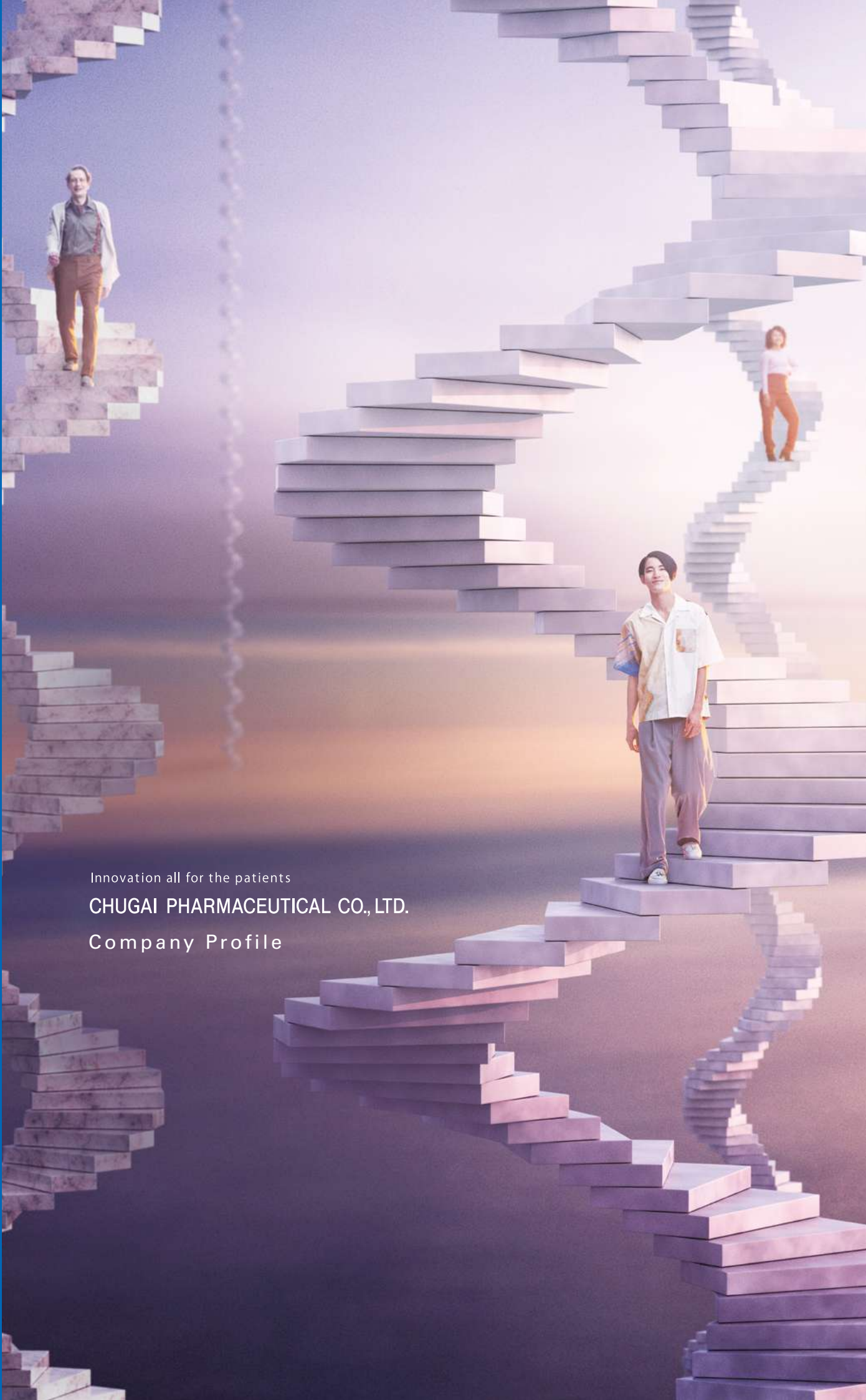




Roche Roche Group



Innovation all for the patients
CHUGAI PHARMACEUTICAL CO., LTD.
Company Profile

We seek a place beyond imagination
where fertile soil nourishes seeds of change.
We pursue talent and technology
beyond cultural and national boundaries.
We disrupt common paradigms.
And if there are a million people with the same disease,
we'll find a million individual ways to treat them.
Together with the medical community,
we strive to deliver hope and relief to those who suffer.

