



ONO PHARMACEUTICAL CO., LTD.

ESG Presentation Meeting

March 28, 2023

[Number of Speakers]

3

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Senior Executive Officer, Executive Director,
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Corporate Executive Officer, Head of
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| Today's Agenda

- 1. Sustainable Management**
- 2. Corporate Governance**
- 3. Efforts to Strengthen the Compliance Management System**
- 4. Expansion of Human Capital**
- 5. Protection of the Global Environment**
- 6. Efforts to Improve Access to Healthcare**

Sagara: I will explain sustainable management and corporate governance.

Sustainable Management Policy



For more than 300 years since our founding, we have walked hand in hand with society. To save people who are suffering from disease, we have created a series of innovative new medicines that were 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

- 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.

Preserving 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 global environment to future generations.

Realization of a society where people can play active roles

Through our business activities, we will contribute to the realization of a society where the human rights and diversity of all people are respected, playing an active role.

Establishment of 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.

Materiality

First of all, I would like to talk about our sustainable management policy.

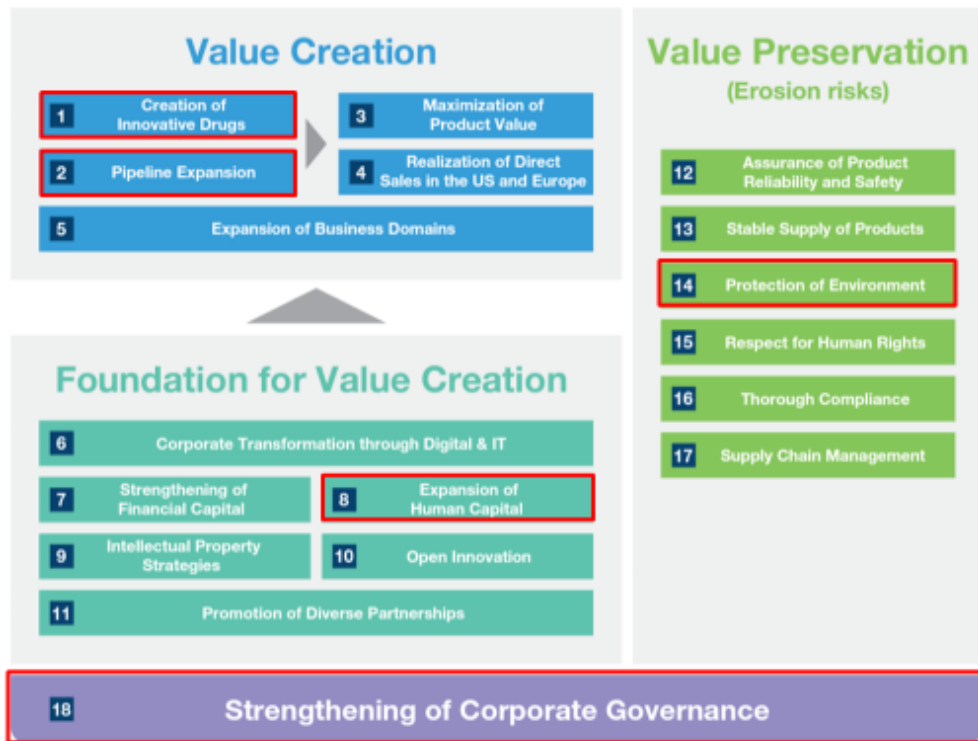
ONO's main business as a pharmaceutical company has been to develop new drugs to overcome unmet needs. Ten years or twenty years ago, for example, we did not set out such a management policy in a big way, but proceeded as far as we could.

It was the successful development and launch of Opdivo in 2014 that led to the decision to pursue this kind of management policy alongside our core business. Then came the 300th anniversary of the Company's founding, in 2017. Around that time, we thought that we should become a company that could bear a reasonable burden to benefit the world and society, and that is when we began to focus our efforts on ESG, etc.

The development of new drugs to address unmet needs, and the ESG and SDGs activities related to the environment and other issues in our core business, and we are committed to both our core business and ESG activities. We do not separate our core business from ESG issues, and we are working to solve these issues that will become long-term challenges for humankind.

What I have just described is ONO's basic concept to sustainable management.

New Material Issues (Priority Management Issues)



Last year, we have defined materiality and addressed it as a management issue.

As I explained last year, our materiality focused on ESG and SDGs, but the new materiality that we redefined a year ago includes our core business and ESG.

Today, I would like to explain the five themes, or issues 1, 2, 8, 14, and 18, which are framed in red.

Material Issue 1

Creation of Innovative Drugs

Management of Priority Issues

Reason for being a priority issue	The creation of innovative drugs is the practice of our corporate philosophy, "Dedicated to the Fight against Disease and Pain," and is the core value we provide to society. To sustainably create this value, drug discovery research using the latest scientific knowledge and cutting-edge technologies is crucial, and strengthening our competitiveness in drug discovery research will lead to our growth.
Vision over the medium to long term	Cooperate with top scientists and accelerate the creation of new drugs that can change the world.
Indicators	<ul style="list-style-type: none">● The number of new products going to clinical trials
Major initiatives	<ul style="list-style-type: none">● Explore unique breakthrough drug seeds and creation of new drug candidate compounds 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

Let's move on to materiality number one, the creation of innovative drugs.

Naturally, this is our main line of work. As stated in our corporate philosophy and described in our mission statement, we are committed to the challenge of solving unmet medical needs.

As for the main method, I think it is fair to say that it is drug discovery through open innovation, which is virtually a complete expression of this approach.

What we can do by ourselves is extremely limited, and we cannot get to where we are trying to go simply by working in that limited world. Naturally, collaboration with very high-level academia or bio-ventures, etc., is a prerequisite.

In addition, the level of collaboration must be at the world's top level, the top management must be supportive, and the people who are actually involved must work hard to advance their efforts. We are also working on the creation of innovative drugs recently by adding the use of new digital technology and AI, etc.

Material Issue 2

Pipeline Expansion

Management of Priority Issues

Reason for being a priority issue	Our pipeline is the source of our sustainable growth. We continue enriching our pipeline to constantly provide innovative drugs to patients.
Vision over the medium to long term	The speed and accuracy of establishing PoC* for new drug candidates are improving, and the pipeline is enriched through licensing activities. * PoC (Proof of Concept): PoC studies are an early stage of clinical drug development to confirm whether the drug candidates demonstrate the clinical safety and efficacy expected during the drug discovery phase.
Indicators	<ul style="list-style-type: none"> ● The number of products in the clinical development stage ● The number of newly introduced products
Major initiatives	<ul style="list-style-type: none"> ● Establish PoC on multiple projects and conduct global clinical trials <ul style="list-style-type: none"> • Continue system development for early establishment of PoC • Further enhance activities for translational research (TR) and reverse translational research (rTR) • Increase the speed and accuracy of establishing PoC by using state-of-the-art technologies and methodologies ● Strengthen licensing activities to obtain global rights

Then there is materiality number two, the expansion of development pipeline.

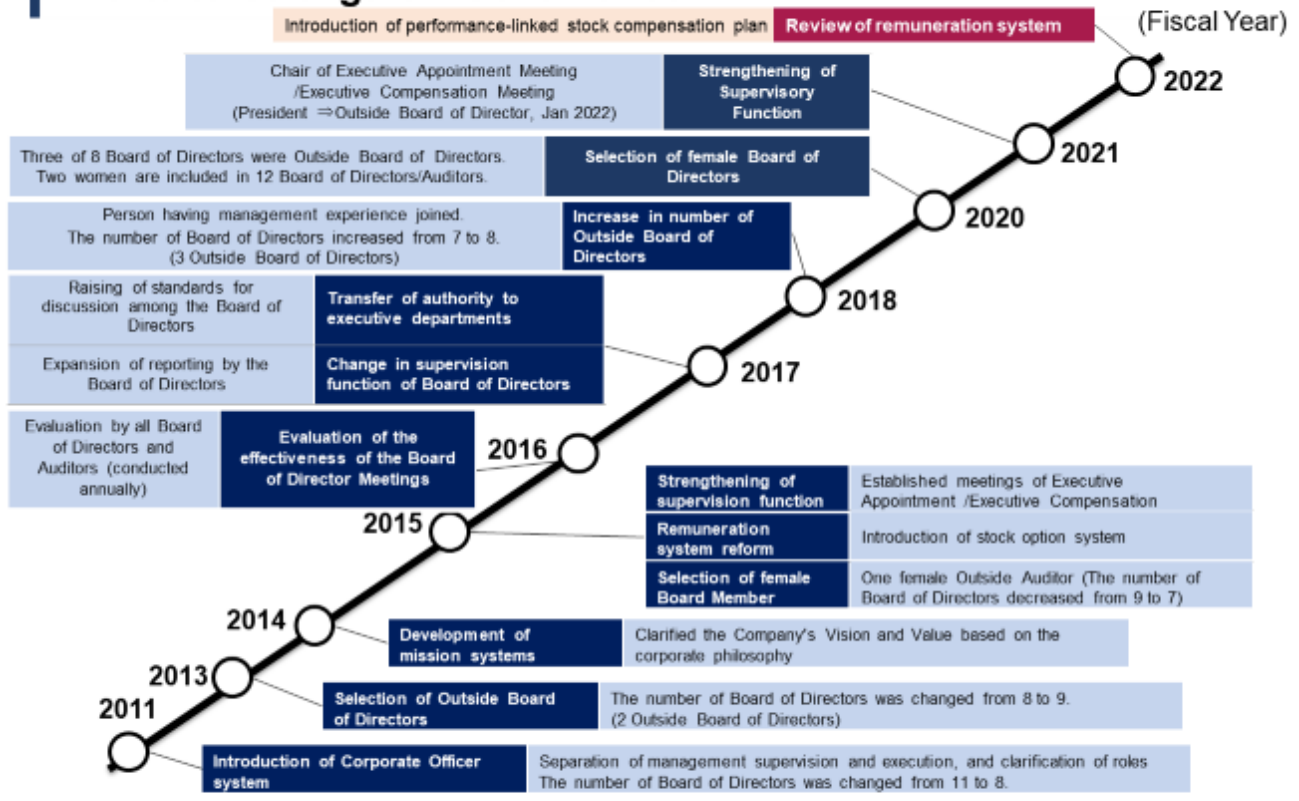
In order for pharmaceutical companies to continuously release new drugs over the long term, grow and contribute to society, all companies are aiming to expand their pipelines.

