KYOWA KIRIN

Integrated Report 2024

For the year ended December 31, 2024

Life-changing

Kyowa Kirin Co., Ltd.

CONTENTS

Materiality

Annual Report (PDF version)
https://ir.kyowakirin.com/en/library/annual.html

Corporate website	**https://www.kyowakirin.com/index.html**
Investors (IR)	**https://ir.kyowakirin.com/en/index.html**
• Financial Results	**https://ir.kyowakirin.com/en/library/earnings.htm**
• Corporate Governance Report	**https://ir.kyowakirin.com/en/management/governance.html**
Sustainability (CSR)	**https://www.kyowakirin.com/sustainability/index.html**
• ESG Data	**https://www.kyowakirin.com/sustainability/esg_data/index.html**

Scope of This Report
Kyowa Kirin Co., Ltd. and its consolidated subsidiaries
* Indication is provided in cases where the scope of reporting differs.

Reporting Period
January to December 2024
* The latest information at the time of publication is also included where possible.

Disclaimer
Statements concerning future plans and forecasts are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable. Actual results and performance may differ due to various risks and uncertainties. Statements concerning ethical pharmaceuticals and products under development are not intended as advertising, promotions, or medical advice.

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Motohiko Kawaguchi
Managing Executive Officer
Chief Financial Officer (CFO)
(Responsible for Corporate Communication Department, Procurement Department)
(Administration of Finance and Accounting Department)

About the publication of the Integrated Report

Kyowa Kirin's Integrated Report is published for our shareholders, investors, and a wide range of other stakeholders. It introduces our business—both in its financial and non-financial aspects—as we "strive to contribute to the health and well-being of people around the world by creating new value through the pursuit of advances in life sciences and technologies." In producing this report, we referred to the International Integrated Reporting Framework proposed by the International Financial Reporting Standards (IFRS) Foundation and the Guidance for Collaborative Value Creation 2.0 issued by Japan's Ministry of Economy, Trade and Industry (METI).

Production of this report was led by the Corporate Communications Department, in collaboration with the Corporate Planning and other departments across the organization. As head of the Corporate Communications Department, I have confirmed that the content of this report is accurate.

We hope that this report may be of use as a tool for communication with our stakeholders, leading to the creation of new shared value.

Environment
Social
Governance
Guidance for Collaborative Value Creation

Message from the CEO

Guided by our Story for Vision 2030, we will continue making every effort to consistently create life-changing value

Masashi Miyamoto, Ph.D.
Representative Director, Chairman
Chief Executive Officer (CEO)

Pursuit of life-changing value

Our vision to create life-changing value is built on developing new pharmaceuticals addressing unmet medical needs and ensuring that these products reach the patients who need them. In doing so we aim to greatly improve patients' quality of lives, embodying our raison d'être.

The value our activities generate also extends to the joy our employees derive from their work. Hearing patients say "My life has changed" motivates us to work and energizes the entire organization. We seek to facilitate further innovation by creating an environment in which employees work with pride and a smile.

This creation of life-changing value also delivers economic benefits that can then be invested in generating further life-changing value, giving rise to a virtuous cycle of sustainable growth. We firmly believe that by establishing this virtuous cycle we can achieve our goal of simultaneously creating social value and economic value, thereby practicing Creating Shared Value (CSV) management.

2024 progress towards realizing our Vision 2030

We unveiled our Vision 2030 in 2021, and in February 2024 we formulated the Story for Vision 2030 to detail our strategy for realizing that vision amid intense change in our operating environment. Guided by this Story for Vision 2030, we are steadily implementing measures to realize our vision.

Collaboration with Orchard Therapeutics

One of our primary objectives in acquiring Orchard Therapeutics plc was to acquire a platform for new modalities that we felt Kyowa Kirin did not have sufficiently. That platform, though, is not built on Orchard as a "company," but rather on Orchard's "people." In our post-merger integration (PMI) with Orchard, instead of unilaterally demanding that everything be done "the Kyowa Kirin way," we have sought to merge the two companies while making full use of the hematopoietic stem cell gene therapy (HSC-GT) technologies and work methods cultivated by Orchard. By integrating Orchard's platform with our existing technologies and platform and drawing on the ideas of both companies, we believe we are assisting in the creation of life-changing value. Looking ahead, it is crucial that our thinking does not stop at research, but rather takes into consideration the entire process leading up to delivery to patients. To that end we must establish a cooperative framework encompassing various functions including development, production, and marketing, also deciding on a direction and working together to bring that to fruition. In 2024, we also announced plans for a reduction in our in-house small molecule drug discovery research activities as part of the transition to a global research organization.

Partnership with Kura Oncology

As of the end of 2023, the only late-stage development program in our pipeline was rocatinlimab, a collaborative project with our US development partner Amgen Inc. We decided this situation was untenable, and set out to acquire globally marketable late-stage pipeline programs in the therapeutic areas of focus identified in the Story for Vision 2030. In the area of hematologic oncology, we set our sights on Kura Oncology Inc.'s ziftomenib, a promising new treatment option for acute myeloid leukemia (AML), and following negotiations with Kura Oncology we entered into a collaboration agreement for global development and commercialization of ziftomenib. We view this as an important decision that could lead directly to strengthening our pipeline as outlined in the Story for Vision 2030. In this field of hematologic oncology, we are

already serving Poteligeo globally as well as pursuing development of KK2845. We will work with Kura Oncology to steadily advance development with a view to launching ziftomenib globally.

In 2024, we had a year-end cash balance of ¥244.7 billion, which we will put toward building a portfolio that prioritizes investments in medium- to long-term growth while also ensuring balance in terms of the development phase.

Restructuring of APAC region business

In alignment with the approach we have been pursuing already in the EMEA region, in August 2024 we announced the restructuring of our operations in the APAC region, involving the transfer of our established medicines portfolio to partner companies. Our established medicines business in the APAC region has a long history, and thanks to the efforts of local employees it has delivered products to many patients and evolved into a profitable operation. However, in light of changes in the external environment and the direction set in the Story for Vision 2030, we decided that in China and other Asian countries as well, we needed to license out our established products and have our partners conduct sales activities. By doing so, we can continue supplying our products to the patients who need them, benefiting both patients and medical institutions while also supporting the Company's sustainable growth.

Construction of new plant in North Carolina, in the United States

One of the Company's major strengths is our production capability for biopharmaceuticals. In the past, though, we have allocated much of our resources to building and strengthening a production and quality assurance system compliant with global standards, precluding full utilization of our strength in accelerated development of investigational drugs. In order to supply drugs on the global market, we must also respond in a timely fashion to regulatory changes in each region, which in turn requires us to fully understand the thinking not only of Japanese authorities, but also authorities in the US and Europe. In order to further enhance our global production and quality assurance, we accordingly decided to establish a new manufacturing plant in North Carolina in the US, which has both a large biologics market and a rich pool of highly skilled personnel.

Our motivation in doing so was not simply to produce pharmaceuticals in North America for supply to the North American market. While in North Carolina our new North American colleagues bring to the table cutting-edge biopharmaceutical production technology and know-how, our Takasaki plant is home to the HB7 active pharmaceutical ingredient (API) manufacturing facility and has its own long history and wealth of experience. By creating a mechanism for active exchange between colleagues in North Carolina and Takasaki, we hope to achieve substantial improvement in our production capabilities.

One Kyowa Kirin (OKK) Roundtable meetings facilitate agile management

We hold OKK Roundtable meetings at least once a week as a forum for the CxOs and other leaders to gather and exchange opinions. While the OKK Roundtable is not a company decision-making body in the manner of the Board of Directors, participants bring to the table all kinds of information including global market trends and feedback from the operation sites, engaging in a wide-ranging and thoroughly considered discussion about what should be done now and what the future should look like, for each region and function. Rather than checking progress toward the Company's goals, the OKK Roundtable aims to monitor for changes in the operating environment and determine the most appropriate course of action for the future, spearheaded by the CxOs. We expect discussions to become livelier as these meetings become further entrenched, leading to faster decision-making and stronger execution.

The OKK Roundtable discussions have also yielded the KABEGOE Principles, which articulate the behaviors and mindset needed for our people and organizations to continuously create life-changing value. Through penetration and establishment of these principles, in 2025 we seek to further embed the KABEGOE culture and accelerate talent development, thereby contributing to realization of the Story for Vision 2030.

To our stakeholders

In my view, the subject of most interest to our stakeholders is whether we are genuinely capable of consistently bringing to market new drugs of value to patients. We will strive to keep stakeholders well apprised of our strategy and timeline for the pipeline expansion that we consider key to this endeavor, to ensure that they form a solid understanding.

The Story for Vision 2030 clarifies the direction the Company believes it should take, winning plaudits from stakeholders who say it is easier than ever to understand Kyowa Kirin's strategic intent. We expect 2025 to be an important year for further accelerating specific initiatives. We plan steady progress in this respect, with the CxO team at the forefront and our experienced outside directors providing valuable insight.

Going forward, we will continue making every effort to consistently create life-changing value.

September 2024
Commemorative photo of XLH patient with family member at groundbreaking ceremony for the new manufacturing plant in North Carolina

Dialogue between the CEO & COO

Abdul Mullick, Ph.D.
Representative Director, President
Chief Operating Officer (COO)

Masashi Miyamoto, Ph.D.
Representative Director, Chairman
Chief Executive Officer (CEO)

In March 2025, Abdul Mullick was appointed as the Representative Director, President and COO. Miyamoto CEO and the Mullick COO had a special dialogue regarding the management of the new structure and shared their thoughts and ideas about management.

Organizational Structure to Promote Story for Vision 2030

Miyamoto It has been seven years since I assumed the position of Representative Director and President in March 2018. During this time, we have implemented various initiatives. In particular, the new drugs Crysvita and Poteligeo, which were launched for the global market, have delivered life-changing value to patients worldwide, and I believe we have achieved significant results. Mainly due to the contributions of these two products, our performance has steadily grown over the past seven years, and our profitability has improved.

On the other hand, we faced challenges as several new drug candidates were forced to be discontinued, hindering the development of a robust pipeline for the future. Taking into account these changes in the environment, we unveiled our Story for Vision 2030 in February 2024, clarifying the disease areas and modalities we will focus on, as well as the assets we will develop and serve independently and through collaboration with other companies to maximize their value. To strongly promote this strategic story, we have decided to establish a new COO position and adopt a dual management structure with both a CEO and COO. We appointed Abdul Mullick, who has extensive knowledge and experience in the global deployment of pharmaceuticals targeting rare diseases, as the new COO. Moving forward, I intend to work closely with the new COO to further strengthen our management at the global level.

Mullick I am very excited to take on the leadership role alongside Miyamoto-san in steering the company towards realizing the Vision 2030. Kyowa Kirin has a remarkable history rooted in biotechnology, particularly with antibodies, and possesses strengths that are unrivaled in certain areas. On the other hand, in order to make significant strides globally in the future, there are still many aspects that need to be strengthened.

From a different perspective, however, this presents an opportunity to pave new paths alongside the talented employees of the Kyowa Kirin Group. I believe this represents a significant appeal not found in large pharmaceutical companies where everything is already well established, as I experienced in my previous employment. I intend to leverage my experience and insights to fully embrace this challenge and enjoy the journey ahead.

Attributes of Mullick COO as a Leader

Miyamoto One of the notable attributes of Mullick-san as a business leader is his ability to formulate strategies with a medium- to long-term perspective while keeping an eye on the desired future state. He is committed to executing these strategies with a strong sense of ownership. This ability allows him to make significant decisions at the right moment and take swift action. In fact, he has demonstrated his skills in the challenging mission of delivering global new drugs to as many patients as possible in Europe and the United States, making substantial contributions. In 2023, he transferred to the Tokyo headquarters and later served as Chief International Business Officer (CIBO), managing the organization logically while encouraging the team with strong ownership, and worked diligently on the restructuring of the APAC region, just as he did when he reorganized the EMEA region business in 2023.

Moreover, one reason I believe he is well-suited to be at the top of this company is his flexible approach. Many leaders with long experience in the pharmaceutical industry in the US and Europe often think that applying their own successful experiences will lead to success. However, Mullick-san does not take such a one-sided approach: he sincerely listens to various opinions. While he shares his own experiences and thoughts firmly, he does not assume his opinions are always correct, instead engaging in flat discussions to derive optimal solutions.

Among Japanese companies, when a foreigner takes the top position, there are often concerns about friction arising from differences in thoughts and values with employees. However, Mullick-san exhibits such flexibility that it is hardly noticeable. The members of the Nomination and Compensation Advisory Committee also share this opinion.

Mullick I am deeply honored that Miyamoto-san holds me in such high regard. I believe that I can maintain a flexible attitude and listen to everyone's opinions, which stems from my strong resonance with our Company's vision. The vision Miyamoto-san often speaks about—"creation and delivery of life-changing value that ultimately makes people smile"—completely aligns with my management philosophy. I joined Kyowa Kirin in 2018 at the time of the launch of Crysvita. I was able to meet many patients and their families who were eagerly awaiting the drug, directly hear their voices of joy, and see their smiles up close. This experience profoundly moved me. We realized that we are not just delivering drugs, but can also create smiles. This realization has become a significant motivation for me.

Roles of CEO and COO

Miyamoto I have decided to fully entrust the operational aspects of the Company, such as enhancing the pipeline, delivering drugs to patients, further optimizing the organization, and strengthening production and research, to Mullick-san.

I will focus on evolving the CxO structure that supports these operations and building relationships with stakeholders as CEO. Both Mullick-san and I are Representative Directors, but this does not mean we will make important management decisions alone. We will have thorough discussions within the CxO team regarding significant matters and present them to the Board of Directors. In other words, I believe it is important to move forward as a team. Indeed, I think the various challenges we currently face can only be addressed through the collective wisdom of all employees, including CxOs, working together with the management team and frontline employees. While the initiatives we have undertaken in line with our Story for Vision 2030 will not change significantly, I hope that this new management structure will accelerate our efforts and transformation, making our growth and the realization of our vision more certain.

Mullick The OKK Roundtable, where all CxOs gather, is functioning effectively in strengthening the CxO structure. In this meeting, we engage in vigorous discussions on various themes every week, exchanging opinions. When we developed the Story for Vision 2030, we repeatedly discussed "which direction to take," "what to focus on," "what approaches to use," and "what we should start and stop," integrating the expertise of each CxO.

I believe this process allows each department to execute its mission with a strong sense of purpose. In the Western companies I have worked for in the past, decision-making was sometimes carried out by a limited number of members. However, Kyowa Kirin is different. The appeal of this company lies in the fact that discussions are conducted while respecting the strengths and

cultures of employees across all functions and regions. On the other hand, this does not mean that decision-making is slow. Patients need their medications "right now." We will move ahead with a sense of urgency while ensuring appropriate discussions. Striking this balance is crucial for us to move forward for the sake of the patients.

I believe my role is to maintain an overview of the organization as a whole, support collaboration between functions and regions, and merge their strengths while executing strategies with a sense of speed, ultimately creating a unique and special company.

Our newly formulated KABEGOE Principles outline the desired company culture and specific behavioral guidelines, and have been shared with employees worldwide. I feel it is also an important role for me to lead the promotion of these KABEGOE Principles as we work towards realizing our vision.

In Closing

Mullick For Kyowa Kirin, the most important thing is to continuously create and disseminate life-changing value over the next 10 or 20 years while fostering innovation. Human capital is undoubtedly important to realize this. In a passage from the Commitment to Life mission statement created at the time of our establishment in 2008, one phrase states: "Not a large company, but with qualities like none other." In other words, our underlying value doesn't have to do with the size of the Company but rather with "how much difference we can make." By developing life-changing medicines that can only be achieved by Kyowa Kirin, we can ultimately make people smile.

First, it is important for us employees to be smiling. By investing in employees' career growth, talent development, and well-being, I believe their smiles will bring smiles for patients and caregivers.

The result will lead to create economic value, which enables further investment and ultimately allows us to provide greater long-term value.

Miyamoto I share the same sentiments as Mullick-san. As Representative Director and Chairman and CEO, I will work closely with Mullick-san to strengthen the management structure of the Kyowa Kirin Group and continuously create life-changing value to the best of our abilities.

Our CxO team—leading Kyowa Kirin's transformation into a Japan-based GSP

Kyowa Kirin needs a more independent, accountable, and responsive business execution structure to realize its Vision and drive growth as a Japan-based GSP. To address this, we have expanded our CxO team, with all related business functions now reporting to a single CxO. Led by the CEO, the CxO team will be responsible for accelerating decision-making and strengthening business execution.

CEO
Masashi Miyamoto, Ph.D.

COO
Abdul Mullick, Ph.D.

CMO
Takeyoshi Yamashita, Ph.D.

CFO
Motohiko Kawaguchi

CSO
Yasuo Fujii, MBA

CIBO
Tomohiro Sudo, M.S, MBA

CPO
Shoko Itagaki

CSCO
Toshiyuki Kurata,

CCO
Yoshiko Mori

CDXO
Mitsuru Kameyama

History of Value Creation

Kirin 1885

Establishment of the Japan Brewery Company, the forerunner of Kirin Brewery Co., Ltd.

Kirin 1907

Establishment of Kirin Brewery Co., Ltd.

Kirin 1982

Kirin Brewery decided to enter the pharmaceutical business

By 1982, calls within the company to diversify business had become louder. A new R&D Department was established at the head office and a full-fledged pharmaceutical business was launched. The Research Institute for Production Development foundation began full-scale research towards the commercialization of erythropoietin.

Kirin 1984

Establishment of Kirin-Amgen

Kirin-Amgen, Inc. (currently Amgen K-A, Inc.), a joint venture with U.S. company Amgen, was established for the research and development of erythropoietin. Kirin-Amgen later grew into a company that holds rights to major products with annual sales exceeding ¥1 trillion. This brought global recognition of Kirin's pharmaceutical business.

Kirin 1988

Promoting open innovation

In 1988, targeting future expansion into immunology research, the Company supported the establishment of the La Jolla Immunology Institute, one of the world's leading immunology laboratories. The partnership, which continues to the present day, went on to contribute to the discovery of KHK4083. It has provided learning opportunities for many of our researchers to experience cutting-edge research.

Kirin Establishment of technology for producing fully human antibodies

Human antibodies can be used in the treatment of infectious diseases, cancer, and other diseases. The development of technology to enable their mass production had been long awaited. Our researchers became the first in the world to devise Human Artificial Chromosome (HAC) technology. They succeeded in developing mice that produce fully human antibodies. This further expanded the pharmaceutical potential of antibodies.

2008

Launch of Kyowa Hakko Kirin Co., Ltd.

In October 2008, Kyowa Hakko Kirin was formed through the merger of Kyowa Hakko Kogyo and Kirin Pharma. This began the challenge of becoming a Japan-based Global Specialty Pharmaceutical Company (GSP)—with the aim of becoming a world-class biotechnology R&D-driven life science company.

Kyowa Hakko 1949

Establishment of Kyowa Hakko Kogyo Co., Ltd. as a secondary company of Kyowa Sangyo Co., Ltd., in accordance with the Enterprise Reorganization Act

Kyowa Hakko 1951

Kyowa Hakko entered the pharmaceutical business

At a time when tuberculosis was considered a terminal disease, Kyowa Hakko had been conducting research into streptomycin, an anti-tubercular drug. But we had not been able to achieve the level of mass production that would make it commercially viable. After introducing manufacturing technology from the U.S. company Merck, we succeeded in mass-producing streptomycin for the first time in Japan. In doing so, we contributed to the eradication of tuberculosis in Japan.

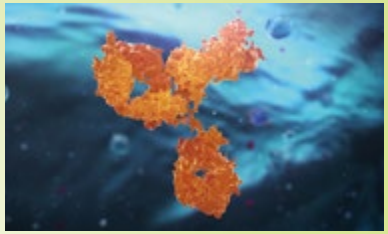
Kyowa Hakko 1956

Succeeded in isolating and commercializing the anti-tumor agent Mitomycin C

Kyowa Hakko 2003

Establishment of POTELLIGENT and BioWa

Having established POTELLIGENT, a breakthrough antibody production technology that dramatically increases the activity of antibodies, Kyowa Hakko established BioWa, Inc. in the US in 2003 to start a licensing business for this technology, out of a determination to help more people. Through their strong desire to make use of this technology, the researchers overcome repeated challenges. This culminated in the creation of world's first antibody drug utilizing POTELLIGENT, Poteligeo.



Creation of innovative drugs

We are striving to create innovative drugs and life-changing value that brings smiles to people living with medical conditions by leveraging advances in antibody technology and drug discovery capabilities from before Kyowa Kirin was established.

2012 Launch of Poteligeo in Japan

ポテリジオ®

At the time, Adult T-cell Leukemia-Lymphoma (ATL) was an incurable disease for which there was no effective treatment. All those involved in the research and development of this drug possessed a steadfast determination to carry their efforts through to completion, with the creation of a drug. In 2012, Poteligeo was launched as the world's first antibody drug utilizing POTELLIGENT technology.

2013 Launch of Nouriast in Japan

ノウリアスト®

With dopaminergic drugs dominating the mainstream, the research and development into this non-dopaminergic drug had presented a series of challenges. The project was encouraged by a corporate culture of embracing challenges. In 2013, the effort finally bore fruit.

2018 Launch of Fasenra in Europe, the US, and Japan

Fasenra

Fasenra is an antibody drug discovered by Kyowa Hakko and licensed to AstraZeneca for development and marketing. It has grown to become one of AstraZeneca's block-buster products.

2018 Launch of Crysvita in Europe and the US

X chromosome-linked hypophosphatemic rickets (XLH) is a rare disease that affects 1 in 20,000 people. Previously, patients had suffered from growth failure and pain that kept them awake at night, with treatment limited to symptomatic therapy. Patients with this genetic disease have suffered across generations, with both parents and children affected. Crysvita became the first essential treatment for XLH, for which there had been no adequate therapy.

CRYSVITA®

2021

Concluded an agreement with Amgen for joint development and marketing of KHK4083/AMG 451.

2024

Completed acquisition of Orchard Therapeutics plc, a leading provider of hematopoietic stem cell gene therapy.

2024

Formed an agreement with Kura Oncology, Inc. regarding a global strategic collaboration to develop and commercialize ziftomenib for Acute Leukemia.

Maximize product value Access to medicine

We are acquiring distribution networks and moving into more markets to deliver our medicines to even more patients worldwide.

2011 Acquired UK company ProStrakan as a subsidiary

2014 Acquired UK company Archimedes as a subsidiary

2018 Launch of Poteligeo in the US

2019 Launch of Crysvita in Japan

2019 Launch of Nourianz in the US

2020 Launch of Poteligeo in Europe

2023 Started sales of Crysvita through proprietary channels in North America, taking over commercial activities from Ultragenyx Pharmaceutical Inc. after a five-year collaboration.

2023 Formed joint venture with Grünenthal in the established medicines business, allowing the Company to focus management resources on Crysvita and Poteligeo.

As of 2024 Crysvita (sold in 52 countries / regions worldwide)
Poteligeo (sold in 60 countries / regions worldwide)

2024 Received authorization for Lenmeldy™ (US).

2024 Restructured the Asia-Pacific business. Formed a licensing agreement with WinHealth Pharma Group Co. Limited and DKSH Holding Ltd. for the established medicines business and global products (Crysvita and Poteligeo) in certain regions.

Quality assurance and a stable supply of products

We are improving manufacturing technology and adding more production capacity to ensure the stable production and supply of high-quality pharmaceuticals.

2010 Completed construction of one of Japan's leading production facilities for drug substances for antibodies at the Bio Process Research and Development Laboratories.

2016 Completed construction of a new biopharmaceutical API manufacturing building at Takasaki Plant, increasing production capacity.

2018 Realignment of domestic production sites completed

2019 Formulated Global QA Road Map through 2025 and started strengthening related systems

2022 Completed rollout of global quality management system (eQMS)

2022 Completed new quality assurance center Q-TOWER at Takasaki Plant

2024 Began construction of a new biopharmaceuticals plant in North Carolina, US.

2025 Completed construction of HB7, a new biopharmaceutical API manufacturing facility at the Takasaki Plant.

Reinforcing the management infrastructure

As part of our efforts to become a Japan-based GSP, we are maximizing the value of the Group's tangible and intangible assets through portfolio reshuffling and improvements to our management structure.

2012

Establishment of Fujifilm Kyowa Kirin Biologics Co. Ltd., a joint venture with Fujifilm Corporation.

2019

Kyowa Hakko Bio Co., Ltd. is transferred to Kirin Holdings Company, Limited.

2019 Launch of the One Kyowa Kirin structure

In response to the growth of global strategic products, Kyowa Kirin launched a matrix management structure combining the regional organizations of Japan, EMEA, North America, and APAC with functional organizations that transcend regions. The close collaboration and checks and balances between the two types of organizations have made it possible to improve operational efficiency and strengthen governance.

2021 Evolution of the One Kyowa Kirin structure

To strengthen activities with a greater focus on patients, a product organization was added to the regional and functional organizations. We aim to further maximize the value of our global strategic products.

2025 Expanded the CxO System

In order to further enhance the management team at the global level, Kyowa Kirin established a new COO position to create a dual structure with a CEO and a COO. This move aims to lead the Company into a new stage and achieve further heights. Moreover, the Company established a CDXO position to take leadership of efforts to accelerate DX activities.

