



Roche Roche Group

Innovation all for the patients

CHUGAI PHARMACEUTICAL CO., LTD.

Company Profile



Beyond the depths of human imagination
lies a new beginning,
a world humanity has long awaited.

To attain this world,
we continue fighting common paradigms,
breaking through national barriers,
and uniting technology
with expertise from around the world.

If a million people suffer from one disease,
we strive to find a million solutions.
Together with doctors and medical institutions,
we offer hope to patients and families worldwide.

Innovating today, we help to protect
the ordinary days that people cherish.

And, when the world says there's no cure,
we don't give up until we find one.

INNOVATION BEYOND IMAGINATION

Innovation all for the patients



CHUGAI PHARMACEUTICAL CO., LTD.

A member of the Roche group





Mission Statement

At the Chugai Group, 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 the Great Kanto Earthquake of 1923. Our Core Values are the values that employees share and embody. They represent our commitment to maintaining the highest standards in all that 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 a 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.



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





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About Us

History of Chugai

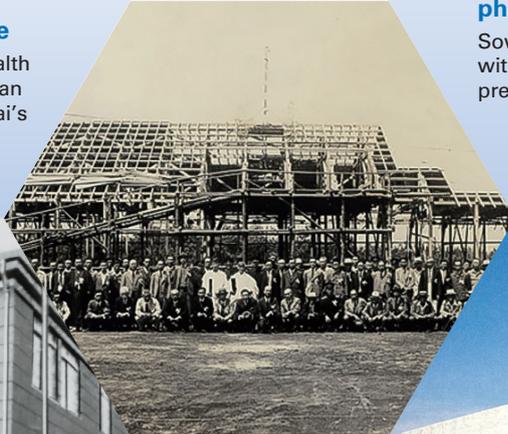
Chugai was established in Japan in 1925. Since then, it has continuously modernized its business management by building research laboratories and plants, and has contributed to healthcare in Japan and abroad through a variety of products.

Let's look back on the history of Chugai, which has overcome many difficulties by continuously innovating the structure and focus of its business since its founding.

Foundation–1930s

Founded with the mission of “creating drugs that benefit the world” in order to solve the medicine shortage caused by the Great Kanto Earthquake

Contributing to people's health from a global perspective—an enduring vision since Chugai's founding



1960s–1970s

Transition from non-prescription to prescription pharmaceuticals

Sowing seeds for the future with a strategy focused on prescription drugs



1940s–1950s

Rebuilding the business and making a fresh start amid post-war turmoil

Growth in the non-prescription drug market during the post-war reconstruction period



1980s–1990s

Pursuing the future of healthcare—venturing into biotechnology

Move from chemosynthetic to bio-based drug discovery, laying the foundation for Chugai's current strengths

2000s

Strategic alliance with Roche

Strategic alliance to increase competitiveness and become a top innovator

Promotion of personalized healthcare, a new trend in medical treatment

Leading personalized healthcare in Japan and bringing high value to society

2030

Top innovator in the healthcare industry



Launched the first therapeutic antibody manufactured in Japan. Created a succession of innovative drugs.

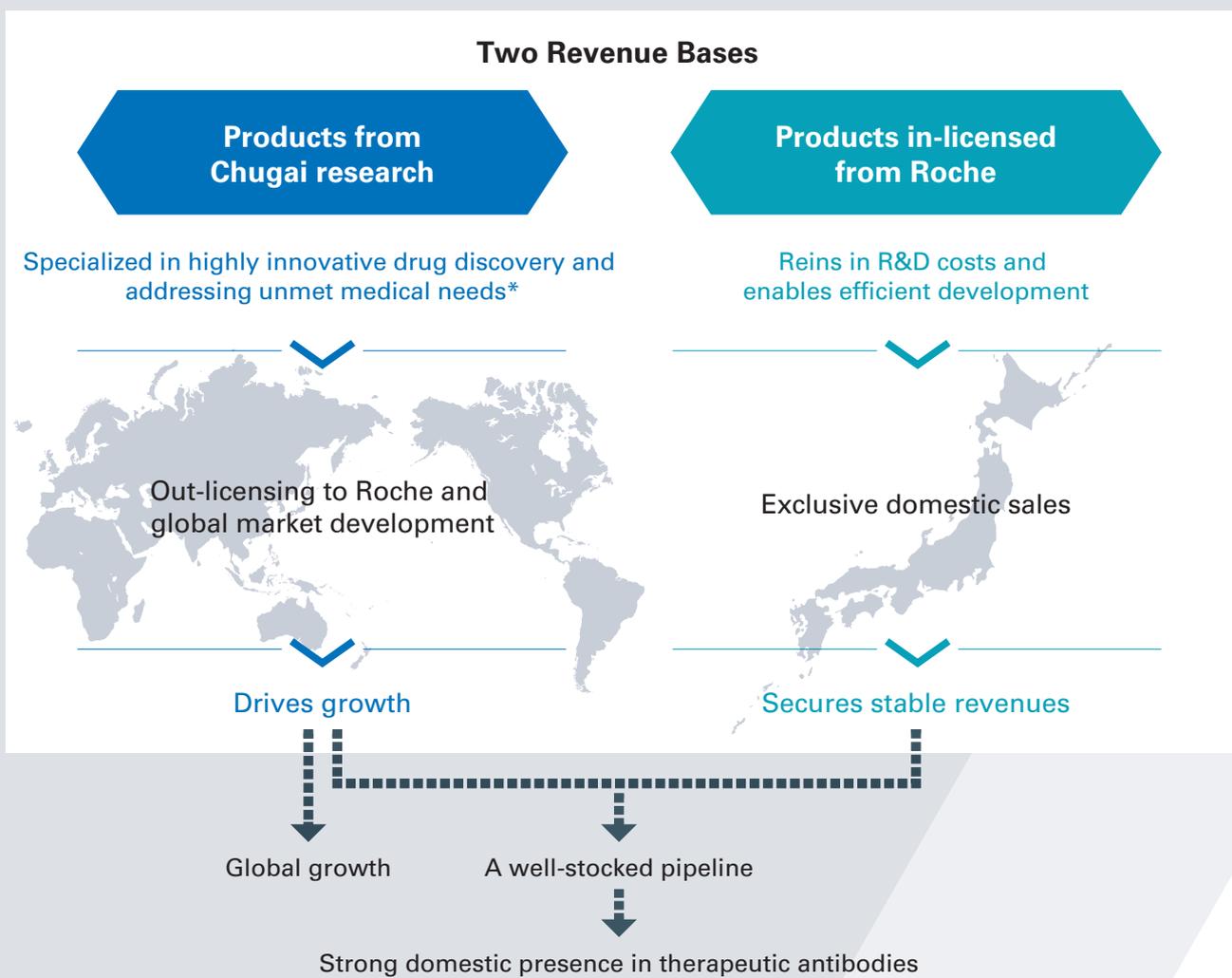
Evolution of antibody engineering technologies that prove Chugai's drug discovery capabilities