Across our planet, home to 7 billion people,
we're finding new treatments for today,
for tomorrow, for the future of the human race.

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



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What We Must Do



Mission Statement

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.



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

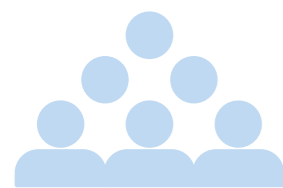
Become a top innovator for advanced and sustainable patient-centric healthcare, powered by our unique strengths in science and technology and the alliance with Roche

What We Will Do

Chugai's Top Innovator Vision

The healthcare industry is entering a period of dramatic change. Diversification of new drug discovery technologies and drug modalities* and advances in science technology and digital technology are impacting the competitive advantages of pharmaceutical companies. As a result of the global COVID-19 pandemic, many countries are accelerating measures to control healthcare costs, and the trend toward value-based healthcare, in which only medicines and solutions that offer true value are chosen, is growing stronger. Against the backdrop of these changes in the operating environment, Chugai formulated its vision for becoming a top innovator, setting out three goals to be achieved by 2030. While maintaining the discovery and development of innovative drugs as the core of our business based on our alliance with Roche, we will create shared value with society through innovation.

* The material classification of a drug, such as small-molecule compound, therapeutic antibody or regenerative medicine



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 globally 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.

What We Will Do

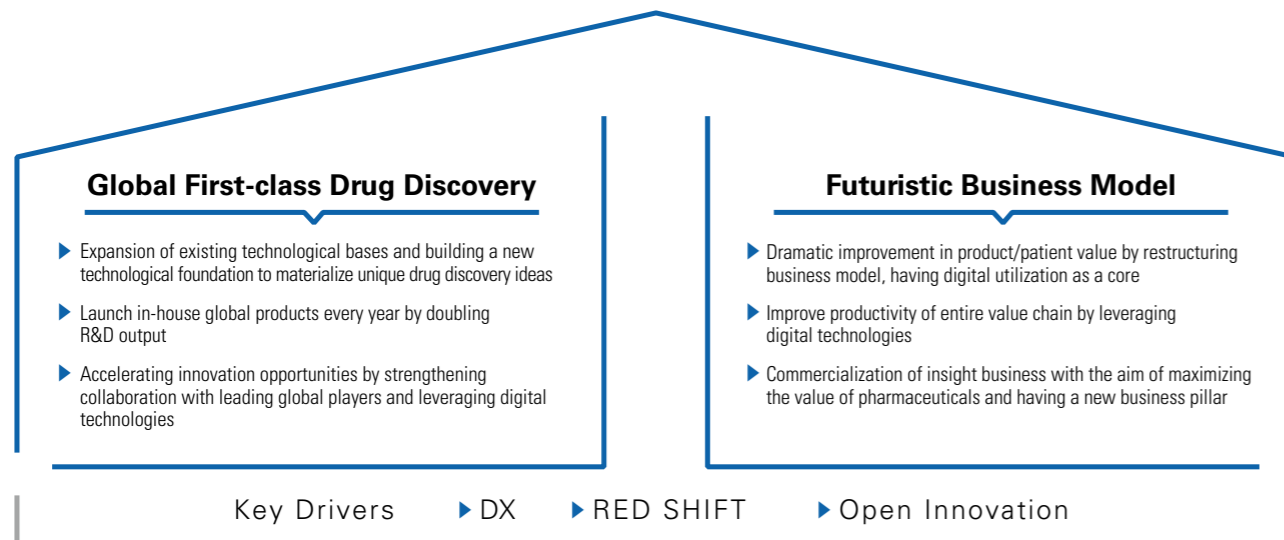


TOP I 2030

In February 2021, Chugai announced “TOP I 2030,” a new growth strategy for becoming a top innovator in the global healthcare industry by achieving three goals by 2030. TOP I 2030 is based on two key pillars: “Global First-class Drug Discovery” and “Futuristic Business Model.” In addition, we have defined three key drivers to ensure the success of this strategy: “RED¹ SHIFT,” “DX”² 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 outside partners. In this way, by 2030, we aim to double our R&D output and launch global in-house products every year.

