

# ONO's Value Creation Process

## Be a Global Specialty Pharma, competing with original and innovative new drugs

### Issues and Awareness of Business Environment

#### Issues Facing Healthcare

- Complex and advanced healthcare needs
- Aging population
- Improvement in access to healthcare

#### Issues Facing Society

- Harmonious coexistence of society and businesses
- Mutual prosperity of employees and businesses
- Diversity enhancement

#### Business Environment

- Progression of healthcare cost reduction measures around the world
- Tighter regulatory controls stemming from fundamental review of the NHI drug pricing system in Japan
- Increasing complexity of target diseases for drug discovery
- Decreased success rates of drug discovery
- Prolonged period/rising costs of new drug development

### Capital to be Input



#### Financial capital

A strong financial base that supports sustained drug discovery



#### Manufacturing capital

A manufacturing base that ensures stable supply of high-quality pharmaceutical products



#### Intellectual capital

R&D abilities based on ONO's unique drug discovery approach and open innovation



#### Human capital

Providing a challenger culture and opportunities for personal growth



#### Social capital

Various forms of partnership to create sustainable society



#### Natural capital

ECO VISION 2050 and environmental management

**Focusing limited management resources into drug discovery and development**

### Corporate Philosophy

## Dedicated to Man's Fight against Disease and Pain

#### In-house Drug Discovery

With focus on unique bioactivity, finding diseases against which drug candidates are most potentially effective, and taking up the challenge of discovering innovative drugs

#### Licensing Activities

Promoting expansion of our development pipeline and global marketing of new drugs we develop

**Four Growth Strategies**

#### Maximizing Product Value

Continuing actively driving R&D investment

#### Game-changing R&D

Discovery of innovative new drugs

#### Globalizing Business

Expansion of growth infrastructure

#### Strengthening Corporate Infrastructure

### Materiality (Important Issues)

- Creation of innovative drugs
- Intellectual property strategies
- Promotion of human resource development
- Assurance of product reliability and safety
- Implementation of responsible marketing and promotion activities
- Provision of a stable supply of high-quality, easy-to-use products
- Building a work environment that ensures and sustains employment as well as fosters motivation
- Response to climate change
- Promotion of CSR procurement in supply chain management
- Thorough Compliance

# in the global arena

- Globally increasing competition
- Increasing opportunity to achieve drug discovery innovations
- Expansion into global market



Obtaining funds for growth

Investing in future growth

Building infrastructure that supports growth



## Output



**Securing stable earnings through drug discovery and addition of indications**



**Provision of a more stable supply by construction of Yamaguchi Plant**



**Expansion of development pipeline through in-house drug discovery and licensing activities**



**Turnover rate, new employee retention rate**



**Improvement of access to healthcare**



**Reduction of environmental impact**

## Values ONO offers



### To the frontline of healthcare

- Discovery of pharmaceutical products that bring true benefit to patients
- Stable supply of high-quality pharmaceutical products
- Information collecting/provision for proper drug usage



### To society

- Contribution to economic development
- Contribution to the creation of a sustainable society



### To shareholders and investors

- Stable return on investment through sustained growth
- Fair information disclosure



### To employees

- Provision of opportunities for personal growth
- Creating an environment where employees work with peace of mind