About Roche

Established in 1896, Roche is headquartered in Basel, Switzerland. Roche contributes to healthcare in various fields through its two business segments—pharmaceuticals and diagnostics. Central to the Roche Group's strategy is personalized healthcare, in which biomarkers and diagnostic tests are used to identify the patients most likely to respond to a particular drug. Roche entered into an alliance with Chugai in 2002 and is now Chugai's majority shareholder. U.S.-based Genentech, one of the world's leading biotechnology companies, is also a member of the Roche Group.

Business Model

Though a member of the Roche Group, Chugai maintains autonomous and independent management, employing a unique business model focused on innovation that values individuality and diversity. The strategic alliance with Roche gives us the exclusive right to market Roche’s innovative drugs in Japan, creating a stable revenue base that enables us to concentrate our investments on unique, highly innovative technologies and drug discovery. The innovative drugs that emerge from our in-house research and development are out-licensed to Roche and made available in the global market through Roche’s infrastructure, driving Chugai’s growth. At the same time, the alliance enables Roche to globally market the drugs that Chugai discovers through its highly specialized and innovative research, creating a win-win relationship.



* Medical needs that are not adequately met due to a lack of effective treatments

Chugai in Numbers

An R&D-Driven Pharmaceutical Company

Share of sales in oncology field in Japan

No. 1*

Share of therapeutic antibody sales in Japan

No. 1*

* Copyright © 2024 IQVIA.

Source: Compiled from Pharmaceutical Market Data December 2023 MAT. Unauthorized reproduction is prohibited. The market range is as defined by Chugai Pharmaceutical.

Strong Financial Foundation

(Year ended December 31, 2023)

Revenues*

¥1,111.4 billion

Operating Profit*

¥450.7 billion

* Core basis results: IFRS results excluding gains and losses associated with nonrecurring events

Delivering Innovative Drugs Worldwide

Breakthrough Therapy* designations **9**

Countries approving Chugai Pharmaceutical products **More than 110**

* A system introduced in July 2012 by the U.S. Food and Drug Administration aimed at expediting the development and review of drugs for the treatment of severe or life-threatening diseases or symptoms

Providing Advanced Patient-Centric Solutions

Customer satisfaction ranking
(in oncology, for information obtained from sources other than MRs) **No. 1¹**

Customer satisfaction ranking
(for safety information provision in Japan) **No. 1²**

1. MCI DIGITAL, *Multimedia White Paper on Physicians* Summer 2023, based on an internet-wide survey of oncologists

2. INTAGE Healthcare Inc., 2023 questionnaire about safety information needs

Human Resources—The Source of Innovation

(As of December 31, 2023)

Number of employees	Percentage of female managers with subordinates ¹	Percentage of male employees taking childcare leave ²	Human Resource Development Investment per Person ³
7,604	17.2%	87.6%	¥256,000

1. Chugai Group companies in Japan

2. Non-consolidated figure based on the Chugai Finance Report

3. 2023 (Non-consolidated basis)

Preserving the Global Environment

(As of December 2023)

Energy-related CO₂ emissions (Scope 1 + Scope 2)¹ **55.0%² reduction compared with 2019**

1. Scope 1: Direct emissions of Chugai; Scope 2: Indirect energy-related emissions from electricity and other sources of power supplied by other companies

2. Includes reductions for the use of sustainable power supplied by power companies, as well as for purchased green energy certificates and non-fossil fuel energy certificates

Envisioned Future

We will collaborate with Roche to continue placing “innovative new drugs” at the core of our business. We aim to become a leading innovator in the global healthcare field, where diverse players, not limited to pharmaceutical companies, are taking on the challenge of innovation.

