Material Issue 11

Promotion of Diverse Partnerships

Management of Priority Issues

Reason for being a priority issue	Our business is based on partnerships with diverse stakeholders. We will further strengthen networks and relationships of trust and cooperation with our partners and strengthen our brands, and thereby expand partnership opportunities and achieve growth strategies.			
Vision over the medium to long term	We strengthen company brands, etc. and accelerate business activities to promote partnerships with diverse stakeholders.			
Indicators	 The number of companies with which in-license and out-license agreements are concluded Number of joint research projects Other partnering results 			
Major activities	 Collaborating with partner companies in the research and development and sale of drugs Building relationships with local communities and municipalities Building cooperative relationships with the suppliers Building relationships with many partners for our business 			

Building partnerships that are essential to our business activities

Building partnerships with diverse stakeholders is extremely important in order to aggressively and strategically pursue our business activities, such as the discovery of innovative pharmaceuticals and the promotion of new businesses. We will build stronger relationships of trust and cooperation with our current partners, which will lead to sustainable growth. Building new networks is also essential, and we will continue to expand partnership opportunities by strengthening our own brands. In R&D, we have created many innovative new drugs through open innovation, and we will continue to collaborate with academia and many biopharmaceutical companies in our research efforts. We have also formed partnerships with many companies for the in-licensing and out-licensing of new drug candidate compounds, and we will continue to strengthen our relationships to expand our development pipeline. In the production of pharmaceuticals, too, we will continue to deliver high-quality drugs to many patients by strengthening our partnerships with many suppliers. In addition, in areas where our plants and laboratories are located, we are focusing on local activities and actively working with local communities. Furthermore, we are also working with NPOs and NGOs to contribute to improving access to healthcare overseas. Our many activities for sustainable growth can not be completed by our company alone. We will continue to work with an increasingly diverse array of partnerships to promote our business activities.

Strengthening Our Own Brands to Expand Partnerships

We are also working to strengthen our own branding in order to expand opportunities for diverse partnerships. We believe that our history of taking on challenges and the culture of innovation we have created in the healthcare industry are among our intangible assets. By ensuring that these assets are properly understood by our stakeholders, we are expanding opportunities for global partnerships and strengthening collaboration.

Major Partnership Activities Collaboration with Companies

We have newly entered the health food and foods with function claims business by using our knowledge in the lipid area, which was cultivated through pharmaceutical research. At the start of the business, we jointly developed and successfully commercialized a functional lipid product using functional ingredients derived from marine products with Maruha Nichiro Corporation. By effectively using each other's knowledge and business know-how as trusted partners, the two companies will pioneer the field of prevention and pre-illness, which lies between food and pharmaceutical products, and deliver lifelong health to more people.



Press conference for the collaboration in the field of health food with Maruha Nichiro Corporation

Cooperation with Biopharmaceutical Companies

We are actively investing not only in the field of prescription pharmaceuticals, but also in the field of healthcare. Through investment and collaboration with biopharmaceutical companies, we hope to contribute to the extension of healthy life spans and the realization of a sustainable society.

In FY2021, we invested in BMG Incorporated, a biomaterials venture company originating from Kyoto University, which is developing medical adhesives that can be degraded and absorbed in vivo. In addition, to confirm the safety and efficacy of combination therapy with OPDIVO and chemotherapy for gastric cancer patients, we collaborated with the Prime Research Institute for Medical RWD, Inc. (PRiME-R,Inc.). We are engaged in a company-led, large-scale multi-institutional clinical study utilizing CyberOncology®, PRiME-R's input support system that manages and integrates standardized and structured real-world data in routine cancer care.

Cooperation with Local Communities

We have concluded cooperative agreements with Osaka Prefecture and other local governments to promote health and wellness. In November 2021, we concluded an agreement to collaborate and cooperate with Osaka Prefecture to promote the health of Osaka residents. In February 2022, we also joined the Osaka Smart Senior Life Demonstration Project Promotion Council, which is promoted by Osaka Prefecture and 23 private companies.