Our basic approach is to achieve innovation through collaboration between our own laboratories and our partners, but this alone is naturally not enough, so we need to add to the mix newly in-licensed compounds and technologies, as well as pharmaceutical products that have already been commercialized. Also, depending on the situation, we may need to acquire some bio-ventures.

As you are aware, we are currently conducting Phase 1 or some Phase 2 clinical studies of nearly 10 new drugs in the US and Europe, and we plan to add several new compounds to that list this fiscal year.

This is the explanation regarding the discovery of innovative drugs and the expansion of our pipeline.

Efforts to Strengthen Governance



Next, I will now turn to corporate governance.

This slide was introduced a year ago, and as highlighted in red background, we have reviewed various aspects of the executive compensation plan. The item I would like to introduce today is the addition of the ESG initiatives item to the performance-linked stock compensation plan.

Several companies are already implementing such initiatives, and Ono Pharmaceutical is also starting to adopt them in FY2022.

Outside Board of Directors

Constitution

Three of eight board of directors are outside directors in order to strengthen the supervisory function and maintain and improve the transparency of management and the accuracy of business execution.

		
Masao NOMURA Corporate Advisor Iwatani Corporation Serving since June 2018	Akiko OKUNO Prof., Faculty of Business Administration Konan University Serving since June 2020	Shusaku NAGAE Special Corporate Advisor Panasonic Holdings Corporation Serving since June 2021
He provides appropriate supervision of ONO's management based on his abundant experience of leading organizational operations and making numerous complex management decisions as a president of a listed company. Chairperson of Executive Appointment Meeting and Executive Compensation Meeting	She provides appropriate supervision of ONO's management from the perspective of a university professor for business administration specializing in women's labor and personnel appraisal systems.	He provides appropriate supervision of ONO's management based on his abundant experience of leading corporate management and governance as a president and chairperson of a listed company.

Currently, we have three outside directors.

Since we have five internal directors, we meet the requirement of having at least 30% outside directors. For those who are looking for a higher hurdle, the rate is currently over 30%, although there are those who are looking for a 50% rate. One female director is also in the company.

Support for functioning of Outside Directors

Arrangement of an environment in which Outside Directors can fulfill their expected roles and functions

- Opinion-exchange meeting :** Opinion-exchange meetings on important business matters are held before submitting them to the Board of Directors Meeting
- Training session and site visit :** Training sessions and site visits are held in order for Outside Directors to understand pharmaceutical business deeply
- Dialogue session with employees :** Dialogue sessions with employees are held for better understanding of corporate culture
- Collaboration meeting with audit & supervisory board members :** Information sharing and exchange of opinions among non-executive Directors

Actual result in FY2022 (for reference)
Opinion-exchange meeting (5 times)
Training session (3 times)
Site visit (Minase and Tsukuba research institutes, Yamaguchi Plant)
Dialogue session with employees (Minase research institute)
Collaboration meeting with audit & supervisory board members (1 time + collaboration for site inspection 2 times)
Other information shared (as needed) <ul style="list-style-type: none"> • Industrial publications, analyst report, etc. • Company-wide meeting for mid-term management plan, talent development program, etc.








Site visit to Minase research institute
(Conversation with employees; July, 2022)

In order for outside directors to fully demonstrate their careers and abilities to the management of Ono Pharmaceutical, they have been exchanging opinions with various internal departments, holding dialogues, training sessions and study groups, and collaborative meetings with the corporate auditors in addition to their usual activities. We have been quite proactive in these activities.

Including the visits to our bases, we have held more than 10 such events a year.

Executive Appointment / Executive Compensation Meetings

The executive appointment and executive compensation, both of which have governance-related importance are discussed at the meetings composed of highly independent Outside Board Director as key members in order to ensure management transparency and objectivity.

	Independent Outside Board Directors			Internal Board Directors	
	 Masao NOMURA	 Akiko OKUNO	 Shusaku NAGAE	 Gyo SAGARA	 Toshihiro TSUJINAKA
Executive Appointment Meeting	Chairperson	○	○	○	○
Executive Compensation Meeting	Chairperson	○	○	○	—
Executive Appointment Meeting			Executive Compensation Meeting		
<ul style="list-style-type: none"> ● Selection of candidates for Corporate Officers, Members of Board of Directors and Audit & Supervisory Board Members ● Deliberation on successor plans 			<ul style="list-style-type: none"> ● Evaluation regarding fixed and performance-linked compensation and deliberation of compensation amounts ● Supervision to ensure the compensation system function in a way that encourages sound growth ⇒ FY2022: deliberation on revision of compensation plan 		

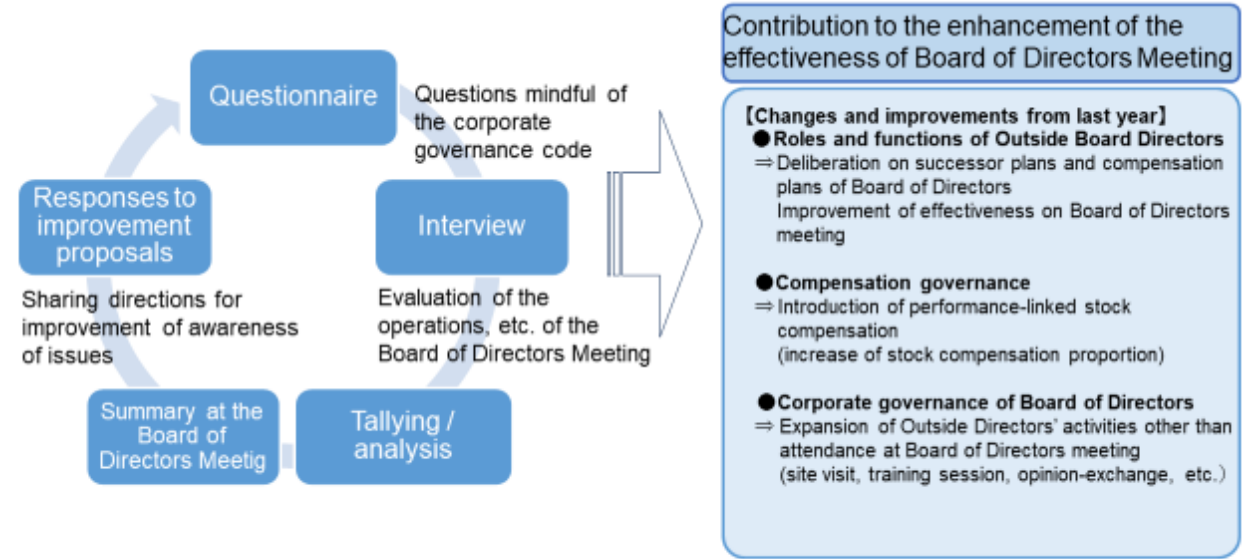
A meeting is being set up to review proposed executive appointments or executive compensation.

We are pleased to present its members in an easy-to-understand manner. The chairperson of the meeting is Director Nomura, who is an outside director.

Evaluation of Effectiveness in Board of Directors Meeting

Every year, an evaluation of the effectiveness of the Board of Directors is conducted by all members of the Board of Directors and audit & supervisory board members.

Self-assessments based on questionnaires and interviews are conducted and utilized to improve the Board of Directors Meeting.



This is an assessment of the effectiveness of the Board of Directors Meeting, which we conduct every year.

The internal secretariat currently conducts this program for all board members and auditors. The questionnaire and the interview are conducted internally, so it is a self-evaluation.

There is naturally the notion that external evaluations should also be received. The reason why we have been doing this internally is that when we look at external interviews, there is a questionnaire that contains a standard set of items, which the board members and auditors fill out, and then they are evaluated according to a certain system. We have been doing this internally for a number of years, with the idea that it would be better to evaluate the effectiveness of the system by conducting in-depth interviews internally.

However, there is a risk of being self-indulgent, so we would like to have an external evaluation next time and proceed with an assessment of effectiveness.

Efforts to Strengthen the Compliance Management System

- (1) Revision of rules on the donations**
- (2) Efforts to strengthen the compliance management system**
- (3) Efforts to maintain the lessons learned from the Mie University misconduct**
- (4) Training for employees**
- (5) Whistleblowing system**

Tsujinaka: This is the flow of today's discussion regarding our efforts to strengthen our compliance management system.

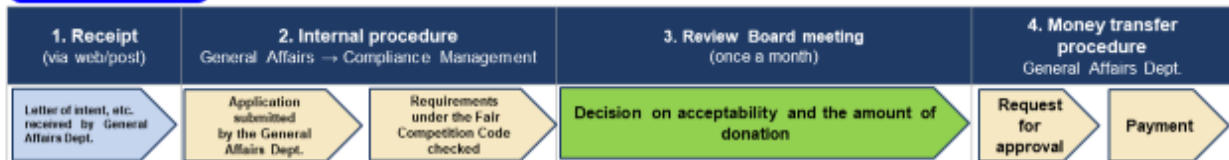
(1) Operation of the Review Board for Academic Society/General Donations and Supporting Membership Fees

Operational change

(Ideal state) While maintaining social contributions to the development of medications and pharmaceuticals, (i) have an independent department make donation decisions, (ii) prevent involvement of front-line employees in donations, and (iii) secure fairness and transparency

- In October 2021, we revised the operational flow for the decisions to pay academic society/general donations and supporting membership fees, allowing the General Affairs Department to receive all donation proposals and the Review Board to make final approval.
- In April 2022, we shifted the channel of receiving academic society/general donation proposals to an open proposal system via a dedicated website to further ensure fairness and independence, preventing the front-line employees concerned from interacting with relevant healthcare professionals in receiving letters of intent or other documents.
- We are operating the donation system with enhanced fairness and independence based on objective criteria by minimizing employees' interaction with healthcare professionals in the payment procedure.
- Specifically, proposals are discussed and approved by a board consisting of the General Affairs, Compliance Management, and Legal Departments, along with an external expert (lawyer), with no involvement of Sales, R&D, etc.

Operational flow



Donations subject to review: General donations, donations to academic societies, donations to patient organizations, supporting membership fees

Note: No review contents/results are disclosed internally or externally.

Overview of the Review Board

Chairperson	Senior Director of Legal Department
Members	Senior Director of General Affairs Department, Senior Director of Compliance Management Department, etc.
External expert	Kentaro Kitagawa, * Lawyer, Chuo Sogo Law Office, P.C.
Observers	Senior Director of Business Audit Department, etc.

