Meeting and other meetings chaired by the responsible members of the Board of Directors or Corporate Officers. Thus, we strive to achieve optimal business operations by ensuring effective working of mutual supervisory functions.

Corporate Governance Structure



Initiatives to Strengthen Corporate Governance



Response to the Corporate Governance Code

ONO follows all the principles in the Corporate Governance Code stipulated by the Tokyo Stock Exchange. In consideration of the intent of the Corporate Governance Code, we are committed to improving the efficiency, soundness, transparency, etc. of management, and improving our systems to be more suitable for our business operations going forward, too, through the evaluation of effectiveness through the annual evaluation the Board's effectiveness.

PDF Corporate Governance Report
https://www.ono-pharma.com/sites/default/files/en/ir/corporate_governance_report_en.pdf

Board of Directors

We work to ensure an appropriate number and composition of directors on the Board of Directors, with focus on an expedited and accurate decision-making process while enhancing management transparency and supervisory functions. We nominate candidates for the Board of Directors by taking into consideration the balance of their knowledge, experience, and capability, as well as diversity, so that the Board of Directors as a whole can make technical and comprehensive management decisions. In addition, we nominate candidates for Outside Directors from those who have high levels of expertise in corporate management on the premise that they satisfy the standards for Independent Directors set out by the Tokyo Stock Exchange, with a basic policy of at least one-third of the Board of Directors being Outside Directors (currently, three of seven members of the Board of Directors are Outside Directors, and one member is female [14.3% of Directors are female]). The term of office for members of the Board of Directors is set at one year to maintain clarity of the responsibilities of management and to ensure we can respond quickly to changes in the business environment. A meeting of the Board of Directors is held once every month in principle, with the attendance of the members of the Board of Directors and the Audit & Supervisory Board, to decide on important management issues and to supervise the status of the execution of duties by members of 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 set a limit on the number of companies the members of the Board of Directors and Audit & Supervisory Board are allowed to concurrently serve as officers or in other capacities (appointment as officers of listed companies, etc.) at up to, in principle, four companies not including us.

Audit & Supervisory Board

From the perspective of strengthening audit functions, the Audit & Supervisory Board is composed of two independent members (one member is female) along with two full-time members who have expert knowledge of our business operations and who are highly skilled in collecting auditing information. These Outside and full-time members work together to achieve high auditing efficiency. A meeting of the Audit & Supervisory Board is held regularly. The Audit & Supervisory Board strives to enhance management's supervision by enhancing efficiency through cooperation with the Business Audit Department and audit effectiveness through cooperation with the Accounting Auditor.

Executive Appointment Meeting

The Executive Appointment Meeting is composed of three Outside Directors, one of whom is the Chairperson, the President, Representative Director, and Chief Executive Officer, and the Director in charge of Personnel. With all members attending, they ensure the transparency and objectivity of the appointment of candidates for the Board of Directors, Audit & Supervisory Board, and senior management, and discuss the policies for planning the succession of the chief executive officer (President, CEO) and senior management, and the state of our corporate governance. Executive appointments to be submitted to the Board of Directors are discussed at the Executive Appointment Meeting, and submitted to and approved by the Board of Directors.

Attendance at the Meetings of the Board of Directors and the Audit & Supervisory Board One year from June 23, 2022 (the end of the 74th Annual General Meeting of Shareholders)

	Name	Board of Directors	Audit & Supervisory Board	Executive Appointment Meeting	Executive Compensation Meeting
Member of the Board of Director	Gyo Sagara	100%	—	100%	100%
	Toshihiro Tsujinaka	100%	—	66.7% ^{*1}	—
	Toichi Takino	100%	—	—	—
	Isao Ono ^{*2}	100%	—	—	—
Outside Director	Kiyooki Idemitsu	100%	—	—	—
	Masao Nomura	100%	—	100%	100%
	Akiko Okuno	100%	—	100%	100%
Audit & Supervisory Board Member	Shusaku Nagae	100%	—	100%	100%
	Katsuyoshi Nishimura	91.7%	93.3%	—	—
	Hironobu Tanisaka	100%	100%	—	—
Outside Audit & Supervisory Board Member	Yasuo Hishiyama	100%	100%	—	—
	Akiko Tanabe	100%	100%	—	—