Our Philosophy and Core Value

Our Philosophy

The Kyowa Kirin Group companies strive to contribute to the health and wellbeing of people around the world by creating new value through the pursuit of advances in life sciences and technologies.

Core Values

Innovation

Transform lives with passion and excitement.
Challenge the status quo in all of our work.

Commitment to Life

Work for the most precious presence on this planet.
Create value for patients, caregivers, healthcare professionals, and customer.

Integrity

Do the right things.
Be sincere and ethical consistently.
Make a better world through good business practices.

Teamwork/Wa

One for all, all for one.
Work in diverse teams and respect each other.
Go beyond boundaries and collaborate with stakeholders.

Vision 2030

Kyowa Kirin will realize the successful creation and delivery of life-changing value* that ultimately makes people smile, as a Japan-based Global Specialty Pharmaceutical company built on the diverse team of experts with shared passion for innovation.

Provide pharmaceuticals for unmet medical needs

We are focused on developing medicines for diseases where there is a clear patient need for new options. We make full use of multiple therapeutic modalities, including biotechnology such as antibody technology, and beyond, building on our Kyowa Kirin established strengths.

Address patient-centric healthcare needs

We will meet the needs of patients and society by providing value across the entire patient care pathway, delivering cutting-edge science and technology, grounded in our in-depth pharmaceutical knowledge and expertise.

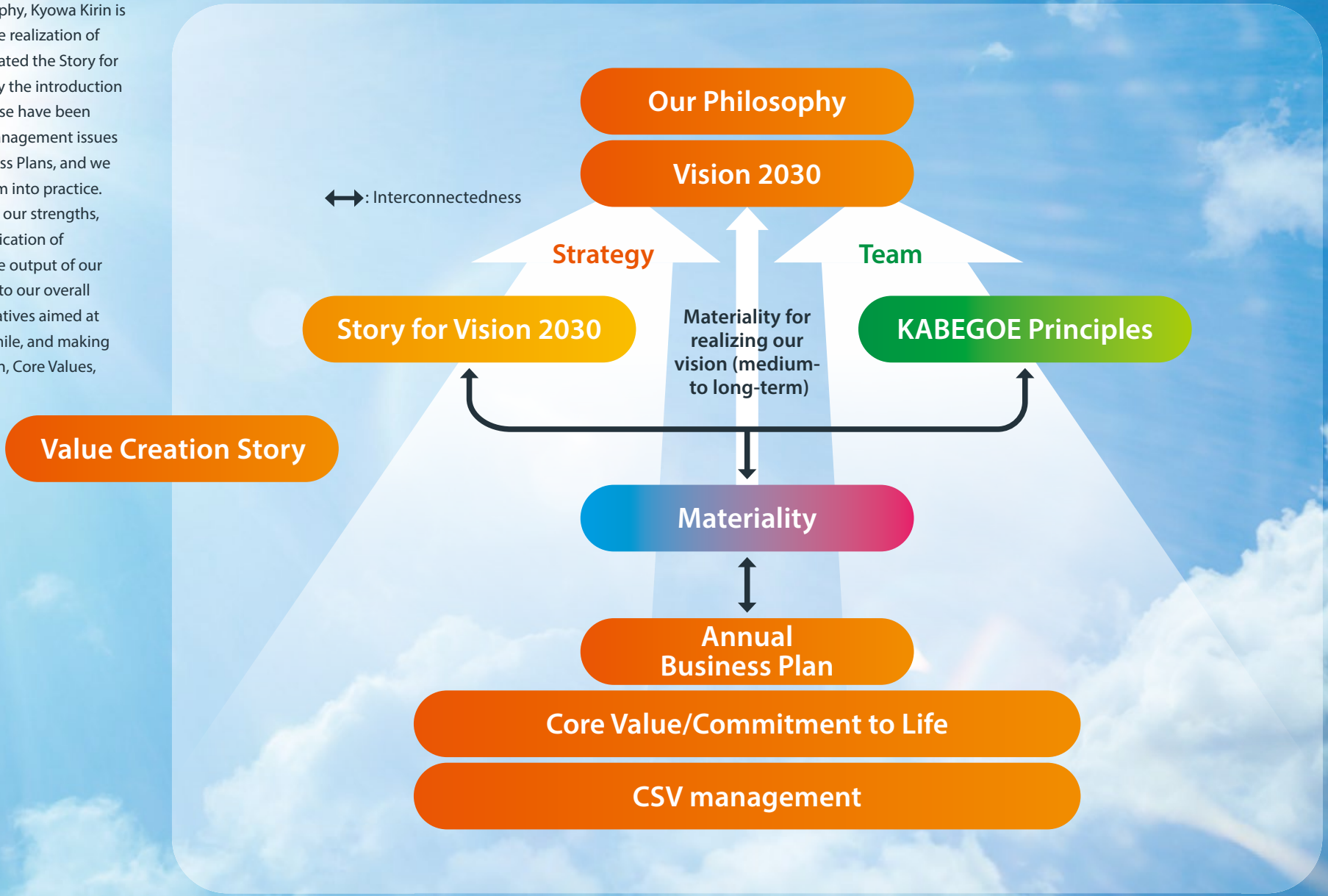
Retain the trust of society

We pursue world-class product quality and operational excellence to grow our business in ways which build long-term trust with our stakeholders.

* Make patients smile through dramatic improvements in quality of life by identifying the unmet medical needs of people battling with medical conditions and by creating and supplying new drugs or services that help them overcome those challenges.

Who We Are

Under its management philosophy, Kyowa Kirin is engaged in activities toward the realization of Vision 2030. In 2024, we formulated the Story for Vision 2030, followed in 2025 by the introduction of the KABEGOE Principles. These have been closely aligned with our key management issues (Materiality) and Annual Business Plans, and we are actively working to put them into practice. The Value Creation Story shows our strengths, business model, and the amplification of life-changing value, which is the output of our activities, and is closely related to our overall operations. We will pursue initiatives aimed at making people facing illness smile, and making employees who share our Vision, Core Values, and Commitment to Life smile.



Story for Vision 2030 and KABEGOE Principles to Realize Vision 2030

Under its management philosophy, Kyowa Kirin is engaged in activities toward the realization of Vision 2030. While facing significant environmental changes, we have established Story for Vision 2030 and KABEGOE Principles to make the realization of our vision more certain. We will strive to realize our vision and create life-changing value by leveraging our strategy and human capital as driving forces.

Vision 2030

Kyowa Kirin will realize the successful creation and delivery of life-changing value that ultimately makes people smile, as a Japan-based Global Specialty Pharmaceutical company built on the diverse team of experts with shared passion for innovation.

Strategy | **Team**

- Provide pharmaceuticals for unmet medical needs
- Address patient-centric healthcare needs
- Retain the trust of society

Leveraging our strategy to realize our vision
Story for Vision 2030

Strategies for creating and delivering life-changing value

- **Disease Science**
  Focus disease areas: bone & mineral, intractable hematological diseases/ hemato oncology, and rare diseases
- **Drug Discovery Technology**
  Strengthening Innovative Modalities: Advanced Antibody Technologies, Hematopoietic stem cell gene therapy
- **External Collaboration**

→ Life-changing Value Creation → Assets in focus disease areas / Strategic Partnering Assets*

- Value delivery on our own
- Collaborative value delivery
- Full-licensing

* Assets outside of the disease areas of focus are designated as strategic partnering assets, and value maximization is achieved through collaboration with partners.

See P24 for more details

Leveraging our human capital to realize our vision
KABEGOE Principles

- **Commitment to Life**
  - Patient Centric
  - Ownership
  - Talent Developer
- **Innovation**
  - Be Brave and Agile
  - Be Curious and Keep Learning
  - Make a Difference
- **Integrity**
  - Do the Right Thing
  - Care for Others
- **Teamwork/ Wa**
  - Super Team with Shared Vision
  - Inspire Others
  - Create Spaces for All the Voices

See P27 for more details

Values that flow through the foundation of every activity

Core Value: Commitment to Life | Innovation | Integrity | Teamwork/Wa

See P9 for more details

Commitment to Life: Taking the walk of life, one life at a time

Value Creation Story

The Story for Vision 2030, formulated as a strategy to create and deliver life-changing value, is closely linked to the business model outlined in this value creation story—and to intellectual capital—a key source of our competitiveness. Kyowa Kirin strives to create social and economic value by leveraging our human and intellectual capital to make people facing illness smile.

Sources of our competitiveness

Human capital

- **Employees** who share Kyowa Kirin's vision and values
- A strong, diverse **team**
- **Corporate culture** created through the implementation of KABEGOE Principles

Intellectual capital

Disease Science
- Explore UMN, causes and mechanisms of disease in depth
- Pursuit of molecular and cellular regulatory mechanisms for therapeutic realization

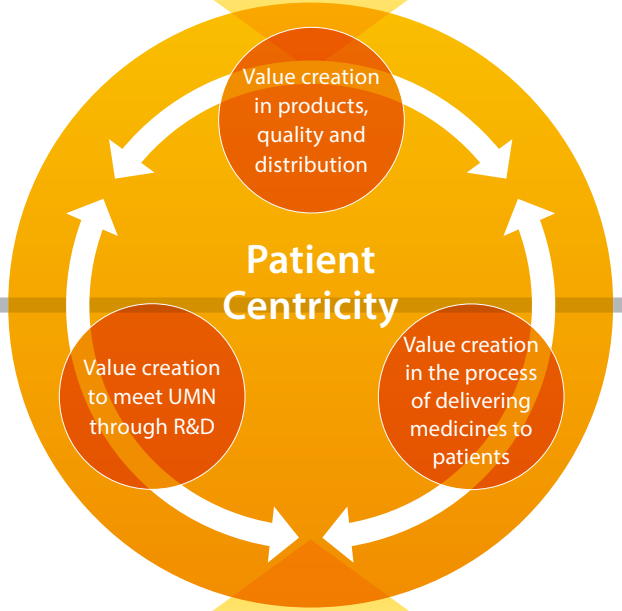
Drug Discovery Technology
- Strengthening Innovative Modalities
- Application of optimal modalities for therapeutic realization
- Evolution of drug discovery methods through AI and data science

External Collaboration
- Open Innovation
- Partnering

Management Philosophy / Core Values

CSV Management

Creation of social and economic value with stakeholders



Story for Vision 2030:
Strategies for creating and delivering life-changing value

Life-changing Value Creation
- Assets in focus disease areas
- Strategic Partnering Assets

Output

Social value

Continuously create and provide life-changing value

- Provide new and better treatment options that meet patient expectations (new drug launches, additional indications / formulations, etc.)
- Deliver essential medicines to more patients (increase number of launch markets, etc.)
- Ensure stable supplies of pharmaceuticals

Economic value

- Revenue
- Revenue growth rate
- Core operating profit
- Core operating profit ratio
- ROE

Outcome

Bringing smiles to patients leads to satisfaction for employees as well

Materiality

Kyowa Kirin has determined its materiality (key management issues) for achieving Vision 2030. In 2023, we clarified the relationship between our vision, strategy, and materiality, and since then, we have been revising our materiality in line with environmental changes when formulating our annual business plans. We will continue to take action as a company to achieve Vision 2030.

Topics for value creation

Strategic pillar	Materiality	Related SDGs
Provide pharmaceuticals for unmet medical needs	• Creation of innovative drugs • Maximize product value • Pipeline enrichment	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES 17 PARTNERSHIPS FOR THE GOALS
Address patient-centric healthcare needs	• Access to medicine • Create healthcare solutions beyond medicines	
Reinforce human resources and structures that support the creation of Life-changing value	• Talent portfolio • Corporate culture • Digital transformation	

Topics for value enhancement

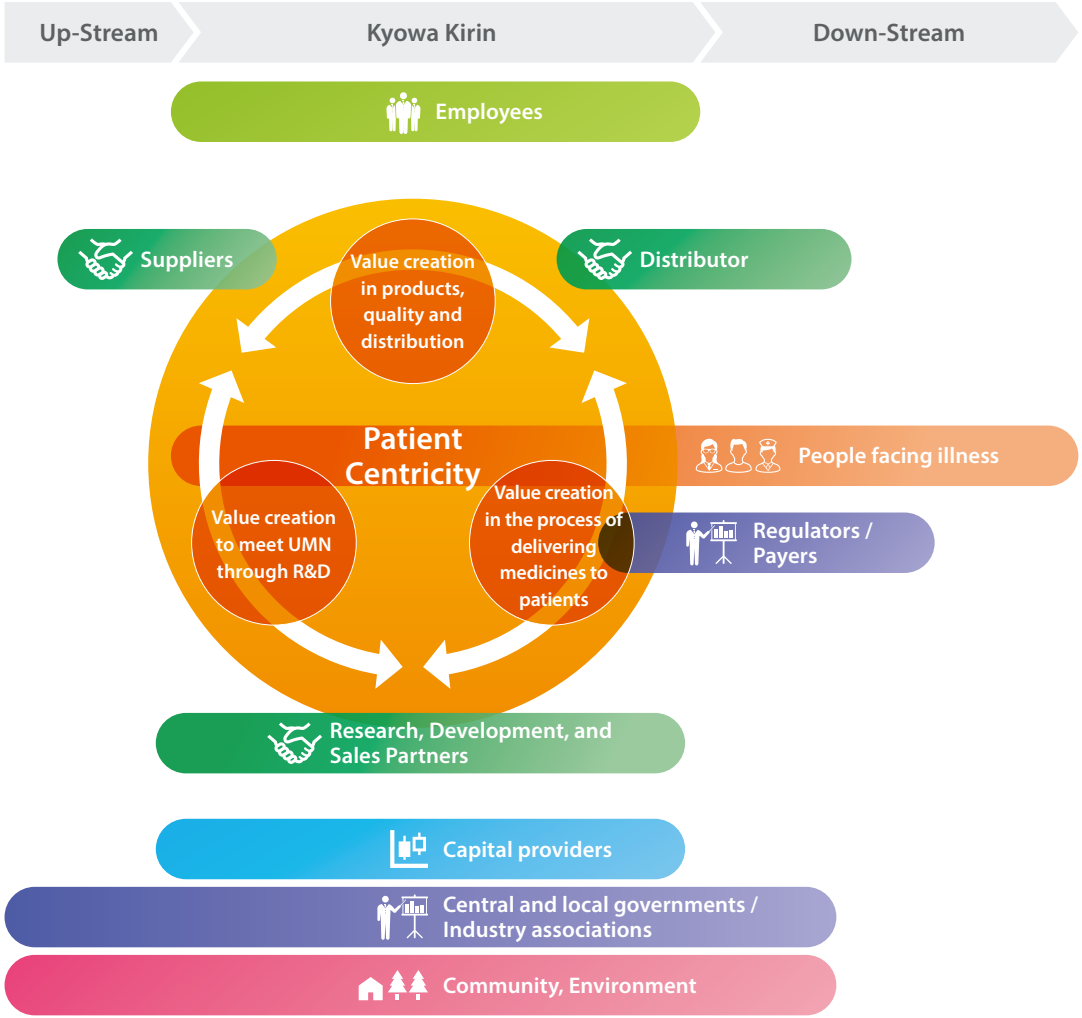
Strategic pillar	Materiality	Related SDGs
Retain the trust of society	• Quality assurance and a supply of products • Reducing environmental impact	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Reinforce human resources and structures that support the creation of Life-changing value	• Corporate governance • Ethics and transparency • Reinforce risk management	

Co-creation of Value through Collaboration with Stakeholders in the Value Chain

Creating value relies heavily on cooperation and collaboration with various stakeholders. Here we illustrate the connections between stakeholders who play a central role in value creation and the value chain as defined by our business model and value creation story. In particular, we believe that in order to continue creating life-changing value that makes people facing illness smile, it is necessary to listen carefully to their voices at various stages of the value chain. This idea is illustrated in the figure below. Under the concept of Patient Centricity, we will create value together with our stakeholders.

Our stakeholders		Co-creation of value
People facing illness	▸ Patients, caregivers ▸ Patient communities ▸ Healthcare professionals	▸ Life-changing value ▸ Patient-centric
Employees	▸ Employees	▸ Engagement ▸ Skills development
Business partners	▸ Partners (suppliers and distributor) ▸ Research, Development, and Sales Partners	▸ Equitable business transactions ▸ Co-creation of life-changing value
Capital providers	▸ Shareholders / investors	▸ Increase corporate value ▸ Shareholder returns
Policymakers, industry associations	▸ Central and local governments ▸ Regulators / payers ▸ Industry associations	▸ Improving QOL of patients by providing appropriate medicines ▸ Maintain and improve the public health care system
Community, Environment	▸ Communities ▸ Future generations / environment	▸ Coexisting with local communities ▸ Reducing environmental impact

Links between stakeholders and the value chain



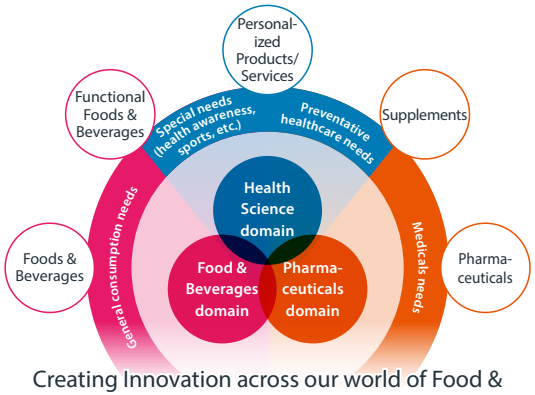
FOCUS ON

Kyowa Kirin's Position with the Kirin Group

Creating Innovation across our world of Food & Beverages to Pharmaceuticals

Building on the fermentation and biotechnology capabilities honed through our original business of brewing for over a century, the Kirin Group now possesses a globally unique business portfolio spanning the three domains of Food & Beverages, Pharmaceuticals, and Health Science. The Kirin Group commenced R&D in the Pharmaceuticals field in the 1980s, and in 2008 Kirin Pharma merged with Kyowa Hakko Kogyo to become Kyowa Hakko Kirin. As a pharmaceutical company that has inherited the depth of experience and strong track records cultivated by two companies each in possession of unique biotechnologies, the Kyowa Kirin Group is the Pharmaceuticals arm of the broader Kirin Group.

Please refer to P7 for the history of Kyowa Kirin.



Creating Innovation across our world of Food & Beverages to Pharmaceuticals

Corporate Philosophy

KIRIN brings joy to society by crafting food and healthcare products inspired by the blessings of nature and the insights of our customers.

Food & Beverages domain

This business domain, which includes our founding brewing business, constitutes the backbone of the Group. Since the 1990s onward, we have expanded our Food & Beverages Business into Asia, Oceania, and other parts of the world, manufacturing and marketing products under a broad range of value-added brands.

Main subsidiaries (Alcoholic Beverages business)
- Kirin Brewery (10 other companies)
- Lion (40 other companies)
- Four Roses

Main subsidiaries (Non-Alcoholic Beverages business)
- Kirin Beverage (10 other companies)
- Coca-Cola Beverages Northeast

Pharmaceuticals domain

We combined our proprietary fermentation and cultivation technologies acquired from the brewing business with biotechnologies to launch research and development of pharmaceutical products in the 1980s. The Pharmaceuticals business has since grown to become one of the Group's core businesses, marketing biomedicines and other products in the global arena.

Main subsidiaries
Kyowa Kirin (55 other companies)

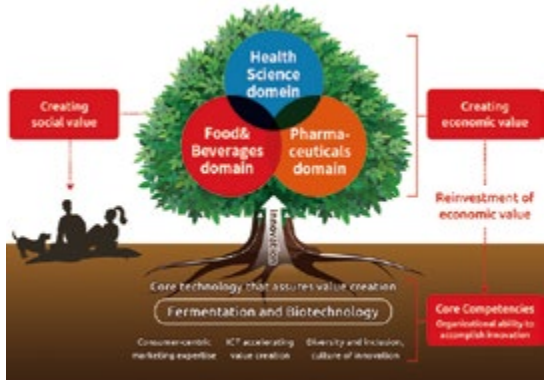
Health Science domain

Our years of research in the Food & Beverages domain, into naturally derived materials, as well as into fermentation and cultivation, have led to the discoveries of *Lactococcus lactis* strain Plasma (LC-Plasma) and other substances proven to be beneficial to the human body. We intend to continue to make the best use of these assets to evolve the Health Science business into a growth driver for the Group.

Main subsidiaries
- FANCL (8 other companies)
- Kyowa Hakko Bio (10 other companies)
- Blackmores (30 other companies)

The fermentation and biotechnology at the root of all three domains

We have combined biotechnology with the technologies for controlling fermentation and culture that originated from beer brewing and applied these to the cultivation of various microorganisms, including lactic acid bacteria. This has led to the discovery and extraction of various useful substances (functional substances) in the field of health sciences. It is also used for the cultivation of animal and human cells in the Pharmaceuticals business, and forms the basis of the Kirin Group's technological capabilities.



Synergies between Kirin and Kyowa Kirin

Cowellnex Co., Ltd. was established in September 2024 through a joint investment by Kirin Holdings and Kyowa Kirin (investment ratio: Kirin 50%, Kyowa Kirin 50%). By integrating R&D, venture investment, and business development, Cowellnex aims to create innovations and support the enrichment of customers' lives by addressing social issues surrounding well-being.

Kirin Holdings Company, Limited

(as of December 31, 2024)

Head office	NAKANO CENTRAL PARK SOUTH 10-2, Nakano 4-chome, Nakano-ku, Tokyo 164-0001, Japan
Representative Director of the Board & CEO	Yoshinori Isozaki
Representative Director of the Board President & COO	Takeshi Minakata
Date of incorporation	February 23, 1907
Number of Employees	1,067 (individual) / 31,934 (consolidated)
Code Number	2503 (Listed Stock Market = Tokyo Stock Exchange (TSE) Prime)
Consolidated subsidiaries	177
Equity accounted investees	28

For details, please refer to the Kirin Holdings website:
https://www.kirinholdings.com/en/

Financial Strategy

CFO Message

Looking to establish a stable earnings structure and deliver sustained growth

Motohiko Kawaguchi
Managing Executive Officer,
Chief Financial Officer (CFO)

Medium Term Business Plan progress review

Under the FY2021–2025 Medium Term Business Plan, our main objective is to establish a stable earnings structure and deliver sustained growth as a Global Specialty Pharmaceutical company. We aim to do this by sustainably boosting growth, innovation and profitability to support medium- and long-term improvement in return on equity (ROE) and continuous increases in the dividend. We employ five key performance indicators (KPIs) to objectively measure progress toward the plan's goals: ROE, revenue growth, the R&D expenses ratio, the core operating profit ratio and the dividend payout ratio.

In FY2024, we achieved steady growth for our global strategic products Crysvita and Poteligeo, on the back of measures for geographical and indication expansion and market penetration. We completed acquisition of Orchard Therapeutics and was granted approval in the US for the hematopoietic stem cell gene therapy (HSC-GT) OTL-200 (marketed as Libmeldy in Europe and Lenmeldy in the US). In research and development, our R&D expenses topped ¥100 billion amid advances in development of KHK4083 (rocatinlimab; currently the subject of a joint global Phase 3 clinical study program with Amgen) and increased investments in HSC-GT therapies.

Under the Story for Vision 2030, we forged ahead with global research organization structure aimed at strengthening our drug discovery capabilities, commenced construction of a new biologics manufacturing facility in the US with a view to accelerating development of biologic therapies, and undertook restructuring of our business in the APAC region.

In the FY2021–2025 Medium Term Business Plan, we are targeting sustained growth and higher corporate value over the medium- to long-term, using ROE as the KPI. Our aim is to rapidly achieve ROE of 10% or higher so that it consistently exceeds the expected cost of capital. We also aim to increase ROE over the longer term. We attained our target for revenue growth of 10% or higher (CAGR versus FY2020 base year) with growth of 11.7%. Due to the increase in R&D investments, though, the R&D expenses ratio of 20.9% exceeded the target range of 18–20%, and the core operating profit ratio of 19.3% was below our target of 25% or higher. Additionally, to ensure the Group continues to create life-changing value, we reconfigured our business model and stepped up strategic investment, with the result that ROE came in below our target of 10% or higher, at 7.1%. In light of this, we decided to extend the timeframe for our KPIs, including ROE of 10% or higher, to FY2026 and beyond.

In FY2025, we forecast further growth for global strategic products, especially in North America, but nonetheless expect revenue to decrease year on year due to factors including business realignment in the APAC region, a one-time revenue decrease in the EMEA region, the impact in Japan of NHI drug price reimbursements and termination of a distribution and co-promotion agreement for the psoriasis vulgaris treatment Dovobet, as well as the impact of exchange rates. In R&D, we plan to advance development of new drugs including KHK4083 while also ramping up development of early-stage pipeline programs. With these initiatives, we are targeting revenue growth of 8.5%, an R&D expenses ratio of 22.4%, a core operating profit ratio of 16.7%, and ROE of 6.6% in FY2025.