1. Research and Early Development
2. DX (Digital Transformation): The concept that the spread of information technology will change every aspect of people’s lives for the better

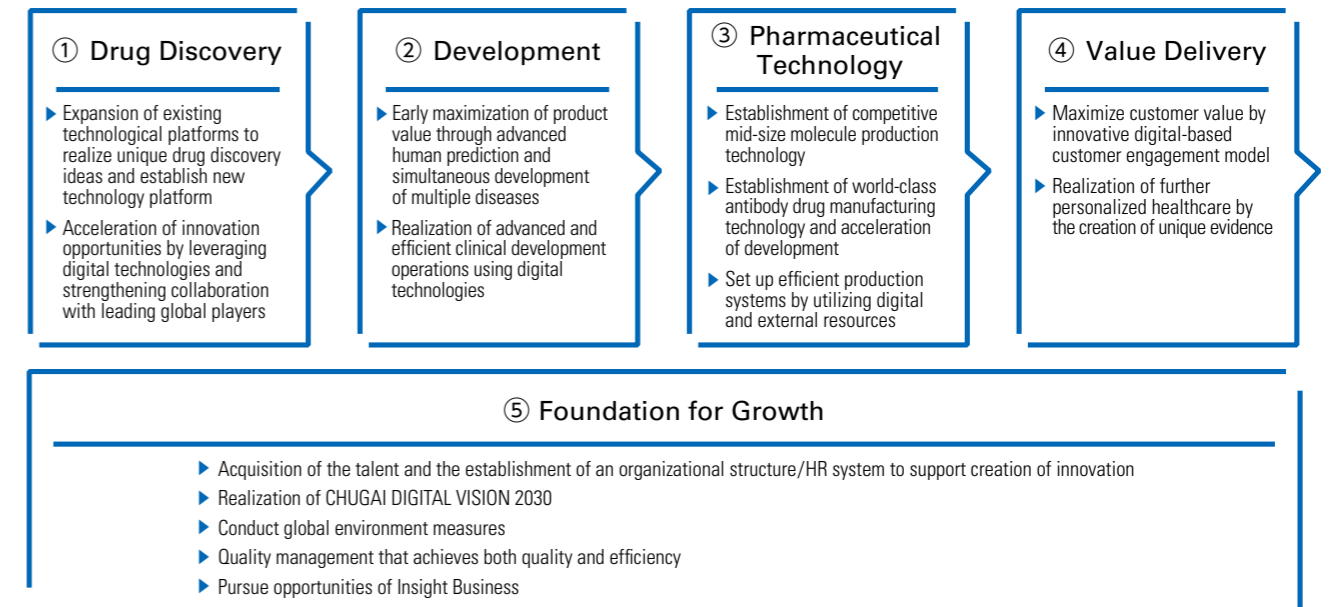
“Double R&D output” & “Launch global in-house products every year”



Five Reforms to Realize Our Strategy

In TOP I 2030, we will carry out the following five reforms to realize our strategy.

- ① In drug discovery, strengthen drug discovery technology platforms through the utilization of digital technology and external collaboration
- ② In development, establish a world-class clinical development model that can maximize product value
- ③ In pharmaceutical technology, realize pharmaceutical technology functions that combine world-class technology and cost competitiveness
- ④ In value delivery, generate evidence that helps promote personalized healthcare and create an innovative customer engagement model
- ⑤ In foundation for growth, strengthen the growth foundations necessary for innovation and promote evolution of the value chain



Why Only We Can



Strategic Alliance with Roche

Leading Company in the Domestic Biopharmaceutical, Therapeutic Antibody and Oncology Areas

Chugai

Share of sales in the Japanese oncology area

No. 1¹

Share of sales in the Japanese therapeutic antibody² market

No. 1¹

Roche Group

Global sales of pharmaceutical products

No. 1³

Global pharmaceutical R&D investment

No. 1³

(Pharmaceutical industry)

The research and development of biopharmaceuticals that Chugai has been conducting since the 1980s as a pioneer in biotechnology has made it the leader in Japan in biopharmaceuticals, therapeutic antibodies, and oncology medicines. To deliver that value to patients around the world, we embarked on a strategic alliance with the Roche Group, one of the world's leading pharmaceutical groups, in 2002. Under this alliance, we have built a business model unparalleled in Japan, in which we conduct business in cooperation with Roche while maintaining our management independence. This gives us a firm foundation for contributing to patients and society.

