

Materiality Targets and Progress

Plan and KPI for FY2019	Progress results in FY2019	Targets for FY2020	Progress results in FY2020	Targets for FY2021
Creation of innovative drugs Medium- to long-term targets : Contribute to the health of people all over the world by satisfying unmet needs through the discovery and manufacture of innovative pharmaceutical products				
①Speed the drug discovery process and shorten each phase of research and development	Please refer to “Financial Results” for details of our R&D initiatives and their progress.	①Speed up the drug discovery process and shorten each phase of research and development.	✓ Ono Venture Investment, a new system for open innovation, was established	Use open innovation to expand development pipeline focusing on key areas of research including cancer, immune diseases, central nervous system diseases and specialty domains KPI ✓ Number of approvals/clinical studies/preclinical studies/in-licensed drugs
②Use open innovation to expand the development pipeline focusing on key areas of research including cancer, immune diseases, central nervous system diseases and specialty domains		②Use open innovation to expand the development pipeline focusing on key areas of research including cancer, immune diseases, central nervous system diseases and specialty domains.	✓ Please refer to “Financial Results ” for details of our development pipeline and its progress	
Intellectual property strategies Medium- to long-term targets : In addition to uncovering company-internal intellectual property, strengthen product lifecycle management from the standpoint of maximizing intellectual property value Consider proactive utilization of intellectual property in order to improve healthcare access				
①Spread awareness of the crucial nature of intellectual property, and hold talks and exchanges of views in every department in order to create opportunities to uncover company-internal intellectual property.	The department in charge of intellectual property conducted awareness-raising sessions on intellectual property within relevant departments and held more than 10 discussions.	①Spread awareness of the crucial nature of intellectual property by holding talks and exchanges of views in each department to uncover new company-internal intellectual property, with the aim of continuing to develop innovative pharmaceutical products while respecting others’ patents. KPI ✓ Hold talks and exchanges of views at least 10 times a year. ✓ There are no cases where we have infringed on others’ intellectual property rights.	✓ The department in charge of intellectual property conducted awareness-raising sessions on intellectual property within relevant departments and held 29 discussions. ✓ No intellectual property of others was not violated	①Maximize the value of intellectual property by holding talks and exchanges of views in each department to spread awareness of the crucial nature of intellectual property and uncover new company-internal intellectual property KPI ✓ Our intellectual property is actively used. Its value is not damaged.

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②Establish specific lifecycle management strategies for each compound in order to maximize product value	We updated the lifecycle management strategies for compounds under development from the perspective of intellectual property strategies.	②Consider and formulate specific lifecycle management plans for all products and compounds under development, including plans to improve drug formulation, from the perspective of intellectual property.	✓ Lifecycle management strategies of all projects were examined and made from the perspective of intellectual property.	② Enhance analysis, design and promotion of intellectual property strategies for all products and compounds under development from the perspective of lifecycle management.
③Engage in external information exchange to build a foundation for intellectual property utilization in order to improve access to healthcare.	<ul style="list-style-type: none"> ✓ We engaged in continuous information exchange with the World Intellectual Property Organization. ✓ We updated and disclosed our approach to intellectual property rights and patents in countries with difficulties ensuring healthcare access. 	③Engage in external information exchange to build a foundation for intellectual property utilization in order to improve healthcare access. KPI <ul style="list-style-type: none"> ✓ Collect information from relevant institutions (such as the World Intellectual Property Organization). ✓ Consider the expectations of stakeholders for enhancing access to pharmaceutical products and possible measures we can take, and establish a policy to respond to their expectations. 	Relevant institutions and cases in the pharmaceutical industry were investigated and possible measures were organized.	③Continue collecting external information to build an infrastructure for intellectual property utilization to improve healthcare access, extract issues to be addressed for global business development and make a medium- and long-term strategy. KPI <ul style="list-style-type: none"> ✓ The medium- and long-term strategy is made to improve healthcare access

Assurance of product reliability and safety

Medium- to long-term targets : Raise awareness in each and every employee about the importance of the reliability and safety of products by properly promoting quality management and safety management operations.