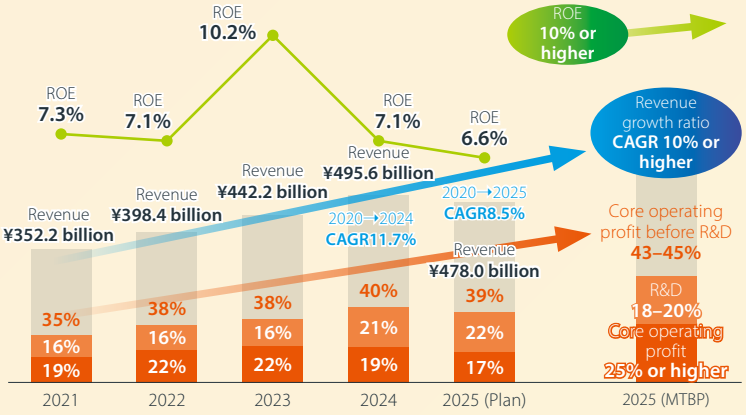
Capital allocation

In our five-year capital allocation plans in the FY2021–2025 Medium Term Business Plan, we assume the source of funds will be new operating cash flow of ¥800 billion or higher (before deduction of R&D expenses) generated during the plan's five years, in addition to cash on hand. Our top priority for cash allocation is growth investments (such as R&D, strategic investments and capex), in order to sustain growth beyond FY2025 and maximize corporate value.

Financial KPIs (Numerical guidance)

ROE	**10% or higher** (achieve target early / maintain or increase over the medium- to long-term)
Revenue growth ratio	**CAGR*1 10% or higher**
R&D expenses ratio	Targeting **18–20% to support active investment**
Core operating profit ratio*2	**25% or higher** by 2025
Dividend payout ratio	Targeting **sustained dividend hikes with 40%** (based on core EPS*3)

*1 Average growth rate over a five-year period, with FY2020 as the base year.
*2 Core operating profit: "Gross profit" – "Selling, general and administrative expenses" – "Research and development expenses" + "Share of profit (loss) of investments accounted for using equity method."
*3 "Core profit" ("Profit attributable to owners of parent" – "Other income and expenses" (excluding impact from applicable taxes)) / average number of shares during fiscal year.



*4 Above graph is taken from the Results Presentation FY2024, released February 6, 2024

+
- Steady growth in Crysvita sales
- Collaboration with Amgen on KHK4083
- Depreciation of Yen

−
- Short term financial impact on Orchard acquisition
- Increasing investment in KHK4083 development
- Depreciation of drug price environment (Japan, Europe, and China)
- Unlaunched new products (discontinued pipelines, Nourianz in Europe)

2025 MTBP financial KPIs Achievement timing will be 2026 or beyond

R&D investment

During the FY2021–2025 Medium Term Business Plan, our goal is to consistently invest 18–20% of revenue in R&D. We spent ¥103.5 billion in FY2024 and plan to spend a substantial ¥107.0 billion in FY2025 (projected R&D expenses ratio of 22.4%). We have identified bone & mineral, intractable hematological diseases/hemato oncology, and rare diseases as our areas of focus within the field of disease science, and in terms of drug discovery technology we will invest in enhancing innovative modalities such as our proprietary advanced antibody technologies and HSC-GT, with the aim of continuing to deliver novel drugs with life-changing value. We will forge ahead with development of ziftomenib (a joint development project with Kura Oncology), KK8123, KK8398, KK2845, OTL-203, and OTL-201, as key assets in our focus disease areas. In development of strategic partnering assets, we are conducting multiple clinical trials on KHK4083 in collaboration with Amgen, and seek also to maximize the value of KHK4951, KK4277, KK2260, and KK2269, including via cooperation with future partners.

Strategic investment

We will actively utilize external resources for strategic partnering (in-licensing, tie-ups, etc.) and M&A to tap external innovation, such as drug discovery technologies created through open innovation and new compounds for our pipeline. We are also targeting faster, sustained growth by expanding our pipeline over the medium and long term and by generating synergies with our global strategic products. The Strategic Investment Review Committee, which is led by the CEO and meets monthly, proactively considers potential targets for strategic growth investments.

In FY2024, we completed the acquisition of UK-based Orchard Therapeutics, a global leader in HSC-GT, for $478 million. With an upfront payment of $100 million, we furthermore entered into a license agreement with QED Therapeutics to develop and commercialize infigratinib in Japan, thereby expanding our portfolio in the therapeutic areas of bone & mineral diseases. As we also concluded an agreement with Kura Oncology for the development and commercialization of ziftomenib for acute myeloid leukemia (AML) and other hematologic malignancies (with an upfront payment of $330 million), our strategic investments totaled ¥137.4 billion in FY2024.

Capital investment (capex)

We are investing heavily to create a more competitive business structure to help maximize the value of global strategic products. We are working to establish a robust quality assurance and production system and strengthening supply chain management to ensure stable supplies of safe, reliable-quality pharmaceuticals to patients worldwide. We also aim to establish a global business base that supports Kyowa Kirin's sustained growth as a Japan-based GSP, including building a platform that allows us to strategically leverage IT and digital tools.

Capital investment in FY2024 totaled ¥44.0 billion (including intangible assets and long-term advance payments). To enable more flexible high-mix, small-lot manufacturing of products in early phase development, we continued with construction of a new active pharmaceutical ingredient (API) manufacturing facility at the Takasaki Plant (HB7 Building, to be built at a total cost of ¥16.8 billion). With a planned total cost of $530 million, we also commenced construction of a new biologics manufacturing facility in the US to speed up development of biologic therapies.

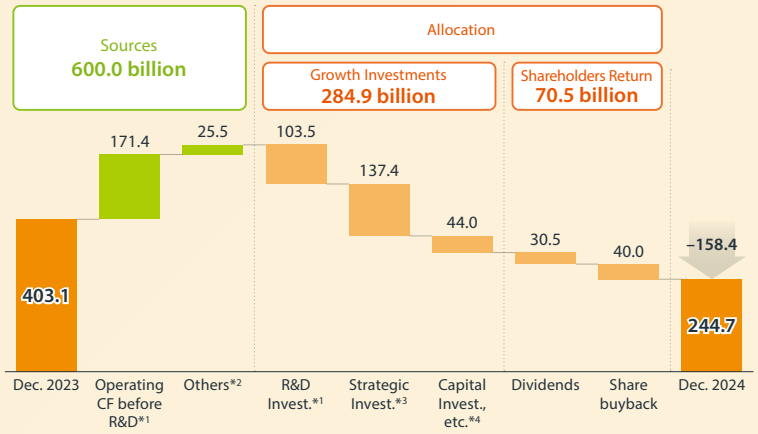
When evaluating the profitability of potential investments or development projects, we mainly use two quantitative standards: net present value (NPV) and expected present value (EPV). Both standards are based on the hurdle rate (by region), which reflects the expected cost of capital (WACC) for investors. In investment decisions, we focus on whether the investment will contribute to an increase in corporate value over the medium to long term by generating returns in excess of the cost of capital.

Shareholder returns

In the FY2021–2025 Medium Term Business Plan, we are targeting a consolidated dividend payout ratio of 40% based on core EPS, aiming to steadily increase returns for investors by raising the dividend in line with profit growth over the medium to long term. Based on that policy, we paid an FY2024 dividend of ¥58.00 per share (dividend payout ratio of 47.8%), an increase of ¥2.00 from FY2023. In addition, we plan to raise the dividend to ¥60.00 (dividend payout ratio of 50.3%) in FY2025, which will be the ninth consecutive increase. Between February and October 2024, the Company repurchased and retired up to ¥40 billion shares of treasury stock (14 million shares; 2.7% of shares outstanding), the largest buyback in Kyowa Kirin's history, to improve capital efficiency and increase shareholder returns in line with our policy of flexibly considering buybacks, taking into account the share price and other factors.

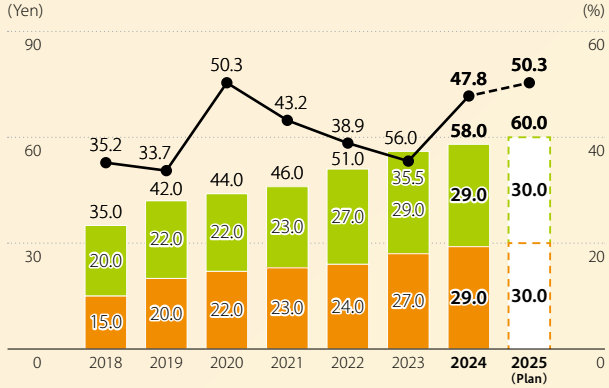
To generate sustained growth and maximize corporate value as a Japan-based GSP, we will enhance the Group's growth potential, capability to innovate, and profitability in order to improve ROE over the medium to long term and support sustained increases in the dividend.

Capital Allocation



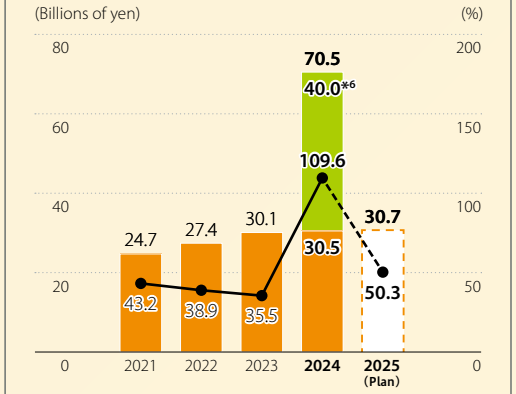
*1 P/L-based
*2 Mainly recovering investments through asset sales.
*3 Licensing-in and M&A investments to strengthen the portfolio, and Investment in science and technology to create new strengths.
*4 Capital Investments (acceptance-based), Intangible Asset Investments (excluding *3), etc.

Dividends per Share / Payout Ratio*5



*5 Dividend payout ratio after 2021 is the dividend payout ratio based on core EPS (= Profit attributable to owners of parent – Other income & expenses and impact of applicable taxes).

Total dividend payout and total return ratio



*6 All 14,365,500 repurchased shares of treasury stock have been retired.

AT A GLANCE

Headline News

Provide pharmaceuticals for unmet medical needs

Maximize product value

July 2024: Announced global progress toward advancing newborn screening for MLD (Orchard Therapeutics)

See page 31: VOICE HSC-GT

Creation of innovative drugs

October 2024: A faculty member of the School of Life Science and Technology, Institute of Science Tokyo has been appointed as a researcher through the Cross-Appointment System (Japan)

Pipeline enrichment [ziftomenib progress announcement]

November 2024: Entered into a global strategic collaboration with Kura Oncology to develop and commercialize ziftomenib which is the oral menin inhibitor targeting acute leukemia

December 2024: Jointly reported positive combination data from the Phase 1 dose escalation study KOMET-007 for ziftomenib at the American Society of Hematology (ASH) Annual Meeting

February 2025: Announced positive top-line data from the KOMET-001 trial, which was evaluated as a monotherapy for R/R NPM1-m AML

Creation of innovative drugs [rocatinlimab progress announcement]

September 2024: Announced top-line data from Phase 3 ROCKET HORIZON trial for adults with moderate to serve atopic dermatitis

March 2025: Announced top-line data from Phase 3 ROCKET-IGNITE, SHUTTLE, VOYAGER trial for adults with moderate to serve atopic dermatitis

See page 35: SPECIAL FEATURE (rocatinlimab)

Address patient-centric healthcare needs

Access to medicine

August 2024: Launched a physicians-only online medical specialist consultation service for FGF23-related hypophosphatemic rickets with hypercalciuria and osteomalacia (Japan)

Access to medicine

September 2024: Presented new research on the real-world experiences of people living with XLH and the impact of Crysvita treatment at American Society for Bone and Mineral Research (ASBMR) 2024 annual meeting

Retain the trust of society

Quality assurance and a supply of products

June 2024: Announced establishing new biologics manufacturing plant in North Carolina, in the United States

See page 40: FOCUS ON (Building a global production network)

Reducing environmental impact

June 2024: Takasaki Plant receives the Minister of the Environment Award (Local Environmental Protection Merit Award) (Japan)

Reducing environmental impact

July 2024: Announced membership in the Pharmaceutical Supply Chain Initiative (PSCI)

Reinforce human resources and structures that support the creation of Life-changing value

Corporate Governance

August 2024: Restructuring of APAC region business and change in Kyowa Kirin China Pharmaceutical Co., LTD.

Corporate Governance

August 2024: Transition to a research organization to realize our Vision toward 2030, and introduction of a voluntary retirement program

Corporate Governance

October 2024: Announced the new management structure with a Chairman & CEO and President & COO

See page 4: CEO x COO Dialogue

Talent portfolio

November 2024: Awarded gold status in the PRIDE Index (Japan) as an LGBTQ+-friendly workplace for the third consecutive year

Digital transformation

December 2024: Announcement of the establishment of the Chief Digital Transformation Officer (CDXO)

Details on page 37: DX Strategy

Talent portfolio

March 2025: Recognized as a certified Health and Productivity Management Organization 2025 (White 500) for the ninth consecutive year (Japan)

Financial Highlights

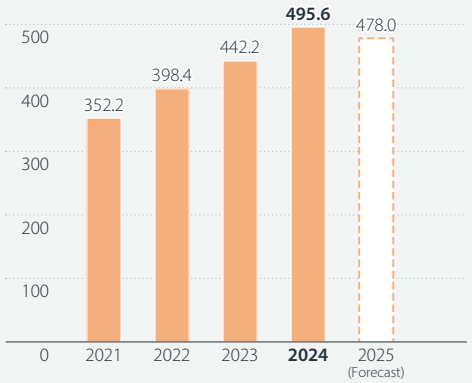
Key Points

Revenue
The increase in revenue was the result of growth of global strategic products mainly in North America and EMEA and a rise in revenue from technology out-licensing. The positive effect on revenue from foreign exchange was ¥24.4 billion.

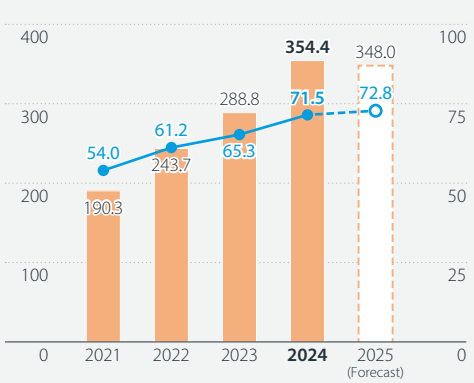
Core Operating Profit
Core operating profit decreased as a result of significantly higher research and development expenses, despite higher gross profit achieved due to gains in overseas revenue and revenue from technology out-licensing. The positive effect on core operating profit from foreign exchange was ¥8.6 billion.

Profit Attributable to Owners of Parent
Profit attributable to owners of parent decreased due mainly to increases in finance costs and income tax expenses.

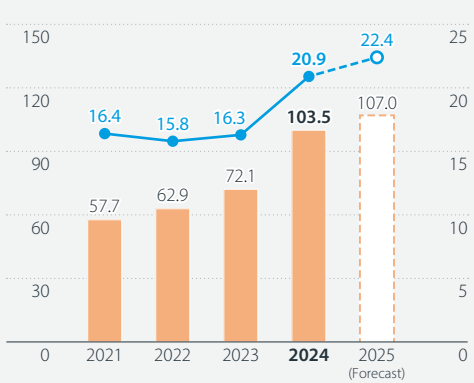
Revenue
(Billions of yen)



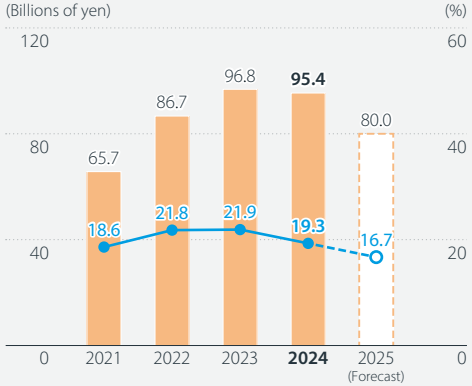
Overseas Revenue/Overseas Revenue Ratio
(Billions of yen) (%)



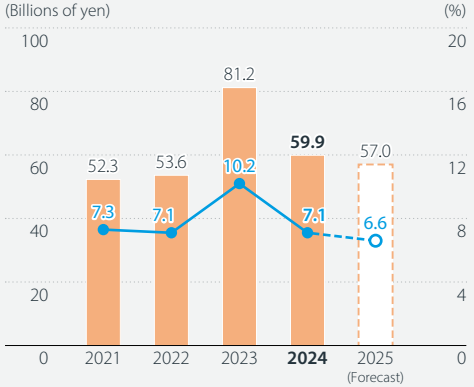
R&D Expenses/R&D Expense Ratio
(Billions of yen) (%)



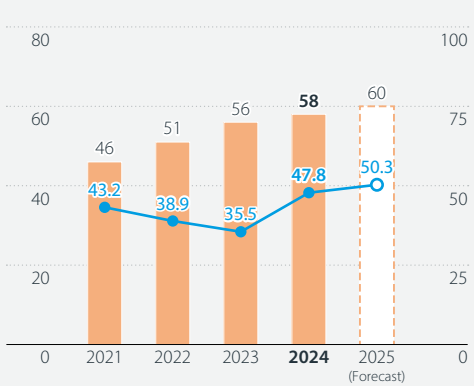
Core Operating Profit/ Core Operating Profit Ratio
(Billions of yen) (%)



Profit Attributable to Owners of Parent/ Return on Equity (ROE)
(Billions of yen) (%)



Cash Dividends/Payout Ratio*
(Yen) (%)

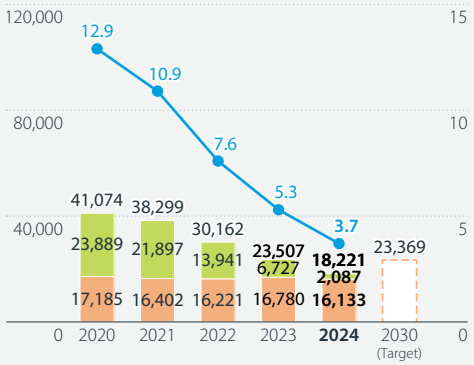


* Dividend payout ratio is the dividend payout ratio based on core EPS in the Medium Term Business Plan (2021–25).

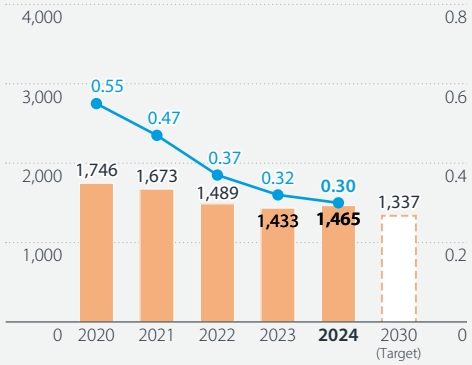
ESG Highlights

Please see ESG Data Collection for details.
https://www.kyowakirin.com/sustainability/esg_data/index.html

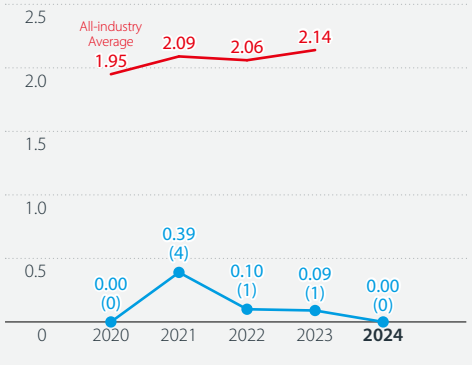
CO_2 Emissions*1



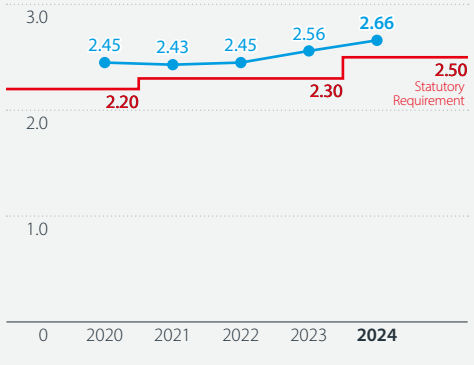
Water Use*1



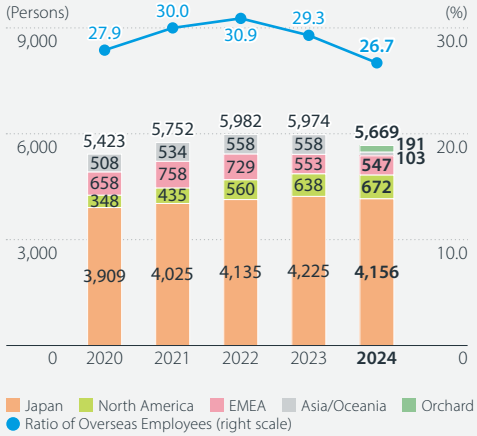
Accident Frequency Rate*2, 3



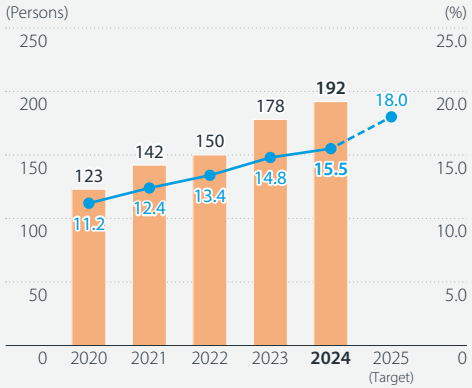
Ratio of Workers with Disabilities*4



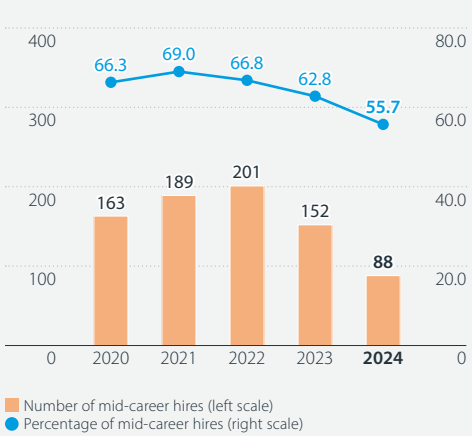
Number of Employees/ Ratio of Overseas Employees



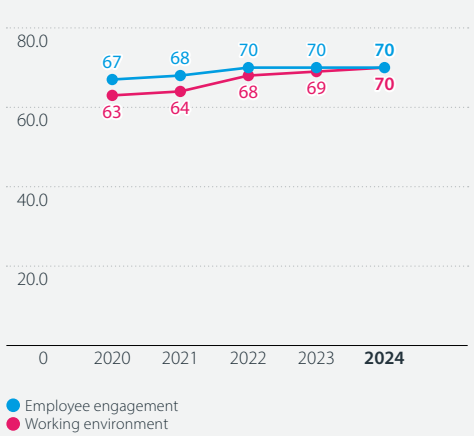
Number of Female Managers/ Ratio of Female Managers*5



Number/Percentage of mid-career hires*5



Employee survey positive response rates*6



*1 Covers plants and research laboratories worldwide.
*2 Covers all locations of Kyowa Kirin in 2020, and all locations in Japan and overseas plants/laboratories of the Kyowa Kirin group from 2021.
*3 The rates indicate the number of casualties from fatal lost-time accidents per million working hours.
*4 As of June each year.
*5 Covers Kyowa Kirin
*6 Responses to each question based on 5-point scale from "very much agree" to "do not agree at all," with "very much agree" and "agree" being positive responses; positive response rates of 65% or higher are generally considered to show the strengths of a company.
Different standards are used to calculate each figure for 2020, and for 2021 and beyond.