	Proposals reviewed		Successful proposals	% ratio
	Total	Monthly average		
Total	707	64.3	402	56.9%
General donations	89	8.1	52	58.4%
Academic donations	401	36.5	147	36.7%
Supporting membership fees	217	19.7	203	93.5%

(Secretariat: General Affairs Dept.) * Formerly Chief Public Prosecutor, Osaka District Public Prosecutors Office

The Review Board meets once a month and keep documents their reviews. Activities: 11 meetings held between October 2021 and August 2022

The first slide I am showing you is the operation of the Review Board for the academic societies, general donations, supporting membership fees, etc.

We have already announced that we withdrew all scholarship donations. In addition, we have not made any new donations to endowed lectureship at universities or other institutions since 2nd Half of FY2021. The last two remaining projects will be completed in 2023, and we have announced that this will be the final project.

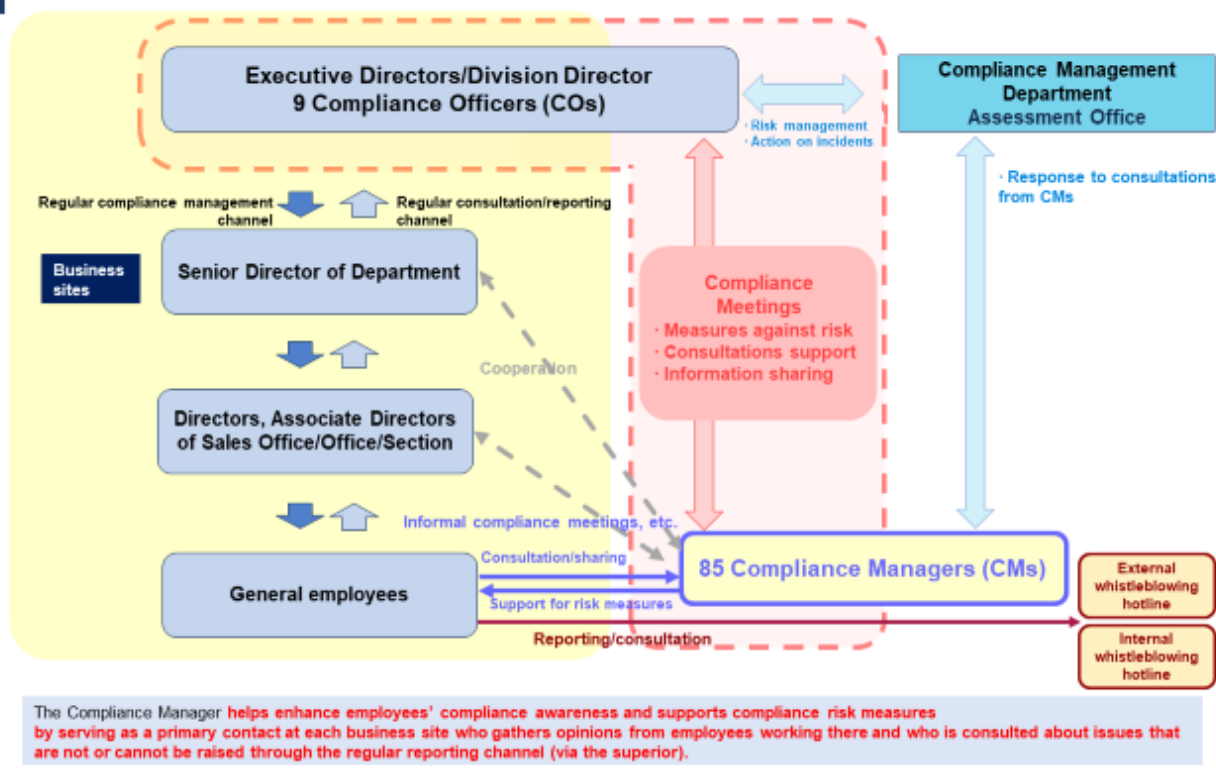
We also announced that we have established the “Ono Pharma Oncology, Immunology, Neurology Research Foundation” on January 31, 2023, and that we will make our contribution to academia through this foundation.

This does not mean that all donation relationships have been cleared up, and there is still the handling of money by pharmaceutical companies with medical professionals. Such examples are donations to academic societies, general donations for anniversary projects, and supporting membership dues, etc. and there are still many opportunities for employees to be involved in money matters with medical professionals. We believe this should also be eliminated.

Therefore, we have established a Donation Review Board chaired by the Senior Director of the Legal Department. We formed this committee, which included the Senior Director of the Legal Department, the General Affairs Department, the Compliance Management Department, and the outside attorney, as well as the Senior Director of the Operational Audit Department as an observer. This review board will handle all donations. And as for the application, each medical professional can access our internal website and apply, and only the members of this donation review board can handle who submitted what kind of donation application and what the results of that review are. In other words, we have adopted a system that eliminates

any opportunity for our employees to handle all money-related transactions with medical professionals, so that we will never again make a major mistake.

(2) Efforts to Strengthen the Compliance Management System



We have had the unfortunate misconduct of two employees being arrested for bribery in 2021. We fundamentally reviewed our compliance management system from the viewpoint that such a thing must never happen again.

First, in order to strengthen the reporting system to outside directors, we regularly report to the Board of Directors Meeting on our efforts to strengthen this compliance management system. In 2022, we reported four times in January, March, April, and August. On this basis, the following initiatives are being implemented.

First, we appointed nine executive directors and department heads of each division as compliance officers. We also appointed 85 compliance managers at each of the 85 workplaces in the Company. In addition, 158 assistants have been appointed to support the large sales department.

With this, what we will do is to conduct frequent workplace roundtables. Our intention in holding these workplace roundtables is not only to correct violations of compliance that have occurred, but also to identify behavior and actions that, if left unchecked, could develop into violations of compliance, even if they are minor, and to reflect them in our management to thoroughly implement measures that will contribute to preventing such violations from occurring in the first place.

Since October 2021, we have held 183 workplace roundtables and collected 605 consultation items including minor details. Among them, 48 cases were related to suspected harassment by immediate superiors, while others were related to the workplace environment. The efforts to reflect such comments in the management of each function and to contribute to the prevention of problems have gradually taken root.

(3) Efforts to Maintain the Lessons Learned from the Mie University Misconduct

Training focusing on the Mie University misconduct: Avoiding making the same mistake again

> Message from the President on the purpose of the training

[Lectures by instructors (senior partners, Compliance Management Department)]

1. Overview of the Mie University misconduct
2. Impact of the Mie University misconduct on our company
3. What we are expected to do as a company
4. Challenges for compliance of laws and regulations

[Discussion moderated by the chairperson]

5. Future actions (thoughts, opinions, etc)

> Message from the Officer in charge of compliance at closing

Training conducted

- ◆ January to February 2022
Company-wide training in groups (by business site) 63 groups (3,248 employees)
* Moderator: Senior Director/Director served as chairperson.
Instructors: Senior Partner Awata, Senior Partner Sano, Compliance Management Department
- ◆ March 8 and 23, 2022
Those absent from the above trainings 2 groups (12 employees)
65 groups, 3,260 employees
- ◆ June 28, 2022
Employees who returned to work from leave 1 group (10 employees)
66 groups, 3,270 employees

Note: Other employees who have returned to work from leave will be trained during the October-December promotion months.

This is an effort to keep the Mie University misconduct from fading away. After the misconduct, we received a lot of advice from people outside the Company, who said that we should not keep this misconduct to the managements alone, that we should let all employees in the office know what happened, and that we should make efforts to ensure that this misconduct would never be forgotten. We immediately started working on this issue.

The contents of the lecture began with a video message from President Sagara, followed by a lecture by Mr. Awata, former Executive Vice President, and Mr. Sano, former Senior Executive Officer, who gave an overview of the Mie University misconduct, the impact of the Mie University misconduct on Ono Pharmaceutical, the disciplinary measures we received from the industry, and the fact that we were asked to refrain from visiting many medical institutions. We have disclosed all such matters to our employees.

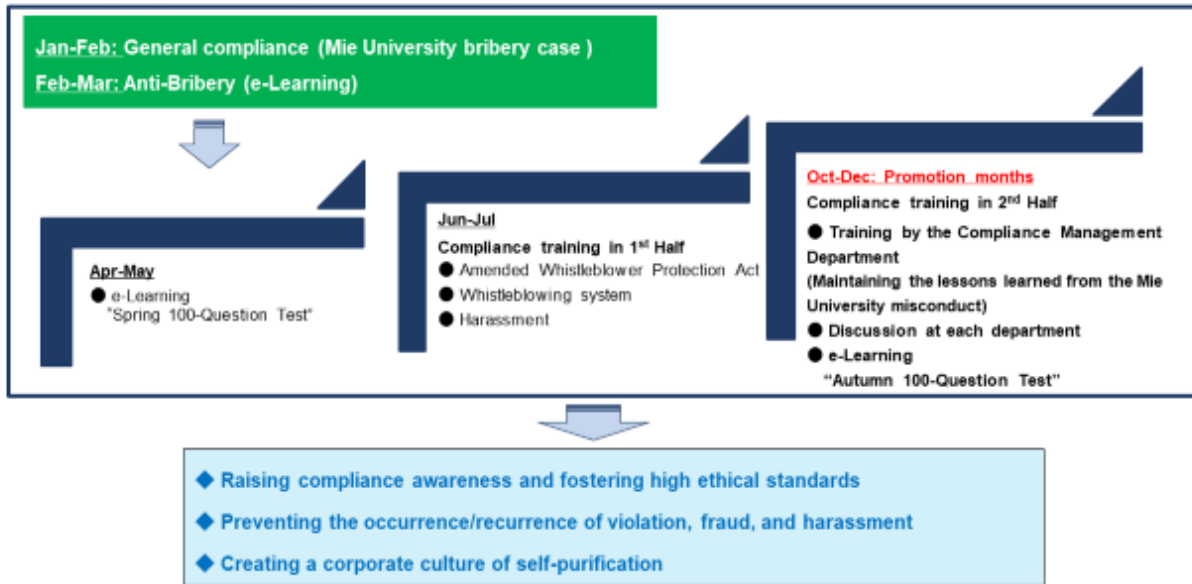
The leaders of each workplace took the role of chairpersons and asked employees to discuss what measures were necessary when extrapolating these issues to their own departments and summarize their impressions. This was implemented for all employees from January to March 2022.

We also made every effort to provide make-up classes to all employees who were absent during that period.