⊙: Chairperson
 Number of meetings held since appointment: Board of Directors meetings: 12, Audit & Supervisory Board meetings: 15, Executive Appointment Meetings: 3, and Executive Compensation Meetings: 2
^{*1} Director Toshihiro Tsujinaka was absent from one of the Executive Appointment Meetings held during the fiscal year, but this because of the objectives and purpose of the meeting and the approval of all other members was obtained.
^{*2} Isao Ono resigned as Director as of the conclusion of the 75th Annual General Meeting of Shareholders held on June 22, 2023.

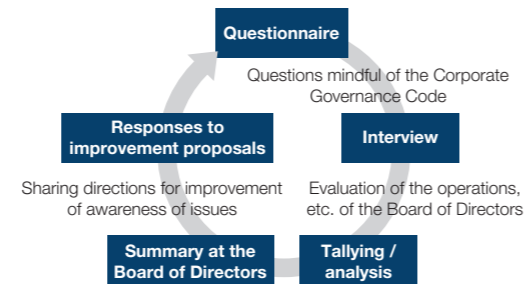
Major Fields of Expertise and Experience of Members of the Board of Directors and Audit & Supervisory Board Members

- 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 Members of the Board of Directors/Audit & Supervisory Board Members: Fields where supervision, auditing, and advice are expected.

	Name	Major fields of expertise and experience								
		Corporate management	Finance/Accounting	Legal/Risk management	Research and development	Corporate Development & Strategy/Marketing	Human resources/Human capital development	ESG/Sustainability	Global experience	DX/IT
Members of the Board of Directors	Gyo Sagara	●	●			●		●		
	Toshihiro Tsujinaka		●			●	●			
	Toichi Takino				●	●			●	
	Kiyooki Idemitsu				●	●			●	
	Masao Nomura	●	●	●		●	●	●		●
	Akiko Okuno						●	●	●	
	Shusaku Nagae	●			●	●		●	●	●
Audit & Supervisory Board Members	Katsuyoshi Nishimura			●		●		●		
	Hironobu Tanisaka			●				●		
	Yasuo Hishiyama			●				●		
	Akiko Tanabe		●					●		

Executive Compensation Meeting

The Executive Compensation Meeting is composed of three Outside Directors, one of whom is the Chairman, and the President, Representative Director, and Chief Executive Officer. With all members attending they ensure the transparency and objectivity of, and deliberate on the amounts of compensation for each member of the Board of Directors and the calculation methods thereof, and the appropriateness and future form of the executive remuneration compensation system, etc. Also, when considering bonus, performance-related compensation, etc. for the President, the President withdraws, and it is handled without his direct participation. Compensation, etc. of members of the Board of Directors is discussed at the Executive Compensation Meeting, and submitted to and approved by the Board of Directors.



Major contents of the questionnaire and interviews

- Size and composition of the Board of Directors
- Operation of the Board of Directors
- Roles and responsibilities of the Board of Directors

2 Summary of Results of Analysis and Evaluation

- 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

Improvement Status Based on Evaluation of the Effectiveness of the Board of Directors

Major improvements in FY2022	
Operation of the Board of Directors	• Regular items and similar issues were reorganized and schedule set.
Corporate governance of the Board of Directors	• Directors and broadened discussions regarding medium- to long-term management issues • Reinforced cooperation between Outside Directors and Audit & Supervisory Board members
Support for Outside Directors	• Greater provision of information to Outside Directors • Conducted inspection of bases by Outside Directors

Evaluation of the Effectiveness of the Board of Directors

Basic Approach

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. The results of the FY2022 analysis and evaluation of the effectiveness of the Board as a whole are summarized as follows:

1 Method of Evaluation

ONO conducted a questionnaire of all the members of the Board of Directors and Audit & Supervisory Board requiring them to write their names on the answer sheets, and also held one-on-one interviews with them, after explaining the purpose of the questionnaire and interviews at a meeting of the Board of Directors. Based on the answers and opinions gained from the questionnaire and interviews, the Board of Directors conducted analysis and self-assessments of its effectiveness and discussed difficulties to tackling issues as well.