Accurately and reliability execute quality management and safety management operations.

①Identify and eliminate the causes of problems as well as prevent recurrence in addition to strengthening Corrective and Preventative Actions (CAPA) that measure potential factors that cause those problems. KPI Reduce the number of incidents and recurrence of problems in quality management and safety management operations compared to FY2018.	<ul style="list-style-type: none"> • Safety management operations: The incidence of deviation from safety standards that should be improved fell below the in-house limit of 0.01% (also decreased compared to FY2018). • Quality assurance operations: The incidence of deviation from quality standards at each production site fell below the predetermined limit. There was a case where 	①Keep the rate of incidents in safety management operations below a certain level. KPI <ul style="list-style-type: none"> ✓ The compliance rate for reporting to regulatory authorities within the prescribed period is at least 99.9%. 	<ul style="list-style-type: none"> ✓ The Compliance rate for reporting to regulatory authorities within the prescribed period is 100% 	①Keep the rate of incidents in safety management operations below a certain level KPI <ul style="list-style-type: none"> ✓ Compliance rate for reporting to regulatory authorities within the prescribed period: At least 99.9% ②Keep the rate of incidents and recurrence of problems in quality management operations below a certain level KPI <ul style="list-style-type: none"> ✓ Zero product recall ✓ The quality claim rate is below 0.01%
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	<p>the incidence of deviation exceeded the in-house limit of 0.01% and which required the consideration of a response, including possibly improving the drug formulation of the relevant product. However, the deviation was so slight as to have no impact on safety, and the necessary measures have been taken.</p>			<p>③Train and raise awareness of relevant departments to improve compliance with GXP (GVP, GQP, GPSP)</p> <p>KPI</p> <ul style="list-style-type: none"> ✓ Safety management training for all employees, plus additional programs for GVP/GPSP education, RMP and product education to be undertaken by implementing departments ✓ Quality management training for CMC, Production Division and Quality Assurance Department
<p>②Conduct internal training.</p> <p>KPI Conduct training at least once a year with a 100% attendance rate as follows:</p> <p>Quality management training: CMC - Production Division and Quality Assurance Department</p> <p>Safety Management Training: other programs to be undertaken by implementing departments in addition to employees companywide.</p>	<p>All of the target employees participated the internal training. (Attendance rate: 100%)</p>	<p>②Keep the rate of incidents and recurrence of problems in quality management operations below a certain level.</p> <p>KPI</p> <ul style="list-style-type: none"> ✓ Zero product recall ✓ The quality claim rate is below 0.01%. <p>③Conduct internal training.</p> <p>Quality management training: CMC- Production Division and Quality Assurance Department</p> <p>Safety management training: Other programs to be undertaken by implementing departments in addition to employees companywide</p>	<ul style="list-style-type: none"> ✓ Zero product recall ✓ The quality claim rate is below 0.01% <ul style="list-style-type: none"> ✓ Four quality management training sessions and about 30 safety management training sessions were conducted as scheduled 	