(4) Expanding and Enhancing Compliance Training

Goal: “Become a company in which every employee can act by taking compliance as their own responsibility”

➤ Company-wide compliance training procedure



What I am showing you here is the actual status of our company's compliance training.

We are constantly conducting compliance training three times a year, in April-May, June-July, and October-December, over a period of about six months.

In particular, during the October-December training sessions highlighted in red, we hold training sessions on the subject of Mie University, which I mentioned earlier, and we are determined not to let what happened in the misconduct fade away.

(5) Key Points of the Amended Whistlebling Policy and Status in Reported Cases

[Key points of the Whistlebling Policy]

- (i) Non-anonymous (i.e., with real names) reporting is required, in principle (if there is a justifiable reason anonymous reporting is also possible).
- (ii) Investigations are led by the Compliance Management Department.
- (iii) Those who have made a false statement or leaked information to a third party during an investigation may be subject to disciplinary action in accordance with the rules of employment, etc.
- (iv) Provide specific details about the content relating to confidentiality.
- (v) Detailed description of content that prohibits search for the whistleblower.

[Number of whistleblowing] The number has been increasing, and so has the number of non-anonymous reports. (10% before → 30% in 1st Half 2022)

	Breakdown	FY2019	FY2020	FY2021	First half	Second half	1 st Half 2022	Non-anonymous
Number of whistleblowing	Discrimination/harassment issues	22	15	29	7	22	12	6
	Personnel and labor management issues	2	1	2	0	2	2	1
	Others	44	6	29	8	21	11	1
	Total	68	22	60	15	45	25	8
Number of compliance violations	Discrimination/harassment issues	3	1	0	0	0	0	0
	Personnel and labor management issues	0	0	1	0	1	0	0
	Bribery	0	1	1	1	0	0	0
	Others	6	0	9	2	7	6	4
	Total	9	2	11	3	8	7	4

Notes: "Others" refer to violations of the rules of employment, internal policies/regulations, sales information provision activity guidelines, etc.
Number of compliance violations refers to the cases that led to disciplinary actions.

This is the last slide related to compliance. We have taken this opportunity to significantly revise our Whistlebling Policy.

At the time, the Whistleblower Protection Act was being revised, and outside attorneys pointed out to us that Ono had a whistleblowing system similar to other companies, and asked if it was really functioning. In most whistleblowing systems, majority of the whistleblowers' reports, if they are anonymous, are biased or inadequate and cannot be easily reflected in subsequent investigations, they explained. They said that if we really want the whistleblowing system to work well, we should make it a principle that reports should be made under real and known names.

When we received this advice, we wondered if it would really work, and we were concerned that it might not be easily accepted after it was introduced.

However, they said that if we are really willing to do this, we need to make the Company's whistleblowing system in such a way that the whistleblower's confidentiality is properly guaranteed, and that they can report and discuss anything in confidence. We were so impressed by these words that we decided to adopt this system.

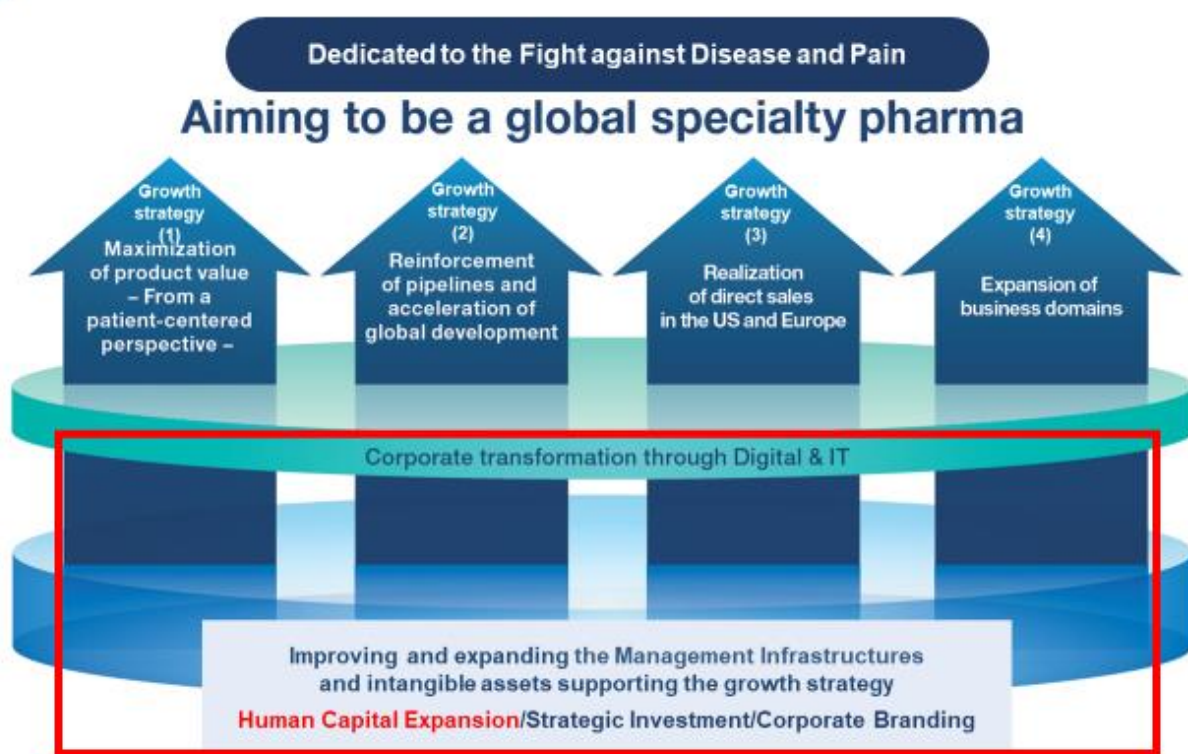
In principle, reports should be made under real names. Anonymity is also acceptable. Investigations are always led by the compliance management department. Disciplinary action may be taken against those who do not respond to interviews or who make false statements. We will protect the confidentiality of the content down to the specifics. Any action that may lead to a search for the whistleblower is strictly prohibited.

In fact, when we introduced this system following fall of 2021, the initial reports were all anonymous. Some, unfortunately, were also found to be searching for the whistleblower. We promptly investigated such conduct, and if it came to light, we punished the person and made public the details of such conduct.

Through such repeated efforts, we have gradually gained a wider acceptance, and in 1st Half of this fiscal year, from April to September, we received about 25 reports, including some about minor details, of which eight were submitted under real names.

Gradually, the internal reporting system, which was initially thought to be difficult, is now functioning. We will continue to take appropriate measures to strengthen compliance through this and other ways.

Four Growth Strategies and the Management Infrastructures



We continue to report on the expansion of human capital.

In our corporate report and other documents, we have stated our four growth strategies, corporate transformation through digital and IT, and the expansion of intangible assets as the management infrastructures to support these growth strategies. One of these is the expansion of human capital.

Strengthening the Management Infrastructures



Enhancing the management infrastructures and supporting the growth strategies by expanding intangible assets

◆ Human capital expansion

- **Cross-functional talent development**
(Next Executive talent, Globally Competent talent, Digital talent, Core Innovation talent)
- **Specialized talent development**
(Talent suited to each growth strategy)
- **Development of organizational culture**
(Promoting Diversity [DE&I] and Working Style Reform)
- **Enhancing employee engagement**

◆ Digital and IT

◆ Strategic Investment

◆ Corporate branding

As for the expansion of human capital, the direction of its disclosure is still under consideration. Therefore, today I will introduce something that is still under consideration, but it will consist of four main components.

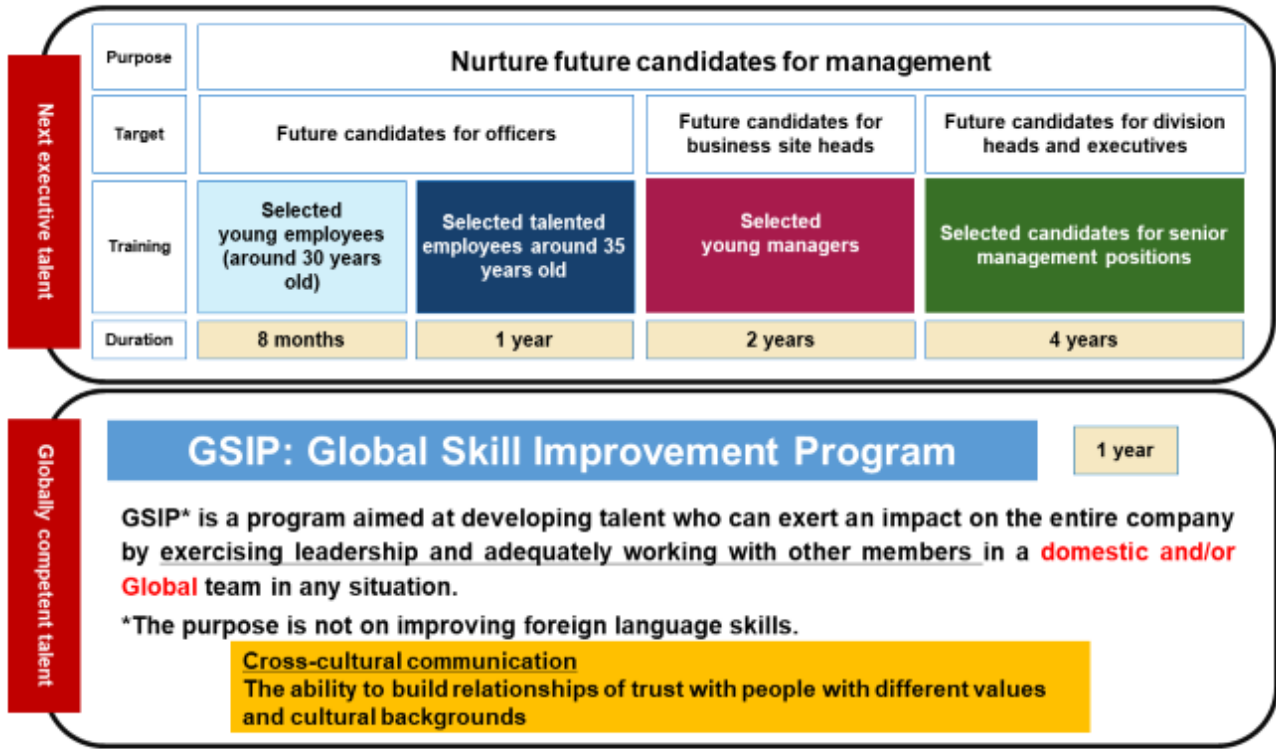
One is the cross-functional talent development. We would like to nurture next-generation management talent, global talent, digital talent, innovative human talent.