Pipeline (As of December 31, 2024)

small molecule antibody HSC-GT Updated since Dec. 31, 2023

Code Name (Generic Name) <Formulation>	Mechanism of Action	Indication	Stage	[In-House or Licensed] Remarks
KK8123 <Injection>	Anti-FGF23 Fully Human Antibody	X-linked Hypophosphatemia	Ph I	[In-House] Clinical study is being conducted in NA and EU as a global product
KK8398 (infigratinib) <Oral>	FGFR 3 Inhibitor	Achondroplasia	Ph III	[QED Therapeutics] Preparation underway for Ph III in JP
ziftomenib* <Oral>	Menin Inhibitor	Acute Myeloid Leukemia (AML) (Monotherapy)	Ph II	[Kura Oncology] Clinical study is being conducted in NA and EU as a global product NPM1-mutant AML
		Acute Lymphoblastic Leukemia (ALL) (Monotherapy)	Ph I	Clinical study is being conducted in NA and EU as a global product KMT2A-rearranged ALL
		Acute Myeloid Leukemia (AML) (Monotherapy)	Ph I	Clinical study is being conducted in NA and EU as a global product Non-NPM1-mutant AML/Non-KMT2A-rearranged AML
		Acute Myeloid Leukemia (AML) (Combination)	Ph II	Clinical study is being conducted in NA as a global product NPM1-mutant AML/KMT2A-rearranged AML Combinations with venetoclax + azacitidine, and cytarabine + daunorubicin
			Ph I	Clinical study is being conducted in NA and EU as a global product NPM1-mutant AML/KMT2A-rearranged AML Combinations with gilteritinib, FLAG-IDA, LDAC
KK2845	Anti-TIM-3 ADC	Acute Myeloid Leukemia (AML)	Ph I	[In-House] Antibody-Drug Conjugate Clinical study is being conducted in JP as a global product
OTL-203	Hematopoietic Stem Cell (HSC) Gene Therapy	MPS-IH (Hurler Syndrome)	Ph II	[In-House] Rare Pediatric Disease (RPD) and Fast Track designations (FDA) Priority Medicines (PRIME) designation (EMA) Area of clinical study: NA and EU
OTL-201	Hematopoietic Stem Cell (HSC) Gene Therapy	MPS-IIIA (Sanfilippo Syndrome type A)	Ph I/Ph II	[In-House] Rare Pediatric Disease (RPD) designation (FDA) Preparation underway for registrational study (equivalent to Ph III study)
KHK4083/AMG 451 (rocatinlimab) <Injection>	Anti-OX40 Antibody	Moderate to Severe Atopic Dermatitis	Ph II	[In-House] POTELLIGENT Human monoclonal antibody production technology Collaboration agreement with Amgen for the development of rocatinlimab in all the countries except for Japan Clinical study is being conducted in JP, NA, EU, UK, Middle East, Asia, Oceania, and other regions as a global product
		Prurigo Nodularis	Ph II	Clinical study is being conducted in JP, NA, EU, Asia, and Oceania as a global product
		Moderate to Severe Asthma	Ph II	Clinical study is being conducted in JP, NA, EU, Asia, and Oceania as a global product

* For detailed information on ziftomenib's development status, please refer to Kura Oncology's website.
https://kuraoncology.com/

Code Name (Generic Name) <Formulation>	Mechanism of Action	Indication	Stage	[In-House or Licensed] Remarks
KHK4951 (tivozanib) Ophthalmic	VEGF Receptor Tyrosine Kinase Inhibitor	Diabetic Macular Edema	Ph I → Ph II	[In-House] Clinical study is being conducted in JP, NA, Asia, and Oceania as a global product
		Neovascular Age-Related Macular Degeneration	Ph I → Ph II	Clinical study is being conducted in JP, NA, Asia, and Oceania as a global product
KK2260 <Injection>	EGFR-TfR1 Bispecific Antibody	Advanced or Metastatic Solid Tumors	Ph I	[In-House] REGULGENT Fully human antibody production technology Clinical study is being conducted in JP, and a clinical study is prepared under way for Ph I in NA as a global product
KK2269 <Injection>	EpCAM-CD40 Bispecific Antibody	Advanced or Metastatic Solid Tumors	Ph I	[In-House] REGULGENT Fully human antibody production technology Clinical study is being conducted in JP and NA as a global product
KK4277 <Injection>	Anti-PTPRS Humanized Antibody	Systemic Lupus Erythematosus/ Cutaneous Lupus Erythematosus	Ph I	[SBI Biotech] POTELLIGENT Clinical study is being conducted in JP and Asia

Major Applications and Approvals

Code Name, Generic Name, Product Name	Indication	Application/ Under Review	Countries/Regions Received Approval in 2024
KRN125 (pegfilgrastim, Product name in Japan: G-LASTA)	Mobilization of Hematopoietic Stem Cells into Peripheral Blood for Autologous Blood Stem Cell Transplantation	—	JP
OTL-200 (atidarsagene autotemcel, Product name in Europe/US: Libmeldy/Lenmeldy)	Metachromatic Leukodystrophy	—	US
KHK4827 (brodalumab, Product name in Japan and Asia: Lumicef)	Palmoplantar Pustulosis	TW	—
KHK7580 (evocalcet, Product name in Japan: Orkedia)	Secondary Hyperparathyroidism	—	CN, TW
AMG531 (romiplostim, Product name in Japan: Romiplate)	Aplastic Anemia	TW	—
	Severe Aplastic Anemia	—	KR

VOICE Kyowa Kirin is evaluating the effectiveness and safety of OTL-203.

Leslie Meltzer
Chief Medical Officer of Orchard Therapeutics

Utilizing hematopoietic stem cell gene therapy, OTL-203 is being developed as a treatment for MPS-IH. The complications associated with MPS-IH have a detrimental impact on patients' quality of life, and while contemporary standard-of-care may help improve outcomes, it is associated with significant morbidity and mortality. New options are needed to better address some of the more severe symptoms of the disease, such as neurocognitive function, growth and other skeletal issues.

Mucopolysaccharidosis type I (MPS-I) is a rare, inherited neurometabolic disease caused by a deficiency of the alpha-L-iduronidase (IDUA) lysosomal enzyme resulting in the accumulation of glycosaminoglycans (GAGs) in multiple organs, including the musculoskeletal and central nervous systems, as well as the heart, eyes, and ears. It is estimated to occur globally in 1 in 100,000 live births. Approximately 60 percent of children born with MPS-I have the most severe subtype, MPS-IH, also called Hurler syndrome (MPS-IH), and rarely live past the age of 10 when untreated. Current treatment options for MPS-IH include allogeneic hematopoietic stem cell transplant (HSCT) and enzyme replacement therapy (ERT), both of which have significant limitations.

OTL-203 uses a modified virus to insert a functional copy of the human IDUA gene into a patient's cells. Orchard Therapeutics is currently evaluating the efficacy and safety of OTL-203 in patients with MPS-IH compared to the standard of care with allogeneic HSCT.

Special Discussion

Story for Vision 2030

Yoshihisa Suzuki, MBA
Independent Outside Director

Yasuo Fujii, MBA
Managing Executive Officer
Chief Strategy Officer (CSO)

A special discussion was conducted between Outside Direct Yoshihisa Suzuki and Chief Strategy Officer (CSO) Yasuo Fujii. Here, they exchange opinions from their respective standpoints on supervision and execution regarding the leadup to formulating the background of the Story for Vision 2030 announced in 2024 and subsequent progress.

Story for Vision 2030 as a Guide to the Future

Suzuki: I participated in Kyowa Kirin's management as an outside director in 2022. At that time, late-stage development products such as ME-401, RTA 402, and KW-6356—which were earmarked as future earnings pillars—were discontinued one after another, causing a heightened sense of crisis within the management team. Since drug development is a lengthy process, there was a need greater than ever for a long-term strategic story aimed at finding the next generation of products after Crysvita. I, too, found myself deeply engaged in discussions to figure out how to forge a future direction for the Company.

Fujii: At that time, conditions in the pharmaceutical industry were changing significantly. Patients' expectations for pharmaceuticals have gone beyond mere symptom relief to encompass the increasing demand for fundamental cures. On the other hand, targets for antibody drugs are being exhausted, while pressure for the lowering of drug prices globally has continued to mount. To keep up with these changes, the Company must continue to develop more innovative drugs that respond to patients' needs. I was keenly aware that we must proactively take the initiative in enhancing Kyowa Kirin's development pipeline while we were still in a position to do so.

Suzuki: Story for Vision 2030 was formulated with the understanding and strong sense of determination that "if we fail to act now, there will be no future." As part of our efforts to formulate this plan, the Board of Directors, including both internal and outside members discussed in detail the need to maximize technological capabilities and networks that Kyowa Kirin has built up over the years in order to concentrate resources in fields that play to its strengths.

Fujii: Based on these discussions, the Company decided to mainly focus on the following therapeutic fields: bone & mineral, and intractable hematological illnesses/hemato oncology, and rare diseases. These are fields that relatively few major drug makers have entered, and I believe Kyowa Kirin can gain an edge through rapid information gathering and quick action.

Suzuki: Looking ahead, speed will become even more critical for management. Delayed decision-making could mean that, in the event of failure, there may no time left to recover. In the disease areas we have now defined, the number of viable development candidates is limited. That is why it is essential to narrow down the options appropriately and swiftly pivot to the next candidates if one proves unviable. Making timely and decisive choices — one after another — is what will allow Kyowa Kirin to stay competitive and relevant in a rapidly changing environment.

Progress Made in 2024 in Story for Vision 2030

Fujii: In 2024, we clarified the fields we should tackle in-house and those which should be pursued through tie-ups with other companies. In so doing, we also made steady progress in improving our portfolio in the development pipeline.

Specifically, we concluded an out-license deal with Boehringer Ingelheim for our development product for fibro-inflammatory diseases. On the in-licensing side, we entered into an exclusive license agreement in Japan with BridgeBio Pharma, Inc. for infigratinib (under development for achondroplasia), as well as a strategic tie-up with Kura Oncology, Inc. to develop and commercialize ziftomenib (under development for genetically defined acute myeloid leukemia (AML) with a specific genetic mutation).

Suzuki: The acquisition of Orchard has also opened up new possibilities in the field of gene therapy by providing Kyowa Kirin with a new modality, and this is a notable achievement. As an outside director of the Board, I appreciate the steady progress of the plan in line with the Story for Vision 2030.

2024 was a year in which the entire Group seemed to be steadily moving in the direction laid out by the Story for Vision 2030.

Fujii: Thank you very much. However, from the executive perspective, I believe that the Company's portfolio of developed products is still insufficient. Accordingly, Kyowa Kirin will proactively identify appropriate partners and continue to consider the introduction of newly developed products.

Suzuki: The Company is selecting and concentrating resources while strengthening investments to establish a global structure. In Europe and the Asia-Pacific region, Kyowa Kirin engaged in strategic realignments, licensing the established medicines business to partner companies. Deciding to sell off a profitable business was not an easy decision for management to make, but 2024 was a year in which the entire Group seemed to be steadily moving in the direction laid out by the Story for Vision 2030.

Ramping Up Board of Directors' Discussions on Partnering

Suzuki: With the Story for Vision 2030 steadily moving forward, the Board of Directors has ramped up discussions on entering into new partnerships and in-licensing development assets. In this context, I believe it is more important than ever to thoroughly gather the necessary information ahead of formal deliberations and to engage in detailed discussions with the management team at an early stage.

Fujii: Executives are strongly aware of what you are saying. The Company has established a mechanism to provide a forum for holding as many question-and-answer sessions as possible between individual members of the Board of Directors and relevant business functions, as well as platforms to share the content of these sessions with all directors. This improves the quality of the discussions by making it clear which director asked which questions and how they were answered.

Suzuki: Thanks to the executive side's thorough implementation of these processes, outside directors of the Board can accurately recognize current conditions and issues. Although advanced preparation requires time and effort, the organization of information enhances the quality of Board discussions, allowing for more appropriate and prompt decision-making.

It is also no exaggeration to say that partnering is "all about timing." With that in mind, I would like the Company to establish platforms that enable information to be shared as early as possible when potential partner candidates appear.

Forging Favorable Relationships with Partners

Fujii: Once partners have been chosen, we must work closely with them in order to create even greater synergies. To this end, mutual trust and respect among partners is of the utmost importance. A good example of this is Kyowa Kirin's relationship with Amgen. Since its initial tie-up with Amgen in the 1980s, the Company has fostered an extremely good relationship with Amgen, working together in numerous joint development projects. This strong relationship has been a major force in advancing Kyowa Kirin's businesses.

Suzuki: I have been involved in many alliances and M&As at a general trading company and I can say from experience that clear agreements and mutual understanding are essential for a successful partnership. Especially in the United States and Europe, it is vital to have clear, mutually acceptable arrangements from the outset, as unclear contracts can cause major problems later on. Forging such relationships with sincerity, enthusiasm, and mutual values will create long-term trust.

Fujii: To be certain, Kyowa Kirin's values are deeply shared by Orchard, which joined the Group in 2024. The Company's goal of "delivering life-changing value that makes people smile" overlaps with Orchard's management philosophy, and I see a strong connection with Orchard in fundamental areas. Currently, both companies are actively discussing where to focus in the cellular gene therapy field. Once the direction is set, the next stage will be to build organizational structures and operational models, which I am very excited about.

Overseas Expansion through HR Capabilities

Suzuki: From an outside perspective, it looks like Kyowa Kirin's overseas expansion is progressing smoothly, and it is steadily growing as a Japan-based Global Specialty Pharmaceutical (GSP) company. A key reason for this is the outstanding leadership displayed by the management teams overseeing individual regions. In particular, the Company has continuously recruited talented people in recent years, most notably COO Abdul Mullick.

Another strength of the Company's operations abroad is that each overseas subsidiary employs a Non-Executive Director (NED) who is extremely knowledgeable of the local pharmaceutical industry and possesses extensive networks. Management teams actively embrace the constructive opinions and valuable insights from NEDs and reflect them in management decisions. I believe that this imbedded flexible corporate culture open to outside opinions is a factor behind Kyowa Kirin's successful overseas expansion.

Fujii: I believe it will become increasingly important to develop and secure human resources capable of demonstrating leadership in global markets and foster a corporate culture. The Company has been actively promoting a "KABEGOE" (meaning 'getting over the wall') aimed at taking on challenges.

In 2025, the Company has further developed this concept, establishing "KABEGOE Principles" as specific action guidelines. The CxOs took the lead in formulating these action guidelines with great enthusiasm. I think implementing the "KABEGOE Principles" worldwide will drive even faster overseas expansion.

Suzuki: The meaning of "KABEGOE" stresses the particular importance of promoting personnel exchanges, sharing expertise, and transcending regional barriers to work together globally. Kyowa Kirin has significantly reorganized its R&D structure on a global scale, and I expect its pipeline will become stronger than ever if it fosters a series of new development candidates under this new structure.

DX Strategy and Supply Chain Management for Patients

Suzuki: In addition to the personnel exchanges mentioned earlier, a DX strategy that utilizes IT is an indispensable element in Story for Vision 2030. Especially in its focus rare disease field, Kyowa Kirin has determined that the relationship with each patient is extremely important given the small size of the target group. To this end, the Company must take active steps to establish Customer Relationship Management (CRM), which maintains patient information and properly integrates it into operations. As CRM systems become more sophisticated, it will not only enhance support to patients, but also contribute to identifying new patients.

Fujii: I could not agree more. For example, the Company's core product Crysvita is currently being administered to only about 7,000 patients worldwide, so I think that maximizing CRM to provide personalized value tailored to each patient would be ideal.

Suzuki: Strengthening supply chain management is yet another key pillar of the DX strategy. With the construction of a new plant in North Carolina, the Company will expand its biopharmaceutical production setup to two locations, one in North America and one in Takasaki. Going forward, Kyowa Kirin will need to strengthen links between these two major bases and other production facilities in Europe and beyond, in order to create a more sophisticated supply chain. I believe that the use of digital technology will play a major role here as well.

Our Challenges for Future

Suzuki: While Story for Vision 2030 is progressing steadily, there is no guarantee that everything will go as planned. It is especially important to have a plan B that allows for flexible course correction, factoring in the possibility that a promising development candidate may be unexpectedly cancelled.

Fujii: From an executive perspective, we are continually examining such backup plans. I believe this must involve carefully monitoring current developments and an operational flow that enables rapid preparation of alternative measures if there are any signs of concern.

Suzuki: In addition to this, it is critically important to secure sufficient financial resources. To enable the agile deployment of substantial funds in times of emergency, it is essential that the Company maintains operational independence. From an external perspective, the relationship between Kyowa Kirin and the parent Kirin Holdings appears to be very sound. Notably, regular meetings are held between CEO Yoshinori Isozaki of Kirin Holdings and Kyowa Kirin's independent directors, including myself. These ongoing exchanges are a valuable forum for open communication and alignment.

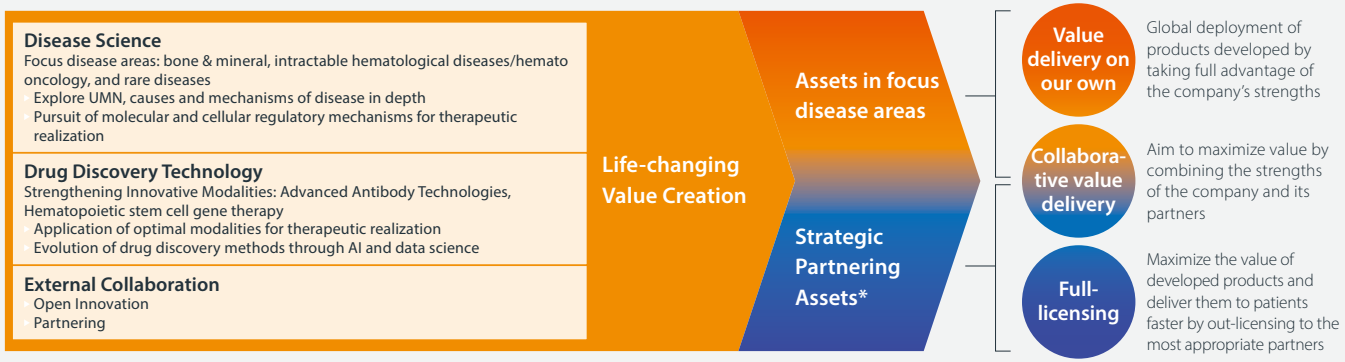
Fujii: For a publicly traded company, independence is necessary, while simultaneously maximizing synergies with the Kirin Group is an issue that must be addressed. The Kirin Group is particularly focused on the health science field. As part of this, we and Kirin established Cowellnex Co., Ltd. as a joint venture in 2024 to combine Kirin's research on intestinal bacteria with Kyowa Kirin's expertise in pharmaceutical R&D. I would like to see Cowellnex positioned as an innovation hub for both companies to create new businesses going forward.

Suzuki: From my perspective, I would like Kyowa Kirin to take on new business challenges. Going forward, the Kyowa Kirin Group is expected to maintain a forward-looking approach and continuously seek new opportunities. I hope the Company will not fear failure, will not be satisfied with the status quo, and will keep challenging itself — to bring smiles to patients, to contribute to a better future for society as a whole.

I think that maximizing CRM to provide personalized value tailored to each patient would be ideal.

Story for Vision 2030

Strategies for creating and delivering life-changing value



* Assets outside of the disease areas of focus are designated as strategic partnering assets, and value maximization is achieved through collaboration with partners.

Special Discussion

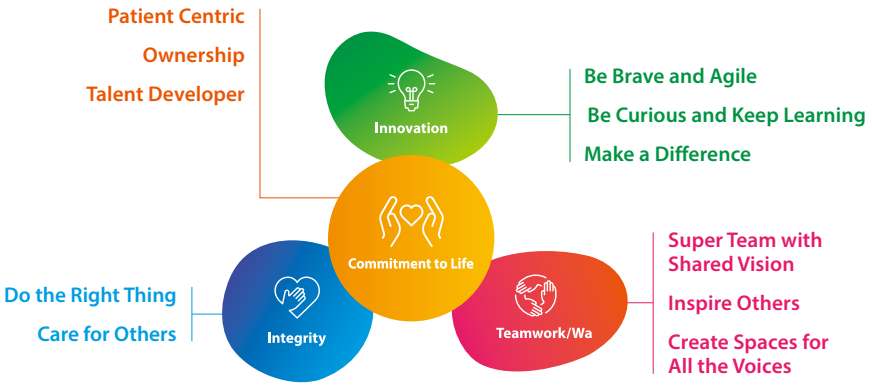
Formulating the KABEGOE Principles

Abdul Mullick, Ph.D.
Chief Operating Officer (COO)

Shoko Itagaki
Chief People Officer (CPO)

The Kyowa Kirin Group has set forth Vision 2030, which is to "continuously create life-changing value through the power of a diverse team of individuals shining with a shared passion for innovation." The KABEGOE Principles function as concrete Behavior and Mindset Guidelines to codify our vision for the people and organizations that propel the global strategy forward, and who continually create life-changing value. As part of this Special Discussion, COO Abdul Mullick and CPO Shoko Itagaki spoke about their respective thoughts and feelings regarding the KABEGOE Principles.

KABEGOE Principles



Two Elements for Realizing the Vision

Itagaki We believe that our vision comprises two elements: a Strategy and Team. The Strategy serves as the roadmap for bridging the gap between ideal state with our current situation, in other words, it illustrates what we need to do to reach our desired outcomes in the form of business activities. Similarly, as is necessary for promoting the Strategy and realizing our vision, we must build a Team that bridges the gap between our vision for people and the corporate culture and where they stand today. The role of leaders is to fuse together the two elements of Strategy and Team through leadership, and to guide the organization toward achieving our vision through these elements.

Mullick For us, the Story for Vision 2030 represents a concrete strategy necessary for achieving our vision. To implement this robustly, we must consider what kind of team we will build and what actions each individual Group employee around the world should take. To this end, we have decided to compile these specific actions into the KABEGOE Principles and deploy them globally. With a clearer understanding of both life-changing value and Super Team, we will promote activities to realize our vision, even amidst rapid environmental changes.

KABEGOE Principles

Itagaki Our group views talent as the source of our competitiveness and innovation, and we have been committed to building and developing people and organizations. Given the ongoing significant environmental changes both inside and outside the company, we believe it is essential to present to our employees a simple and action-oriented framework that clearly communicates the expected behaviors and mindset of the people and organizations driving our business strategy, as well as the desired state of the corporate culture they will shape. This will enable us to become a resilient and more agile team at a global level and continue creating value.

From the perspective of corporate culture, we have been working to globally embed KABEGOE as our unique culture. The Corporate Culture Transformation Project, which originated from a thorough reflection on quality issues that occurred in 2019, defines our KABEGOE as "stepping out of the comfort zone, embracing challenges, and overcoming barriers." We have continued our efforts to remember our past reflections and elevate them into new challenges and value creation. This KABEGOE Culture has now become a source of our competitiveness and served as the foundation for discussing the KABEGOE Principles we have formulated.

Mullick What I want to emphasize here is that the KABEGOE Principles were developed with significant enthusiasm and involvement from our top management, including the CxOs. Discussions from the perspective of people and organizations can often be left to the Human Resources function, but under the facilitation of the CPO, we seriously debated the necessary qualities of people and teams from the viewpoint of all CxOs and consolidated these into a concrete form. Considering our business strategy, the development and retention of talent capable of demonstrating leadership on a global scale, as well as corporate culture, will become increasingly important. We position human capital as a vital element of management and are committed to addressing it earnestly.

There are a total of 11 principles, and throughout the process of weaving them together, we frequently revisited "Commitment to Life" (*created through discussions among many willing employees at the time of the establishment of Kyowa Hakko Kirin in 2008). "Commitment to Life" is the story that our philosophy and our vision are all rooted in. Likewise, "Commitment to Life" and other aspects of our history and DNA live on at the foundation of the KABEGOE Principles; they are not something created by "someone," but rather something that has emerged from "ourselves." Each item is equally important for achieving our vision, and it serves as a guideline for everyone working in our group, from new employees to the CEO, in their daily actions and decisions.

KABEGOE Principles

Commitment to Life

Patient Centric
We always consider whether our actions are linked to patient value.

We make every effort to feel close to our patients and listen to them.

We use the voice of the patient to better create value for them.

We make decisions with the patient perspective at the centre of our thoughts.

The source of patient value is our product, and we constantly seek to create, refine and deliver it as quickly as possible.

Ownership
We always overlay the vision of the company or organisation on our own vision and make them our own. We act not only for our own department, but also for other departments and the entire company; we encourage our colleagues to do the same. Therefore, we never say, "That's not my job" in the spirit of Teamwork/Wa.

We agree on goals through robust discussion and then fully commit even if we disagree, once a decision has been made.

We always try and deliver on our commitments even if we face challenges.

Talent Developer
We have a vision and a responsibility for the growth of our colleagues and ourselves.

We believe in the potential of our colleagues and give them honest feedback in the hope that they will grow.

We also thank the person who gave us feedback, accept it and use it to help us grow.

Integrity

Do the Right Thing
Always follow the rules. We do the right thing at all times, even when no one is watching, even when it is difficult to do so.

We admire each other, but are also willing to point out mistakes.

It is our important responsibility to speak up when we do not know what action to take or when we feel something is wrong.

We take pride in the fact that we are working for the sake of life, and we value the quality of our products and work.

Care for Others
We care deeply about each other and speak and act with compassion and love.

We are always sincere and honest. When we smile, others smile too.

Innovation

Be Brave and Agile
To maximise the value we deliver to patients, we are not afraid of difficulties, we are courageous in making difficult decisions.

We always think about how quickly we can deliver value to patients and make decisions without taking excessive time or undue risk. On the other hand, we are flexible to change course quickly if we think something is not right.

Be Curious and Keep Learning
We are always curious and inquisitive. We try new things every day and keep improving so that tomorrow will be even better.

We do not fear failure, we learn from it. We do not condemn failure, but applaud the challenge.

Make a Difference
We are never satisfied with the status quo and we think and act on how we can stand out globally.

We have the courage to break away from the norm, bring life changing value to patients.

Teamwork/Wa

Super Team with Shared Vision
We believe in the united power of the OKK Team aligned behind a common goal — the power of all of us is greater than one of us. We listen well, speak well, know well, collaborate and co-create value across Regions and Functions.

Inspire Others
We show and act with a clear vision, we inspire our colleagues and commit to realizing our vision together.

We seek to inspire, encourage, support and empower our peers.

Create Spaces for All the Voices
We welcome all personalities and use them as strengths to create value.

We listen respectfully to all differing views and are not afraid to express our own opinion openly.

We do not engage in superficial, formal discussions, but rather deeply discuss the issues until the team is satisfied with the results.

Integration into Talent Management and the Transformation of HR's Role

Itagaki From the perspective of talent management, achieving the Story for Vision 2030 requires the promotion of talent development and performance across regions and functions. We believe it is necessary to shift the initiatives around talent management that have been independently implemented by each region and function toward a unified or aligned approach under One Kyowa Kirin (OKK) at a global level. As we reconsider what we should do, what our teams and organizations should look like, and how to realize these goals, I feel that the KABEGOE Principles will serve as our compass. We are already advancing measures to establish a global talent management framework, such as the standardization of the performance management system, ensuring that our colleagues worldwide can refer back to the KABEGOE Principles when setting goals and evaluating actions. Additionally, we plan to incorporate the KABEGOE Principles into the processes for discovering and developing the talent that will lead our group globally in the future. We believe that the future executives who will lead and support the Group must function as enterprise leaders. This term expresses a vision for leaders that looks beyond their divisions to take a bird's-eye-view of the entire company, thereby expansively imparting a positive impact while driving co-creation that connects to value creation for the entire company. Without question, those who put every element within the KABEGOE Principles into practice at a high level are our ideal enterprise leaders.