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Promotion of human resource development				
Medium- to long-term targets : Develop human resources able to actively participate on the world stage so that each and every employee can take their own initiative in their duties and carrier and take action as passionate challengers to deliver better pharmaceutical products to patients.				
①Engage in activities to raise awareness about our mission statement. KPI Prepare and conduct awareness raising efforts at four overseas sites and for all employees in Japan who are mid-career employees	<ul style="list-style-type: none"> ✓ We conducted awareness-raising efforts at all four overseas sites. ✓ Awareness-raising efforts for mid-career employees in Japan: Conducted at a 100% level (54 persons) ✓ We held employee training programs at medical institutions and lectures delivered by patients to deepen their understanding of medical needs. 	① Continue to engage in activities to raise awareness about our mission statement. KPI Rate of employees who are highly aware that our mission statement is their principle for taking action: At least 50%	<ul style="list-style-type: none"> ✓ Rate of employees who are highly aware that our mission statement is their principle for taking action: 47% 	①Continue to engage in activities to raise awareness about our mission statement KPI <ul style="list-style-type: none"> ✓ Rate of employees who are highly aware of our mission statement in taking action: At least 65% ✓ Rate of employees of overseas subsidiaries (excluding expatriate employee) who are highly aware of our mission statement: At least 40% ②Conduct cross-sectional training for seven ranks of employees, from new employees to managers, in order to develop human resources that behave according to the behavioral characteristics required of each rank, with the aim of facilitating changes in their behavior KPI
②Conduct cross-sectional training for seven ranks of employees, from new employees to managers, in order to develop human resources that behave according to the behavioral characteristics required of each rank, with the aim of facilitating changes in their behavior. KPI 100% acceptance rate.	<ul style="list-style-type: none"> ✓ Attendance rate: 100% ✓ Total No. of attendees: 603 persons 	② Conduct cross-sectional training for seven ranks of employees, from new employees to managers, in order to develop human resources that behave according to the behavioral characteristics required of each rank, with the aim of facilitating changes in their behavior. KPI Rate of behavior change recognized in the evaluation made by their superiors after the training: At least 80%	<ul style="list-style-type: none"> ✓ Rate of behavior change recognized in the evaluation made by their superiors after the training: 79% 	<ul style="list-style-type: none"> ✓ Rate of behavior change recognized in the evaluation made by their superiors after the training: At least 85% ③Increase opportunities of self-learning and social learning of employees. KPI <ul style="list-style-type: none"> ✓ Attendance rate for self-improvement programs: At least 40% ④Enhance training of and increase the number of candidates for top management. KPI <ul style="list-style-type: none"> ✓ Training additional 40 candidates for top management
③Develop independent human resources by expanding elective training that employees can choose to participate in and enhance support for self-improvement by employees. ONO also nurtures a climate of growth	Participation rate: 27.8% (910 persons / 3,272 persons)	③Develop human resources that can act independently by expanding elective training in which employees can choose to participate, and enhancing support for self-improvement of employees. ONO also nurtures a climate of growth where employees are stimulated by learning from each other.	<ul style="list-style-type: none"> ✓ Attendance rate for self-improvement programs: 32% 	<ul style="list-style-type: none"> ✓ Training 20 persons who are competent to work abroad(Target number of persons who are competent to work abroad by the end of FY2024: 200; 121 persons already trained) ⑤Deepen employees' understanding of independent career development KPI <ul style="list-style-type: none"> ✓ Employees' understanding of career: 50%

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where employees stimulate learning in one another. KPI At least 20% for the participation rate in self-improvement programs		KPI Attendance rate for self-improvement programs: At least 33%		✓ Attendance rate of e-learning for career development: At least 85% ⑥Discover core persons in charge of innovation KPI ✓ Number of participants in discovery programs: At least 60 ✓ Temporary transfer to ventures ⑦Train persons in charge of digital transformation KPI ✓ Number of persons with IT passport: 35
④Develop human resources and build an organization able to adapt to harsh environmental changes worldwide. KPI Provide global development programs that include language education and future management candidate training	No. of attendees for the global development programs: 87 persons Number of attendees for the future top management candidate training: 69 persons	④ Develop human resources and build an organization able to adapt to harsh environmental changes worldwide. KPI ✓ In the global skills assessment (BISA test) after the global development programs, 80% of the attendees reach at least 700 points (a level that allows for overseas assignment). ✓ Rate of behavior change recognized in the evaluation made by their superiors after the future top management candidate training: At least 80%	✓ In the global skills assessment, 83% of persons were assessed after training to be competent to work abroad ✓ Rate of behavior change recognized in the evaluation after the future top management candidate training: 69% and 52% for two ranks, respectively	

Thorough Compliance

Medium- to long-term targets : Improve awareness about organizational compliance and strengthen auditing systems in an effort to eliminate any regulatory or compliance violations.