In addition, we would also like to nurture the specialized talent necessary to make the four growth strategies work.

In order to further accelerate the development of these talents, we believe it will be necessary to further foster a corporate culture that is suited for this purpose.

We believe that one of the areas in which our corporate culture is lacking is the promotion of diversity and the realization of diverse work styles. To further address this issue efficiently, ambitiously, and sometimes passionately, we have established initiatives that contribute to the improvement of engagement, and we would like to add Ono's uniqueness to these efforts, expressing our human capital and disclosing it to all of you.

Training to Nurture the Next Executive Talent and Globally Competent Talent



For example, in the area of management talent development, we would like to continue to develop talent by dividing them into four generations.

All training will be selective, and a system of replacement training is envisioned. First, for young trainees around 30 years old, for those around 35 years old who are one step away from management, for those in their 40s for young managers who are finally starting to see their managerial positions, and finally for those who have done such senior management positions before as executive candidate human resources, we have implemented this 1,000-day program over a four-year period.

We will train approximately 20 young people a year, 100 people in five years. The next-generation 20 people a year, 100 people in five years, 20 people in the next generation, 100 people in five years, almost on a rotating basis. We would like to create a situation where there are always about 250 next-generation candidates in the pool.

Four Growth Strategies and the Management Infrastructures



In addition, we need to develop professional specialized talent who can promote the four growth strategies, and for this, we need to ask each one what functions they need to perform and what kind of talent they need in order to realize these growth strategies. In order to visualize the situation, we are now envisioning about 700 candidates for talent development in all divisions.

We are planning to train 80% to 90% of them within three years over the next five years, and we intend to invest in the development of specialized talent in the future.

Strengthening the Management Infrastructures



Enhancing the management infrastructures and supporting the growth strategies by expanding intangible assets

◆ Human capital expansion

- Cross-functional talent development
(Next Executive talent, Globally Competent talent, Digital talent, Core Innovation talent)
- Specialized talent development
(Talent suited to each growth strategy)
- Development of organizational culture
(Promoting Diversity [DE&I] and Working Style Reform)
- Enhancing employee engagement

◆ Digital and IT

◆ Strategic Investment

◆ Corporate branding

The next step is to further foster an organizational culture for this purpose.

Promotion of Female Participation

Plan Period: April 1, 2021 to March 31, 2023 (2 years)

(1) Low percentages of female managers and female candidates for managers

Target: Increase the percentage of women among candidates for managers to 15% or more

As of December 1, 2022: 15.5%

(2) Creation of a working environment conducive to work-life balance

Target: Increase the percentage of male employees taking child-care leave to 75% or more

As of the end-December 2022: 75.6%

I believe that as to diversity, a typical example of which is the promotion of female employees, we have been very behind in this regard.

In the last two years, we tried to train such female employees in the assistant manager class, one step away from managers. We have been working toward our goal of having women account for at least 15% of employees at this level. We were able to achieve this goal finally.

Activities to promote Female Employee Participation

Foster a corporate culture that respects personal values and strives to create an organization that embraces diverse opinions

- KPIs set in light of the external and internal environments

KPIs (for 2031): Women accounting for at least 20% of managers

KPIs (for 2026): Women accounting for at least 10% of managers

Increase the percentage of female managers and make the transformation of our corporate culture visible in four years



This time, we will increase the number of female managers to at least 20% of the total by 2031. We would like to set a specific goal of 10% or more by 2026.

Of course, I don't think it should be just about numbers. Looking at the current status of our female employees, we have a certain number of female employees when they join the Company. Until about 10 years after joining the Company, there is almost no difference in the number of women and men in the top 25% of positive evaluations.

However, the next decade will make a difference. In short, there is a gap in the timing of life events, and we would like to introduce new measures to solve this problem and work toward our goal of achieving 10% or 20% ratio of women in management positions.

Post-COVID Work Style (From May 2023 onward)

To foster a sense of unity and allow diverse working styles at the same time, telecommuting rules will be

Set by Each Division, in principle.

Optimal work styles are sought through periodical reflections and reviews.

- In principle, an opportunity for face-to-face communication should be provided at least twice a month, e.g., by holding a meeting attended in person by all members of the team.
- In principle, participants (except for voluntary participants) should keep the camera on during online communication.
- In principle, wearing appropriate attire is also required on the day of telecommuting.

In principle, there is no limit to the number of telecommuting days available to employees with special reasons (e.g., pregnancy, childcare, nursing care).

Next, I would like to make a few introductions from the perspective of diverse work styles.

We believe that all companies have advanced remote work due to the COVID-19 pandemic. Remote work style post-COVID-19 must be well defined for us in the future.

Our goal is to increase efficiency in remote work while at the same time achieving team building, two outwardly contradictory outcomes that are firmly in place.

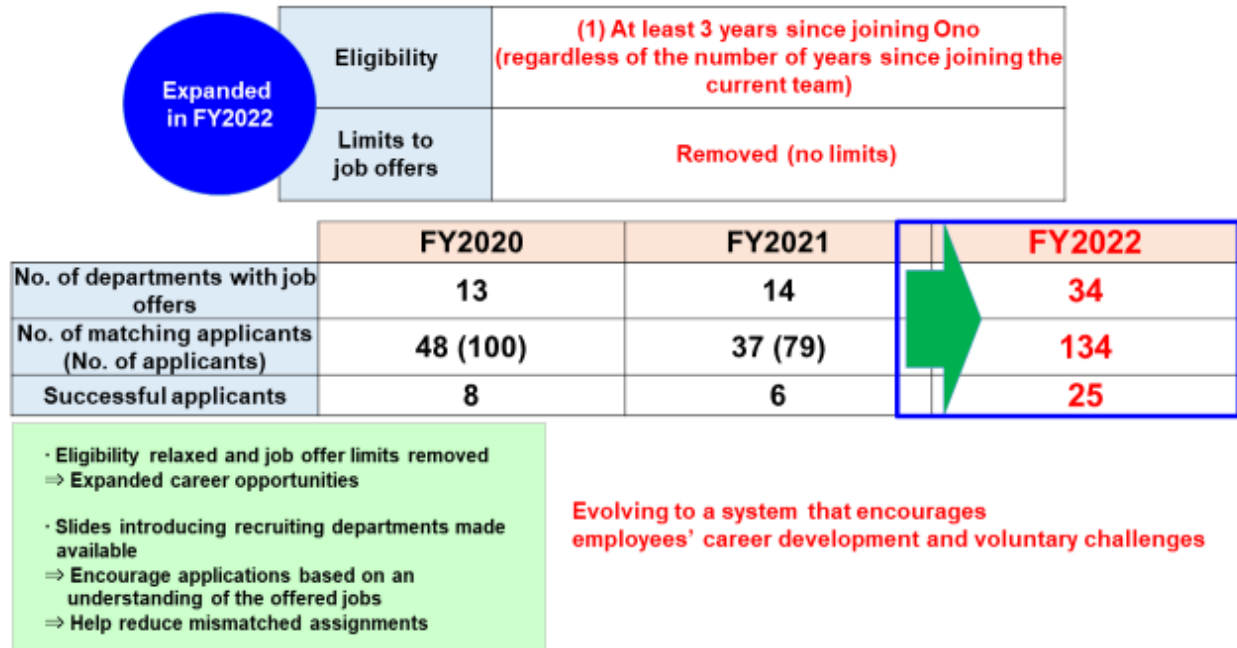
As for ONO's approach, even if we uniformly adopt remote work, there are places where it is possible and places where it is not. It is assumed that the level of involvement will differ depending on the department, such as those working in manufacturing plants, those in research departments, those in digital-related fields, and those in sales departments.

Therefore, face-to-face meetings that contribute to team building should be held at least twice a month, and this is a mandatory. We will then set other rules by department, and try to achieve both efficiency and team-building, and we will implement these efforts.

We would like to further study the future operation of the program while evaluating its effectiveness.

Individual Diversity Development Program 1: Expansion of the Open Recruitment System

For the purpose of promoting employees' career development and enhancing the organization's vitality and competitiveness through personnel exchanges, we will solicit job offers from each department and reassign personnel by matching those offers with applicants.



Next, we are expanding one of our open recruitment programs called the Individual Diversity Development Program.

Since joining the Company, once our employees have continued to grow in the department of Sales, Research, Development or other fields, they tend to be optimal in each department with their established values. Therefore, we would like to challenge personnel affairs that straddle departments as much as possible.

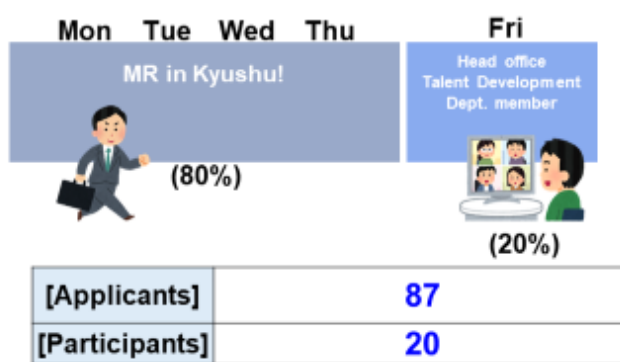
As one of the attempts, we have been actively enlightening and educating our employees, saying, "Let's raise hand boldly and take on the challenge to work in other departments through open recruitment system."

In FY2022, we had 34 departments recruiting, 134 people raised their hands, and as a result of the matching process, 25 people took on the challenge to work in new departments. We intend to further expand this program in the future.

Individual Diversity Development Program 2: (Expansion of the Open Recruitment System) Introduction of an internal challenge job system



- Those who want to try a different role but are concerned about suitability
- Those who are not thinking about moving to another department right now but want to broaden their perspectives by learning more about other departments
- Those who want to know about the work in a specific department or deepen exchanges with people in other departments
- Teams that are looking for opinions from various points of view but cannot afford to increase the staff immediately



As a unique system, we have the second programs to develop individual diversity, the Challenge Job System.

It means that if you have a five-day per week and actual five working-days, you will challenge to work at another department for one of those days, namely for 20% of the week. We have started this program first for our MRs at the Sales and Marketing division, to encourage this challenge by raising their hand, who may consider what kind of work is done and whether there may be work that might be suitable for them, although they may hesitate to raise their hand in an open recruitment process.