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. Evaluations of the effectiveness of the Board of Directors will be more objective starting next fiscal year because third parties will take part, which will lead to further improvements.

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.

Outside Directors and Outside Audit & Supervisory Board Members

Roles of Outside Directors and Audit & Supervisory Board Members

Possessing extensive experience and broad knowledge, Outside Directors oversee our business operations and take part in our decision-making process from an independent and objective standpoint. They are involved in the process of making important decisions, such as the nomination of officers and executive compensation, help to ensure transparency and objectivity, and enhance the function of the Board of Directors by serving as members of the Executive Appointment Meeting and the Executive Compensation Meeting.

As experts in law and corporate accounting, the Outside Audit & Supervisory Board members carry out audits from an independent and objective standpoint to ensure that our management remains sound.

There are no special interest relationships between outside officers and ONO, such as personal relationships, capital relationships, or business relationships. Because of this we believe there is no risk of conflict of interest with general shareholders.

Cooperation between Outside Directors and the Audit & Supervisory Board

Since FY2015, we have held annual cooperation meetings between Outside Directors and the Audit & Supervisory Board hosted by the Audit & Supervisory Board. One of the purposes of these meetings is to facilitate cooperation between Outside Directors and the Audit & Supervisory Board, who monitor business management as non-executive officers.

In this meeting, full-time Audit & Supervisory Board members, who are familiar with the operations of ONO, Outside Audit & Supervisory Board members, who are experts in law and corporate accounting, and Outside Directors, who have abundant experience and knowledge, come to an understanding of each other's viewpoints and differences in authority and then exchange opinions related to the issues and themes surrounding business management.

In FY2022, in addition to Cooperation Meetings, Outside Audit & Supervisory Board members inspected bases (Tsukuba Research Institute and Yamaguchi Plant) during onsite audits by Audit & Supervisory Board members that they were present for, and exchanged opinions from diverse perspectives.

Support System for Outside Directors and Outside Audit & Supervisory Board Members

The Company aides Outside Directors' execution of duties by providing information to and receiving information from them through the Corporate Governance Office, which serves as the secretariat of the Board of Directors. Furthermore, support is provided to promote Outside Directors' understanding of business content and business activities, and this includes providing not only explanations of such issues as business but also opportunities for exchanges of opinions outside of Board of Directors meetings.

Full-time Audit & Supervisory Board members mainly provide Outside Audit & Supervisory Board members with information at meetings of the Audit & Supervisory Board and other occasions in an appropriate manner. In addition, support for the Audit & Supervisory Board members, including Outside Audit & Supervisory Board members, is provided by the person in charge of supporting the duties of the Audit & Supervisory Board.

Expected Roles of Outside Directors and Outside Audit & Supervisory Board Members