①Conduct compliance training. KPI Achieve a 100% attendance rate of all employees	We achieved 100% of the target. (All employees participated in the training.)	Implement the following initiatives with the aim of maintaining no occurrence of significant compliance violations* * Compliance violations that have a great impact on sales and profits KPI Number of significant compliance violations: Zero	Number of significant compliance violations: 1 * Case charged with bribery in February 2021 (and judged guilty in June 2021)	Implement the following initiatives with the aim of maintaining no occurrence of significant compliance violations * KPI Number of significant compliance violations: 0 * Compliance violations that have a great impact on sales, profits and the society 1.
②Work through the companywide compliance PDCA cycle with a compliance committee in which members of company management participate. KPI At least four times a year	We held four compliance meetings.	① • Conduct all department leader training based on the legislation covering prevention of power harassment. • Conduct an employee awareness survey on compliance and harassment to incorporate survey results on the formation of measures by each department. • Conduct sales department training	✓ Training attendance rate: 100%	① Hold a compliance meeting in which members of company management participate every quarter to work through the companywide compliance PDCA cycle. ② Conduct compliance training (e-learning twice a year) ③ Conduct training and follow-up training of new employees ④ Conduct an employee awareness survey on compliance and harassment

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		(rules, guidelines, codes). • Conduct e-learning training (twice a year). • Distribute an email magazine on compliance. KPI Training attendance rate: 100%		⑤ Give feedback to and train each department based on the result of ④ ⑥ Conduct training about rules, guidelines, codes for employees at Sales and Marketing department (twice a year) ⑦ Ensure that all employees(100%) receive the above training as required and are checked and assessed for their understanding after training ⑧ Dispatch a monthly email newsletter (ONO Compliance Report) 2. Enhance compliance management of overseas subsidiaries of our group and collaborate with Enterprise Risk Management to take following company-wide measures. • Conduct compliance training Focus on important compliance in training according to business plan. • Enhance global compliance management Make a road map for global business development in next three years.
	We acquired the whistleblowing compliance management system certification (self-declaration of conformity registration system) administered by the Japan Institute of Business Law.	②Hold a compliance meeting in which members of company management participate every quarter to work through the companywide compliance PDCA cycle.	✓ Four compliance meetings were held as scheduled	

Implementation of responsible marketing and promotion activities

Medium- to long-term targets : Engage in activities that properly disseminate information in accordance with the guidelines for activities to disseminate marketing information about pharmaceutical products.

①Use materials reviewed and approved by the department auditing activities to disseminate marketing information for promotional purposes. KPI Achieve a 100% usage rate of reviewed and approved materials	We achieved a 100% usage rate of reviewed and approved materials.	Implement the following initiatives, with the aim of reducing the number of significant compliance violations to zero.* * Compliance violations that have a great impact on sales and profits KPI No. of significant compliance violations: Zero	Number of significant compliance violations: 1 * Case charged with bribery in February 2021 (and judged guilty in June 2021). The same case mentioned in "Thorough Compliance".	Implement the following initiatives with the aim of reducing the number of significant compliance violations* to zero. *Compliance violations that have a great impact on sales, profits and the society KPI ✓ Number of significant compliance violations: 0
②At company-hosted lectures, request that presenters provide information appropriately in keeping with company-internal rules that conform to	The acceptance rate was 100%. (The rate for prior confirmation of slides was 61%.)	①Conduct internal training for all employees involved in sales activities so that they act in compliance with the guidelines for activities to disseminate marketing information. KPI Four times a year	✓ Six times a year	①Enhance governance: Review and ensure adherence to internal rules of marketing activities, as well as legal compliance. Establish a reporting/notifying system (to superiors) to prevent inappropriate activity and conduct regular internal training of all salespersons.

