

Mission Statement





## **Mission**

Dedicate ourselves to adding value by creating and delivering innovative products and services for the medical community and human health around the world

## **Core Values**

1. Patient Centric  
Make each patient's wellbeing our highest priority
2. Pioneering Spirit  
Pursue innovation by improving ourselves and thinking differently
3. Integrity  
Maintain the highest standards in all we do to create shared value with society

## **Envisioned Future**

Become a top innovator for advanced and sustainable patient-centric healthcare, powered by our unique strengths in science and technology and the alliance with Roche

At Chugai, our Mission Statement is the basis of everything we do. It is Chugai's most enduring and important concept, and represents our adherence to the Company's founding spirit and our founder's vow to "create drugs that benefit the world" in response to a medicine shortage following a major natural disaster. Our Core Values are the values that employees share and embody. They represent our commitment to maintaining the highest standards in all we do to meet the expectations and requirements of society as we pursue innovation with a pioneering spirit for the benefit of patients. In our Envisioned Future, we have set the goal of becoming a top innovator in the healthcare industry by going beyond the conventional scope of the pharmaceutical business in anticipation of future changes in the healthcare landscape. Chugai's vision of value creation is to fulfill its Mission Statement by creating shared value.

Core Source of Innovation

Our unique science and technologies

Strategic alliance with Roche

## Medium- to Long-Term Perspective

Research



### World-class drug discovery technologies

16

In-house projects in the development pipeline (As of February 4, 2021)

67<sup>1</sup>

Publications in academic papers and presentations at scientific conferences regarding Chugai's research findings (2020)

5,366

Patents held (including pending applications) (As of December 31, 2020)

Human resources



### Our greatest asset to achieve our Mission

Environment, health, and safety (EHS), investments



### Cohesive management from a medium- and long-term perspective

Zero

CO<sub>2</sub> emissions target for 2050

2022

Scheduled completion of next-generation research facilities at the Chugai Life Science Park Yokohama

Medium-Term Perspective

Clinical Development and Pharmaceutical Technology



**Rich development pipeline**

Total of **8**

Breakthrough therapy designations<sup>2</sup> (Cumulative total as of February 4, 2021)

**54**

Pipeline projects (As of February 4, 2021)

**30**

New products launched and new indications (2016–2020)

**14.6%**

Ratio of female managers<sup>3</sup> (Non-consolidated employee basis)<sup>4</sup> (2020)

**¥109,580**

Education and training expenditures per employee (Non-consolidated employee basis)<sup>4</sup> (2020)

**194**

Roche Human Resource Exchange Program (2004–2020)

**¥254.7 billion**

Total capital investment over past five years (2016–2020)

**17% lower<sup>5</sup>**

Energy consumption per employee, compared with 2010 (2020)

1. Total of drug discovery and pharmaceutical technology  
 2. A system introduced in July 2012 by the U.S. Food and Drug Administration (FDA) aimed at expediting the development and review of drugs for the treatment of severe or life-threatening diseases or symptoms  
 3. Number of female managers as a percentage of the total number of managers  
 4. Calculated based on Chugai (non-consolidated) employees  
 5. Chugai Group domestic operations and overseas research and production sites



## Short-Term Perspective

Solutions (Marketing, Medical Affairs, Drug Safety)



### Defined presence

#### No.1 in Japan

Share of sales in the Japanese therapeutic antibody market (22.5%)<sup>6</sup>

#### No.1 in Japan

Satisfaction ranking based on healthcare professionals' assessments (Oncology; hospitals with 100 or more beds)<sup>7</sup> (Hemophilia)<sup>8</sup>

#### No.1 in Japan

Share of sales in the Japanese oncology market (15.2%)<sup>6</sup>

#### No.1 in Japan

Adequacy ranking for provision of safety information (Hospitals with 100 or more beds)<sup>9</sup>

#### Products, information, etc.

We provide healthcare professionals and medical institutions with various kinds of information through our initiatives to deliver solutions. Products themselves are provided via pharmaceutical wholesalers.

Financial Performance

### Recognized for growth potential and profitability

¥ **786.9** billion

Revenues (No. 5 in Japan)<sup>10</sup> (2020)

**38.3%**

Ratio of operating profit to revenues (IFRS) (No. 2 in Japan)<sup>10</sup> (2020)

¥ **7.5** trillion

Market capitalization (No. 1 among pharmaceutical companies in Japan)<sup>10</sup> (As of the end of March 2021)

6. Copyright © 2021 IQVIA. Source: JPM 2020 (calendar year). Reprinted with permission. The scope of the market is defined by Chugai.