	Name	Expected roles
Outside Directors	Masao Nomura	Mr. Nomura has abundant experience and high-level knowledge because he has served as a corporate executive for many years, and he has fulfilled important roles as an Outside Director by providing appropriate supervision of the Company's management from an independent perspective as well as useful advice and suggestions on overall management. We expect that Mr. Nomura will continue to be involved in the Company's management as an Outside Director and thereby contribute to increasing the Company's value due to his experience and knowledge from being a corporate executive.
	Akiko Okuno	Ms. Okuno has extensive academic knowledge as a university professor specializing in business administration. She has fulfilled important roles as an Outside Director by providing appropriate supervision of the Company's management from an independent standpoint as well as useful advice and suggestions based on her knowledge in her fields of expertise, such as women's labor and personnel appraisal systems. We expect that Ms. Okuno will contribute to increasing the Company's value due to her expertise cultivated through business science research and the results of her work by being involved in ONO's management as an Outside Director.
	Shusaku Nagae	Mr. Nagae has abundant experience and high-level knowledge because he has served as a corporate executive for many years. He appropriately supervises our management from an independent perspective, and provides useful advice and suggestions related to overall management, fulfilling an important role as an Outside Director. We expect that based on his results as a corporate manager, knowledge, and work to date, Mr. Nagae will continue to be involved in the Company's management as an Outside Director and thereby contribute to increasing the Company's value.
Outside Audit & Supervisory Board Members	Yasuo Hishiyama	With abundant experience and high-level knowledge of corporate legal affairs as an attorney-at-law, Mr. Hishiyama has fulfilled important roles as an Outside Audit & Supervisory Board member. He has provided appropriate supervision of the operations of the Board of Directors from an expert and independent standpoint, as well as making comments and suggestions as needed. We expect that Mr. Hishiyama will contribute to maintaining and improving sound management and appropriate operation by being involved in the management of the Company as an Outside Audit & Supervisory Board member.
	Akiko Tanabe	With abundant experience and considerable knowledge of accounting as a certified public accountant, Ms. Tanabe has fulfilled important roles as an Outside Audit & Supervisory Board member. She has provided appropriate supervision of the operations of the Board of Directors from an expert and independent standpoint as well as making comments and suggestions as required. We expect that Ms. Tanabe will contribute to maintaining and improving sound management and appropriate operation by being involved in the management of the Company as an Outside Audit & Supervisory Board member.

Executive Compensation

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 meeting of shareholders after examination at the Executive Compensation Meeting.
- The amount of compensation of Audit & Supervisory Board members is determined in discussions among Audit & Supervisory Board members to the extent that approval is obtained at the annual general meeting of shareholders.

Composition of officer compensation

	Monetary compensation		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	●	—	—	—

Compensation system

Types of compensation		Purpose/summary
Fixed compensation	Basic compensation	Monthly fixed 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
Incentive compensation	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 Compensation for Directors (excluding Outside Directors (when reference target is achieved))

Basic compensation 50%	Bonus 25% (Aim to increase the proportion)	Continuous service-type RS 12.5%	Performance-linked RS 12.5%
Fixed Compensation		Incentive Compensation	

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.

Performance-linked remuneration, etc.

(1) Bonuses

The targets and results related to the main evaluation indicators for bonuses FY2022 are as given below.

	Evaluation items	Targets	Results
Company performance ¹	Consolidated revenue	425.0 billion yen	447.2 billion yen
	Consolidated operating profit	145.0 billion yen	142.0 billion yen
	Consolidated profit (attributable to owners of parent)	110.0 billion yen	112.7 billion yen
Individual performance	Individual performance targets	Individually set	Individual evaluation ²

¹ The target figures for company performance are the consolidated earnings forecast set at the beginning of the fiscal year. Results are evaluated at the Executive Compensation Meeting based on special factors that were not anticipated when targets were set at the beginning of the fiscal year, performance evaluations, and the like.
² The President evaluates the individual performances of members of the Board of Directors other than the President, and the validity of the evaluation is reviewed at the Executive Compensation Meeting. In addition, the performance of the President is evaluated 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 FY2022 performance-linked restricted stock remuneration are shown in the table below.

	Evaluation items	Targets	Results	Composition
Financial targets ¹	Consolidated revenue	425.0 billion yen	447.2 billion yen	10%
	Consolidated operating profit	145.0 billion yen	142.0 billion yen	
Strategic targets	Maximization of product value	Individually set	Individual evaluation ²	70%
	Strengthening 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	Revenue growth trend	Revenue growth	10%
	Consolidated operating profit trend (before R&D expenses)	Profit increase trend	Profit increase	
	Consolidated R&D expenses trend (excluding impact of impairment)	Increase	Increase	
	Consolidated ROE change/trend	Evaluate standard in Medium term	Current period: 16.1% 5-year average: 12.3%	
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 The target figures for financial targets are the consolidated earnings forecast set at the beginning of the fiscal year. Results are evaluated at the Executive Compensation Meeting based on special factors that were not anticipated when targets were set at the beginning of the fiscal year, performance evaluations, and the like.
² The President evaluates the efforts of individual members of the Board of Directors other than the President to enhance medium- to long-term corporate value, and the validity of the evaluation is reviewed at the Executive Compensation Meeting. In addition, the performance of the President is evaluated only by Outside Directors at the Executive Compensation Meeting.