1. Copyright © 2021 IQVIA. Source: JPM 2020. Reprinted with permission. The scope of the market is defined by Chugai.
2. A class of biopharmaceuticals made using biotechnology. Because they target specific cell types or tissues, they can be expected to provide a high degree of efficacy with few side effects. As a result, the market for therapeutic antibodies is expanding rapidly.
3. Source: Chugai survey based on financial results of major pharmaceutical companies for the fiscal year ended December 31, 2020

Unique Business Model

Number of countries in which Chugai products have been approved

More than 110

(As of March 2021)

Projects in-licensed from Roche

20

(2016-2020)

The strategic alliance with Roche has enabled Chugai to gain the exclusive right to market Roche's innovative products in Japan, and to develop the global market for its own products by utilizing the Roche Group's research infrastructure and global platform in development and marketing, which has driven our growth. Chugai has established a stable revenue base, allowing it to concentrate investments in highly innovative technology and drug discovery. Our strong drug discovery capabilities are recognized worldwide, as evidenced by the eight⁴ breakthrough therapy designations⁵ our products have received from the U.S. Food and Drug Administration (FDA). The alliance has also enabled Roche to globally market products created through Chugai's focus on highly innovative research. It is a win-win relationship that takes advantage of the strengths of both partners.

4. Cumulative total as of February 4, 2021

5. A system introduced in July 2012 by the FDA aimed at expediting the development and review of drugs for the treatment of severe or life-threatening diseases or symptoms

Unique Strengths in Science and Technology

Creation of Innovative Drugs Antibody Engineering Technologies

Chugai has established unique antibody engineering technologies and has continued to improve its understanding of diseases and pathological conditions while refining its scientific and technological strengths. We will use these technologies to create innovative new drugs that address unmet medical needs,¹ benefiting patients around the world and society as a whole.

1. Medical need that is not adequately met due to a lack of effective treatments

Evolution of Our Proprietary Antibody Engineering Technologies

Recycling antibody®/Sweeping antibody®	(SMART-Ig®, SMART-Fc®)
Bispecific antibody	(ART-Ig®, FAST-Ig)
Switch Antibody	(Switch-Ig®)

Technology-Driven Drug Discovery Working on New Modalities

In addition to the two drug discovery modalities that are Chugai's strengths, namely small molecules and large molecules/antibodies, including our unique antibody engineering technology, Chugai is working to establish technology for mid-size molecule drugs as a third modality. By establishing this new technology, we may be able to address unmet medical needs with novel approaches. This technology-driven² drug discovery is one hallmark of Chugai's research and development.

2. A policy of using the most outstanding technology without first limiting the target disease areas for research

Establishment of Our Research Network Open Innovation with Leading Global Players

Chugai is proactively building its research network based on cooperation and open innovation with outside partners to create value by integrating its proprietary discovery technologies and expertise with academia and venture businesses. In 2016, we agreed to a comprehensive collaboration with the Osaka University Immunology Frontier Research Center (IFReC), and have been conducting joint research at the Collaboration Promotion Laboratory, which opened in 2017. In 2018, we entered into a comprehensive partnership agreement with Preferred Networks, Inc. (PFN), a company that has attracted worldwide attention for its deep-learning and robotics technologies. By combining our drug discovery technologies and knowledge with PFN's cutting-edge deep-learning technology, we aim to contribute to medicine globally through innovation.