Vision for 2030: Top Innovator in the Healthcare Industry



Expectation from patients all over the world

With world-class drug discovery capabilities, patients around the world expect that “Chugai will surely create new treatments.”



Attracting talent and players from around the world

Attract passionate talent from all over the world, and inspire players to think they can create something new by partnering with Chugai.



Role model for the world

Recognized for its ESG initiatives through its business activities, Chugai will become a global role model as a leader in resolving social issues.

Growth Strategy “TOP I 2030”

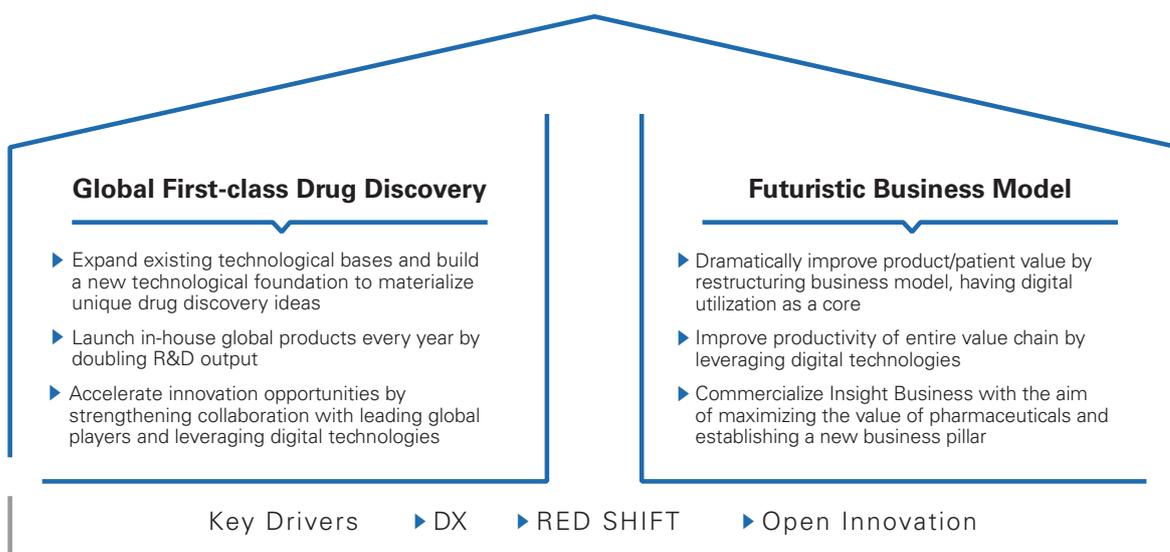
“TOP I 2030” is the growth strategy Chugai developed based on the goals it wants to achieve by 2030.

We based TOP I 2030 on two pillars—“Global First-class Drug Discovery” and “Futuristic Business Model”—and defined three key drivers for ensuring the success of the strategy: “RED* SHIFT,” “DX” and “Open Innovation.” We will shift our resources to discovery research and early clinical development, which are the source of our value creation, apply digital technology to create innovative new drugs and increase efficiency in the value chain, and actively collaborate with external partners. By doing so, we aim to double R&D output and have the capability to launch global in-house products every year by 2030.

* Research and Early Development

TOP INNOVATOR TOP i 2030

“Double R&D output” & “Launch global in-house products every year”



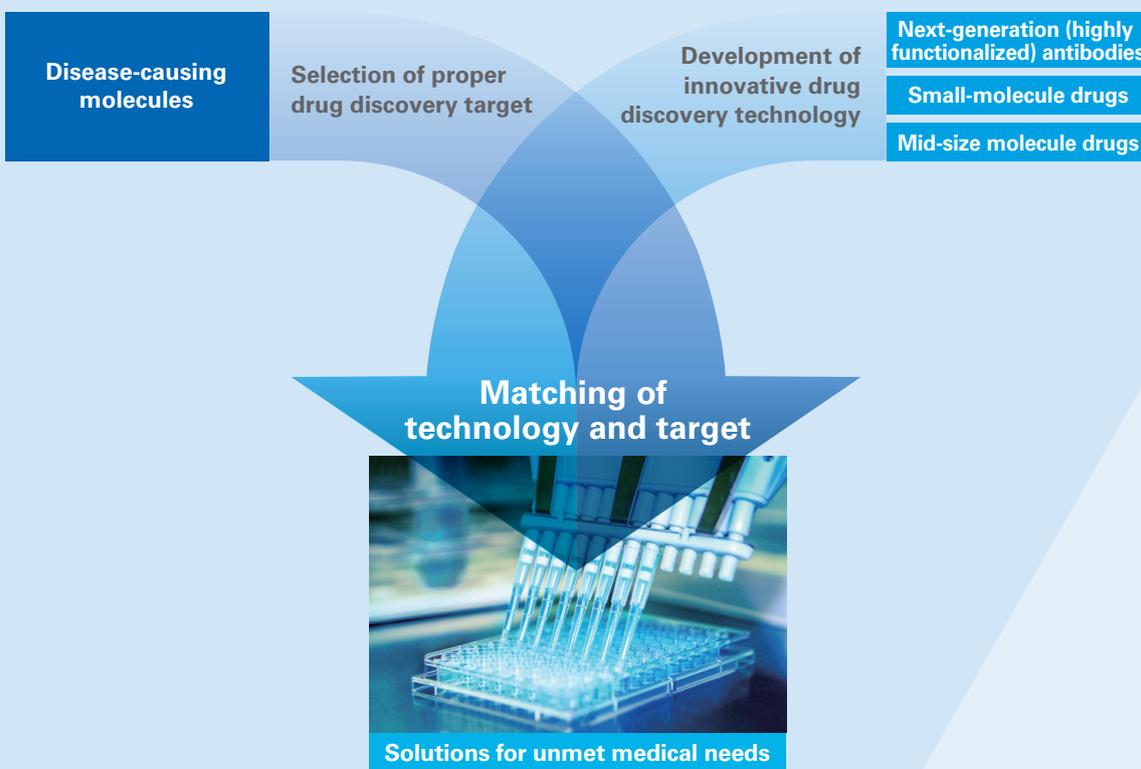
Innovation at Chugai Drug Discovery Capabilities