Moreover, as symbolized by the formation of the KABEGOE Principles, we believe that in a rapidly changing business environment, the true protagonists of building people and organizations are the leaders/people managers in each organization and workplace. These leaders must illustrate their own aspirations for achieving our vision for the Company and organization from the standpoint of the Strategy and Team, act autonomously in response to change, and accelerate growth for themselves and those around them. In order to empower these leaders, HR will minimize unnecessary restrictions and processes, provide professional facilitation, and lead the creation of an environment to nurture the desired Team.

Expectations for Leaders

Mullick People and culture are invaluable assets for us and essential elements for executing our strategy effectively. In order to continuously deliver "life-changing value" to patients and all those fighting illnesses, we have taken on challenges that have never been easy, and this commitment to challenge will continue. We must listen to the voices of patients, deeply understand their concerns and anxieties, and collaborate as a Super Team that shares a vision across functions and regions to provide better value and meet the expectations of our stakeholders.

I am one of those who was deeply impressed by "Commitment to Life." When I first saw it, I was truly moved and it resonated with me, and I remember feeling genuinely excited about being able to work with wonderful colleagues to make a difference for "the one and only life." I am also very fond of the KABEGOE Principles that is rooted in the Commitment to Life. The KABEGOE Principles are something that all of us working around the world in our group want to practice equally. Every principle outlined there represents actions we should take to continue delivering value to patients and everyone involved in their care as we grow. By sincerely practicing each one of these principles every day, we will cultivate the KABEGOE Culture we aspire to and realize our vision through the execution of Story for Vision 2030, ultimately leading to smiles for everyone facing illness. Whenever I speak with employees, I always convey the message that we are also among those dealing with illness. I believe that having pride in working for Kyowa Kirin and engaging in work with a smile is exceptionally important for delivering smiles to all of our stakeholders. As I see it, one of the roles of a leader is to possess a deep interest in the members, embrace them with consideration and love, and act so that they can commit to our vision with smiles. In order to continue creating and providing value as a Japan-based Global Specialty Pharmaceutical company in the true meaning of the term, and as a member of top management, I will communicate the KABEGOE Principles to our colleagues worldwide, encouraging them to continue putting these principles into action, and I expect all leaders in the Group to do the same.

Abdul Mullick and employees speak often about the KABEGOE Principles

Providing pharmaceuticals for unmet medical needs

R&D Strategy

Message from the CMO

We aim to be a company that continues creating real value for patients

Takeyoshi Yamashita, Ph.D.
Director of the Board,
Executive Vice President and
Chief Medical Officer (CMO)

Laying down the foundations for executing our Story for Vision 2030

To achieve our objective of growing as a Japan-based Global Specialty Pharmaceutical (GSP) company, we recognize that much depends on our ability to continuously create life-changing value, as articulated in our Vision 2030. In 2024, we announced our Story for Vision 2030 to further ensure the realization of that vision. This announcement included an updated strategy for creating life-changing value and outlined a range of R&D-related measures based on that strategy.

In 2024, we acquired Orchard Therapeutics plc (hereafter, Orchard) to establish a foothold in the field of gene and cell therapy. This acquisition was an important initiative aligned with the Story for Vision 2030. Additionally, we licensed ziftomenib, a late-stage pipeline program in the field of hematological diseases and hemato-oncology. In collaboration with Amgen, we are also working on the development and commercialization of rocatinlimab, which is currently undergoing eight Phase 3 trials under the ROCKET Program, targeting moderate to severe atopic dermatitis. For the four studies for which data acquisition is complete, both the co-primary endpoints and key secondary endpoints were met. The remaining studies are proceeding apace, and development is progressing smoothly toward regulatory submission.

Furthermore, our in-house drug discovery research is generating favorable results. This has led to the initiation of clinical trials for KK2845, an antibody-drug conjugate (ADC) for blood cancers, and KK8123, which aims to provide higher value to patients with X-linked hypophosphatemia (XLH). The development of existing pipeline programs is also progressing smoothly, lending further vigor to our R&D activities.

Our R&D program has diverged somewhat from the initial plan as we enter 2025, the final year of the current Medium-Term Business Plan. Some development projects have been discontinued, while others have accelerated in collaboration with partners. Additionally, we have gained new technology-based development projects through corporate acquisitions. However, we remain committed to achieving the objective set forth in our Vision 2030, which is to "consistently create and deliver life-changing value that ultimately makes people smile, as a Japan-based Global Specialty Pharmaceutical (GSP) company." The Story for Vision 2030 brings into sharper focus the strategies outlined in previous medium-term business plans. It highlights our achievements to date while advocating for review and reform. Here, I would like to introduce the salient points of the Story for Vision 2030, which we formulated to ensure the realization of our goals that remain unchanged amid a changing environment. I will also discuss areas of focus and transformation.

Four key pillars supporting enhancement of our value creation ability

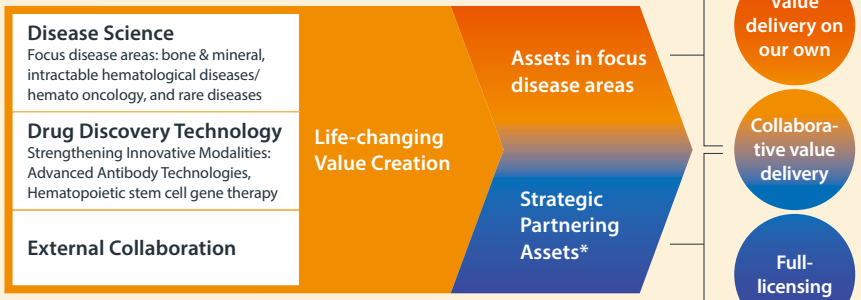
As mentioned above, the Story for Vision 2030 is a strategy aimed at realizing Vision 2030, where we aspire to become a Global Specialty Pharmaceutical (GSP) company that consistently creates life-changing value and delivers it to patients. In our drug discovery research, we are focusing on new drugs that we expect will come to market between 2035 and 2040. In other words, we aim to deliver life-changing value to patients by addressing needs that are likely to remain unmet even 10 to 15 years from now, rather than solely focusing on current therapeutic needs. In the Story for Vision 2030, we have established four key pillars to support the strategy, transformation, and evolution we envision for our drug discovery research: "Focus on target therapeutic areas", "Modality shift", "Transition to global research organization (GRO)", "Pursuit of research operational excellence (OPEX)". Below, I describe these in further detail.

Focus on target therapeutic areas

In drug discovery research aimed at the creation of new drugs, the basic concept is to form an accurate understanding of the science behind a disease and apply cutting-edge technology to develop treatments. However, to create and deliver life-changing value, it is essential to go further and understand patients' true medical needs. In short, we must aspire to a more sophisticated and knowledge-intensive form of drug discovery research that places greater emphasis on information gleaned from patients and medical settings. Moreover, if we can launch

Story for Vision 2030

Strategies for creating and delivering life-changing value



* Assets outside of the disease areas of focus are designated as strategic partnering assets, and value maximization is achieved through collaboration with partners.

Four key pillars

1 Therapeutic Areas
- 70% of research resources will be devoted to bone & mineral, Hematology/ Hemato-oncology, and rare diseases

2 Modality Shift
- Expand advanced Abs, G&CT and combined Modalities
- Downsize/ discontinuance in-house research activities related to small molecules

3 GRO
- Transition to GRO
- Reorganization of Research Function

4 Research OPEX
- Admin activities of Research; Also reorganized
- Expand DX / AI to accelerate our Research

Adaptation to the new structure and challenges of each individual in the Research Division
- working and thinking to promote effective and efficient drug discovery

products that generate synergies with existing businesses, specifically those marketing the global strategic products Crysvita and Poteligeo, we should be able to grow more efficiently. With these factors in mind, we have identified bone & mineral diseases and intractable hematological diseases/hemato-oncology as our focus areas. We are already working cross-functionally and globally to enhance the value of Crysvita and Poteligeo and deliver these drugs to more patients. By linking these activities to our research, we seek to create new value in these areas.

In the bone & mineral focus area, we are developing KK8123 for life cycle management aimed at maximizing the value of Crysvita, while also delivering greater value to patients with XLH. Additionally, we are developing infigratinib for achondroplasia, which, like XLH, is a congenital hereditary bone disease. Last year, we acquired the development and commercialization rights in Japan from BridgeBio Pharma, Inc. In this way, we are working to expand our portfolio in this disease area.

In the area of intractable hematological diseases/hemato-oncology, we have a long history of R&D that led to the development of products such as Espo, Nesp, Gran, G-Lasta, Romiplate, and Poteligeo. Drawing on this experience, we have initiated clinical trials for our proprietary antibody-drug conjugate (ADC), KK2845, while also focusing on the development of successor products. Last year, we further enhanced our late-stage development pipeline by entering into a global strategic collaboration agreement with Kura Oncology, Inc. to develop and commercialize ziftomenib, which is expected to offer a novel mechanism of action for the treatment of acute myeloid leukemia (AML). We are continuing development with the aim of launching as soon as possible.

Beyond these two areas, we believe that rare diseases present additional business opportunities that we may pursue independently, similar to our Crysvita and Poteligeo businesses. We will center our efforts on products that align with our strategy of continuously discovering new drugs addressing unmet needs and providing further life-changing value. Last year, we added Orchard's products and pipeline to our initiatives in this area. Providing life-changing value is key, so we are focusing on R&D that facilitates this goal.

Our current pipeline includes several development candidates that fall outside the areas mentioned above. All have been developed with a view to providing life-changing value and each possesses promising attributes. However, due to resource constraints, we will also consider finding strategic partners to collaborate on these projects, as we did when teaming up with Amgen for rocatinlimab, or fully licensing such programs to companies capable of maximizing the product's value, as we did with Fasenra.

Modality shift

The conventional approach to drug discovery research has focused on identifying compounds with novel actions thought to be related to disease regulation. This methodology involves assembling a diverse library of compounds and employing simplified methods to measure physiological activity, allowing for the identification of compounds demonstrating the expected activity. The process of optimizing these discovered compounds into medicines was once the mainstream approach. Although we previously employed this method, we have also been working on biopharmaceuticals for some time. This process involves identifying biomolecules capable of controlling diseases and utilizing biotechnology to replicate these as recombinant proteins or monoclonal antibodies that target specific biological mechanisms. This approach to drug discovery is now mainstream at our company.

In contrast to the former method, which is akin to polishing raw diamonds—where medicines are obtained by chance—the latter involves the rational design of medicines based on the molecular mechanisms that control biological functions. In recent years, we have seen remarkable progress in the field of life sciences. Our understanding of biological functions is increasing at an accelerated pace, along with the volume of related information, creating an environment that supports rational drug discovery. We have the advantage of having previously developed recombinant proteins and antibodies to create medicines that control the body's humoral factors and cellular functions. We are now focusing on further developing these biotechnology-based modalities to create drugs that control biological functions in a more sophisticated and rational manner.

For example, while conventional antibody drugs are limited to binding with just one antigen, bispecific antibodies incorporating Kyowa Kirin's proprietary REGULGENT™ technology can act on two antigens simultaneously. Currently, we are conducting Phase 1 clinical trials for two products using this technology: KK2260 and KK2269. Additionally, we are advancing research on antibody-drug conjugates (ADCs), which involve the conjugation of an antibody and a drug via an appropriate linker, enabling efficient delivery of the drug to specific cells. We have already begun clinical development of KK2845 using this technology. We continue to enhance our antibody technologies with the goal of harnessing advanced antibody technologies in our drug discovery efforts.

To provide medicines targeting diseases where treatment options are limited by current technologies and modalities, our drug discovery must focus on controlling diseases in more sophisticated or fundamental ways. Moving forward, we believe it will become increasingly important to control diseases at the genetic level and practice drug discovery using the cells themselves as a modality. Engaging in drug discovery with new modalities involves various processes (including manufacturing, quality assurance, clinical trials, and regulatory approval) that differ from traditional drug discovery approaches. Managing these processes requires considerable skill and experience. When we acquired Orchard, which has an integrated process ranging from R&D through regulatory approval to launch, we gained not only a gene and cell therapy technology and drug discovery platform but also the skills and expertise needed to put this new modality into practical use. As a result, our portfolio now includes Libmeldy®/Lenmeldy™, which provides life-changing value to patients with metachromatic leukodystrophy (MLD)—a disease for which there had been no truly effective treatment. We also have successor programs such as OTL-203 and OTL-201, which we hope will deliver life-changing value to patients with mucopolysaccharidosis type I (MPS-IH), also known as Hurler syndrome, and mucopolysaccharidosis type III (MPS-IIIA), also known as Sanfilippo syndrome A, respectively. This innovative modality in drug discovery technology involves extracting hematopoietic stem cells (HSCs) from the patient, correcting missing or faulty genes, and then transplanting the cells back into the patient to perform therapeutic functions. Once the gene-corrected HSCs are returned to the body and engraft, they start producing corrected blood cells of all types that circulate throughout the body, thereby playing a role in controlling the disease in question.

VOICE Hematopoietic stem cell gene therapy (HSC-GT)

Bobby Gaspar, Ph.D.
Chief Executive Officer of Orchard Therapeutics plc

On the frontier of gene therapy, new possibilities emerge

The cell and gene therapy revolution is well underway. Scientists, clinicians, patients and advocates alike are optimistic at the promise of this powerful platform to deliver a new set of tools to potentially address previously intractable diseases.

While often referred to as a single technology, there are various approaches to cell and gene therapy, which differ by the type of cell modified, the vector used and the delivery mechanism.

The approach pioneered by Orchard Therapeutics, a Kyowa Kirin company, harnesses the unique power of a patient's own genetically modified blood stem cells, also known as hematopoietic stem cells, or HSCs, to potentially correct the underlying cause of a genetic disease permanently with a single administration.

HSCs generate a large variety of differentiated cells in the body, from circulating red or white blood cells and through their ability to migrate into tissue they can become specialized cells lining the gut or those capable of crossing the blood-brain-barrier. This enables broad distribution of gene-corrected cells and localized delivery of therapeutic enzymes and proteins at clinically relevant concentrations which is expected to be durable.

The company has already demonstrated the clinical efficacy of HSC gene therapy in an ultra-rare, fatal neurodegenerative disease known as metachromatic leukodystrophy, and is exploring its potential to treat other severe conditions, such as mucopolysaccharidosis type I Hurler syndrome, mucopolysaccharidosis type III, also known as Sanfilippo syndrome type A, as well as genetic subsets of frontotemporal dementia and Crohn's disease.

As we look ahead together at a brighter future, the possibilities for cell and gene therapy are limitless.

Libmeldy®/Lenmeldy™ makes it possible to treat MLD by addressing metabolic abnormalities in the brain that have proven difficult to tackle with conventional drugs. We have already acquired the ability to bring such medicines to the world, and now we seek to apply the knowledge and technologies we have fostered to focus on drug discovery activities that provide life-changing value to patients suffering from various diseases for which effective treatments still do not exist. More broadly, we hope that the acquisition of these platforms and technologies will serve as a bridgehead toward the development of future gene and cell therapies that are not limited to HSCs and in vitro gene manipulation.

Globalization of research organization

As consistently creating life-changing value is essential to the growth of our business, we recognize the importance of efficiently pursuing competitive research. As mentioned earlier, we have updated our value creation strategy under the Story for Vision 2030. We have also revamped the framework for executing that strategy.

Kyowa Kirin's research functions are primarily located at the Tokyo Research Park and Fuji Research Park . While we have kept research strategy and planning functions at our head office, we have worked to strengthen our drug discovery processes and facilities by reorganizing other functions. We have long had a research institute specializing in immune and antibody research located in San Diego, California. However, this institute was positioned to handle only part of our Japan-led research initiatives. With the acquisition of Orchard, we now have a gene and cell therapy research institute in the UK. Consequently, we decided to update our strategy to incorporate a global perspective in building the framework necessary for creating life-changing value.

We will proceed with this transformation in stages, as we believe it is essential to change not only our organizational structure but also our management style. Currently, we are in the first stage of this transformation. With the Story for Vision 2030, we have initiated a shift toward a research system capable of pursuing and realizing life-changing value, built around newly clarified therapeutic areas and modalities that we seek to strengthen. Previously, we operated a system where eight laboratories—comprising seven laboratories within the Tokyo Research Park and Fuji Research Park and our US research center—shared roles in advancing drug discovery according to purpose and function. While this system allowed each laboratory to delve deeply into their respective fields, thereby facilitating individual competitiveness, we were concerned that the resulting siloization could hinder flexible cooperation between laboratories and optimization of the overall drug discovery process. To create life-changing value, it is essential to consider combinations of scientific understanding of diseases and solution-generating technologies with both flexibility and sophistication. In refining emerging product concepts, specialized expertise tailored to each specific need becomes critical for success. Therefore, we have shifted to an organizational structure that facilitates the achievement of both objectives.

Specifically, we have consolidated the seven laboratories in Japan into two: the Innovation Center, responsible for the planning and early-stage execution of drug discovery research aimed at creating life-changing value, and the Bio-Pharmaceutical Center, which takes promising research seeds identified by the Innovation Center and accelerates their development toward clinical application. We are adopting a global approach in our pursuit of world-class research that leads to innovation. One example of these global activities is the remodeling of our US research center into a Bio-Innovation Hub. This hub promotes innovation by specializing in open innovation as well as advanced science and technology. It will not only fulfill research functions but also serve as a base for accessing science, technology, and networks worldwide. With the addition of Orchard's UK laboratory, we will pursue innovation in the gene and cell therapy modality through collaboration among the three regions. Regarding the Bio-Pharmaceutical Center, which is responsible for the later stages of drug discovery research, we believe it is important to establish target product profiles through collaboration with those responsible for product strategy and development functions in each therapeutic area. As the Development Division and product strategy functions are already global organizations with workforces that transcend regions, it has become necessary to globalize our research operations to facilitate high-level internal collaboration. We also seek to take a global approach to outsourcing and collaboration. To ensure we can select optimal partners, we will work on globalizing research support functions such as opportunity exploration and resource management.

KEY PERSON MESSAGE

Establishment of Global Research Organization (GRO) as new research organization

Yoshifumi Torii, Ph.D.
Head of Global Research Organization

Kyowa Kirin is pursuing a four-pillared research transformation to realize Story for Vision 2030. Globalization of our research organization is one of the most important pillars, and as part of this initiative we have established a new research organization, the Global Research Organization (GRO), to promote enhanced global collaboration.

The GRO has introduced several new systems and initiatives, including a decision-making process, flat organizational structure, Therapeutic Area Heads (TAHs), and new groups including a Gene & Cell Therapy Group and Laboratory Management Group. Innovation Center, which pursues drug discovery research at the exploratory stage, now has a flat organizational structure in which research teams led by Principal Investigators, who are experts in each research field, develop and verifying agile research concepts under the leadership of Innovation Center Head. Through this GRO system, Kyowa Kirin aims to create innovative drug candidates that will generate life-changing value.

Kyowa Kirin's research collaboration network — Embracing a historic partnership —

Erica Ollmann Saphire, Ph.D., MBA
President & Chief Executive Officer, La Jolla Institute for Immunology

Thirty-five years ago, Kyowa Kirin's visionary leaders decided to partner with the La Jolla Institute for Immunology (LJI), marking the beginning of one of the most enduring alliances between academia and industry. This milestone powerfully represents a remarkable journey, where our shared vision has enabled both organizations to push the boundaries of what's possible—from groundbreaking discoveries in inflammation and cancer immunotherapy to early-stage work on gene and cell therapies. Our prolific partnership not only led to significant scientific advances but has allowed LJI to evolve and flourish in ways that may not have been possible without Kyowa Kirin's unwavering support. From the beginning, LJI brought its world-class academic expertise, curiosity-driven research, and a deep commitment to understanding the immune system. Kyowa Kirin, with its focus on drug development and commercialization, contributed a practical, patient-centric approach to applying scientific discoveries to unmet medical needs. It allowed LJI scientists to build on basic science and discover promising drug candidates and therapies. This is "bench-to-bedside" science at its best. Today, leading scientists from around the world come to LJI because they know they'll have the independence and the resources to make a real difference in medical research while also benefiting from this translational research partnership. But LJI's partnership with Kyowa Kirin has fostered much more than scientific progress. We share a culture of curiosity and community and work together to support and train the next generation of scientists. The future of immunology and our partnership are bright, in no small part thanks to Kyowa Kirin's unwavering support and foresight 35 years ago. I'm excited to see LJI and Kyowa Kirin continue building a legacy of medical innovations that will make patients smile.

Through these organizational changes, our primary objective is to enhance our drug discovery capabilities in line with the Story for Vision 2030. To further improve the quality of our research, as well as success rates and speed, we aim to strengthen intangible aspects such as decision-making and the enhancement of our talent pool.

Pursuit of operational excellence in research

Opportunities to create new drugs continuously arise from new scientific discoveries, technological innovations, and the accompanying increase in knowledge. This has heightened the importance of collaborative research with academia and reliance on external service vendors. While researchers are required to possess deeper insights than ever before, it is becoming increasingly challenging for individual researchers to manage all tasks related to research activities on their own. Therefore, we believe it is crucial to create an environment where each researcher can focus intensely on their own work while also flexibly connecting with others to co-create value. To this end, we are working to improve our research environment, pursue digital transformation (DX), and create spaces for value co-creation.

Research involves numerous ancillary tasks, such as collating information, maintaining and managing laboratories, procuring materials, and ensuring compliance. Previously, our researchers found that they had limited time to devote to actual research due to the considerable effort required for these tasks. To address this issue, we have been working to save labor by following positive examples set by other research institutions and pursuing digitization. To further advance these efforts, we established a new department in 2025 dedicated to handling these research-related ancillary tasks. Additionally, we are automating research processes and promoting DX to process more information, improve hourly throughput, and enhance our analysis and proposal functions with the aid of artificial intelligence (AI). Through these efforts, we strive to create an environment that allows researchers to concentrate better on their research.

The establishment of the aforementioned Innovation Center was a significant step toward enabling researchers to collaborate flexibly and promote value co-creation. The Innovation Center serves as an organization where researchers with diverse perspectives and expertise can communicate regularly to share information and exchange opinions. We have introduced performance evaluation and other systems unique to this organization, enabling researchers to take bold challenges without fear of failure, especially in the face of uncertainty.

DX has become essential for improving the efficiency and sophistication of our research activities. We initiated a project to strategically tackle DX across the entire research organization, replacing the previous practice where each location addressed DX independently based on their specific needs. We are undertaking three types of DX activities: "offensive" activities that contribute to the creation of life-changing value, "defensive" activities that enhance efficiency, and "foundational" activities that support the above. We consider it particularly important to harness AI and digital technologies. In this respect, we are collaborating with external partners such as InveniAI LLC. Additionally, we are focusing on developing and acquiring the human resources needed to support these activities.

Assembling the team and talent required to execute our strategy

As stated in Vision 2030, we aim to successfully create and deliver life-changing value as a company built on a diverse team of experts who share a passion for innovation. Drug discovery requires an increasingly diverse and deep set of skills and expertise, which must be combined effectively and utilized efficiently. To achieve this, it is critical that individuals with diverse expertise collaborate to realize a shared vision, generating strength in numbers. As a pharmaceutical company, Kyowa Kirin may not be large, but we are confident in our ability to create world-class drugs, provided we set appropriate goals for each therapeutic area identified in Story for Vision 2030 and harness our collective strength to achieve those goals.

In terms of the personnel types needed to manifest this strength, we first require individuals with outstanding talent, extensive skills, and experience in specific fields. Additionally, we need people who excel at deploying flexible ideas and perspectives in the search for innovative solutions, which is essential for planning high-quality research. Strong communication skills are also necessary to support global collaboration. These are just a few examples of the many types of individuals we seek to advance drug discovery as members of a diverse team. In our pursuit of life-changing value, it is vital that our team members empathize with patients and understand their true needs. Ultimately, if there is one attribute we desire in all our personnel, it is a willingness to keep learning and growing.

The task of drug discovery cannot be accomplished by a single person, no matter how talented that individual may be. Therefore, we emphasize the importance of teamwork to maximize our strengths. The ideal team is one in which individual members respect and trust each other while pursuing mutual improvement through friendly competition. To create such a team, we have been reforming our corporate culture by promoting KABEGOE activities, which empower employees to go the extra mile. We have also established the KABEGOE Principles to articulate how individuals should act in exercising their passion for discovering new medicines and bringing smiles to the faces of those struggling with illness. Based on these foundations, we aim to cultivate talented individuals who are passionate about developing new drugs that ultimately make people smile.

FOCUS ON

Healthcare Café launched to better understand patients' needs and apply this knowledge to drug development

With "patient-centricity" emerging as an important concept within the pharmaceutical industry, Kyowa Kirin is running a Healthcare Café together with Takeda Pharmaceutical Co., Ltd. and Daiichi Sankyo Co., Ltd. The aim of this initiative is to understand the true needs of patients and their families by engaging in dialogue, and to harness this knowledge in drug discovery. We see the Healthcare Café as platform for fostering the "patient-centric" mind we consider to be extremely important for Kyowa Kirin researchers.