Why Only We Can



Patient-Centric Value Delivery

A Robust Development Pipeline and Top-Level Development and Production Capabilities

Pursuing World-Class Technologies and Cost-Competitiveness

In its clinical development functions, Chugai draws up clinical development plans based on the latest scientific findings and invites medical institutions to conduct clinical trials. Additionally, by conducting multiple global development projects (global studies) through our alliance with the Roche Group, we are contributing to the advancement of the Japanese pharmaceutical industry by creating examples of best practices in development and filing for approval in Japan and internationally. In pharmaceutical technology, we have production facilities, including a biological API production facility, that rank in the top class in Japan in both capacity and quality. At the same time, we are establishing a flexible development and production system that will enable us to bring new drugs to market faster.

 **Continuous provision of innovative drugs**
<https://www.chugai-pharm.co.jp/english/profile/strengths/index.html#sec03>

Advancing PHC to Deliver Treatment Optimized for Each Individual

Launch of F1CDx Cancer Genomic Profile¹

1st in Japan²

Number of Drugs for which F1CDx Cancer Genomic Profile is Used as a Companion Diagnostic

18³ (for eight types of cancer)

As a pioneer of personalized healthcare (PHC), Chugai has been focusing on promoting this approach to healthcare in Japan. PHC tailors treatment to each individual, providing the therapeutic approach expected to be most effective based on factors such as the patient's genomic profile. Moreover, avoiding treatments for which positive outcomes are not expected lessens the risk of adverse events. Using the gene analysis technology of Foundation Medicine, Inc.⁴ (FMI), AI and other technologies, we will continue our efforts to provide advanced and optimal treatments for each individual patient.

1. FoundationOne® CDx Cancer Genomic Profile, a comprehensive cancer-related genomic profiling system
2. The first cancer genomic profiling system in Japan to obtain regulatory approval as both a gene mutation analysis program (for use in cancer genomic profiling) for solid tumors, and a somatic gene mutation analysis program (for use in assessing anticancer drug indications)
3. Number of relevant drugs approved in Japan as of February 2021
4. FMI was established in Massachusetts, U.S.A. in 2010. In 2015, Roche took a majority stake, and then acquired the remaining outstanding shares in 2018 to make FMI a wholly-owned subsidiary. Chugai is working to commercialize FMI's comprehensive genomic profiling tests and maximize their value in Japan.

Providing Solutions Using a High Level of Expertise and Digital Technology

Promoting Multidisciplinary Team Care and Regional Healthcare Coordination

Chugai uses industry-leading digital solutions to support the promotion of multidisciplinary team care, an approach in which medical professionals combine their respective expertise to realize optimal medical care for patients. Our digital solutions also support the promotion of regional healthcare coordination, including cooperation agreements with local governments, and cooperation with medical institutions for disease awareness events and the provision of information. To provide drug safety information quickly and offer sophisticated solutions, we make best use of our post-marketing surveillance and safety information database tools, along with our high level of expertise.

 **Provision of advanced patient-centric solutions**
<https://www.chugai-pharm.co.jp/english/profile/strengths/index.html#sec05>

 **Sustainable Patient-Centric Healthcare**
<https://www.chugai-pharm.co.jp/english/sustainability/patient/index.html>

Why Only We Can

Digital Transformation for the Future of Healthcare

With the cost of developing new drugs increasing and the probability of success declining every year, expectations are high for a transformation using digital technology. Chugai seeks to be a top innovator that applies digital technology to transform its own business and provide healthcare solutions that change society. We will focus in particular on innovating the drug discovery process by combining the extensive range of unique strengths that we have established in science and technology with AI and other advanced digital technologies.

CHUGAI DIGITAL VISION 2030

Digital transformation for drug discovery and development (DxD3)

Optimize all value chains (DxD3)

Strengthen digital platforms

CHUGAI DIGITAL

Initiatives of DxD3

At Chugai, we are working to enable truly personalized healthcare in ways that only we can provide, centered on three initiatives for applying digital technology to the creation of new drugs: AI-driven drug discovery, Digital biomarkers² initiatives, and utilization of real-world data.



1. Digital Transformation for Drug Discovery and Development



AI-driven drug discovery

AI technologies such as machine learning and deep learning will be utilized to improve the probability of success in drug development, and also for automation and labor-saving to drive innovation and efficiency throughout the drug discovery process. This will significantly reduce development time and costs.