7. Source: INTAGE Healthcare Inc., CS Survey of Oncology, 2020. Based on a survey of overall assessments of companies by physicians, as defined by Chugai.

8. Source: INTAGE Healthcare Inc., CS Survey of Hemophilia, 2020. Based on a survey of overall assessments of companies by physicians, as defined by Chugai.

9. Source: INTAGE Healthcare Inc., 2020 questionnaire about safety information needs.

10. Financial results of pharmaceutical companies: (Chugai) Fiscal year ended December 31, 2020; (Other companies in the same industry) Fiscal year ended December 31, 2020 or March 31, 2020

Note: "Pharmaceutical companies" is defined as the top 10 Japanese domestic manufacturers of pharmaceuticals in terms of sales. (Takeda Pharmaceutical Company Limited, Otsuka Holdings Co., Ltd., Astellas Pharma Inc., Daiichi Sankyo Company, Limited, Chugai Pharmaceutical Co., Ltd., Eisai Co., Ltd., Sumitomo Dainippon Pharma Co., Ltd., Shionogi & Co., Ltd., Kyowa Kirin Co., Ltd., and ONO PHARMACEUTICAL CO., LTD.)

## Value Provided

### Healthcare professionals and medical institutions

- Better disease control
- More treatment options

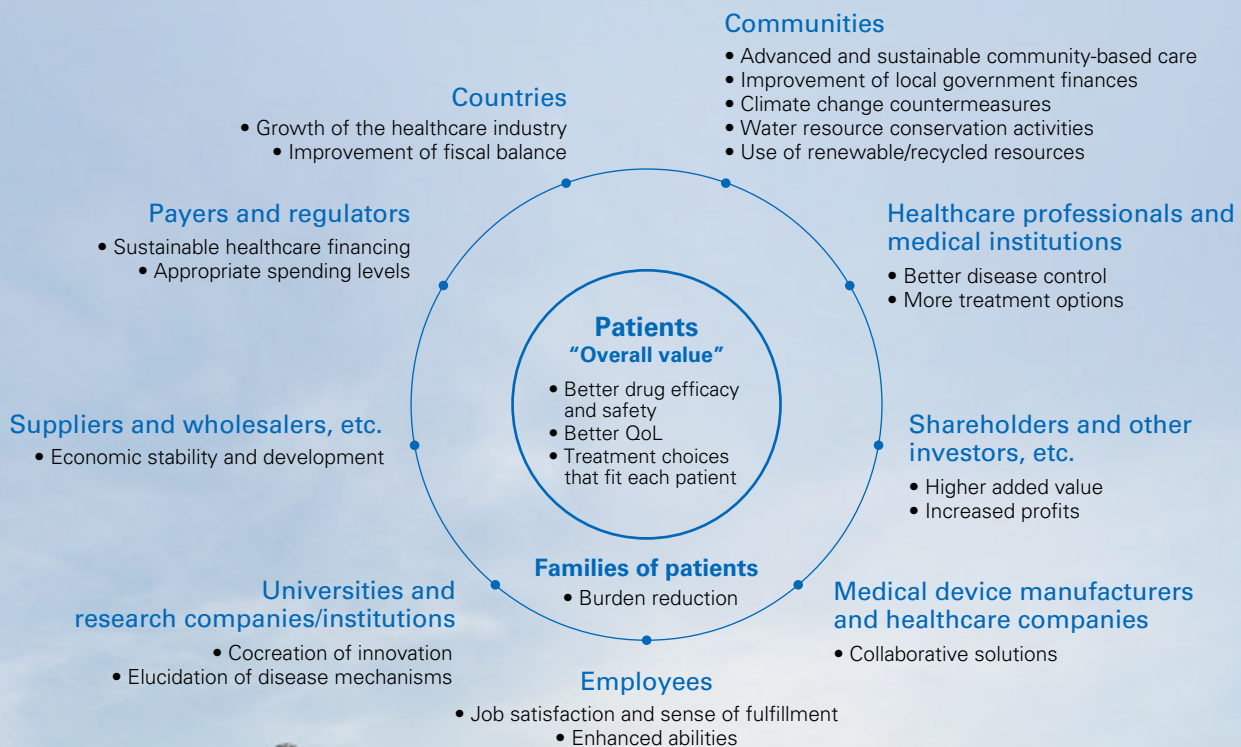
Chugai provides better disease control and more treatment options through its innovative pharmaceuticals and advanced solutions. Patients in territories other than those managed by Chugai (Japan, South Korea, and Taiwan) have access to Chugai products through Roche and other global companies.