Addressing Unmet Medical Needs

Chugai leverages its biotechnologies, antibody engineering technologies, target molecule exploration technologies, and other strengths to create highly original drugs that address unmet medical needs. Chugai constantly pursues innovation through new science, technology and disease fields in order to fulfill its strong commitment to contributing to the wellbeing of patients around the world by quickly delivering the innovative medicines they need.

Features of Chugai's Approach to Drug Discovery

Chugai's drug discovery is technology-driven. In contrast to drug discovery with a focus on a specific disease area, our researchers develop unique technologies, and then apply them to drugs. By fully utilizing our researchers' ideas and manufacturing technologies, we strive to generate a steady succession of innovative products that offer new value to patients. Chugai's Research Division has strengths that other companies cannot match, such as the benefits of collaboration with Roche and Open Innovation with academic institutions. Utilizing these networks, we select drug discovery targets by uncovering disease-causing molecules.



Chugai's Modalities

Chugai has gained a reputation worldwide for its proprietary antibody engineering technologies as well as its strong drug discovery capabilities backed by research infrastructure in various modalities (therapeutic approaches) including small and mid-size molecules. While refining our unique proprietary technologies, we will pursue a multi-modality strategy that flexibly incorporates external technologies.

Therapeutic Antibodies

A therapeutic antibody is a drug that applies the functions of antibodies, which are proteins made by our immune system. There are high expectations for such drugs because they pinpoint specific targets and thus produce fewer side effects. As a pioneer in the research and development of biopharmaceuticals in Japan, Chugai created the first therapeutic antibody manufactured in Japan. We will leverage our unique antibody engineering technologies to expand the potential of therapeutic antibodies and create new drugs.

Mid-Size Molecule Drugs

Mid-size molecule drugs are positioned between small molecules and antibodies (large molecules). They are seen as potential next-generation drugs that combine the benefits of small-molecule and antibody drugs because they bind to intracellular targets with high specificity and can be taken orally.

We have invested business resources in this field for over a decade, establishing unique mid-size molecule technologies that give us a competitive advantage.



<https://www.chugai-pharm.co.jp/english/profile/rd/>

Chugai Life Science Park Yokohama

Integrating the drug discovery functions that were previously divided between the Fuji Gotemba and Kamakura research laboratories, Chugai Life Science Park Yokohama (Chugai LSP Yokohama) is Chugai's drug discovery research center in Japan. Centered on a 300-meter corridor called the "Spine" that connects the laboratories and offices, this facility is designed to create opportunities for innovation through active communication among the approximately 1,000 researchers who work there. Chugai LSP Yokohama is using cutting-edge technologies, including artificial intelligence (AI)-based drug discovery in ongoing research of antibodies and mid-size molecules, and a cryo-electron microscopy system, the first of its kind in the Japanese pharmaceutical industry. In addition, the facility is committed to transforming the drug discovery process, contributing to the development of next-generation laboratory automation in ways such as incorporating self-propelled robots that link processes by moving samples between automated instruments.



Chugai LSP Yokohama

Personalized Healthcare (PHC) Solutions

Providing Optimal Value Tailored to Each Individual Patient

Driven by rapid advances in science and digital technology, expectations and needs related to healthcare are extending beyond drugs to include peripheral treatments. Solutions that provide value tailored to each individual patient are also increasing, with a focus on digital technology. Chugai is pursuing the development and practical implementation of PHC solutions* to respond to society's expectations regarding the value provided by healthcare. In doing so, Chugai will connect patients' needs to innovative drugs, and contribute to providing optimal value tailored to each individual patient.