Digital biomarkers initiatives

We will provide new value to patients by collecting and analyzing physiological data obtained from wearable and other devices, and by using digital technologies such as visualization of the patient's condition and prediction of an individual's disease risk to create new health indicators.

2. Physiological data obtained from wearable and other devices



Utilization of real-world data

Timely and appropriate use of big data, including real-world data,³ will help us understand the condition of patients in actual clinical practice, something not possible in clinical trials, and contribute to the realization of treatments tailored to each individual patient.

3. Medical data such as electronic health records compiled in routine clinical practice

Strengthening Our Digital Platforms

In collaboration with the Roche Group, we aim to establish global-level IT infrastructure through the integration of various internal data and the construction of an analysis platform. In addition, we will take various tangible and intangible measures to strengthen our digital platforms, including recruiting and developing digital talent, operating the Digital Innovation Lab (which encourages trial-and-error), and cooperating with outside organizations.



Development of Chugai Scientific Infrastructure (CSI)

CSI is an IT infrastructure we developed based on Amazon Web Services to securely and conveniently utilize large quantities of data. It enables us to safely handle data that has high security requirements, such as genomic data, and to accelerate collaborative projects with academia, medical institutions and corporate partners.



Digital IT Healthcare Week 2020

In addition to events for employees to share DX case studies, trends and other related information within our company, we held 'CHUGAI DIGITAL DAY', which was attended by people from outside the company and offered ideas using digital technology for innovation and solutions to various healthcare issues. More than 5,000 people from inside and outside Chugai participated in these events.



DX銘柄2020 Digital Transformation

Selection as "DX Stock 2020"

Chugai was selected as one of the "Digital Transformation Stocks (DX Stocks) 2020" by the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange in recognition of our wide range of initiatives in "CHUGAI DIGITAL VISION 2030," including the use of digital technology for innovating drug discovery, transforming corporate culture, and collaborating with outside partners.

Why Only We Can



External Recognition

Included in the leading ESG investment index
DJSI World for first time
Included in DJSI Asia Pacific¹ for the sixth time
and third consecutive year

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

1. The Asia-Pacific version of the DJSI

Nadeshiko Brand



Diversity Management
Selection 100



Selected under the Certified Health and Productivity
Management Outstanding Organizations
Recognition Program (Large Enterprise Category)
for the fourth consecutive year



Platinum Kurumin



The SDGs That Chugai Is Helping to Achieve



The top priority goal directly linked to our Mission (3), the four goals to focus on for achieving it (8, 9, 12 and 17) and the six goals that form the basis of our business activities (5, 6, 10, 13, 15 and 16)

Sustainability

Environmental Protection and Occupational Health and Safety

In the Chugai Group, environmental protection and the safety and health of employees are key foundations supporting the achievement of our Mission of benefiting the medical community and human health around the world. To efficiently promote environmental protection and occupational health and safety, which are closely connected, we have developed an integrated management system to implement environmental, health and safety (EHS) activities with a mid-to-long-term perspective.

The health of employees is a valuable asset for Chugai, and we work to maintain and improve employee health and to create safe working environments. In recognition of our ongoing initiatives, we were selected under the Certified Health and Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category)² for the fourth consecutive year.

We are also taking active environmental protection measures to achieve the Mid-Term Environmental Goals 2030, which we formulated based on expectations and requests from outside parties and our material issues. We will continue to raise the level of Group-wide responses to ESG issues and accelerate the sustainable development of both Chugai and society.

2. A program run by the Ministry of Economy, Trade and Industry (METI) in collaboration with the Nippon Kenko Kaigi that recognizes large enterprises that demonstrate outstanding efforts in health and productivity management.

Human Resources and Diversity and Inclusion

To grow together with society, continuous innovation must be created through new perspectives and ideas unconstrained by conventional frameworks. At Chugai, we regard human resources who have diverse capabilities and ways of thinking as our greatest asset. We are taking steps to foster a culture of continuous innovation, such as the operation of the new personnel system launched in 2020, promotion and management of talent based on finding the right person for the right position, and promotion of diversity and inclusion (D&I).