### Patients

- Better drug efficacy and safety
- Better QoL
- Treatment choices that fit each patient

As well as direct improvements in drug efficacy and safety, Chugai also helps to improve QoL through early diagnosis and improved prognoses, and delivers the best treatment through personalized healthcare (PHC).

Chugai aims to deliver advanced and sustainable patient-centric healthcare, while also sharing value with all of its various stakeholders.



# Themes over the Past Year



## Six projects added to the pipeline, including the world's first switch antibody

In 2020, six projects were added to the pipeline, including STA551 that uses Chugai's proprietary switch antibody technology designed to bind to a target antigen only in the presence of a molecule (switch molecule) that becomes highly concentrated at the disease site.



## Japanese approval filing for nemolizumab for atopic dermatitis and development of additional indications

An approval filing was submitted in Japan by domestic licensing partner Maruho Co., Ltd. (in Q3 of fiscal 2020). Overseas licensing partner Galderma S.A. started phase III clinical studies on prurigo nodularis. The U.S. FDA granted breakthrough therapy designation for nemolizumab for the treatment of pruritus associated with prurigo nodularis.



## Launch of Enspryng that uses recycling antibody technology

Enspryng was launched in Japan and the United States in August 2020 as a drug with a new mechanism of action to treat neuromyelitis optica spectrum disorder (NMOSD). Chugai's proprietary technology means Enspryng can be administered subcutaneously once every four weeks, providing improved patient convenience.



## Approval granted for blood-based test for cancer genomic profiling

In March 2021, Chugai obtained approval for FoundationOne Liquid CDx Cancer Genomic Profile as the liquid biopsy test that provides comprehensive genomic profiling (CGP), making it useful in cancers where tissue-based biopsy is difficult. The goal is to support the evolution of genomic cancer medicine.



## Research and development for COVID-19

As well as conducting clinical studies on the use of Actemra to treat COVID-19, Chugai has been involved in other COVID-19 initiatives including joint research between Chugai Pharmabody Research Pte. Ltd. and A\*STAR<sup>1</sup> and out-licensing of antibody engineering technologies to Eli Lilly and Company for drug development purposes. Chugai has also in-licensed development and exclusive marketing rights in Japan from Roche for an antibody cocktail development program from Regeneron Pharmaceuticals, Inc. and an orally administered antiviral developmental agent from Atea Pharmaceuticals, Inc.

1. Agency for Science, Technology and Research in Singapore



## Announces CHUGAI DIGITAL VISION 2030 to accelerate DX

Chugai is moving ahead with a range of DX initiatives and also stepping up collaborations with external partners. Chugai was the only company selected as a Digital Transformation Stock (DX Stock) 2020 in the pharmaceutical sector by the METI and the Tokyo Stock Exchange (TSE).



## Progressing global health initiatives with NGO<sup>2</sup> partners

Chugai organized a workshop to promote multidisciplinary team healthcare in Cambodia in February 2020 and began a project focused on improving the quality of patient-centric cancer treatment in Yangon, Myanmar in July.

2. Chugai is collaborating with the NPO Japan Heart on the Cambodia program and the NGO City Cancer Challenge Foundation (C/Can) on the Myanmar program.



## Selected for the first time in DJSI World, a global ESG investment Index

In November 2020, Chugai was recognized as a highly sustainable company when it was selected for the first time in the DJSI World<sup>3</sup> comprised of the top eight pharmaceutical companies in the world.

3. The World Index of the Dow Jones Sustainability Indices (DJSI) that includes top global companies in terms of ESG investment.

Member of  
**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA



## New personnel systems designed and introduced

Chugai introduced new personnel systems in April 2020 to allow personnel treatment to be matched with the role and performance outcomes of the right person in the right place. The new systems will promote and support employees for self-directed career development and taking on challenges for further growth.



## New management system of business administration

Chugai announced a new management system effective March 23, 2021, comprising Dr. Osamu Okuda as President & CEO, Tatsuro Kosaka as Chairman, and Motoo Ueno as Deputy Chairman, with the goal of pursuing new growth strategies under a new system of business administration.



## Formulation of new value creation strategy toward 2030

In February 2021, Chugai announced a new 10-year growth strategy aimed at becoming a top innovator in the healthcare industry in 2030.