Total Amount of Executive Compensation (FY2022)

Executive category	Total amount to be paid	Fixed compensation	Bonus	Stock-based Compensation-type Stock options ¹	Restricted transfer stock compensation			Number of recipients
					Continuous service-type	Performance-linked	Transition measures ²	
Members of the Board of Directors (excluding Outside Directors)	538	216	134	10	36	46	96	5
Outside Directors	58	58	—	—	—	—	—	3
Audit & Supervisory Board members (excluding Outside Audit & Supervisory Board members)	61	61	—	—	—	—	—	2
Outside Audit & Supervisory Board members	29	29	—	—	—	—	—	2
Total	685	364	134	10	36	46	96	12

¹ Although stock-based remuneration-type stock options have not been newly granted in FY2022, the expense amount for FY2022 out of the amount granted in previous fiscal years is indicated in the stock-based remuneration-type stock options column.
² Accompanying the passage of a resolution to grant continuous service-type restricted-transfer stock and performance linked-type restricted-transfer stock to Directors (excluding Outside Directors) at the 74th Annual General Meeting of Shareholders held on June 23, 2022, the provision regarding stock acquisition rights as stock-based remuneration-type stock options for Members of the Board of Directors, excluding Outside Directors, approved at the 67th Annual General Meeting of Shareholders held on June 26, 2015, was abolished. As a transitional measure, it was decided to have Directors surrender all unexercised stock acquisition rights granted as stock-based remuneration-type stock options and grant Directors the same number of restricted stock as the number of surrendered shares (for compensation, etc.), to implement the transitional measure, a resolution was passed to allocate an amount of no more than 400 million yen (75,000 shares) separate from other compensation, etc., for FY2022 only). The amount of restricted stock (transition measure) granted pursuant to a transition measure is the amount recorded as an expense for the restricted stock remuneration in the FY2022 minus the amount equivalent to the forfeited stock acquisition rights.

Cross-Shareholdings

Basic Approach

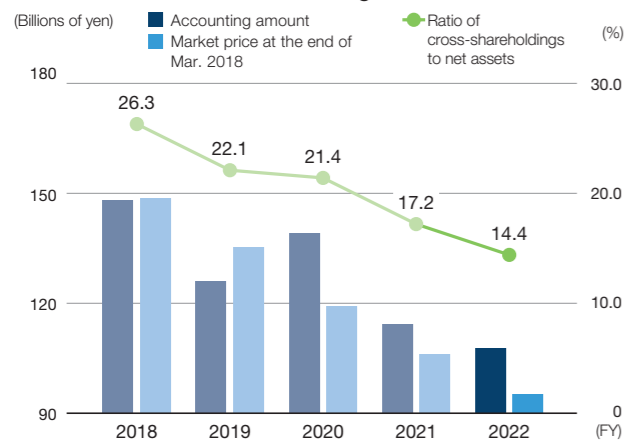
The Company believes that it is essential to have partner companies with which the Company can maintain long-term collaborative relationships in order to discover innovative pharmaceutical products that truly benefit patients. The Company, therefore, holds shares that it deems necessary to hold for strategic purposes, after comprehensively considering the business relationship with the issuers of those shares and the synergies created, in light of a medium- to long-term perspective for increasing corporate value.

State of holdings and reduction

When judging whether cross-shareholding will lead to an increase in the corporate value of the Company from a medium- to long-term perspective, once a year the Board of Directors reviews the purpose of the holdings, the benefits and risks from cross-shareholding with respect to each issuer of the cross-held shares, and determines whether or not to continue holding those shares after comprehensively considering the business relationship with the issuers and synergies created. For the shares that the Company decides to reduce holdings of as a result of this review, the Company has discussions with the investees to obtain their understanding while implementing the reduction.