Eighty-seven people raised their hands, and twenty people actually took on challenge jobs. This has led to the discovery of new talents beyond our expectations, and we are in the process of verifying this. If possible, we would like to expand this to all divisions to discover diverse talents and develop individual diversity.

Strengthening the Management Infrastructures



Enhancing the management infrastructures and supporting the growth strategies by expanding intangible assets

◆ Human capital expansion

- Cross-functional talent development
(Next Executive talent, Globally Competent talent, Digital talent, Core Innovation talent)
- Specialized talent development
(Talent suited to each growth strategy)
- Development of organizational culture
(Promoting Diversity [DE&I] and Working Style Reform)
- Enhancing employee engagement

◆ Digital and IT

◆ Strategic Investment

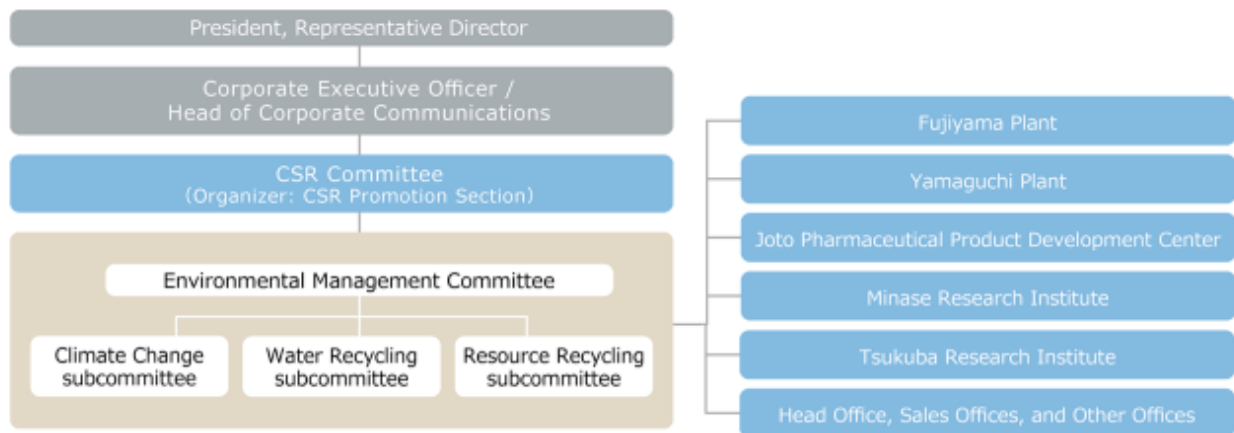
◆ Corporate branding

Lastly, to improve employee engagement.

Although we have not yet reached the point where we can provide specific details, we would like to improve employee engagement by expanding the existing award system and introducing a system to motivate employees through the revision of the personnel system that we are currently working on. We would like to present these things as an integrated package, as a new human capital expansion soon in front of all of you.

That is all.

Environmental Promotion Structure



■ Environmental management system compliant with ISO 14001 (production sites)

Production site name	Certification status
Fujiyama Plant	Certified
Yamaguchi Plant	Certified

Tani: I would like to explain our efforts to protect the global environment and improve access to healthcare.

First of all, we have established this environmental promotion structure for the protection of the global environment. We have established and are proceeding with a company-wide promotion system tied to the President.

Environmental Vision (established in 2019)

Recognizing that our business activities benefit from the environment and aiming to realize a sustainable and affluent society, we have adopted the environmental vision, "Environment Challenging Ono Vision (ECO VISION 2050)" and are striving to resolve environmental issues in view of the future in 2050.

■ Environment Challenging Ono Vision (ECO VISION 2050)



■ Three Priorities

Medium- to long-term targets and annual targets set to pursue them

Realization of a decarbonized society

Realization of a water recycling society

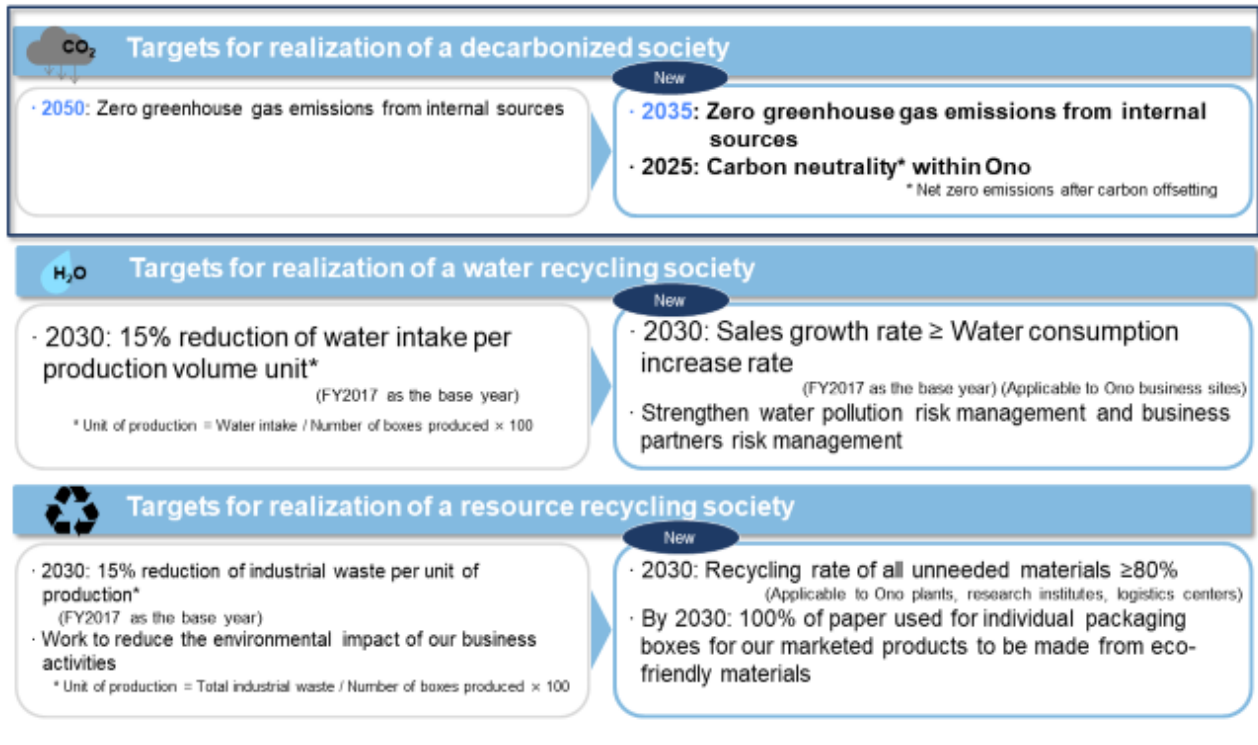
Realization of a resource recycling society

In 2019, we formulated our medium- to long-term environment vision, ECO VISION 2050, with a view to the future in 2050.

We have been promoting our activities by setting up the medium- to long-term goals and annual targets with three priority issues of "Realization of a decarbonized society," "Realization of a water recycling society," and "Realization of a resource recycling society."

However, with the aim of further accelerating these efforts, we have reviewed and set up the new medium- and long-term targets, which we released yesterday. Today, I would like to briefly explain our new medium- to long-term environmental targets.

New Medium- to Long-Term Environmental Targets



Here are new medium- and long-term targets.

As for the targets for the realization of a decarbonized society, we have moved up the target year for achieving zero greenhouse gas emissions in Scope 1 and 2 to 2035, which was originally set for 2050 in the original plan. As a precondition for this, we have added the goal of achieving our own carbon neutrality by FY2025.

We have also reviewed our goals for the realization of a water recycling society. Until now, we have simply focused on the amount of water resources used and have been working toward the goal of reducing the amount of water intake per production volume unit by 15% by FY2030, compared to FY2017. Our revised goals are to keep the rate of increase in water consumption below the sales growth rate and to strengthen water pollution risk management and risk management of our business partners.

We have also reviewed our targets for the realization of a resource recycling society. The new goal is to achieve a recycling rate of 80% or more for all unneeded materials by 2030. The target will be our own factories, research institutes, and logistic centers. In addition, we aim to change 100% of the paper used for individual packaging boxes for our marketed products to be made from eco-friendly materials by 2030.

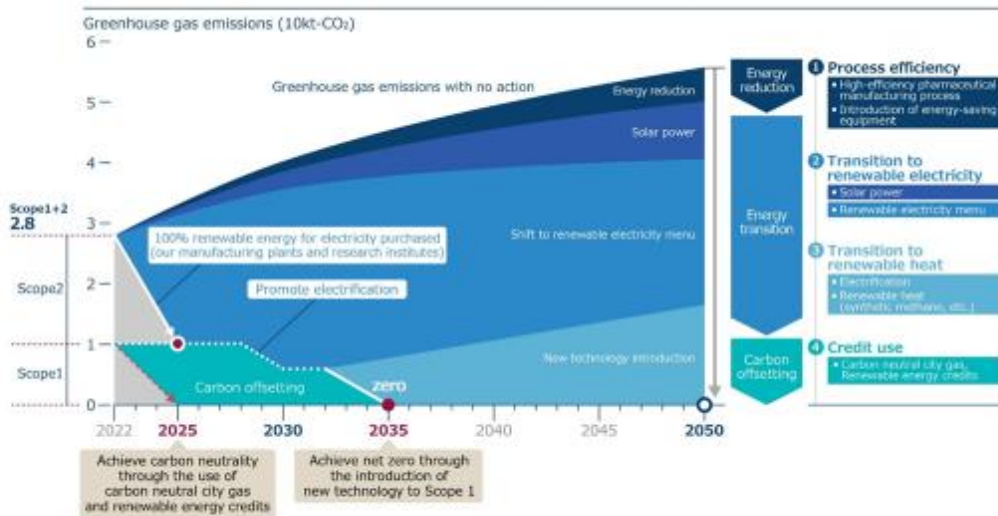
Realization of a Decarbonized Society (Updated)



- Our medium- to long-term targets for greenhouse gas emission reductions (our own emissions) have been approved by SBTi as science-based targets.
- To accelerate our efforts toward a decarbonized society, the target year to achieve **zero** Scope 1+2 emissions has been moved up from 2050 to **2035**.
- We will further increase the use of renewable energy (we joined RE100* in 2020).