* Products and services for which precise diagnosis and measurement of pathology and treatment effectiveness have been conducted, thereby enabling optimal treatments for individual patients

Digital Biomarker Initiatives

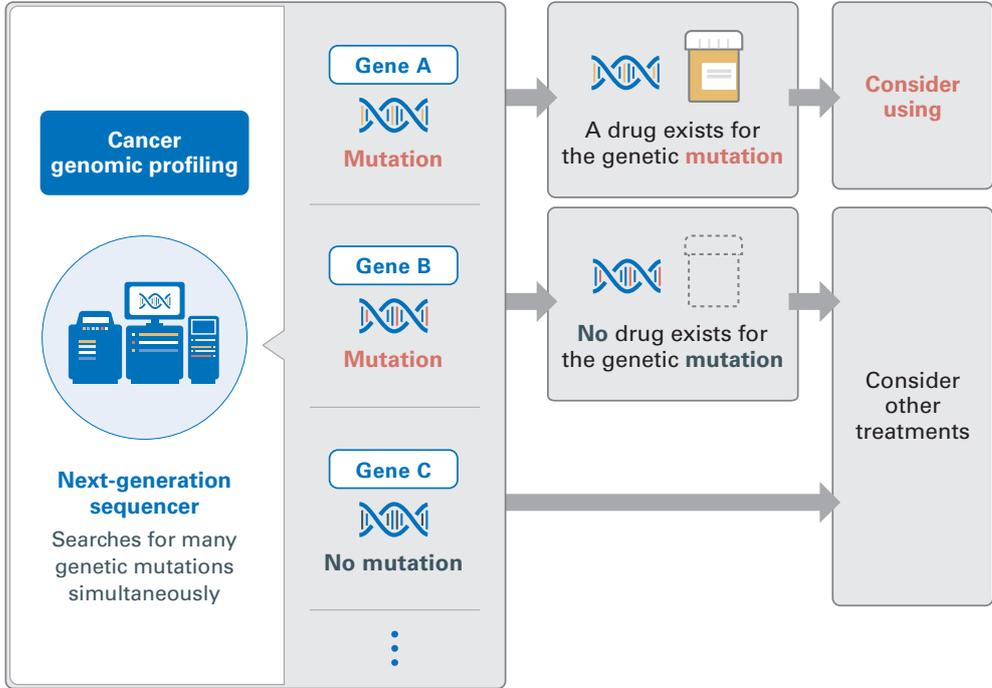
Digital biomarkers (dBM) are markers that use data obtained via smartphones or wearable devices to objectively visualize the presence of diseases and changes resulting from treatment. At Chugai, we have used wearable devices in multiple clinical development projects to collect patients' physiological data in real time, which was previously impossible. By leveraging digital technology in this way, we want to improve the efficiency and sophistication of the clinical development process for new drugs, prove the value of drugs, and advance understanding of diseases to provide new value to patients.



 https://www.chugai-pharm.co.jp/english/profile/digital/digital_biomarkers.html

Cancer Genomic Medicine

In conventional cancer treatment, the focus is on where in the body the cancer has appeared, and a uniform treatment regimen is given according to the site of the cancer. By contrast, cancer genomic medicine involves diagnosis and treatment based on the differences in people’s genomes (genetic information). In cancer genomic profiling, a patient’s genetic information is analyzed using a next-generation sequencer. If gene mutations that cause cancer are discovered, it is hoped this will lead to finding the optimal treatment for each individual based on genetic differences.



Digital Transformation for Drug Discovery and Development

We use AI and other cutting-edge technologies to improve the probability of success in drug development, while significantly reducing the time and cost of the drug discovery process, with the aim of achieving outstanding efficiency and innovation. Moreover, we are advancing AI drug discovery to explore targets in disease areas where Chugai is a leader and to design molecules in modalities in which there is a wealth of technical evidence. Our aim is to create innovative new drugs based on analyses of the massive amount of data in Chugai's possession.

Optimize All Value Chains

We will use AI, robotics, augmented reality, virtual reality, and other digital technologies to dramatically boost the efficiency of each department and function. For example, under the concept of "Transform production operations with digitalization to increase productivity and add high value to human capital," we established a smart factory at our Ukima Plant to optimally link people and operational data. Currently, we are building digital infrastructure to support new operations, and are working toward expansion to other sites.

Strengthen Digital Platforms

We actively recruit and develop digital talent and have established a system that allows employees to express their ideas and challenges freely. For example, CHUGAI DIGITAL ACADEMY has been established to systematically develop data scientists and other digital talent. We provide a full range of in-house content, including lectures and materials to support practical application through on-the-job training. In addition, through external training programs, personnel exchange, and collaboration with universities and research institutions, our employees enhance their skills and experience in integrating digital technology and healthcare. These initiatives will enable us to establish the foundation for new value creation.

Utilizing Real-World Data

"Real-world data" (RWD) is the general term for data obtained from daily clinical practice, such as electronic medical records. Appropriate use of big data, including RWD, will help us understand the condition and treatment outcomes of patients with various backgrounds—something not possible in clinical trials—and contribute to the realization of treatments tailored to each individual patient.