As part of an overall revision of cross-shareholdings, we have been systematically reducing them since FY2018. By the end of March 2023, we had reduced our cross-shareholdings, bringing the total amount on the balance sheet to 107.8 billion yen and the ratio of cross-shareholdings to consolidated net assets to 14.4%. Going forward, we will continue to reduce these holdings with the goal of reducing the ratio to less than 10% over the medium to long term.

Reduction of Cross-shareholding



Internal Control System

Developing and operating an internal control system

ONO has laid out its operational system in compliance with the internal control system set out at the Board of Directors meeting. We also strive to ensure compliance and detect internal control problems at an early stage through auditing by the Business Audit

Department, which does internal audits, thereby maintaining and improving the appropriateness of organizational management. In addition, the development and operation status of the internal control system is reported periodically to the Board of Directors, and we work to constantly improve organizational operation. Concerning antisocial forces, or organizations that may threaten social order or security, we communicate our firm stance to fight against them throughout our organization.

Operational Management Structure

Developing and operating an operational management structure

For the maintenance and improvement of efficiency and accuracy of our decision-making and business operations, we hold Management Meetings and other meetings attended by the President, members of the Board of Directors, the corporate officers in charge of each division, and managers of relevant departments. At these meetings, we take a multifaceted approach to addressing important management issues, including those that are to be deliberated on at Board of Directors meetings. Audit & Supervisory Board Members are obliged to attend Management Meetings and inspect their minutes, as these meetings are also subject to auditing.

Information Disclosure

Conducting appropriate and timely disclosure

As specified in our Code of Conduct, we strive to establish transparent corporate management and recognize the importance of disclosing information on our business activities in a timely and appropriate manner. We actively conduct IR activities based on a policy of pursuing accuracy, promptness, fairness, and impartiality. We disclose financial results and other information subject to timely disclosure rules on our website and at the same time through TDnet, the timely disclosure network of the Tokyo Stock Exchange. Information that is not subject to the timely disclosure rules is also disclosed swiftly through our website and by other means. For securities analysts and institutional investors, we actively hold individual meetings and phone conferences in addition to a financial result briefing or a conference call at the time of each quarterly statement. In FY2022, due to the impact of COVID-19, we continued to use the Internet and held approximately 220 meetings in total. In normal circumstances we participate diligently in company briefings for individual investors sponsored by security firms, etc.; however, face-to-face briefings were difficult due to the impact of COVID-19 and therefore briefings were live-streamed. Under this environment, we continue to deepen investors' understanding of our business activities and business management strategies.

Risk Management

See the following for details.

Web Risk Management
<https://sustainability.ono-pharma.com/en/themes/82>

Enterprise Risk Management (ERM)

Aiming For Overall Optimization

We have conducted Enterprise Risk Management (ERM) since FY2019, aiming for total, rather than partial, optimization of risk management. For implementation, we have appointed a Chief Risk Management Officer (President, Representative Director, and Chief Executive Officer) and a Head Risk Management Officer (member of the Board of Directors). In addition, as managing department for risk management, the Legal Department established risk management regulations to promote ERM.

Basic Approach

1. With the aim of ensuring stable business continuity and achieving our business objectives, we have an enterprise risk management system to minimize losses to our company and its stakeholders, including customers, while fulfilling our accountability to society.
2. Each division assesses its risks using risk assessment sheets, and autonomously promotes risk management.
3. We identify the most important and urgent risks expected to

have a considerable impact on business management, and promote company-wide risk management activities.