◆ Roadmap to zero Greenhouse Gas emissions (Scope 1+2)

* An international initiative aimed at sourcing 100% renewable electricity for business activities

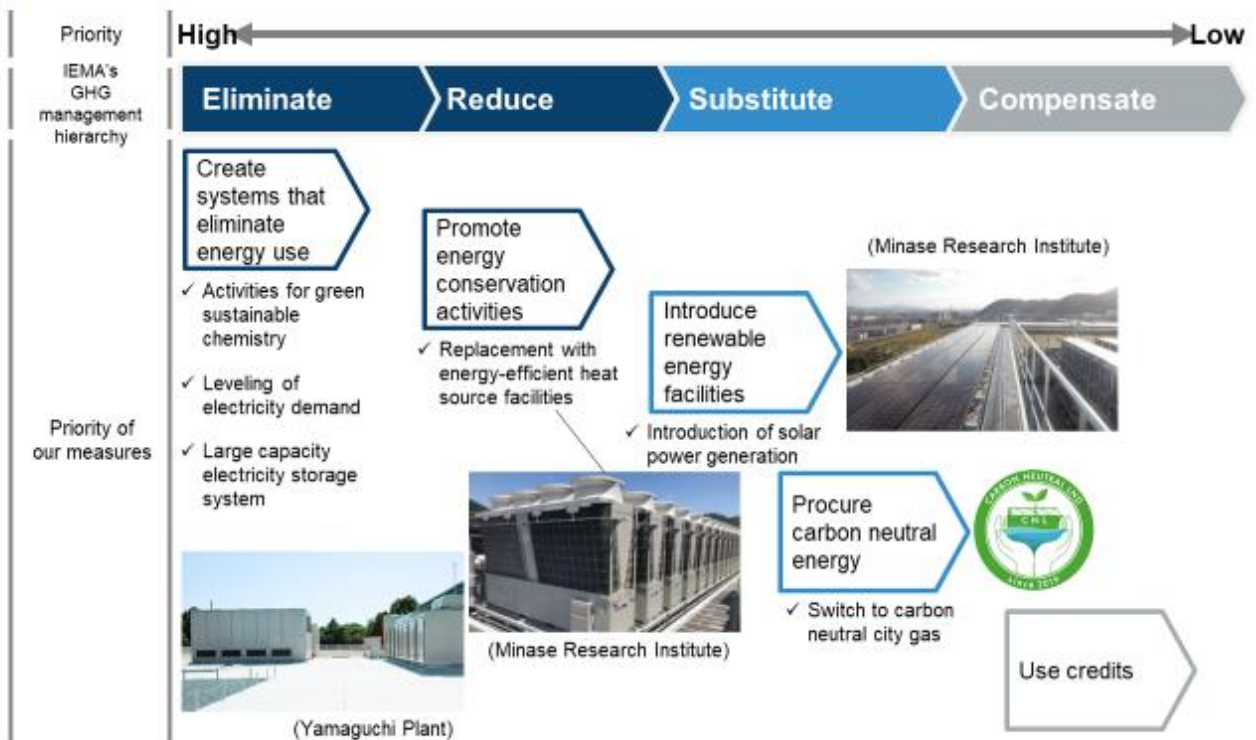


This shows our roadmap for achieving a decarbonized society.

In our previous plan, we aimed to achieve zero greenhouse gas emissions in Scope 1 and 2 by reducing energy due to streamlining processes such as investments in energy-saving equipment, introducing solar power generation, switching to a renewable energy power menu, and introducing, although not currently available, new technologies.

As a result of this revision of our target, we intend to switch to a renewable energy electricity menu to achieve 100% renewable electricity for power purchased at our factories and research institutes by 2025. For gas, we intend to utilize carbon-neutral city gas and other credits as well.

Priority of Greenhouse Gas Reduction Measures



Priority of Our GHG Emission Reduction Measures
 (Source: Created by Ono based on materials from ENECHANGE Ltd.)

This is the priority level for specific greenhouse gas reduction measures.

A high priority is avoidance, so-called creation of a system that does not use energy, and then reduction by promoting energy-saving activities, as well as introduction of renewable energy equipment as an alternative, etc. which is one of measures for introduction of solar power generation. Lastly, the credit will be utilized to offset emissions.

Currently, we would like to invest approximately JPY5.2 billion by 2030 in equipment costs for solar power generation installation sites and electrification facilities at the Fujiyama Factory.

Climate-related Financial Disclosures (Risks)



- Endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in October 2019
- Disclosed actions in the categories of governance, strategy, risk and opportunity management, and indicators and targets, as recommended by the TCFD
- Working to integrate the risks into Enterprise Risk Management System and updating the risks annually

Risks Related to Climate Change and the Effect on Finance and Business

Factor	Value chain	Risk and impact	Financial impact*	Management approach
Society aiming for below 1.5°C	Regulatory risk	ONO Increased carbon tax burden Our burden of carbon tax levied on greenhouse gas emissions may increase due to the possible tightening of climate change-related regulations.	¥1.9 billion	Mitigation • Achieve the greenhouse gas emissions reduction target (Scope 1+2) in line with the 1.5°C target • Implement energy saving and green energy investment plans to achieve the target
		Suppliers Carbon tax passed on to procurement prices Suppliers' burden of the carbon tax levied on greenhouse gas emissions may increase due to the possible tightening of climate change-related regulations, and suppliers may pass on the carbon tax burden to us through higher procurement prices, potentially resulting in an increase in our materials costs.	¥0.6 billion	Mitigation • Achieve greenhouse gas emissions reduction target (Scope 3) • Strengthen engagement with suppliers to achieve the target
If the temperature rises by 4°C	Physical risk	ONO, manufacturing contractors, suppliers Flood risk (acute) Acute damage (flood) risk from typhoons, etc. may increase, and an interruption of operations caused by damage to production facilities or damage to storage facilities may potentially result in a decrease in revenues.	¥2 billion	Adaptation • Introduce emergency power generators at main bases and conduct periodic maintenance • Integrate climate risks into enterprise risk management (ERM) • Ensure cooperation with suppliers (e.g., consider floodproofing measures at product storage locations and at suppliers. Elevated storage in recognized flood risk areas will be addressed during 2022) • Secure multiple suppliers • Consider the impact of flood due to climate change in the business partner selection process
		Water shortage risk (chronic) Since sufficient inventory is maintained, it is not likely at present that water-use restrictions due to long-term depletion of water resources will cause an interruption of our operations, resulting in a decrease in revenues.	¥0 billion	Adaptation • Secure proper inventory to avoid loss of opportunities • Maintain a cooperation system with business partners

* Financial impact: The maximum value during the period from 2020 to 2030 in the 1.5°C or 4°C scenario (showing cumulative value to regulatory risk)

Mitigation Measures to reduce emissions of greenhouse gases that cause climate change

Adaptation Measures to prevent or mitigate damage caused by the effects of climate change that have already occurred (or are expected to occur in the future)

As shown in the Corporate Report, we disclose risks and opportunities in terms of disclosure of climate change-related financial information.

Here are the four risks extracted from the analysis. We anticipate a financial impact of JPY1.9 billion for the risk of increasing decarbonization burdens, JPY600 million for the conversion of carbon taxes to procurement prices, and JPY2 billion for flood risk.

Climate-related Financial Disclosures (Opportunities)



- Endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in October 2019
- Disclosed actions in the categories of governance, strategy, risk and opportunity management, and indicators and targets, as recommended by the TCFD
- Working to integrate the risks into Enterprise Risk Management System and updating the risks annually

Opportunities Related to Climate Change and the Effect on Finance and Business

Factor		Value chain	Risk and impact		Financial impact ¹	Management approach
Society aiming for below 1.5°C	Opportunity from resource efficiency	ONO	High-efficiency pharmaceutical manufacturing process	The introduction of process design that takes green and sustainable chemistry ² into account, and high-efficiency pharmaceutical process technologies, such as continuous manufacturing, can provide opportunities to reduce energy and raw material costs.	¥2.3 billion	<ul style="list-style-type: none"> • Define indicators for assessing resource efficiency • Develop systems
If the temperature rises by 4°C	Business opportunity	Customers	Preventive/treatment products	If disease trends change due to global warming, demand for existing drugs (for melanoma, etc.) may increase, or the development and sales of new drugs may have a favorable impact on revenue.	¥0.5 billion	<ul style="list-style-type: none"> • Additional indications for existing pharmaceuticals • Enhance the new compound library • Make use of open innovation, etc.
Society aiming for below 1.5°C	Reputation opportunity	Investors, customers, recruitment market	Corporate value improvement	It is possible that our efforts to tackle climate change will help us earn customer trust, retain employees, improve our reputation in the recruitment market, and improve ESG investors' evaluation of our performance, thus contributing to the creation of corporate value.	(Contributing to the creation of corporate value)	<ul style="list-style-type: none"> • Appropriately disclose the results of activities undertaken to the public

¹ Financial impact: The maximum value during the period from 2020 to 2030 in the 1.5°C or 4°C scenario (opportunities from resource efficiency are cumulative values)

² Green Sustainable Chemistry: A concept that aims to reduce environmental impacts throughout the life cycle of chemical substances in order to realize a sustainable society

•For more information on the TCFD, access the English website of the Task Force on Climate-related Financial Disclosures (TCFD) at <https://www.fsb-tcfd.org/>.

On the other hand, as opportunities, we anticipate opportunities, including JPY2.3 billion due to the establishment of indicators and the system development related to resource efficiency, and JPY500 million due to the expansion of business opportunities through the addition of indications of existing drugs and the enhancement of the library of new compounds.

Changes in the impact of this modification in product mix are reviewed annually based on a risk analysis.

Efforts to Improve Access to Healthcare



From here on, I would like to explain our efforts to improve access to health care.

We are committed to improving access to health care as one of our materialities, which is respect for human rights.

One of our efforts to improve access to health care is to deliver innovative new drugs, including those for rare diseases and pediatric indications, to address the issue of drug shortages.

In addition, to address the issues of insufficient medical infrastructure and lack of economic strength, we are working in partnership with NPOs to build medical infrastructure.