One concrete measure was holding “Chugai Diversity Days” to deepen understanding of D&I to help promote behavioral change among employees. Employees from various divisions participated, in addition to senior management.

The event addressed the importance of inclusion as well as securing diverse talent—the source of innovation—as we work to become a top innovator globally. Through ongoing initiatives such as this, we promote D&I throughout our company.

Activity Report



Workshop on Multidisciplinary Team Care in Cambodia

In Cambodia, where rapid economic growth continues, how to enhance cooperation among healthcare professionals to provide high-quality care has become an important issue. To assist the medical community, Chugai held a workshop in Cambodia for local healthcare professionals to promote multidisciplinary team care.



Fostering an Inclusive Society

Chugai co-sponsors the Japanese Para-Sports Association as an official partner. We actively support para-sports through initiatives that help realize the para-sports philosophy of “creating a vital and inclusive society,” such as events in which all members of the general public can try para-sports. We also provide support for culture and the arts.



Donating Para-Transit Vehicles

Ensuring that senior citizens and disabled people living at home have a way to get to medical and welfare facilities, and that staff at those facilities have a means of transportation so they can provide in-home care, is an important challenge for society. Since 1985, Chugai has contributed to in-home care by donating specially equipped para-transit vehicles to organizations that provide such services.

Corporate Information

Corporate Data (As of December 31, 2020)

Company name	Chugai Pharmaceutical Co., Ltd.	
Foundation	March 10, 1925	
Establishment	March 8, 1943	
Stated capital	¥73,202 million	
	2020 core basis results*	
	Revenues	¥786.9 billion
	Operating profit	¥307.9 billion
	Net income	¥219.4 billion
	* IFRS results excluding gains and losses associated with non-recurring events	
Fiscal year-end	December 31	
Number of employees	7,555 (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	

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

About Roche

Established in 1896, Roche is a pharmaceutical company headquartered in Basel, Switzerland. As of 2020, it employed approximately 100,000 people globally and generated sales of 58.3 billion Swiss francs. Roche contributes to medicine in a wide range of 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 began an alliance with Chugai in 2002, and is now the majority shareholder in Chugai. U.S.-based Genentech, one of the world's leading biotechnology companies, is also a member of the Roche Group.

Establishment of Chugai Life Science Park Yokohama



Chugai Life Science Park Yokohama will be a new core research laboratory that consolidates the functions of the Fuji Gotemba Research Laboratories and Kamakura Research Laboratories to establish a system that maximizes Chugai's R&D functions. The new laboratory is designed with environmental considerations such as energy saving and CO₂ emission reduction for harmony with its surroundings. As a base for the discovery of the highest quality drugs, it will work to quickly deliver innovative medicines to patients around the world.

Website



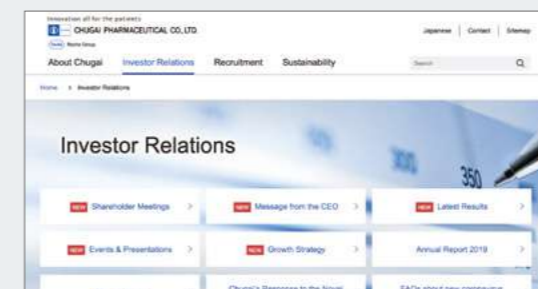
Corporate Website

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



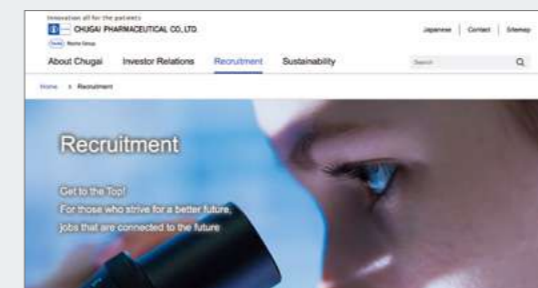
Sustainability

<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/>

Social Media (Japanese only)

 **Twitter**
https://twitter.com/chugai_cc
 @chugai_cc

 **YouTube**
<https://www.youtube.com/chugaijp>



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Innovation all for the patients



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