The Healthcare Café represents a valuable opportunity to hear patients speak directly about their treatment experience and quality of life. In the seventh Healthcare Café session under the theme of "hematopoietic stem cell transplantation," patients and family donors shared their experiences, in doing so providing researchers with new insights. By learning about specific needs and challenges that can be difficult to elucidate in medical settings, researchers can incorporate the patient's perspective into their drug discovery activities.

Such events are not just a forum for gathering information. For Kyowa Kirin researchers, they are also an important means of empathizing with the lives and emotions of patients and their families. Through the voices of patients, participating researchers gain a deeper understanding of diseases and form the ability to identify unmet needs. Through the Healthcare Café, not only are we fulfilling our social responsibility as a pharmaceutical company, but also, we are laying the foundations for more patient-centric drug development. We furthermore expect the Healthcare Café to give researchers the heightened awareness needed to conduct more meaningful research, as these sessions additionally provide an opportunity for doctors and coordinators to share their specialized knowledge, and for participants to discuss specific measures aimed at contributing to medical progress. We will continue to incorporate the experience and knowledge gained from talking to patients into our research, as we strive to develop the medicines that patients truly need.

Image of Healthcare Café

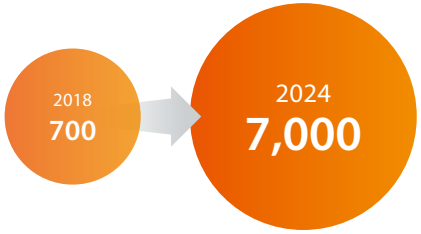
Global Strategic Products

Crysvita

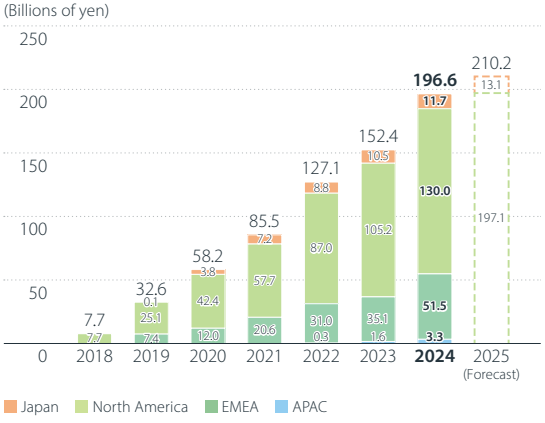
Crysvita is a recombinant fully human monoclonal IgG1 antibody against the phosphaturic hormone fibroblast growth factor 23 (FGF23). Developed by Kyowa Kirin, Crysvita is used to treat X-linked hypophosphatemia (XLH) and tumor-induced osteomalacia (TIO). XLH is a rare condition that causes hypophosphatemia due to a genetic mutation that results in excessive production of FGF23, a hormone produced in bone cells. The condition causes large amounts of phosphorus in the blood to be excreted in the urine and reduces phosphorus absorption in the intestinal tract. In patients with this condition, bone calcification is disturbed, preventing normal bone formation. In children, this leads to various symptoms such as bone deformity and short stature, while adults with XLH suffer from walking difficulties due to lower limb deformity, as well as bone and joint pain, muscle weakness and dental issues, leading to a material decline in patient QOL. The condition is estimated to occur in one in 20,000 people. Since its launch in 2018, the number of patients treated with Crysvita has steadily increased, reaching approximately 7,000 patients by the end of December 2024.

In 2024, we implemented key initiatives to further contribute to our patients, focusing on strengthening evidence-based activities. In North America, following the sales transfer from Ultragenyx in 2023, we continued to support patients living with XLH and TIO by improving disease awareness and expanding access to Crysvita. In the EMEA region, our efforts concentrated on geographical expansion and extending indications to adult XLH and TIO patients. Notably, in the UK, insurance reimbursement commenced for adult XLH patients. In Japan, we further strengthened activities led by dedicated personnel to accelerate growth and engage effectively with healthcare professionals and patients. Adopting a strategic approach that reflects the characteristics of each region, we will continue to provide life-changing value to more patients.

Number of patients treated



Revenue



* Sales from Early Access Program (EAP) not included in revenue through FY2022, but included from FY2023 as EAP is expected to generate modest sales in monetary terms

Poteligeo

Poteligeo, which is approved for the treatment of cutaneous T-cell lymphoma (CTCL), is the world's first therapeutic antibody using our proprietary antibody-enhancing POTELLIGENT platform. Poteligeo binds to cancer cells by targeting a molecule called CC chemokine receptor 4 (CCR4) expressed on the cell surface. It demonstrates antitumor effects by eliminating cancer cells through antibody-dependent cellular cytotoxicity (ADCC) activity, enhanced by POTELLIGENT technology. Poteligeo is currently available in Japan, the US, Europe and APAC, and we continue to increase the number of launch markets.

In 2024, we achieved significant results with Poteligeo through targeted activities that focused on deeper market penetration and expansion of our target audience. Our efforts specifically aimed at patients with CTCL who exhibit skin symptoms. In North America, we continued to expand evidence-based promotional activities to focus not only on cases with predominantly blood involvement, but also on early-stage cases with skin compartment involvement. Sales force expansion and promotional activities focused on key centers with high potential for use based on data analysis also proved successful and led to substantial growth. Additionally, we continued to raise awareness about the importance of blood testing for accurately staging the disease, thereby enhancing clinician understanding and facilitating timely interventions. In the EMEA, our efforts included geographic expansion and an increase in the number of new patients in early cases with skin compartment involvement, allowing us to reach new markets and deliver life-changing value to more patients. Overall, these strategic actions contributed to the growth of Poteligeo and reinforced its presence in both existing and new markets, ultimately benefiting patients in need of effective treatment options. Poteligeo generated global revenue of ¥39.9 billion in 2024. We are targeting revenue of ¥45.4 billion in 2025.

VOICE Promoting patient-centric initiatives

Sajid Babariya
Global Franchise Head
-Hemato-oncology

Thousands of people across the world live with CTCL, a debilitating and life-threatening blood cancer that impacts a person's quality of life. Hearing stories about how our work is helping people living with CTCL is really inspiring and is such an important part of why we do what we do. Being able to be a part of making people smile is core to our purpose.

Behind all of our work are dedicated teams at global, regional and local levels, all committed to putting patients at the center of our work and ensuring we are truly meeting their unmet needs. Whether we are supporting physicians to develop new data that can help us understand more about the disease, educating stakeholders about the diagnostic odyssey patients face, or working closely with patient groups to help people living with CTCL to understand their condition better, we are committed to doing our part to help the wider community of people living with rare blood cancers like CTCL and AML.

SPECIAL FEATURE

The Potential Impact of Our Next-generation Pipeline Therapy — Rocatinlimab

Through "T cell rebalancing," we aim to achieve sustained symptom control for patients suffering from atopic dermatitis and other chronic inflammatory diseases. We will continue to take on new challenges in order to deliver life-changing value to patients with heavy disease burdens.

Unmet medical need among patients with moderate to severe atopic dermatitis

Atopic dermatitis is a chronic inflammatory skin disease that imparts a significant physical and mental burden on patients and their families. In patients with moderate to severe disease in particular, intense itching and pain can substantially reduce the quality of sleep, greatly affecting patients' daily lives. Furthermore, the unpredictability of flares can keep patients in a state of constant anxiety, adversely affecting not only skin health, but also mental health.

Atopic dermatitis is a chronic disease characterized by repeated cycles of exacerbation and remission in which T cells play a critical role. When the pathogenic T cells are activated, they increase in number, differentiate and produce inflammatory cytokines involved in the pathology of atopic dermatitis and symptom exacerbation. Even after symptoms abate, they can flare up again as skin-resident memory T cells react swiftly to the next stimulus.

Currently there are several options for treating atopic dermatitis. However, these mostly block the action of cytokines directly*1 or inhibiting the JAK-STAT pathway for signal transduction. In short, their influence is mainly downstream in the disease mechanism; they do not directly address abnormal proliferation and activation of the upstream-residing pathogenic T cells that are believed to be the root cause of inflammatory diseases. Many patients remain unable to achieve sufficient disease control, creating a strong demand for innovative medicines that both have new mechanisms of action beyond topical agents, biologic agents, and JAK inhibitor, and can achieve an effective and long-term symptom control by addressing the root cause of the disease.

*1 Proteins produced mainly by immune cells, with certain cytokines known to be involved in skin inflammation and itching that characterize atopic dermatitis.

Correcting T cell imbalance with aim of achieving T-cell rebalance

The phenomenon known as T-cell imbalance is believed to be part of the underlying pathological cause of inflammatory diseases such as atopic dermatitis. Even in a healthy immune system, various stimuli are continuously present. Therefore, a small number of activated T cells can be found, contributing to a balanced, healthy state of T cells overall. In atopic dermatitis, excessive activation of T cells through OX40-mediated signaling induces abnormal increase in pathogenic T cells, disrupting the T-cell balance. This state is known as "T-cell imbalance."

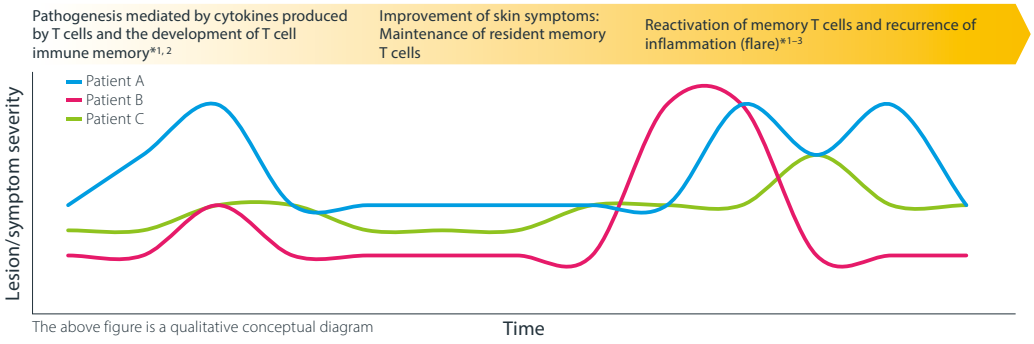
In atopic dermatitis, it is believed that differing subsets of pathogenic T cells release various cytokines. When combined, these cytokines cause a range of individualized symptoms. Some activated T cells become memory T cells that exist in a dormant state, albeit with memory of specific allergens. When exposed to these allergens again, memory T cells are immediately reactivated and rapidly begin to release cytokines, contributing to the chronic and relapsing nature of atopic dermatitis.

Rocatinlimab targets OX40 expressed on pathogenic T cells, reducing the number of pathogenic T cells and potentially restoring T-cell balance. We refer to this process as "T-cell rebalancing." Clinical trials suggest that rocatinlimab selectively depletes OX40+ activated T cells, but not conventional T cells*2.

This T-cell rebalancing approach aims to fundamentally improve the T-cell imbalance thought to be at the root of inflammatory diseases such as atopic dermatitis, thereby controlling symptoms. Through this mechanism, we expect rocatinlimab to deliver long-term and sustained clinical improvement.

*2 Strictly speaking, CD4+ T cells

Atopic Dermatitis (AD) is a chronic disease characterized by repeated cycles of exacerbation and remission, activated skin-resident memory T cells rapidly release cytokines driving relapses (flares)*1,2



The above figure is a qualitative conceptual diagram

*1 Croft M, et al. Am J Clin Dermatol. 2024;25(3):447-461.
*2 Chovatiya R, et al. J Drugs Dermatol. 2022;21(2):172-176.
*3 Chen L, et al. Cell Mol Immunol. 2020;17:64-75.

Rocatinlimab and the Phase 3 ROCKET Program

Rocatinlimab is an innovative antibody therapeutic targeting the OX40 receptor, which is deeply involved in the pathogenesis of atopic dermatitis. OX40 is not expressed on naive T cells, however, it this receptor appears on the surface of T cells during the process in which naive T cells are activated. OX40 plays a role in maintaining the activated state of effector T cells and induces the development of memory T cells. OX40 is also expressed on the surface of activated memory T cells and is involved in inflammation (flares) caused by their reactivation.

OX40+ cells are present in increased numbers in atopic dermatitis patients and particularly abundant in areas of affected skin. Not only does rocatinlimab inhibit the binding of OX40 to its ligand, but also, it depletes cells with high OX40 expression by antibody-dependent cellular cytotoxicity (ADCC) activity. Through these dual mechanisms, rocatinlimab is expected to suppress the abnormal proliferation and activation of pathogenic T cells (i.e., T-cell imbalance) believed to be responsible for atopic dermatitis (see figure at bottom left).

In collaboration with Amgen, Kyowa Kirin is conducting the ROCKET Program, a large global Phase 3 clinical trial program investigating rocatinlimab in adults and adolescents with moderate to severe atopic dermatitis. This program is comprised of eight studies, and to date more than 3,300 patients have participated, with patient enrollment already complete in seven of these studies. The program is intended to establish rocatinlimab's safety and efficacy in patients with moderate to severe cases of atopic dermatitis.

Distinguishing features of rocatinlimab

The most notable features of rocatinlimab are its efficacy and unique pharmacological pattern as demonstrated in these clinical studies. In multiple Phase 3 trials, including ROCKET-IGNITE, a significantly higher proportion of rocatinlimab patients achieved ≥ 75% reduction from baseline in Eczema Area and Severity Index score (EASI-75), compared to placebo. Of particular note is the fact that in the HORIZON trial, for which detailed data has been published, the EASI-90 to 100 achievement rate continued to increase linearly throughout the 24-week trial period and did not plateau. This suggests that efficacy will continue to increase even after week 24, a unique pharmacological pattern creating expectations of a sustained and moreover enhancing effect with long-term administration.

Rocatinlimab appears suited for use in a range of treatment scenarios, having demonstrated excellent efficacy not only as monotherapy, but also when used in combination with topical steroids or topical calcineurin inhibitors in the ROCKET-SHUTTLE study.

In terms of safety profile, the most frequent treatment-emergent adverse events with a higher observed proportion in the rocatinlimab groups were fever, chills and headache. Fever and chills were mainly reported after the initial dose and resolved within 48 hours. Also, a higher number of patients receiving rocatinlimab vs. placebo experienced gastrointestinal ulceration events, with an overall incidence of less than 1%.

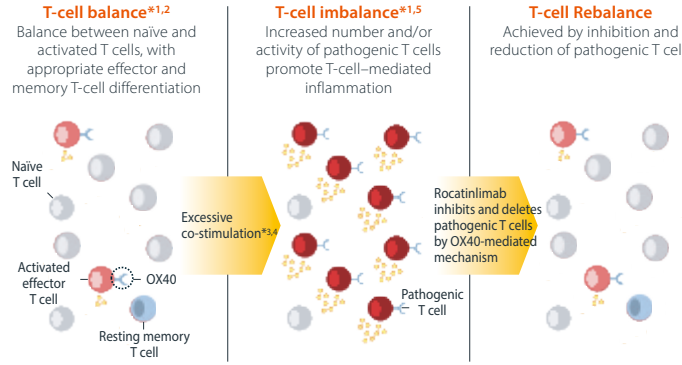
The ongoing ROCKET-ASCEND study is evaluating long-term maintenance, ability to extend the dosing interval, and ability to stop therapy and maintain response. It is expected to further deepen understanding of the value rocatinlimab can deliver to patients.

Future plans for rocatinlimab

Kyowa Kirin designated rocatinlimab as a strategic partnering asset in Story for Vision 2030. We are working to maximize the value of this product through our strategic partnership with Amgen.

Rocatinlimab's expected value goes beyond atopic dermatitis, and extends also to other inflammatory diseases involving T-cell imbalance, such as prurigo nodularis and moderate to severe asthma. Through the innovative and unique T-cell rebalancing mechanism expected from rocatinlimab, we will continue our efforts to deliver life-changing value to more patients while strengthening our strategic partnership with Amgen.

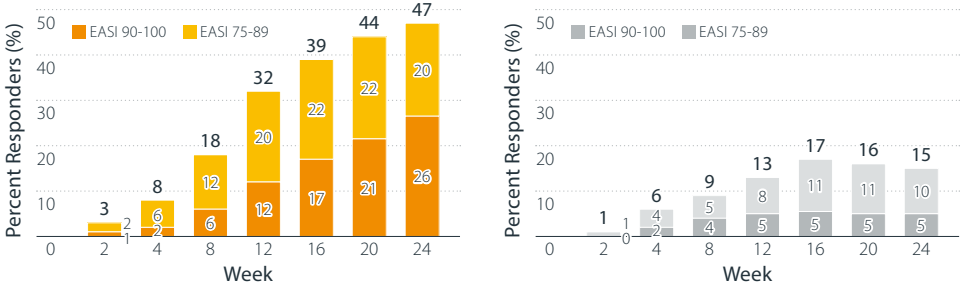
T-cell rebalance—Aiming for broad and sustained therapeutic effects



*1 Croft M, et al. Am J Clin Dermatol. 2024;25(3):447-461.
*2 Sun L, et al. Signal Transduct Target Ther. 2023;8(1):235.
*3 Zhang Q, Vignali DAA. Immunity. 2016;44(5):1034-1051.
*4 Zheng C, et al. Front Immunol. 2023:14:1081999.
*5 Sadrolashrafi K, et al. Cells. 2024;13(7):587.

Note:
Rocatinlimab is currently under clinical investigation. Its efficacy and safety have not been evaluated by any health authority.

EASI 75-89 and EASI 90-100 at Week 24



Note: In the above results, all data were classified as observed without categorizing patients who used rescue therapy as non-responders

Digital Transformation (DX) Strategy

Message from the CDXO

Maximizing use of digital technology as the most powerful tool for innovation

Mitsuru Kameyama
Executive Officer
Chief Digital Transformation Officer (CDXO)

Continuously creating new digital value by achieving operational excellence and reinforcing our digital transformation infrastructure

Thoughts on Innovation for Creating Life-changing Value

Taking over the role as Kyowa Kirin's CDXO to lead the Company's strategy and innovation in digital, I am both excited and humbled. Kyowa Kirin already possesses the talented human resources, store of assets, and outstanding capabilities necessary for creating life-changing value. My role is therefore to further accelerate the use of these strengths together with digital technology in order to provide a greater level of value to patients. I am extremely honored to be able to spearhead this kind of initiative.

Three Pillars of the Digital Strategy

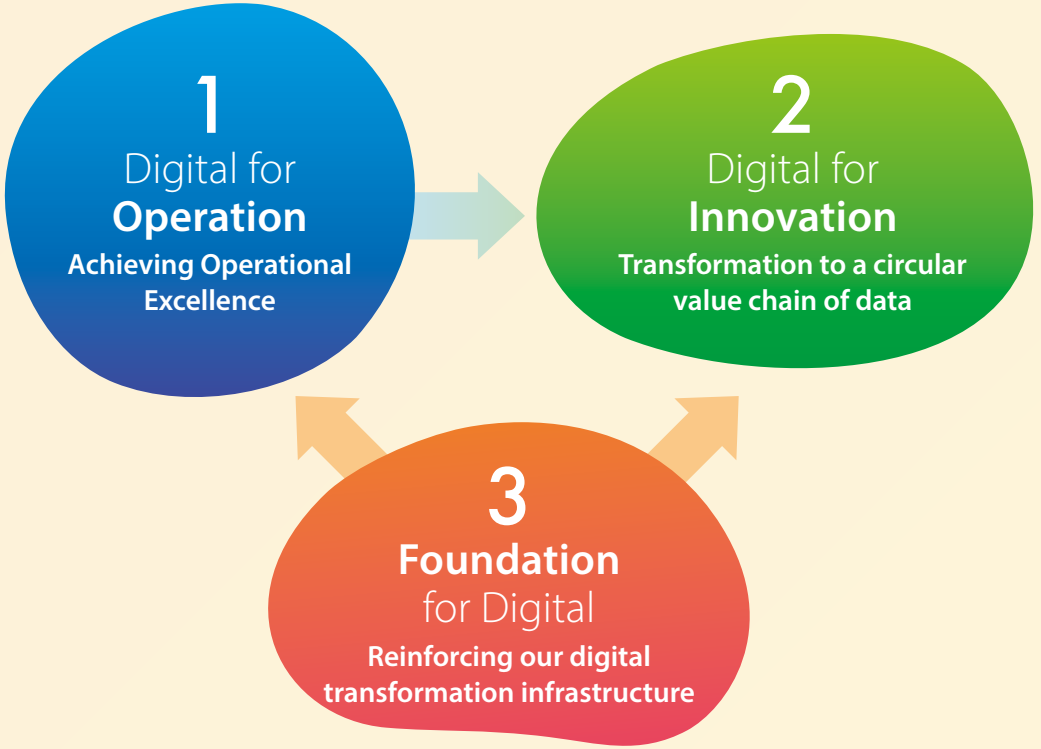
As a Japan-based Global Specialty Pharmaceutical (GSP) company, Kyowa Kirin remains committed to delivering life-changing value based on a deep understanding of the issues faced by each patient. Moreover, we have positioned digital technology as the most powerful tool for achieving this goal, and have undertaken related initiatives under the three pillars of the digital strategy since 2021. We have continued to make steady progress along these vectors in 2024. In 2025, we will work diligently to create new value as unchanging pillars of our strategy.

Achieving Operational Excellence
This pillar aims to accelerate productivity gains through a digital shift in operations. We recognize this as the area in which we made the greatest progress in 2024. Going beyond the introduction of an enterprise resource planning (ERP) as a shared global platform, we also made strong inroads regarding the application of generative AI, which found increasing use throughout our business processes.

Transforming to a circular value chain of data
This pillar aims to create life-changing value through collaboration with various stakeholders, as well as through the use of various types of real-world data from outside the Company. For example, the area of R&D saw steady progress in initiatives targeting so-called AI drug discovery through collaboration with InveniAI LLC and others, as highlighted in Integrated Report 2023.

Reinforcing our digital transformation infrastructure
As the infrastructure for supporting the other two pillars, this pillar is designed to reinforce digital talent development and build a platform for data use across divisions within the Company. With this platform in place, we will be able to support digital transformation across the Company.

Three Pillars of the Digital Strategy



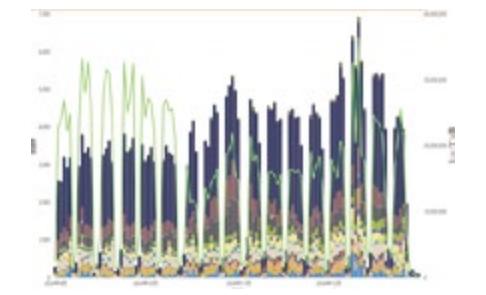
1 Digital for Operation Achieving Operational Excellence

Initiatives for Generative AI Utilization

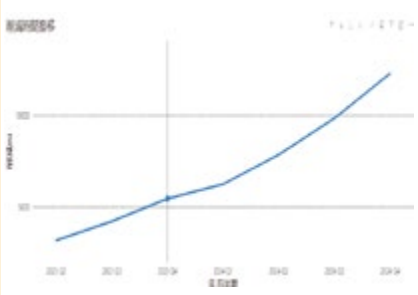
Having formed an AI task force team at an early stage, Kyowa Kirin has implemented 20 proof of concept (PoC) studies as of the end of 2024, of which eight have been adopted in actual operations. We also saw the use of generative AI platforms within the Company increase from an average of 500 times per day to 6,000 times per day over the past year, indicating the major role these now play in everyday operations.

Moreover, robotic process automation (RPA) is now used for more than 1,000 different operations, and has successfully optimized 65,000 hours' worth of operations.

Growth in Generative AI Environment Utilization Rates at Kyowa Kirin



Operational Hours Reduced through RPA (cumulative)



3 Foundation for Digital Reinforcing our digital transformation infrastructure

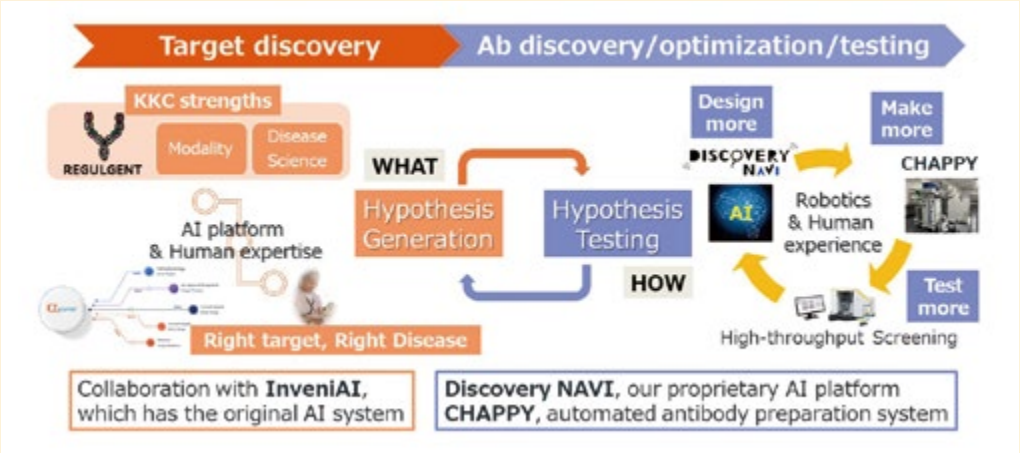
Under Digital Vision 2030, with a focus on personnel and data, we will steadily advance efforts to develop digital talents and build a platform for data use across divisions within the Company in order to reinforce the infrastructure for promoting digital transformation.