Licensing Activities

Agreement date	Licensee	Product name and development code	Licensing details	Disease*	Development status
Sept. 2011	KAI Pharmaceuticals (US) (currently Amgen)	PARSABIV	License to develop and commercialize the calcium sensing receptor agonist, generic name: Etelcalcetide, in Japan	Secondary hyperparathyroidism under hemodialysis	On sale in Japan
Apr. 2013	Bial (Portugal)	ONGENTYS	License agreement to develop and commercialize the long-acting COMT (catechol-O-methyltransferase) inhibitor, generic name: opicapone, in Japan	Diurnal variability of symptoms in Parkinson's Disease	On sale in Japan
Dec. 2013	AstraZeneca (UK)	FORXIGA	Co-promotion agreement for a sodium-glucose cotransporter 2 (SGLT-2) inhibitor, generic name: dapagliflozin, in Japan	Type 2 diabetes, type 1 diabetes, chronic heart failure, chronic kidney disease	On sale in Japan
May 2017	Array Biopharma (US) (currently Pfizer)	BRAFTOVI	License agreement to develop and commercialize MEK inhibitor Binimetinib and BRAF inhibitor Encorafenib in Japan and Korea	Malignant melanoma, colorectal cancer	On sale in Japan and Korea (in Korea, only for colorectal cancer)
		MEKTOVI		Malignant melanoma, colorectal cancer	On sale in Japan
Aug. 2017	Seikagaku Corporation (Japan)	JOYCLU	Agreement on co-development and co-marketing of a therapeutic agent for osteoarthritis, generic name: diclofenac etalhyaluronate, in Japan	Osteoarthritis	On sale in Japan
July 2019	Forty Seven (US) (currently GileadSciences)	ONO-7913	License agreement to develop and commercialize the anti-CD47 antibody ONO-7913/Magrolimab in Japan, Korea, Taiwan and ASEAN countries	Blood cancer Solid tumors	In P3 in Japan In P1 in Japan
Oct. 2020	SK Biopharmaceuticals Co., Ltd. (South Korea)	ONO-2017	License agreement granting ONO development and commercialization rights in Japan for anti-epileptic drug Cenobamate	Epileptic seizures	In P3 in Japan
Dec. 2020	Chordia Therapeutics Inc. (Japan)	ONO-7018	License agreement granting ONO global rights to develop, manufacture and commercialize mucosa-associated lymphoid tissue lymphoma translocation 1 (MALT1) inhibitor drug CTX-177 and its associated compounds	Lymphoma	Preparing for global trials
Feb. 2021	Ribon Therapeutics, Inc. (US)	ONO-7119	License agreement granting ONO rights in Japan, South Korea, Taiwan, and ASEAN nations to develop and commercialize poly-ADP-ribose polymerase 7 (PARP7) inhibitor RBN-2397	Solid tumors	In P1 in Japan

* Target diseases and indications vary

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Collaborating with NPOs and NGOs

As part of our efforts to support medical systems, we provide assistance to NPOs and NGOs such as Japan Committee, Vaccines for the World's Children, Japan Heart, and People's Hope Japan. We contribute to global medical care and health through activities such as delivering medicines to those who have difficulty receiving necessary medical care due to lack of medical infrastructure, poverty, etc., and supporting the education of students who aim to become medical professionals, thereby further promoting the realization of our corporate philosophy of Dedicated to the Fight against Disease and Pain.

Licensing Activities

In addition to strengthening our pipeline through our in-house research, we are also actively pursuing licensing activities with the aim of in-licensing new candidates under development by pharmaceutical or biopharmaceutical companies around the world. Our in-licensing efforts focus on compounds deemed to be strategic and efficient from a business perspective, and compounds deemed to be viable from the perspective of diseases with high medical needs. In FY2021, although we didn't implement any in-license or out-license partnerships, we continue to search for opportunities to in-license drug candidate compounds from around the world. Also, when in-licensing we are working to acquire development and marketing rights not only in Asia, but also globally, as the company has an eye to global expansion.