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<p>guidelines. KPI Acceptance rate: 100%</p>				<p>②Guidelines for activities to disseminate marketing information (lecture):</p>
<p>③Conduct internal training for all employees involved in sales activities. KPI Four times a year</p>	<p>The training was conducted six times a year.</p>	<p>②At company-hosted lectures, request that presenters provide information appropriately in keeping with internal company rules that conform to the guidelines, and check slides in advance. KPI Rate for prior confirmation of slides: 100%</p>	<p>✓ Rate for prior confirmation of slides for lecture: 99%</p>	<p>· Check for slides for company-hosted lectures in advance to prevent information provision that violates the guideline. KPI ✓ Rate for prior confirmation of slides: 100%</p> <p>· Ensuring the provision of well-balanced information on safety and efficacy at company-hosted lectures. KPI ✓ Provision of safety information at all company-hosted lectures</p> <p>③Guidelines for activities to disseminate marketing information (interview): Build a system that allows appropriate provision of information to healthcare professionals during interviews with them KPI ✓ Number of MRs who provide information inappropriately: 0</p>
		<p>③The director of each sales office conducts an assessment to check whether the following activities are appropriately conducted at the time of accompanying his/her office members.</p> <ol style="list-style-type: none"> 1) Activities to disseminate information at the time of interview 2) Check slides used at company-hosted lectures in advance <p>If the activities are inadequate, clarify the reasons for such activities and consider countermeasures against them. Then report the countermeasures to the Head Office for discussion. KPI Conduct an assessment once a month.</p>	<p>✓ Assessment was conducted once a month to extract issues to be addressed and take measures</p>	<p>④Assessment of compliance with GL: Assess MRs regularly to check whether the following daily activities are appropriately conducted to determine causes of inappropriate cases, report countermeasures and prevent recurrence (prior confirmation of slides for lecture, safety information supply, information supply during interview) KPI ✓ A system is established to assess MR activity regularly, determine the causes and take measures under the responsibility of the director of sales office.</p>

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Response to climate change				
Medium- to long-term targets : Reduce CO ₂ emissions by 55% by 2030 (compared to FY2017 figures)				
Establish goals that integrate scientific knowledge, and undertake CO ₂ emissions reductions toward meeting those goals. KPI ①Obtain approval of the SBT target set ②A 4% reduction in CO ₂ emissions compared to the previous year (Scope 1 and 2)	①We obtained approval of the SBT target set. ②We achieved a 4% reduction in CO ₂ emissions compared to the previous FY year (Scope 1 and 2).(8.4% reduction relative to FY2017)	①Continue to work to reduce GHG emissions. KPI A reduction of 12.6% compared to FY2017 (Scope 1 and 2) ②Increase the usage rate of renewable energy. KPI At least 12.6% ③Announce our participation in RE100 (an international initiative that aims for 100% usage of renewable energy in business operations by 2050).	✓ Reduction by 12.6% compared to FY2017 (Scope 1 and 2) ✓ 13.2% ✓ Participation in June 2020	① Continue to work to reduce GHG emissions KPI ✓ A reduction of 16.8% compared to FY2017 (Scope 1 and 2) ②Increase the usage rate of renewable energy (renewable energy use/total electricity consumption) KPI ✓ At least 16.8% ③Take measures to abolish all devices using ozone-depleting substances KPI ✓ Make a road map
Stable supply of products				
Medium- to long-term targets : Create product designs able to ensure reliable quality and establish a stable supply system.				
Understand new medical needs and expand product designs.				
Actively use frameworks to rapidly extract on-site medical demand as well as treatment needs to employ the medical needs that we discover in new products and product modifications.	We incorporated medical needs obtained from medical sites into product designs for four products. For advice on medical needs, we collected views from 10 institutions with which we signed an advisory agreement.	1. Continue to incorporate on-site medical demand as well as treatment needs into product improvements and new products. KPI ✓ Departments in charge conduct on-site investigations at medical sites to identify medical needs.: At least 24 times ✓ Aim to improve packaging materials to be newly designed for at least four products.	✓ Number of on-site investigations at medical sites: 72 ✓ Improvement was made on seven products	1. Continue to incorporate on-site medical demand (medical needs) and environmental demand (social needs) into product improvements and new products KPI ✓ Departments in charge conduct on-site investigations at medical sites to identify medical needs: At least 100 ✓ Improvement in newly designed packaging materials for at least five products. ✓ Accelerated use of environmentally-friendly packaging materials. · Use of FSC®-certified paper for additional five products (currently for seven products) · Use of biomass plastic to be examined for four