To realize Digital Vision 2030, we are focusing on digital talent development among all employees and specialized human resources. All employees are given digital literacy education at a level that will enable them to understand digital technology and the concept of data utilization as well as to utilize digital tools smoothly. We also provide content such as Massive Open Online Courses (MOOCs) to help them make progress with their own learning, and the latest information is shared daily on Digital Park, an internal network for sharing information that 2,700 employees access.

For our digital talent development, we have three training programs available—digital project planners (DPPs) who plan and promote business transformation through the use of digital technology; data scientists who conduct data analyses to identify business issues and needs and make data-based decisions; and data stewards who formulate data utilization rules and processes as well as promote the utilization of data infrastructure. Consisting of short-term intensive training by level and internal and external certification systems linked to practical training, these training programs lead to career advancement and business results. A total of 662 people took the training and 273 of them received certification.

2 Digital for Innovation Transformation to a circular value chain of data

Circular Value Chain of Data Concept Map



Kyowa Kirin is leveraging AI and automation in an effort to improve the quality, efficiency, and assessment capabilities of antibody drug research. In 2024, we launched a new project titled Transforming Research via Automation × AI —For continuous LCV creation—, which received the grand prize in the Digital Transformation (DX) Awards held for the entire Kirin Group.

With the support of InveniAI, this project employed AI-based text mining to exhaustively analyze documents and literature in a way that would be impossible for humans to uncover new drug discovery research themes. Moreover, we developed two new projects that leverage Kyowa Kirin's own technologies, and have also continued to investigate the creation of subsequent themes.

As a part of antibody design, we developed an AI that determines the nature of antibodies based on the remarks of researchers, which reduced the duration required to optimize antibodies by 67%. As for antibody preparation, we introduced Kyowa Kirin's first fully-automated antibody expression and purification system, which has reduced antibody preparation work times by 94% on a theoretical basis, and expanded the number of antibody preparations by approximately 270-fold per year, also on a theoretical basis. As a result of these initiatives, Kyowa Kirin has produced outstanding results that leverage AI and automation as part of its antibody drug research and development. We expect to see further development going forward.

In addition to the aforementioned examples, we are also working on many other projects, such as increasing procurement cost analysis efficiency using RPA, Power Automate Desktop (PAD), and PowerBI; reducing the time required to graph toxicity test data to three minutes using JMPSEND Viewer; and enhancing customer service using a chat bot.

Positioning of Digital Technology in Our Story for Vision 2030

In 2024, we formulated our Story for Vision 2030 as the strategy for achieving our Vision toward 2030, and identified the specific disease areas and modalities on which we will focus. Within these areas of focus, our mission is to, more than any other pharmaceutical company, deeply understand the issues faced by patients and physicians, and, based on this understanding, make every effort to provide value that fulfills unmet medical needs. Achieving this mission will require data circulation. Specifically, it will require us to appropriately manage and leverage the data obtained through research and development along with the knowledge stemming from engagement with patients, physicians, and other stakeholders throughout the global value chain, and elevate the insights obtained therefrom into life-changing value.

Future Outlook

In 2025, we will drive business process innovation for achieving our Vision 2030, and further utilize digital technologies for this purpose. For this reason, in April 2025 we established Operational and Digital Transformation (ODX) as a new division to promote innovation that straddles the functional and regional axes, while at the same time driving the use of digital technologies.

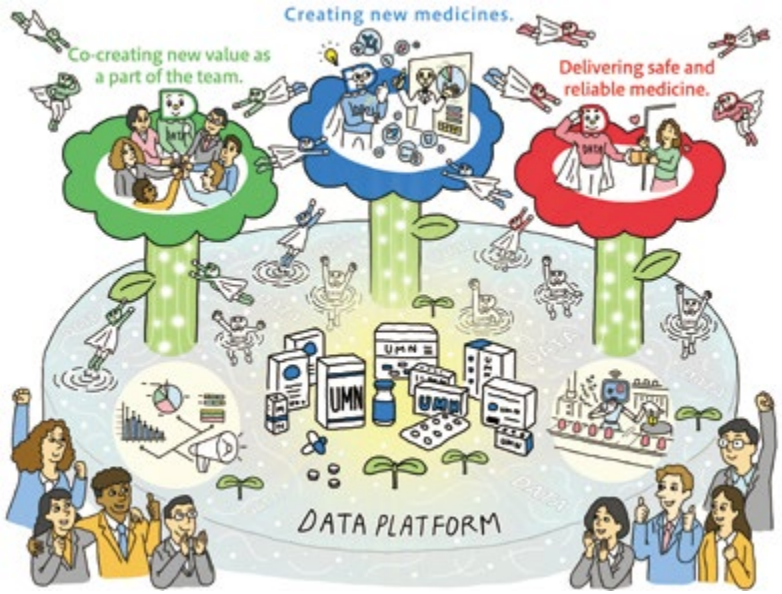
In addition to maximizing the use of our digital capabilities and strengthening cooperation across regions and functions, we will create flexible, fast-paced, effective business processes, which I intend to connect through the efforts of every employee to a future that makes people smile.

I am committed to achieving our goal of earnestly taking on the challenge of DX for business process innovation and of life-changing value creation through the efforts of every employee. Our aspirations are to keep astride with the hearts of patients, recognize unmet medical needs, and drive innovations targeting these needs as a means of delivering value for patients.

For this reason, the Kyowa Kirin will work as one team to realize transformation.

Digital Vision 2030

By 2030, as a Global Specialty Pharmaceutical Company with originality, Kyowa Kirin will endeavor to discover unmet medical needs by utilizing data to provide new services and value, including pharmaceutical products.



Our vision for DX is to provide real value for patients and customers

Promotion of Development through the Strengthening of Biopharmaceutical Manufacturing System

Accelerating early-stage development

During early-stage development of biopharmaceuticals, the Manufacturing Division takes charge of several critical tasks, including development and selection of antibody-production cell lines, manufacturing of materials for nonclinical studies, and development of robust processes and formulations. In order to leverage the Company's strength in biopharmaceutical development, the Manufacturing Division collaborated with the Research, Development, and other divisions in 2024 to closely examine the feasibility of accelerating development. This collaboration ultimately led to the proposal and launch of an acceleration program designed to advance the initiation of clinical studies by up to two years for antibodies with established molecular formats that have a proven track record within the Company. As part of this program, the Manufacturing Division has strengthened collaboration with the Research Division from the early-stage development, transferring certain tasks, such as the construction of the initial antibody-producing cell strains and the evaluation of the candidate compound properties, that were previously conducted by the Research Division. This change has enabled a faster transition of promising candidate compounds to the initial manufacturing phase. Moreover, this program has adopted new gene transfection methods along with automated and accelerated cell line evaluations to successfully reduce the time required to establish antibody-producing cell line. These initiatives are intended to significantly shorten the developmental cycle for high-priority items with the aim of delivering life-changing pharmaceuticals to patients as soon as possible.

Accelerating development and market launch by constructing the HB7 Facility and a Drug Substance Plant in the US

Completed in March 2025, the HB7 facility in the Takasaki area is equipped with both a GMP-compliant manufacturing facility and a pilot facility for the early-stage development of investigational DS (Drug Substance), which allow the HB7 facility to handle biopharmaceutical DS manufacturing utilizing Kyowa Kirin's unique antibody technology and protein engineering. The GMP compliant manufacturing facility and the pilot facility use the same single-use manufacturing equipment, which will enable them to perform every step, from initial process development to the manufacturing of investigational DS. This is expected to enable faster supply of investigational DS and in turn accelerate the launch of early-stage clinical trials. Moreover, construction of the HB7 facility will provide in-house manufacturing for early-stage clinical trial materials, which will enable it to more flexibly manufacture high-mix, small-lot early-stage developmental products. In addition, the pilot facility is slated to verify a continuous manufacturing system as a novel technology for biopharmaceutical DS, and is planned to utilize this facility to promote technological innovation targeting the stable supply of biopharmaceuticals in the future.

HB7 Building completion ceremony
https://youtu.be/llgijfnyftY
New Plant in North Carolina
https://youtu.be/vhTBM9ntEVA?si=G0uNDgsnLd73uOu

Kyowa Kirin also resolved to build a new plant in Sanford, North Carolina, USA, in June 2024. Already under construction, the new plant is being built to bring next-generation antibodies and other pipeline development projects more quickly to market launch. Once construction of the plant is complete, the HB7 Building and Sanford Plant will ease technology transfer from development to market launch by providing the Company with scalable facilities, which is expected to further accelerate development. Moreover, shifting this work in-house will also enable the Company to secure speed and flexibility against a growing pipeline. Primarily handling every step of biopharmaceutical manufacturing, from early-stage development to late-stage development and initial market launch, in-house will enable the Company to provide life-changing pharmaceuticals to patients faster than ever.

North Carolina in the US offers an educational environment that includes BTEC, which is administered by North Carolina State University, an institution that uses actual facilities for biotech learning purposes. Moreover, the area is home to many biotech companies, providing the region with strong advantages in terms of both technology and talent. Cooperation between this plant and the Takasaki area will enable a circulation of technology and human resources in the future that will enhance the Company's core competency in biopharmaceutical production technology on a global basis. Moreover, cooperation between these two locations also offers an outlook for application to enhancing the Company's ability to respond to new modalities.

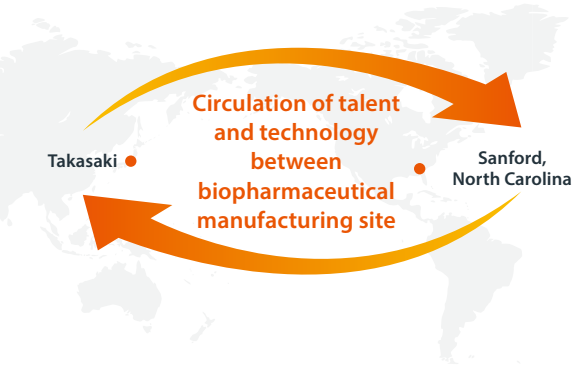
COLUMN

HB7 Building completion ceremony

The HB7 Building completion ceremony was attended by Takeshi Shukunobe, CEO of PPeCC, Inc. Mr. Shukunobe conveyed his strong belief that patients and pharmaceutical company employees are mutually connected. The ceremony was a valuable opportunity for employees to reaffirm the importance of stable supplies of high-quality pharmaceuticals.

Establishing a global production network

New DS manufacturing building, "HB7" (completed in March 2025)



Sanford Plant (2027 scheduled completion date)

Initiatives to Improve Access to Medicines

Policy for Access to Medicines

As part of Vision 2030, the Kyowa Kirin Group is working diligently to "consistently create and deliver life-changing value that ultimately makes people smile." Similarly, we formulated and published the Story for Vision 2030 in 2024 as our strategic narrative for realizing this vision. Within this story, we have established skeletal and mineral disorders, blood cancer and intractable blood disorders, and rare diseases as the disease areas on which we will focus. Moreover, as part of this story we are endeavoring to improve access to medicines.

As a Japan-based Global Specialty Pharmaceutical (GSP) company, we recognize that improving access to medicines is a critical social issue related to health and welfare in which we must engage, and have therefore identified it as a key management issue (materiality) for realizing our vision. In 2022, we formulated and published our Policy for Access to Medicines, and believe it is our mission to deliver medicines to as many patients as possible as quickly as possible through a range of activities, including providing pharmaceuticals for unmet medical needs, improving access to medicines, and quality assurance and stable supply and ensuring patient safety and appropriate use of medicines. Here, we highlight some of the steps we are taking to improve access to medicines.

See **page 30** for details on Initiatives to Provide Pharmaceuticals for Unmet Medical Needs.

See **pages 42–43** for details on Initiatives to Quality Assurance and Stable Supply, and Ensuring Patient Safety and Appropriate Use of Medicines.

Initiatives to Improve Access to Medicines

In major markets, medicines need to be approved for marketing by regulators (FDA, PMDA, EMA) and then approved for reimbursement or coverage through different processes and agencies — Health Technology Assessments (HTAs) in EMEA, insurers and health plans in the US. The first priority is to increase the number of countries worldwide where our products are available in order to help treat more patients.

Two of the medicines Kyowa Kirin supplies globally include Crysvita and Poteligeo, the former of which has been available for approximately seven years and has been launched in 50 countries around the world. Because these are rare diseases, however, we have discovered several issues faced in medical settings, including few healthcare professionals with detailed knowledge on these diseases, the difficulty patients face in obtaining information on their diseases, and a tendency to feel isolated. Identifying these issues and finding solutions for these problems is therefore another critical mission of ours as a drug supply company. For this reason, too, we are enhancing global cooperation as we promote disease awareness raising activities. In 2024, we made academic presentations on our global research results regarding the treatment of and quality of life for adult XLH patients with healthcare professionals. Moreover, we published multilingual versions of Shine a Light on XLH, a virtual exhibition produced under the leadership of our European offices as a means of providing the thoughts and experiences of XLH patients to as many other XLH patients as possible around the world*1. Similarly, as an event for patients and their families in Japan, in October we held the XLH Café. As the third of its kind, we organized the 2024 event in a hybrid-format that combined online streaming with three venues in Tokyo, Osaka, and Fukuoka so that we could provide opportunities for attendees to interact with medical professionals. Through the Kurukotsu Hiroba disease information website, we have continued to broadly distribute information regarding XLH as a disease and treatments for it, patient experiences, event reports, and the like. We aim to increase awareness of XLH through these activities, which we hope will in turn increase the number of patients who discover treatments at an early stage.

Poteligeo is also available in more than 50 countries. CTCL, which is a rare form of cancer, is an indication for this drug. In order to increase awareness, we compiled a proposal for CTCL made in cooperation with ten patient advocacy groups from around the world, which we have published on our website in eight languages.*2

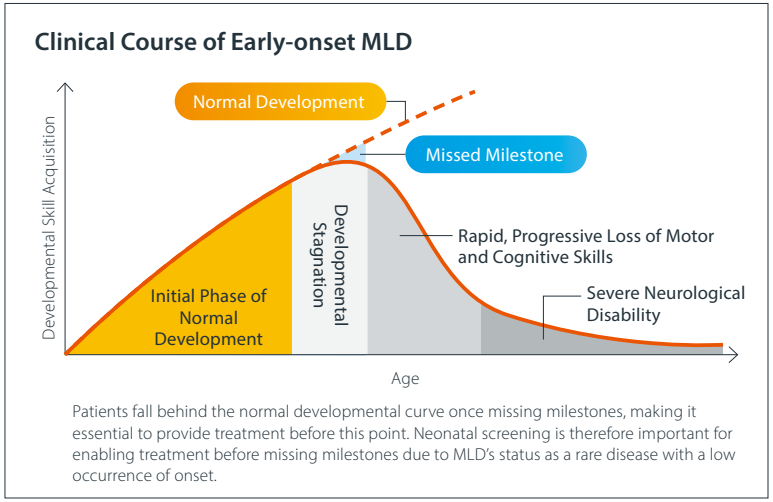
Even as we engage in activities to increase access to drugs, however, due to factors such as different regulatory regimes in each market, launching drugs can take time. This means that even if effective drugs are available, patients may not be able to gain access because of conditions specific to their country. To address this issue, Kyowa Kirin is working to provide medicines upon requests from physicians after determining eligibility. For example, it can take several years for patients to gain access to a medicine in certain countries, even after clinical trials are completed and marketing approval has been obtained, due to delays with the inclusion of medicines in health insurance reimbursement schemes. Although this time frame can vary from region to region, we offer an Early Access Program to help patients access these drugs during this period. Also, in countries where we have no plans to gain marketing approval, we run the Named Patient Program for Crysvita to provide access to patients. Kyowa Kirin also works with various stakeholders to offer support programs and other initiatives that target issues with compassionate use and medical insurance.

In addition, we have also been working to improve access to medicines for hereditary conditions and rare diseases using the hematopoietic stem cell gene therapy technology platform offered by Orchard Therapeutics plc, which we acquired in January 2024. Libmeldy®/Lenmeldy™ is already available in 10 countries. As the disease that this treatment targets, metachromatic leukodystrophy (MLD) does not show any particular symptoms immediately after birth, yet progresses rapidly following the onset of symptoms in the case of onset at infancy. Given that this disease can have a major impact on life, it is therefore critical to diagnose it at the earliest possible stage before onset, and in particular immediately after birth. In order to save as many MLD patients as possible, Orchard Therapeutics supports activities by governments and related academic societies that seek to include MLD testing as part of neonatal screening in each country in an effort to help identify patients early on and to improve opportunities to provide treatment.

As highlighted previously, these programs are implemented in accordance with the regulations of each country to provide early access to patients who really need our medicines. These activities are backed by distribution systems that guarantee quality and healthcare environments that ensure safe use. Many obstacles stand in our way, but we are making steady progress. Through these initiatives, we hope to bring more smiles to faces worldwide by delivering life-changing medicines to as many patients as possible as quickly as possible.

*1 Shine a Light on XLH
See the following website for related articles on Shine a Light on XLH.
https://www.kyowakirin.com/stories/20220627/index.html

*2 CTCL "Time to Act"
Our EMEA offices worked with 10 patient support groups around the world to propose 12 items for deepening the understanding of the disease



Patients fall behind the normal developmental curve once missing milestones, making it essential to provide treatment before this point. Neonatal screening is therefore important for enabling treatment before missing milestones due to MLD's status as a rare disease with a low occurrence of onset.

Quality Assurance

Message from the CCO

Building a quality assurance system suitable for the manufacture and testing of next-generation pharmaceuticals

Yoshiko Mori
Managing Executive Officer
Chief Compliance Officer (CCO)

Kyowa Kirin is working diligently to consistently provide world-class quality pharmaceutical products and services in compliance with its global quality, safety, and compliance policies.

In a time of rapid social and regulatory change, we believe the most important function of a pharmaceutical company is ensuring a stable supply of high-quality pharmaceuticals. In line with our effort to continue providing the world with high-quality pharmaceuticals, we remain committed to building a world-class global quality assurance system that earns us the trust of patients, medical professionals, and society as a whole. Our goal is to foster a healthy quality culture so that we can act from the patient's perspective.

We intend to continue delivering life-changing value to patients by making the most of the latest digital technologies and building a quality assurance and quality control system suitable for the manufacture and testing of next-generation pharmaceuticals.

Building a world-class Quality Assurance (QA) system

Building a world-class Global Quality Assurance (QA) system is essential in the pharmaceutical industry, where products directly affect human lives. At a pharmaceutical company like Kyowa Kirin, quality is the responsibility of every employee. Without robust quality and compliance, earning the trust of patients, healthcare professionals, national regulatory authorities, and society is impossible. Kyowa Kirin's Global QA Function ensures that various processes, including manufacturing and distribution, are conducted properly and in compliance with relevant global laws and regulations. The overall aim within the Global QA function is to always deliver the highest quality medicines to patients in need.

To achieve this, Kyowa Kirin has formulated the Kyowa Kirin Group Quality Policy and the Global Quality Roadmap to strengthen our global QA system. The enterprise/electronic quality management system (eQMS) continues to deliver value and efficiency, featuring modules for deviations, corrective action/preventive actions (CAPA), training, document management, quality auditing, supplier management, change control, and a quality risk management module that was introduced in 2024. This eQMS effectively meets global standards and complies with the laws and regulations of each market served.

Additionally, the company has implemented a preventive quality management system using risk-based approaches that are considered world-class. Kyowa Kirin is continuously improving our globally integrated Key Performance Indicators (KPIs), monitoring operational status in real-time, and analyzing vast amounts of collected data to facilitate ongoing enhancements. We promote quality improvement initiatives, foster a healthy quality culture, and celebrate Global Quality Month events to raise awareness of quality. Kyowa Kirin emphasizes the importance of data integrity (DI) in all Good Practice (GxP) activities through comprehensive training and awareness programs.

Kyowa Kirin is committed to maintaining the highest standards of quality in its products and processes. By implementing a comprehensive world-class Global QA system, the company ensures that it not only meets but also exceeds the expectations of its stakeholders, ultimately delivering safe and effective medicines to patients worldwide.

Q-TOWER's New Era of Quality Control: Advancing with Generative AI and Digital Transformation

The Q-TOWER (Quality Tower), completed at the Takasaki Plant in December 2022 and operational since 2023, serves as a facility for quality control (QC) and quality assurance (QA) of biopharmaceuticals. It is fully compliant with global Good Manufacturing Practices (GMP). The facility features various automated systems utilizing robotic technology, including rapid microbial testing equipment and automated colony counters. Our goals include achieving labor savings and ensuring data integrity compliance.

The integration of QC and QA within Q-TOWER is pivotal to advancing digital transformation (DX). We are leveraging generative AI alongside existing analytical technologies and automation. Notably, we are developing a system that employs generative AI to automatically draft quality-related reports by analyzing vast datasets and summarizing key information in natural language. This innovation reduces workload, minimizes the risk of omitting critical information, and supports rapid decision-making.

Future Aspirations

Looking ahead, we aim to integrate generative AI thoughtfully in many processes, including root cause analysis and audits, to enhance operational efficiency and quality. With Q-TOWER at its core, we will continue to develop QC and QA systems suitable for the next generation of pharmaceutical manufacturing and testing, fulfilling Kyowa Kirin's mission to be a world-class global specialty pharmaceutical company.

Key Features of Q-TOWER:

- Regulatory Compliance: Adopts the latest global regulations for lab and office design.
- Flexible Space Design: Incorporates adaptable areas for laboratory and office functions, including a dedicated lab for robots.
- Robotics Integration: Utilizes tracked automatic guided vehicles (AGVs) and advanced robots.
- Digital Transformation: Promotes paperless operations and advanced technologies to enhance efficiency.

Stable Supply

Message from the CSCO

Communicating with patients as a member of the team to make things happen

Toshiyuki Kurata
Managing Executive Officer
Chief Supply Chain Officer (CSCO)

We believe that developing new technologies to create life-changing value, promoting the development of pharmaceutical products, and ensuring the stable supply of high-quality pharmaceuticals are vital for a pharmaceutical company. We believe it is extremely important for each employee to have a sense of responsibility for continuing to create smiles for patients, bearing in mind that even if it is just one of 100,000 doses of medicine for us, for the patient, that one dose is everything. We are currently constructing a drug substance manufacturing plant in North Carolina, in the U.S., to achieve the rapid launch of the pipeline, including our next-generation antibodies. By linking this new plant to the Takasaki area, we aim to circulate our "technology" and "talent," and to elevate our production technology of biopharmaceuticals, which is our core competency, globally. In addition, by having these two sites work collaboratively, we will raise production capacity and enhance our ability to adapt to new modalities, which in turn will lead to the creation of new value and the realization of technological innovations that hold out a competitive advantage.

Setting out sights on stable supply by expanding the production system and strengthening human resource development

Kyowa Kirin has two key production bases, in Takasaki City, Gunma Prefecture, and Ube City, Yamaguchi Prefecture. Primarily a base for biopharmaceuticals, Takasaki area is home to the Bio Process Research and Development Laboratories, which develop production technologies and handle regulatory filings, and Takasaki Plant, which manufactures and formulates bulk pharmaceuticals for investigational drugs and marketed products. Taking advantage of their geographical proximity, our teams work closely together. Such collaboration makes this location a world class biopharmaceutical research and manufacturing base. Ube Plant is an automated plant specialized in oral solid dosage formulations utilizing a variety of engineering technologies. We produce and supply pharmaceutical products of reliable quality with a high degree of efficiency based on the latest manufacturing technologies and checking systems. In addition, with our current construction of drug substance manufacturing plant in North Carolina and the strengthening of our Business Continuity Plans (BCPs), we are working to ensure a stable supply of global products that will expand in the future.

At the Takasaki Plant we are bolstering the development of human resources capable of producing biopharmaceuticals in a stable manner. Specifically, we have established our "Knowledge Center," a facility to methodically train human resources. Through training led by instructors both from within and outside the Company, as well as e-learning, we have put in place a structure that enables the systematic acquisition of skills required for business tasks, skills associated with good manufacturing practices (GMPs), which are applicable for pharmaceutical manufacturing and quality control standards, or general education as well as business skills. Furthermore, we completed construction of the HB7 Building in March 2025, which significantly enhances our system of education. The HB7 Building is capable of producing drug substance for biopharmaceuticals using proprietary antibody technology and protein engineering, and has a GMP manufacturing facility for manufacturing drug substance for use in clinical trials in accordance with GMP, and pilot facilities for various verifications to scale up manufacturing process established in the laboratory. The facility is also equipped with a training facility for human resource development. This training facility will enable level-specific training using actual equipment for each biopharmaceutical manufacturing process, thereby improving and maintaining the technical proficiency of employees. Furthermore, it will deepen understanding of production processes and equipment, and enable the quick development of human resources who are knowledgeable about bio-production. Takasaki Plant constantly serves to secure the exceptional human talent critical for biopharmaceutical production, and continuously delivers pharmaceutical products of reliable quality to patients around the world.

Supply Chain Management (SCM) and other initiatives

The number of countries in which global strategic products such as Crysvita are sold is steadily increasing, and the overseas revenue ratio, which was 48% in 2020, reached 72% in 2024. In accordance with this expansion, the supply chain related to manufacturing and distribution, including outsourcing, is becoming more and more complex, and Kyowa Kirin is focusing on its management and resilience.