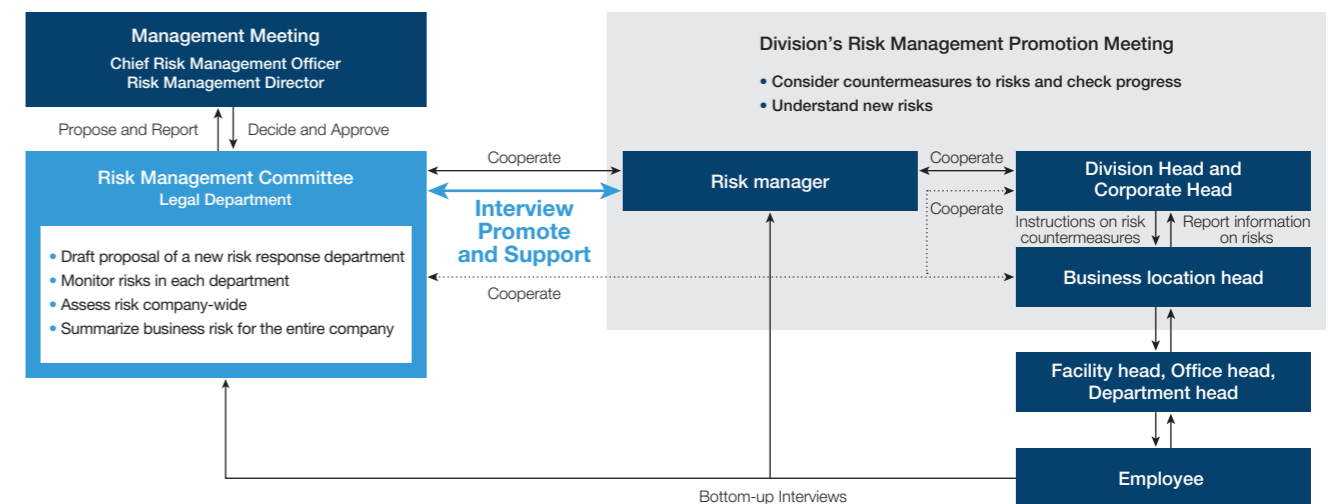
4. In the event a risk materializes, we will take measures to minimize the damage and ensure prompt recovery in order to solve problems as quickly as possible.

Promotion System

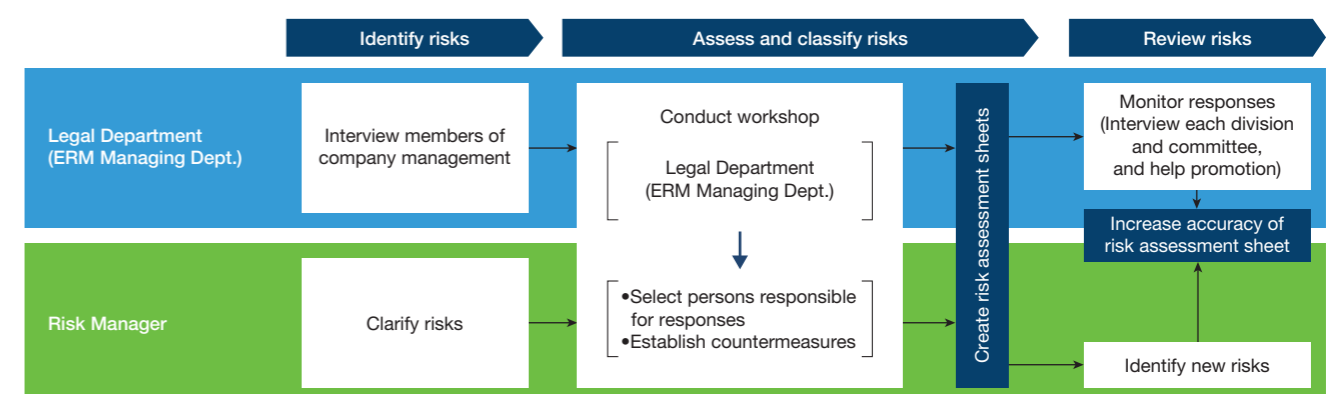
Basic Approach

1. With the President and Representative Director as the chief risk management officer and the Executive Director, Corporate Strategy & Planning, a member of the Board of Directors and Senior Executive Officer, as the officer in charge of risk management, we view risk management issues as important issues in terms of the management strategy and implement related initiatives, such as building a company-wide management system.
2. Each Division Head uses the division's Risk Management Promotion Meeting to supervise the division's risk management.
3. Office Managers conduct daily risk management.
4. The Legal Department periodically monitors the risk management status of each division from the viewpoint of ERM.