Efforts to Improve Access to Healthcare

Drug shortage



Insufficient medical infrastructure



Weak finances



◆ Obtain approval for rare diseases and pediatric use

	Approved indications for rare diseases	Approved indications for pediatric use
OPDIVO intravenous infusion	Malignant melanoma, Hodgkin lymphoma, Malignant pleural mesothelioma, Cancer of unknown primary	Relapsed or refractory classical Hodgkin lymphoma
Kyprolis for intravenous infusion	Relapsed or refractory multiple myeloma	—
Demser Capsules	Improvement of catecholamine excess and various symptoms in pheochromocytoma	Improvement of status of catecholamine excess secretion in patients with pheochromocytoma
Braftovi Capsules	BRAF ^{V600} mutation-positive malignant melanoma	—
Mektovi Tablets	NRAS or BRAF ^{V600} mutation-positive malignant melanoma	—
Velexbru Tablets	Primary central nervous system lymphoma, Waldenström's macroglobulinemia, Lymphoplasmacytic lymphoma	—
Onoact for intravenous infusion	Life-threatening refractory and emergent cardiac arrhythmias: ventricular fibrillation and hemodynamically unstable ventricular tachycardia	Tachyarrhythmia (supraventricular tachycardia, atrial fibrillation and atrial flutter) in patients with low cardiac function
Orencia for intravenous infusion	—	Active polyarticular juvenile idiopathic arthritis

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This is an initiative to improve access to health care. Each product approved for the treatment of rare diseases and pediatric diseases are listed here.

In this fiscal year, ONOACT was approved for the treatment of tachyarrhythmia in pediatric patients with low cardiac function.

Efforts to Improve Access to Healthcare

Drug shortage



Insufficient medical infrastructure



Weak finances




◆ Build medical infrastructure through partnership with NPOs


ONO Bridge Project

Helping regions with poor medical infrastructure overcome challenges on their own not only by making donations but also by contributing to improving their access to healthcare over the medium to long term through unified efforts of employees

<2022-2026>

 **Cambodia**
Partner: Japan Heart
Program to improve access to healthcare for pediatric patients

- Develop skills of Cambodian medical professionals
- Set up medical equipment required for advanced medical care
- Offer free medical services through mobile clinics

 **Myanmar**
Partner: People's Hope Japan
Program to improve access to healthcare for pregnant/postpartum women

- Develop human resources and conduct regional healthcare activities to improve maternal and child healthcare

 **Additional measures expected**

2018-2021

ONO SWITCH Project





- Switch the funds obtained through working style reform to donation
- Support improvement of access to healthcare in Cambodia, Myanmar, Bangladesh, Bhutan, etc.

As part of our efforts to improve access to health care, we are currently working with a non-profit organization (NPO) under the ONO Bridge Project to address the lack of medical infrastructure and economic strength.

Specifically, we are working with Japan Heart on a program to improve access to medical care for pediatric patients in Cambodia by training skilled medical personnel, setting up medical equipment necessary for advanced medical care, and providing free traveling clinic services in the region.

We are also working with People's Hope Japan on human resource development and community protection activities to improve maternal and child healthcare in Myanmar in cooperation with the program to improve access to maternal health care.

External ESG Evaluations

		FY2018	FY2019	FY2020	FY2021	FY2022
DJSI	<small>Member of Dow Jones Sustainability Indices <i>(Owned by the S&P Global Co.)</i></small>	—	—	World Index Industry Mover	World Index Bronze Class	World Index
	Climate Change	A	A	A	A	A
	Water	B	A-	A-	A	A
FTSE		Included	Included	Included	Included	Included
	 	Score:3.2	Score:3.4	Score:4.1	Score:4.2	Score: 4.3/5.0
MSCI Japan ESG Select Leaders Index		Score:BBB	Score:A	Score:A	Score:A	Score: AA
Nikkei Smart Work Management SDGs Management		★3.5 —	★4.0 ★4.5	★4.0 ★4.0	★4.0 ★4.0	★4.0 ★4.0
Survey on Health and Productivity Management		White 500	Health & Productivity Stock White 500	White 500 (among top 50)	White 500 (among top 50)	White 500 (among top 50)

Through these efforts, we are currently receiving high ratings from external ESG evaluations.

Lastly, since FY2018, external evaluations on ESG have been gradually increasing. In FY2022, CDP selected us for the A-list in climate change for the fifth consecutive year, in recognition of our measures against climate change.

We have also been selected for the A-list in water for two consecutive years.

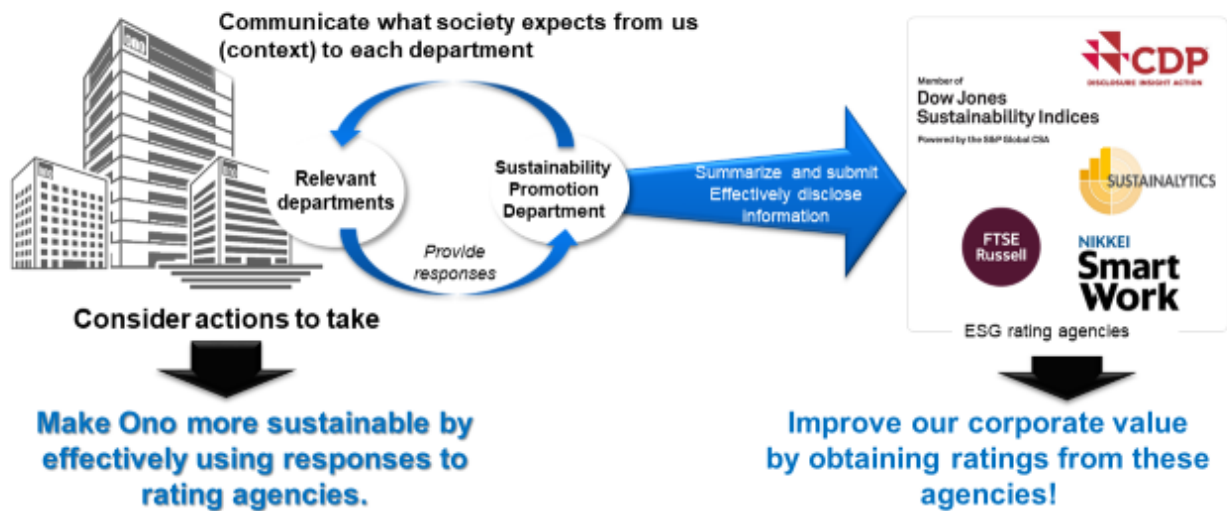
We believe that we are one of only four pharmaceutical companies in the world to have received this double-A certification for climate change and water, and we are highly commended for this.

In addition, the DJSI, the world's leading ESG investment index, has selected the Company as a component of the DJSI World Index and the DJSI Asia/Pacific Index for three consecutive years. This has also positioned us as the sixth ranking in pharmaceutical domain in the world.

Effectively Using External ESG Evaluations

Questions asked by ESG rating agencies

≈ What a sustainable management company should think and do
The level of sustainability they demand is increasing year by year.



ONO ONO PHARMACEUTICAL CO.,LTD. 46 /46

Regarding external ESG evaluations, while it is naturally important to obtain a high evaluation, we look at what points are evaluated in the external ESG evaluations.

In other words, we believe that the point is what is required by society, and that sharing and working together with all related departments and divisions to address these issues, along with those in the background, will ultimately lead to increased corporate value.

We will continue to challenge ourselves to realize a sustainable society and company by sincerely listening to external voices.

Question & Answer

Questioner 1: I have some questions. In the section on human capital, you explained in detail some of your initiatives, such as the development of specialized talent, but I feel that these initiatives are focused on internal talent. I would like to know how you think about the recruitment of external talent.

In the human right section, I thought it was unique that you included access to medical care in a human right, but I have heard from other companies that it is difficult to select NGO partners and manage the progress of the project. Please let me know what you are doing in this area.

Tsujinaka: I would like to start by answering your question about the recruitment of external talent. Our intention is to develop talent within the Company, but not limited to internal development, as it includes visualizing the talent we need. If we cannot meet the needs within the Company, we will take on more and more people from outside the Company.

Questioner 1: I see. So, would it be correct to say that they will be recruited from outside and trained in a similar system?

Tsujinaka: Yes, I would like to work on both sides.

Questioner 1: Are you saying that there is no distinction between inside and outside the Company?

Tsujinaka: That is correct.

Tani: Regarding the improvement of access to health care, I will answer. We have started our relationship with NPOs around 2020. At the time, we were working with these NPOs in the ONO SWITCH project. In addition to Japan Heart and People's Hope Japan, we have been working with several other NPOs, including the Japan Committee for Vaccines for the World's Children, which provides support for Bhutan. In the course of our discussions, we have decided to work in cooperation with these two NPOs, based on our evaluation of the past activities.

As for management, we have received messages from NPOs which are placed on our intra-site, and are confirming what kinds of activities have actually been carried out in the field.

If possible, we would like to visit Cambodia by ourselves to get a better grasp of the situation once the COVID-19 pandemic has subsided. As for Myanmar, there is political unrest there, and so it is difficult for us to go there. We have received video messages from people who are there, and are confirming the situation.

Questioner 1: I understand very well. I hope you keep providing feedback on your initiatives.

Questioner 2: It is about updating the medium- to long-term environmental targets. I would like to know how you are analyzing the progress against the existing goals, and what is the background and reason for the updates. Is it because the world is more demanding and you have updated accordingly, or is it because you have made good progress in your previous efforts, or is it because technological innovation has raised the bar for what you can aim to achieve in the future? I would like to know more specifically about this background.

Sagara: There are several key points. First, the demands of the world and the environment have changed dramatically.

The other thing is that we announced the medium- to long- term environment targets in 2019. At that time, our efforts were highly regarded as pioneering and, in a sense, challenging. As a company, we have been working to become the industry's leading environmental company. However, since then, each company has announced their own plans, and when we looked at the contents of those plans, we saw that we might be able to plan to implement various activities by 2035, or in some cases, by 2030. As a result, we renewed our plan this time.

We have been working with the plan in stages, where we had set a goal for 2050. Progress has been made according to the plan so far. However, moving up the date from 2050 to 2035 will require further investment, and we would like to move forward while obtaining consensus on this point as well.

Questioner 3: This may be a bit out of line with ESG, but I would like to ask you a question. Historically, your company has been involved in various initiatives in open innovation through the collaboration with Kyoto University and has made various efforts since then. In particular, I believe that you are working to seek out open innovation in the US, including US startups and partnerships with the UC system.

It hasn't been that long yet, but there are still many aspects of the bio-industry that are drying up in the US. Are there any assets or seeds in this area? Or will prices go up or down? Is there any update on those matters, or the next vein of open innovation, including the most recent developments, or not? Please let me know if you can comment on anything about that.

Sagara: I think that there are new veins. Although there are various external and environmental factors, we are working on the basis that we believe we have new business chances in the field of view we are seeing.

As I mentioned earlier, the main points are whether the partners are of the world's top level and whether we, as a company, can continue to provide support. These are significant points where we have reached the current collaboration with them.

[END]