 **Utilization of real-world data (RWD)**
https://www.chugai-pharm.co.jp/english/profile/digital/real_world_data.html



Sustainability at Chugai

Creation of Shared Value for Chugai and Society



Output (Contribution to increase in corporate value)		Value Provided (Impact on society)	
Profit growth	<ul style="list-style-type: none"> • Creation of innovative new drugs • Provision and expansion of product value • Increase in added value and securing of investment resources 	Patient- and healthcare-related	<ul style="list-style-type: none"> • Improvement of drug efficacy and safety • Improvement of QoL • Treatment tailored to each individual patient
Increase in capital efficiency	<ul style="list-style-type: none"> • Increase in efficiency of invested resources • Reduced cost of capital and reduced risk 	Countries, communities and the environment	<ul style="list-style-type: none"> • Sustainable health financing • Regional healthcare development • Global environmental protection
Expansion of unseen assets	<ul style="list-style-type: none"> • Increase in human and intellectual capital • Improvement of ESG evaluation 		

Creating Shared Value with Society

Chugai's basic policy is to create shared value for the Company and for society. Through our business operations, we aim to address societal issues and foster development alongside various stakeholders. The shared value we create is aimed at realizing advanced and sustainable patient-centric healthcare. Fully leveraging our unique business model, we continuously innovate in collaboration with diverse stakeholders, delivering innovations to patients around the world and achieving global growth and robust profit increases by securing investment capital. Our mission is to imagine new value and contribute to the sustainability and advancement of society.

By providing innovative drugs and services, we aim to realize optimal treatment and better quality of life for each patient. We also strive to contribute to sustainable healthcare financing and the development of regional healthcare. Furthermore, we contribute to a circular economy by resolving social issues through initiatives such as reducing environmental impact and efficient use of resources. As a result of such initiatives, Chugai has been selected for four consecutive years as a constituent of the Dow Jones Sustainability World Index (DJSI World), a global ESG investment index, and ranked second in the world in the pharmaceutical sector.

Member of
Dow Jones Sustainability Indices
 Powered by the S&P Global CSA

Initiatives for Sustainability

Working toward Advanced and Sustainable Patient-Centric Healthcare

Patient-Centric

Chugai has adopted “patient-centric” as its top-priority core value. We see patients as partners in resolving issues, and are working with them in a variety of ways to realize healthcare that enables selection of the optimal treatment for each individual. In dialogue between patient groups and Chugai’s CEO, which began in 2020, both sides share opinions and discuss healthcare challenges from their unique perspectives and work together to find solutions. Spanning various disease areas, this activity is evolving year by year, and has now expanded to include the participation of healthcare professionals and academia, among others. In 2023, a session was held with the participation of two patient organizations and the CEOs of three pharmaceutical companies including Chugai. One of the initiatives for addressing issues raised in dialogues is PHARMONY,* a program launched to incorporate the views of patients into drug discovery. Since then, we redefined the parameters of this program to include the opinions of patients throughout the value chain, and have begun PHARMONY ONE, a Company-wide program to facilitate dialogue between patients and employees in order to reaffirm the “patient-centric” value among employees.

* A term coined by Chugai combining the words “Patients,” “Pharma” and “Harmony.” It refers collectively to activities conducted by Chugai to elicit the opinions of patients and their families with the aim of achieving mutual understanding and working toward shared value creation.



Initiatives for Sustainability

Preserving the Global Environment

The Chugai Group considers global environmental protection to be an important foundation for all of its business activities and has set ambitious targets in Mid-Term Environmental Goals 2030 based on the global environmental consensus. We strive to be a role model for the world in finding solutions to environmental issues through innovative global environmental conservation activities and active, evidence-based disclosure, in cooperation with Roche and external partners. Furthermore, to address climate change, which is the most critical global theme and one that requires long-term, large-scale countermeasures, we have set the goal of achieving net-zero CO₂ emissions by 2050.

Included in CDP's "A List 2023" in the two categories of climate change and water security



Received SBT certification for greenhouse gas reduction targets



Social Contribution

Chugai focuses its social contribution activities in five priority areas: "healthcare," "social welfare," "inclusive society," "next generation development" and "local communities." Chugai supports a foundation for patient-centric sustainable healthcare, while working to advance initiatives for creating a healthy society. For example, we support the sustained improvement of access to medical care in low- and middle-income countries with fragile healthcare systems, where we work in cooperation with public institutions, NGOs and industry groups, leveraging our strengths, technologies and expertise. For "next generation development," we conduct activities to spark interest in science and biotechnology among the next generation, who will lead society in the future. In the Biolab at Chugai LSP Yokohama, we provide hands-on lab classes and science education programs for children from elementary to high school. Furthermore, by supporting initiatives to protect the natural environment and engaging with local communities, we contribute to the formation of healthy communities and promote inclusivity through sports and cultural programs. Our goal is to realize a healthy society where diverse people can shine in their own way.