Risk Management System



Flow of ERM Promotion



Risk Management

The results of monitoring are reported to the Management Committee (composed of directors, executive officers, division managers, etc.), the Board of Directors, and the Audit & Supervisory Board. Furthermore, we are reinforcing the company-wide risk management system by sharing information on risks discussed at each division's Risk Management Promotion Meeting and the state of managing those risks with the Business Audit Department.

Risk Management Promotion Meeting

The Risk Management Promotion Meeting in each division assesses the division's risks and extracts issues using a risk assessment sheet, and develops prevention measures for identified risks according to their materiality and urgency, as well as risk responses. Thus, each division autonomously promotes risk management by considering, developing and implementing appropriate risk measures. The risk assessment sheet covers a wide range of risks, not only business risks, but also risks related to the environment, major disasters, human rights, pharmaceutical affairs laws and regulations, bribery, etc.

Risk Management System for Environmental Issues

Business risks related to environmental issues are also managed within ERM. In terms of climate change in particular, associated risks and opportunities are identified and evaluated by the TCFD Working Group under the Environment Committee. The head of the Legal Department, the managing department of the Risk Management Committee, also participates in this working group, and progress is reported to the Company-Wide Risk Management Committee to ensure coordination with ERM. (See p. 73)

Crisis Management

In the event a major risk occurs, the President will establish an Emergency Response Committee as necessary, to take measures to minimize damage and facilitate speedy recovery.

Risk Management Education

We provide education on risk management to management and all employees to raise their awareness and sensitivity toward risks every year.

Expanding Globally

To promote risk management activities across the Group, we provide our subsidiaries with guidance and advice on risk management, while respecting their autonomy. We provide such guidance and advice through various opportunities including regular discussions where we receive reports from subsidiaries regarding their business operations and discuss important matters. We began to expand our ERM system to our subsidiaries in Japan and overseas in FY2020 to further enhance the risk management of the entire Group. In FY2021 we conducted risk assessments with risk assessment sheets. Since FY2022, we have promoted efforts to reinforce the Group management system by checking the state of management of risks identified by subsidiaries.

Business Continuity Plan (BCP)

Working to Increase Business Continuity Capabilities

We have set up a BCP Management Headquarters under the Emergency Response Committee, chaired by the President and Representative Director, and established a system designed to minimize the impact on operations even if a natural disaster or serious accident occurs, so that we can continue business activities, and even if they are suspended, recover promptly and resume them. And for management during normal times, we have a Business Continuity Management (BCM) Committee, which is chaired by the Executive Director of Corporate Strategy & Planning and is in charge of business continuity management, and a Management Office to maintain and strengthen our abilities to respond to crisis and continue our business operations, and promote relevant management activities.

We have prepared for disasters by installing systems such as emergency generators and duplicate power service in our Headquarters, the Tokyo Building, and all of our plants and research institutes, and we have also introduced seismic isolation systems to prepare for earthquakes in our Headquarters, the Tokyo Building, Minase Research Institute, and the Yamaguchi Plant. In addition, in preparation for a massive disaster, we have divided response functions between the Osaka Headquarters and the Tokyo Building, creating a dual-base system.

The BCM Committee is working to increase the effectiveness of the business continuity response by developing a business continuity plan to respond to all hazards in the medium- and long-term and conducting training in partnership with divisions. With an eye toward conducting our own sales in the U.S. and Europe, we are also moving forward with formulating a global crisis response and business continuity plan, which includes overseas subsidiaries.

Web BCP System

<https://sustainability.ono-pharma.com/en/themes/82#916>

Information Security

Establishing Specialized Bodies

In addition to setting a global information security policy, strictly managing information assets, including data related to such activities as R&D and the personal information of stakeholders inside and outside the Company, ONO appropriately manages that information. Taking into consideration cyberattacks and the greater security threats throughout the world in recent years, we are striving to further strengthen cybersecurity based on a global standard framework.

At the same time, we newly established a Cybersecurity Section as a specialized body and are moving forward with expert team-based risk management and security measures. We are also raising awareness of cybersecurity throughout the Company by conducting employee education and regular security audits.

Web Information Security Management

<https://sustainability.ono-pharma.com/en/themes/82#918>