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		2. Supply products to the market in a stable manner. KPI Reset and ensure proper inventory levels according to product characteristics.	✓ Proper inventory levels were reset and achieved according to product characteristics	projects (compounds under development) 2. Supply products to the market in a stable manner <ul style="list-style-type: none"> • Design stable supply of all products in BCP: <ul style="list-style-type: none"> ① Establish a policy of product priority (importance, categories I to V) ② Visualize a supply chain ③ Check the BCP policy with partner companies/suppliers of important products ④ Take measures to reduce risks of each product (multiple production bases, maintenance of safety stock, reduction in procurement/production lead time, etc.) ⑤ Update crisis management/business continuity manual KPI ✓ Appropriate stock months are maintained by product.

Promotion of CSR procurement in supply chain management

Medium- to long-term targets : Promote CSR activities together with our suppliers to build a sound and robust (resilient) supply chain.

Conduct surveys for our business partners about CSR procurement. KPI Conduct surveys of business partners that make up 70% of purchases	We conducted surveys of our business partners that make up 86% of purchases.	① Improve initiatives for CSR procurement in the companies that were subject to the survey conducted in the previous FY year. KPI Increase the overall average score of all companies subject to the survey in FY2020, compared to FY2019.	✓ CSR evaluation system of EcoVadis (hereinafter "EcoVadis") indicated that overall score increased by 3.3 points on average	① Enhance CSR procurement for supply chain management <ul style="list-style-type: none"> • Analyze CSR risks of entire supply chain • Review CSR procurement policy and guidelines • Train employees to raise their awareness KPI ✓ Check understanding of employees after training
		② Support the companies that have not met our standards to improve their initiatives. KPI Increase the overall score of each company subject to the survey in FY2020, compared to FY2019.	✓ Number of companies with no increase in score compared to previous year: 5	② Continue supporting the companies that have not met our standards to improve their initiatives KPI Overall score of each company

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Strengthening corporate governance				
Medium- to long-term targets : Establish an effective corporate governance system to achieve our sustainable growth				
—	—	—	—	① Improve function of the Board of Directors to enhance governance <ul style="list-style-type: none"> · Continue taking measures to enhance function of the Board of Directors through communication with stakeholders and evaluation of the effectiveness of the Board of Directors ② Establish governance for sustainable growth <ul style="list-style-type: none"> · Continue monitoring risk management-related measures by the Board of Directors
Building a work environment that ensures and sustains employment as well as fosters motivation				
Medium- to long-term targets : Instill pride in all of our employees about working in the pharmaceutical industry, help employees reach their full potential in diverse situations, and further establish a workplace environment where everyone can actively participate to aid in ensuring and sustaining employment.				
① Work to promote diversity and improve work-life balance as well as build a workplace environment in which diverse human resources can actively participate with motivation by establishing and operating human resource policies as well as other programs. KPI Acquire the Platinum Kurumin Certification and improve employee use of annual paid leave.	<ul style="list-style-type: none"> ✓ We acquired the Platinum Kurumin Certification. ✓ The rate of employee use of annual paid leave increased from 57.5% in FY2018 to 65.0% in FY2019. 	① Work to promote diversity and improve work-life balance as well as build a workplace environment in which diverse human resources can actively participate with motivation by establishing and operating human resource policies as well as other programs. KPI <ul style="list-style-type: none"> ✓ Rate of employee use of annual paid leave: 70.0% in FY2020 (65.0% in FY2019) ✓ Return-to-work rate after child-care leave: 100% ✓ Maintain a low turnover rate (below 3%). ✓ Reduce average overtime work hours by promoting reform of working practices, including setting an interval (a certain amount of rest) between working hours. (13.6 hours/month in 2019 ⇒ 13.0 hours/month in 2020) 	<ul style="list-style-type: none"> ✓ Rate of employee use of annual paid leave: 58.8% ✓ Return-to-work rate after child-care leave: 100% ✓ Turnover rate: 2.3% ✓ Average overtime work hours: 15.3 hours/month 	① Work to promote diversity and build a workplace environment in which diverse human resources can actively participate by establishing and operating human resource policies as well as other programs KPI <ul style="list-style-type: none"> ✓ Ratio of female in the section chief level: 14.0% ✓ Rate of male employee use of child-care leave: 72.5% ✓ Eruboshi certification ✓ Return-to-work rate after child-care leave: 100% ✓ Rate of female employees who participate in next-generation top management training for assistant manager or higher position: 30% or more ② Work to improve work-life balance and build a workplace environment in which employees are healthy and active at work to show their abilities by establishing and operating human resource policies as well as other programs. KPI <ul style="list-style-type: none"> ✓ Rate of employee use of annual paid leave:

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<p>②Promote awareness and engage in health management initiatives.</p> <p>KPI</p> <ul style="list-style-type: none"> ✓ Consistently earn recognition as a Certified Health & Productivity Management Outstanding Organization (Health and Productivity Management 500) ✓ encourage employees to stop smoking during work hours ✓ achieve at least a 95% rate of employees undergoing physical examinations and stress checks 	<ul style="list-style-type: none"> ✓ We were selected for inclusion in the 2020 Health & Productivity Stock for the first time and continued to be recognized as a Certified Health & Productivity Management Outstanding Organization (White 500). ✓ We implemented a non-smoking policy during work hours. ✓ Rate of employees undergoing physical examinations: 99.7% ✓ Rate of employees undergoing stress checks: 99.8% 	<p>②Promote awareness of and engage in health management initiatives.</p> <p>KPI</p> <ul style="list-style-type: none"> ✓ Earn inclusion in the Health & Productivity Stock for two consecutive years. ✓ Increase labor productivity by improving presenteeism. ✓ Productivity loss per employee per month: FY2019 (33,120 yen) ✓ FY2020 target: 5% reduction (31,460 yen) ✓ Improve the health age of employees by increasing their degree of health. ✓ Difference between health age and actual age (Aged 35 or older; average): FY2020 target: - 2.0 years(FY2019: - 1.5 years) ✓ Reduce the smoking rate. FY2020 target: 17.0%(FY2019: 18.2%) ✓ Maintain a low lost-time injury frequency rate (0.3). FY2020 target: 0.10(FY2019: 0) <p>✓ Rate of employees who realize that they are working with motivation, leveraging their diversity: At least 50% (Targets ① and ②)</p>	<ul style="list-style-type: none"> ✓ Out of selection as Health & Productivity Stock (for top companies accounting for 5%) ✓ Improving presenteeism: Increase in monthly productivity loss per employee by 65% ✓ Difference between health age and actual age: -1.4 years ✓ Smoking rate: 17.0% ✓ Lost-time injury frequency rate: 0.47 <p>✓ Rate of employees who realize that they are working with motivation, leveraging their diversity: 68%</p>	<p>70.0%</p> <ul style="list-style-type: none"> ✓ Average overtime work hours: 13.0 hours/month ✓ Low turnover rate (below 3%) <p>③Promote awareness of and engagement in health management initiatives</p> <p>KPI</p> <ul style="list-style-type: none"> ✓ Reselection as Health & Productivity Stock ✓ Increasing labor productivity by improving presenteeism (reduction in productivity loss) Monthly productivity loss per employee : FY2021 target: 31,460 yen (5% reduction compared to FY2019) ✓ Improve the health age of employees by increasing their degree of health Target difference between health age and actual age: -2.0 years (aged 35 or older; average) ✓ Reduce the smoking rate FY2021 target: 16.0%