Human Resources

At Chugai, the source of innovation is people, and we consider our people to be our greatest asset. That is because individual employees are the driving force for value creation. We envisage individuals, enhance individuals and enable excellence of individuals to achieve further innovation through the growth of those individuals, and are carrying out a variety of related initiatives. For example, in the “Envisage individuals” step, we implement the “Check in (1 on 1)” initiative as a way to promote dialogue between supervisors and their team members, and are working to support autonomy based on such communication. In regard to “Enhance individuals,” we believe it is important to develop systems that encourage people to challenge themselves and grow. As such, we have introduced an online platform to provide opportunities for self-directed learning, and are investing in career development and training programs. For the “Enable excellence of individuals” step, we believe that creating an environment in which employees can be themselves and thrive is of utmost importance. To that end, we are promoting job satisfaction reforms and health and productivity management, and are working to firmly establish the concept of diversity & inclusion (D&I). In promoting D&I, in addition to further accelerating the advancement of women in the workplace, we are addressing the various challenges that employees face, such as balancing work with childcare and nursing care,

women’s health issues, LGBTQ issues, and more. We are focused on creating a workplace environment that enables employees with different values and ideas to thrive and grow.

<p>Envisage individuals</p>	<p>Individual employees envisage their careers and attune their future self-realization to “TOP I 2030”</p>
<p>Enhance individuals</p>	<p>Respect employees’ autonomy, and encourage them to take on challenges, learn autonomously, and increase their expertise</p>
<p>Enable excellence of individuals</p>	<p>Provide an environment where employees can fully demonstrate their own abilities and achieve personal growth through undertaking challenges</p>

In 2024, chosen for inclusion in the Health and Productivity Stock Selection for the first time and received Health and Productivity Management Outstanding Organizations/White 500 certification for the fourth consecutive year



Platinum Kurumin



Diversity Management Selection 100



Nadeshiko Brand



Eruboshi

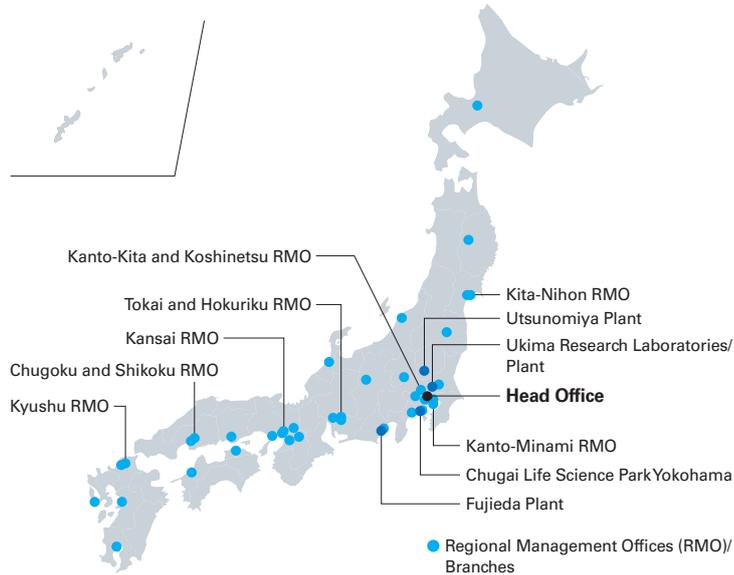


PRIDE Index



Corporate Information Networks

Domestic Network (As of April 1, 2024)



Head Office



Ukima Research Laboratories/Plant

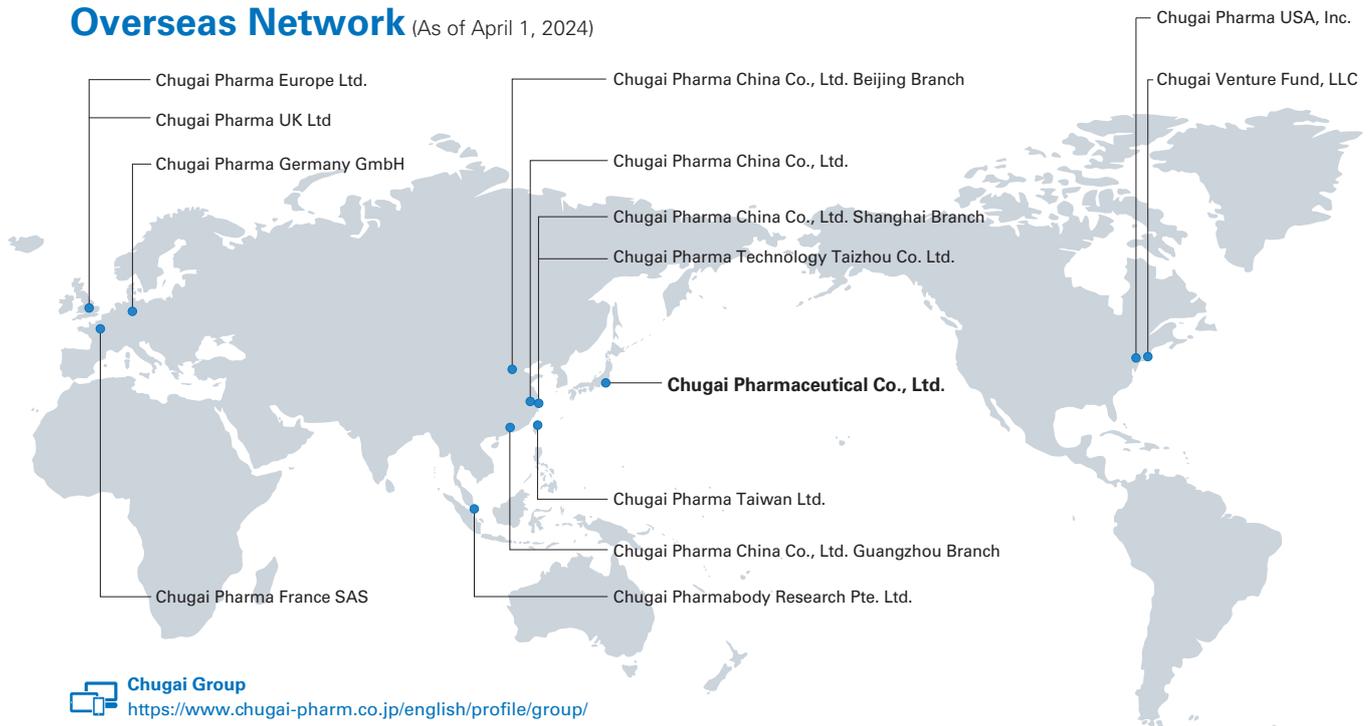


Utsunomiya Plant



Fujieda Plant

Overseas Network (As of April 1, 2024)



 **Chugai Group**
<https://www.chugai-pharm.co.jp/english/profile/group/>

Chugai Pharmabody Research (CPR)

CPR, a research subsidiary of Chugai based in Singapore, uses antibody engineering technology to create therapeutic antibody development projects, constructs and employs mid-size molecule screening platforms to create mid-size molecule development projects, and develops new technologies. In addition to accelerating Open Innovation through collaboration with research institutions in Singapore to develop drug discovery technologies and create a succession of new drug candidates, CPR aims to contribute to the advancement of Singapore's science ecosystem.



Company Outline

Company Outline (As of December 31, 2023)

Company name Chugai Pharmaceutical Co., Ltd.

Foundation March 10, 1925

Establishment March 8, 1943

Stated capital ¥73,202 million

2023 core basis results

Revenues ¥1,111.4 billion

Operating profit ¥450.7 billion

Net income ¥333.6 billion

Fiscal year-end December 31

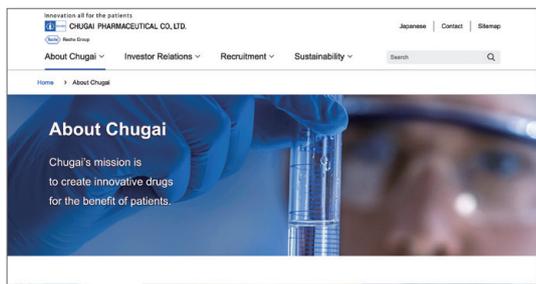
Number of employees 7,604 (Consolidated)

Principal lines of business Research, development, manufacturing, sales, and import/export of pharmaceuticals

Head Office 1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo, Japan

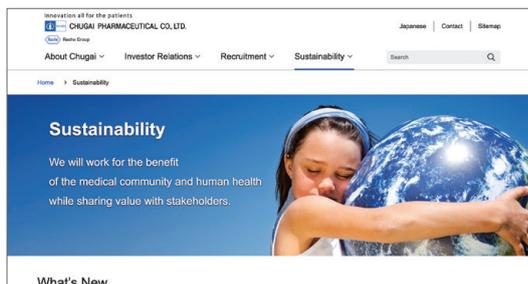
 **Company Profile**
<https://www.chugai-pharm.co.jp/english/profile/about/outline.html>

Website



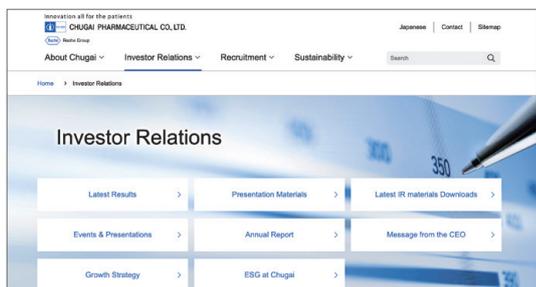
Corporate Website

<https://www.chugai-pharm.co.jp/english/profile/>



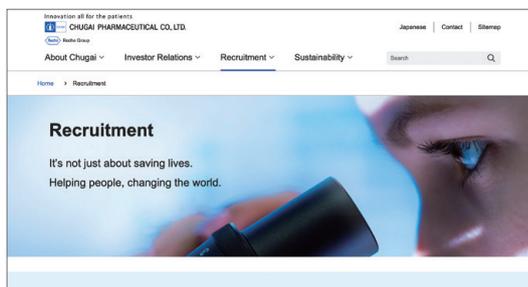
Sustainability

<https://www.chugai-pharm.co.jp/english/sustainability/>



Investor Relations

<https://www.chugai-pharm.co.jp/english/ir/>



Recruitment

<https://www.chugai-pharm.co.jp/english/recruit/>

 / @Chugaijp

 <https://www.linkedin.com/company/chugai/>



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Innovation all for the patients



CHUGAI PHARMACEUTICAL CO., LTD.