Kyowa Kirin's SCM Function is responsible for accurately monitoring and evaluating how to respond to this complex situation so that our pharmaceutical products reach the patients who need them, when they need them, and in the exact quantity needed. To control the supply-demand balance with a high degree of precision, the SCM Function serves as an integrator, building strong partnerships internally in particular with the quality assurance, production, and sales functions as well as externally with contract manufacturing companies and logistics companies. At the same time, by further evolving S&OP* initiatives, the SCM Function helps to optimize inventory levels while supporting rapid decision-making by management.

Transportation risks arose in 2022 due to the Russia-Ukraine conflict, but Kyowa Kirin has continued to maintain stable supplies through the cooperation and efforts led chiefly by the SCM Function and others. For the Company to keep this up going forward, in addition to early anomaly detection and continuous improvement through supply chain KPI monitoring, we are undertaking a raft of measures designed to maintain a stable supply. These measures include building and updating stable supply Business Continuity Plans (BCPs) and the diversification of our storage locations for APIs over multiple sites. We will also further expand measures to counter the problem of counterfeit drugs, which has become increasingly serious in recent years, and contribute to the creation of an environment in which patients can receive treatment with peace of mind.

* Abbreviation for Sales and Operations Planning. A system that enables sales and production/operational divisions to confirm plans and results, both in quantitative and monetary terms. S&OP ensures alignment on the optimal plan for the Company, increasing the accuracy and speed of decision making to support the achievement of the Company's financial targets.

FOCUS ON

Manufacturing Division activities for Patient Advocacy (PA)

As activities for Patient Advocacy (PA) at the Manufacturing Division, we are implementing measures that enable Manufacturing Division employees to realize their contribution to patients. In specific terms, we aim to raise employee motivation and to realize a stable supply of pharmaceutical products based on a good grasp of a patient's experience and perspective. In this way, employees will understand how their efforts are of benefit to a patient. We believe this will help heighten an awareness toward the need to help those people who are troubled by disease. In FY2024, our main activities were as follows.

- CMC R&D Center (Mishima)/Bio Process Research and Development Laboratories (Takasaki): Joined Sales & Marketing Division employee on visits to medical facilities to understand the situation faced by patients and their needs.
- Ube Plant: Held the Rare Disease Day event and a collaborative event with the Sales & Marketing Division (NOURIAST Medical Lecture).
- Takasaki Plant/Head Offices: Participated in the seminar featuring people living with illness in which they are invited to talk with employees, and exchanged opinions among themselves.

Retain the trust of society

Ensure a Thriving Global Environment for Future Generations

We are actively working to conserve the environment for future generations. As part of this commitment, we aim to decarbonize our company, including the value chain.

Environmental management

Having incorporated priority environmental issues from the perspective of their impact on the sustainability of society and on the Group's business in its Business Plan, Kyowa Kirin is setting targets for each fiscal year and implementing measures accordingly. In particular, we have positioned climate change mitigation and adaptation and water resource management as core environmental issues. As well as our annual targets, we have set medium- and long-term targets, developing a range of measures to achieve these.

We have established and are operating a governance structure for Kyowa Kirin's environmental management. The Chief Compliance Officer (CCO) has been appointed as its chairman. (For details, see 'Responding to the Task Force on Climate-related Financial Disclosure (TCFD)—Governance (relating to environmental issues)' on page 46 or the 'Information Disclosure Based on TCFD Recommendations' page on our website.)

In our daily environmental management activities, we operate all of our domestic plants and research laboratories in accordance with the ISO 14001 environmental management system.

Addressing climate change

In pursuit of "a society that has overcome climate change" that constitutes the society of 2050 that we want to create together with respect to climate change described in the Kirin Group Environmental Vision 2050, the Kirin Group, of which Kyowa Kirin is a member, has set a target of reducing greenhouse gas (GHG) emissions for the entire value chain by 2050 to net zero.

In order to realize a society that has overcome climate change, as with the Kirin Group, Kyowa Kirin has also raised the target of achieving net zero GHG emissions throughout the value chain by 2050. Moreover, Kyowa Kirin has adopted several more specific medium- and long-term targets, including fully converting power consumed by the Group to renewable energy by 2040 and reducing CO_2 emissions in 2030 by 55% (Scope 1+2) compared with the 2019 level. We have made specific commitments regarding climate change, focusing on the early promotion of "CO_2 emissions reduction," which includes "Energy conservation" and "Expansion of renewable energy" along with capital investment, as well as the promotion of "Energy conversion." In this respect, we have created a road map for achieving the 2030 target, and set forth a short-term target (FY2025 CO_2 emissions: 63% reduction compared with 2019). Moreover, we will utilize the network of the Kirin Group in an effort to contribute to the realization of this vision by actively developing climate change measures that leverage our business characteristics.

To promote the use of renewable energy, Kyowa Kirin has been promoting the introduction of solar power generation equipment at its major business locations in Japan since 2011. As of the end of FY2024, such equipment is in operation at various locations, including Takasaki Plant, Tokyo Research Park, and Fuji Site. In March 2023, we also began operating a large-scale solar power generation facility (1.47 MW) at Ube Plant using an on-site power purchase agreement (PPA) model. Moreover, we are utilizing the solar power generation facilities at Kyowa Kirin USA Holdings, Inc. / Kyowa Kirin, Inc. (North America). In the meantime, we have been gradually introducing RE100-compliant renewable energy at Takasaki Plant, Tokyo Research Park, Fuji Site, and Ube Plant since 2020, switching 100% of the electricity consumed at each plant to renewable energy and have completed the switch to 100% renewable energy for electricity consumption across all major domestic sites. By introducing these renewable energy projects, of the approximately 77,400,000 kWh of annual power consumed by the Kyowa Kirin Group in FY2024, approximately 73,900,000 kWh was switched to renewable energy with zero CO_2 emissions. When combined with the reduction effects of our energy-saving initiatives, the Group's annual CO_2 emissions declined by approximately 65% (33,700t)*1. RE100-compliant renewable energy was also introduced for the electricity of the head office and Kyowa Kirin USA Holdings, Inc. / Kyowa Kirin, Inc*2.

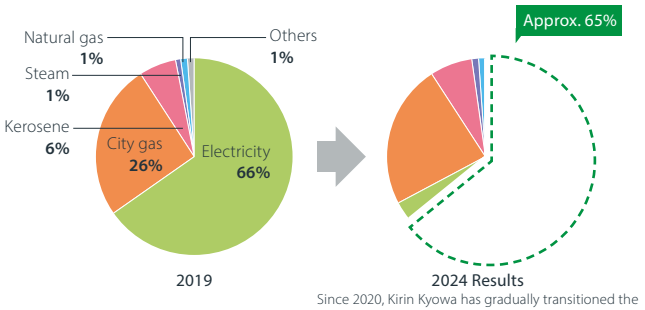
Going forward, the plan is for us to have switched energy consumption at all of our Group business locations, including overseas sites and domestic branch and sales offices, by 2030. In addition, we will continue to expand the introduction of solar power generation facilities at our domestic and overseas plants and research laboratories, among other facilities.

Each plant and research laboratory*3 sets its own energy intensity reduction targets for a single year, implementing measures to improve production efficiency. Unit energy consumption in FY2024 was 5.4% lower than the previous year.

In addition, the Ube Plant received the Director-General of the Chugoku Bureau of Economy, Trade and Industry Award for "Outstanding Energy Management Business" in 2024. This recognition was given for the plant's remarkable achievements in energy conservation and its role as a model for others to follow.

Also working to reduce CO_2 emissions from our sales vehicles, since 2009, we have been promoting the introduction of hybrid cars for our sales vehicles (Company cars) in Japan. Since FY2019, all newly introduced sales vehicles have been

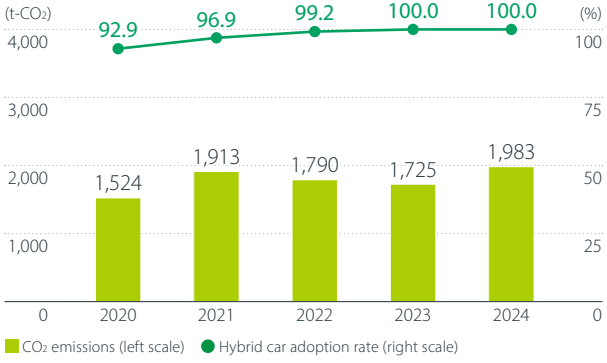
Ratio of emissions by energy type and CO_2 emission reduction effect from introducing renewable energy, etc. (all plants and research laboratories in Japan and overseas)



Since 2020, Kirin Kyowa has gradually transitioned the electricity used at such locations as Takasaki Plant, Tokyo Research Park, Fuji Site, and Ube Plant to RE100 compliant renewable energy

Large-scale PPA model solar power generation facility at Ube Plant

CO_2 emissions from sales vehicles and hybrid car adoption rate



hybrid cars. As a result, by the end of FY2023 we had completed the introduction of hybrid cars for all sales vehicles used in Japan (achieved a hybrid car adoption rate of 100%).

On the other hand, in order to achieve the goal of "net-zero GHG emissions across the entire value chain by 2050," the Group is also continuously working to reduce GHG emissions (Scope 3) within its value chain. In 2024, we set a new target to reduce Scope 3 emissions by 30% by 2030 compared with 2019 levels, and we have also developed a roadmap to achieve this goal. We calculate Scope 3 emissions in accordance with the guidelines published by Japan's Ministry of the Environment, which are aligned with the GHG Protocol, and divide them into 15 categories. Initially, we will focus on reducing emissions from outsourced manufacturing, which accounts for a significant portion of Scope 3 emissions (Category 1), and we will work on this with the cooperation of our suppliers. We have also started hearing from suppliers about their activities and responses to climate change.

Water resources management

Kyowa Kirin conducts water risk assessments (such as water shortage/water stress, flooding, and water pollution of water sources risk assessments by WRI Aqueduct and WWF Water Risk Filter) at each plant.

As a result of the assessments, we identified that Ube Plant has a higher risk of flooding due to droughts and storm surges than at other plants. In the latest local flooding simulation published by Japan's Ministry of Land, Infrastructure, Transport and Tourism, it is assumed that Takasaki Plant would suffer flood damage.

In response to these results, alongside soft measures such as reviewing or formulating plant BCPs for large-scale natural disasters, we are also implementing hard measures such as flood prevention measures at facilities to avoid or minimize these risks.

Under the Kirin Group Environmental Vision 2050, Kyowa Kirin is working to conserve water and protect water resources in accordance with the Kyowa Kirin Group Environmental Policy. We set our 2030 water withdrawal reduction target to a 40% reduction compared with 2019 levels, and have also set short-term targets to achieve the 2030 target. As of the end of FY2024, we have achieved a 34% reduction compared with the 2019 level*1 against our 2030 water withdrawal reduction target. Furthermore, to improve the efficiency of water use, each year we set and manage water consumption intensity targets for each plant and research laboratory. In 2024, our water consumption intensity was 0.4% lower*3 than the previous year.

Biodiversity

At Kyowa Kirin, we are using our procurement activities to help protect the world's forests. Specifically, we have adopted FSC®-certified products*4 for materials such as Company envelopes, Company brochures, and cardboard product packaging. In accordance with the Kirin Group Action Plan for Sustainable Use of Biological Resources, which was revised in 2021, we continue to study applications for FSC®-certified products. In addition, we are expanding the use of FSC®-certified products for domestic product packaging, and we are also continuing to promote the use of them for inner packaging and other applications. We are also considering the use of FSC®-certified products for overseas business sites and products.

As part of its activities to preserve ecosystems and ensure biodiversity, Kyowa Kirin has been working to protect water resources through its engagement in the Kirin Group's water-source preservation project since FY2007. Takasaki and Ube plants carry out weeding, planting, and tree thinning to create forest areas that provide water resources. Takasaki Plant received an award from Japan's Minister of the Environment in 2024 for its 17-year forest improvement activities, "Water Source Forest Conservation Activities," and for its efforts to create a green factory with excellent aesthetics by planting a variety of tree species in harmony with the factory and surrounding roads, which were recognized as contributing to the conservation of forests and raising the environmental awareness of employees.

In addition, for the ninth year running*5, Kirin Holdings Company, Limited has been recognized as the highest Water Security A List company by CDP, an international non-profit organization that provides an environmental data disclosure system. CDP praised the Kirin Group, of which Kyowa Kirin is a member, for its efforts in protecting water resources, evaluating river basin water risks at manufacturing sites, and for formulating and implementing strategies that reflect those risks.

Kyowa Kirin's various facilities continue to participate in activities in cooperation with local government agencies, such as the "Satoyama Biotope Futamatase Conservation Activities" in Ube City, Yamaguchi Prefecture, and river cleanup activities using the "River Friendship System" in Shizuoka Prefecture, as well as the "Mount Fuji Waste Reduction Campaign." In addition, we conduct ecosystem conservation activities with local communities at each site, including "Releasing young Amago trout into rivers," "Akiyoshidai Grassland Preservation and Nurturing Activities," "Sakaigawa Cleanup Operations," and park cleanup activities with neighboring companies. Through these activities, we will continue to support local communities and raise awareness of the importance of preserving the beauty of the natural environment and protecting biodiversity.

In our research, development, and manufacturing of pharmaceutical products, we have established an in-house committee to ensure compliance with the Act on the Conservation and Sustainable Use of Biological Diversity through Regulations on the Use of Living Modified Organisms ("the Cartagena Act") and to engage in appropriate management.

Other environmental impact reduction related topics

Ube Plant's new office building, which was completed in April 2023, received net Zero Energy Building (ZEB) certification*6 as a first for both the Kyowa Kirin Group and the Kirin Group. Moreover, construction of Q-TOWER, a new quality assurance-related complex facility completed in December 2022 at Takasaki Plant, adopted the precast-prestressed concrete (PCaPC) construction method*7. In addition to improving productivity as a result of shorter construction times and ensuring safety and high quality, this approach also helped mitigate environmental impact by curtailing noise levels around the construction site, reducing waste as a result of fewer secondary materials, and realizing resource- and material-savings.

For the internal conference event in the EMEA region in 2023, measures were

Installation of tidal embankment (Ube Plant)

Adoption of FSC®-certified paper

Award from the Minister of the Environment

Satoyama Biotope Futamatase Conservation Activities

implemented to reduce CO_2 emissions from transportation, venue facilities and materials, waste, etc., and the CO_2 emitted by the entire event was offset, resulting in a zero-CO_2 emissions conference.

Response to Non-Financial Information Disclosure

We disclose information related to the environment and society in accordance with the legal requirements of Assembly Bill No. 1305 in the state of California, USA. Additionally, regarding non-financial information disclosure based on the Corporate Sustainability Reporting Directive (CSRD) in Europe, we are closely monitoring peripheral trends and preparing for information disclosure in accordance with the European Sustainability Reporting Standards (ESRS).

Responding to the Task Force on Climate-related Financial Disclosures (TCFD)*8

Since announcing our endorsement of the TCFD recommendations in 2021, we have identified the risks and opportunities that climate change poses to our business, as well as the impacts of these risks and opportunities. We have organized our findings into four areas: governance, strategy, risk/opportunity management, and indicators and targets in line with TCFD recommendations.

Governance (relating to environmental issues)

Issues related to risks and opportunities in climate change, as well as environmental activity policies and results are positioned as important matters in the Group's environmental management. These issues are reported, deliberated upon, and decided by the CSR Committee, which is chaired by the CCO, who has the highest responsibility for overall environmental management. The content of these discussions is reported to the Board of Directors.

Strategy

Based on the "1.5°C target" of the Paris Agreement, the results of scenario analyses regarding risks and opportunities related to climate change, and the Kirin Group Environmental Vision 2050, we are reviewing our response to climate change, integrating it into our business strategy, and developing a roadmap to advance our initiatives.

As mitigation measures, to support the achievement of net-zero GHG emissions throughout the value chain by 2050, we have set our 2030 CO_2 reduction target to a level corresponding to the Science-Based Target (SBT) 1.5°C target*9, and prepared a roadmap for achieving this target. We are promoting measures, such as the early introduction and expansion of renewable energy, energy conservation, and energy conversion, and are responding to the risks associated with the transition to a decarbonized society.

As an adaptive measure, we will formulate a Business Continuity Plan (BCP) for large-scale natural disasters. This will address the impact on global production activities arising from flooding of plant and research laboratory premises. We respond to physical risks by implementing flooding prevention measures and capital investment as required.

On the other hand, an increase in the number of hay fever sufferers had led to expectations of an opportunity for the allergy drug market. However, we believe the actual impact on sales revenue will be limited.

Risk/opportunity management

To identify risks and opportunities, we comprehensively assess—based on a scenario analysis for each risk and opportunity—the expected timing and probability of occurrence, the scope and magnitude of impact, and the nature of countermeasures. We manage these risks and opportunities by identifying those that have a significant impact on business, that involve a high degree of social responsibility, or have a high probability of occurrence.

Metrics and targets

We have set a goal, based on the Kirin Group Environmental Vision 2050, of achieving net-zero GHG emissions for the entire value chain by 2050. We are also developing a roadmap to achieve this goal and have set short- and medium-term targets as outlined below, while advancing various initiatives in collaboration with the Kirin Group.

FY	Targets
2050	Net Zero Greenhouse Gas Emissions across the Entire Value Chain
2040	Percentage of Renewable Energy in Electricity Consumption: 100% (RE100)
2030	CO_2 Emissions (Scope 1 + 2): 55% Reduction (compared with 2019) CO_2 Emissions (Scope 3): 30% Reduction (compared with 2019)
2025	CO_2 Emissions (Scope 1 + 2): 63% Reduction (compared with 2019)

*1 Calculated based on FY2019 data for the Kyowa Kirin Group's plants and research laboratories in Japan and overseas.
*2 "Otemachi Financial City Grand Cube," where Kyowa Kirin's head office is located, and "510 Carnegie Center," where Kyowa Kirin USA Holdings, Inc. / Kyowa Kirin, Inc. are situated, are powered by electricity derived from 100% renewable energy, in accordance with "RE100."
*3 Kyowa Kirin Group plants and research laboratories in Japan and plants overseas.
*4 Kyowa Kirin has obtained an FSC® promotion license (FSC® N003037).
*5 From the most recent assessment results (FY2024 assessment) as of February 28, 2025.
*6 A certification granted to buildings designed to achieve a net zero energy balance by reducing primary energy consumption through energy-saving measures and by introducing renewable energy, etc., while realizing a comfortable indoor environment.
*7 A construction method in which concrete members are manufactured in advance at a construction materials plant, etc., and assembled on site.
*8 For more details, please refer to our website: "Disclosure of Information Based on TCFD Recommendations"
*9 Science-based corporate GHG emissions reduction targets consistent with the Paris Agreement levels.

New ZEB certified office building (Ube Plant)

Analysis of risks, opportunities and financial impact related to climate change

Pink: Risk Blue: Opportunity

Scenario classification		Climate change-related drivers with impact assessment	Potential impact	Change through response (resilience)
Transition risk	Policy and regulations	Carbon pricing (decarbonization, emissions trading schemes)	Small	±0
		Tighter CO_2 emission regulations	Slight	Small
	Population/economy/geopolitics	Population growth in emerging economies/economic globalization	±0	±0
	Community	Changing social values	Slight	±0
Physical risk	Increase in average temperature and change in rainfall pattern (acute)	Extreme temperature rises	Small	Small
		Increased torrential rains, typhoons, and floods	Large	Slight
	Increase in average temperature, changes in rainfall pattern (chronic)	Changes in hay fever patients	Medium	Medium
		Increased energy consumption due to increased air conditioning load	Small	Small

- Achieve 2030 target early and reduce CO_2 emissions
- Review workplace BCPs for major natural disasters
- Disaster preparedness of facilities

Well-being

Our Goal

Our philosophy is to "contribute to the health and well-being of people around the world by creating new value through the pursuit of advances in life sciences and technologies." In order to create this new value—life-changing value—and deliver smiles to patients around the world, we believe that our employees must first be healthy, energetic, and thriving. In May 2015, we released the "Kyowa Kirin Group Health Declaration," aiming to enhance the quality of life (QOL) of our employees throughout their lives. We not only encourage each individual to actively manage their own health, but also proactively take preventive actions as a company involved in healthcare. We position the physical and mental health of each employee, which serves as the foundation for maximizing individual capabilities—an objective of our new talent strategy—as our top priority, and we are actively promoting various health and well-being initiatives to achieve this.

Initiatives by Region

Japan Region

Following on from the previous year, we have identified the "Wellness Action 2025 Goals" as a Health and Productivity Management*1 KPI, focusing on individual behavioral changes. The "Walking Campaign," conducted through a collabo-health*2 project co-organized by the Company's Health Insurance Association, is held twice annually. The increased interest in overcoming the lack of exercise following the COVID-19 pandemic, along with the participation in "SmileWalk," where the number of steps is converted into donation amounts for nonprofit organizations, has steadily attracted participation, with a participation rate of over 80%. Additionally, another new initiative was launched in FY2024 with a focus on diet: "Your Diet Challenge." Using the meal app installed by default on Company iPhones, our employees are able to capture images of the meals they consume or scan barcodes, allowing AI diagnoses to measure their nutrient intake. This has provided employees with opportunities to understand their own dietary habits and nutritional imbalances based on the daily intake of various nutrients. The participation rate in FY2024 was 60%.

Additionally, we consider occupational safety and health to be of the utmost importance in Health and Productivity Management*1 and are continuously engaging in activities to prevent workplace accidents and incidents under our basic policy for occupational safety and health. In 2024, we achieved zero workplace accidents (including those requiring time off) and a zero Lost Time Injury Rate (LTIR). By fostering a culture in which each employee actively thinks about and acts on safety, we aim to enhance our health and safety standards.

*1 "Health and Productivity Management" is a registered trademark of the Non Profit Organization Kenkokeiei.

*2 "Collabo-health" refers to collaborative activities organized through coordination between corporate health insurance associations and companies to enhance the health of employees and their families. Collabo-health representatives have been assigned to all 12 locations in an effort to unify the governance and promotion of each health initiative through the promotion of collabo-health in cooperation with the Company's Health Insurance Association.

Having met the prescribed criteria in the Health and Productivity Management Survey conducted by Japan's Ministry of Economy, Trade and Industry, Kyowa Kirin was certified as a Health and Productivity Management Organization 2025 (White 500), for the ninth consecutive year since the program was launched.

North America Region

In 2024, our unwavering commitment to employee wellness and well-being remained a cornerstone of our operations in North America. We introduced another paid week of leave — Summer Shut Down — to complement our existing Winter Shut Down, to enable employees to fully disconnect, recharge, and spend quality time with their family and friends. Our flexible working arrangements continued to thrive, offering hybrid work options, including a Work From Almost Anywhere policy, Shortened Summer Work Hours, and meeting-free Fridays. We celebrated our first in-person Wellness Celebration and Benefits Fairs in Princeton and La Jolla, since the COVID-19 pandemic, alongside numerous virtual wellness seminars covering a variety of topics, including healthy cooking demonstrations. Employees benefited from discounted access to Wellhub, our corporate fitness platform, and were invited to participate in multiple fitness challenges and a Healthy-Self campaign promoting preventative care and vaccinations. Additionally, we expanded our support services by adding emergency pet care and in-person tutoring through Bright Horizons, complementing our existing backup elder care and child-care services. These initiatives underscore our dedication and passion for cultivating a supportive and healthy work environment for all our employees.

EMEA Region

Following the introduction of the Wellbeing Stream at the KKI All-Employee Conference, the team was keen to maintain momentum in the spirit of KABEGOE-breaking down larger goals into smaller tasks, gradually building collective momentum toward improved health and well-being. We launched Four Weeks of Well-being #4WOW), a weekly series of bite-sized events designed to enhance physical, emotional, mental, and social well-being. The challenge was fully inclusive and accessible to all employees, resulting in 20 sessions over four weeks. These included special guests from our local and global colleagues as well as external speakers covering a variety of well-being topics.

Due to the success of #4WOW—as one employee put it, "I hope we won't have to wait long for a similar initiative!"—we introduced Four Months of Well-being (#4MOW). Once a week, events were held on the following themes:

- Month 1: Mindfulness & Meditation
  — Tools to build resilience and calm in daily life.
- Month 2: Mental Health & Well-being
  — Exploring mental health in the digital age.
- Month 3: Belonging
  — Sessions on embracing identity and community, featuring presentations by executives and renowned researchers.
- Month 4: Physical Well-being
  — The impact of nutrition, exercise, and workplace ergonomics on overall health.

#4MOW was viewed over 850 unique views across all sessions. It fostered meaningful conversations about self-care, mental health, and connection, empowering participants to manage stress, strengthen relationships, and embrace belonging. As the #4MOW campaign concluded, participants were encouraged to carry these lessons forward to create lasting, healthier habits. What stood out the most was the openness and vulnerability of participants as they shared personal stories in a safe space, inspiring others to do the same.

Co-Creation of Value with Business Partners

Approach and membership of the PSCI

A robust supply chain that addresses the demands of society is essential to realizing Vision 2030. In an effort to build a more robust supply chain, we encourage our business partners act in accordance with the spirit of our Code of Conduct and work to co-create value from each of the human rights, the environment*1, and compliance perspectives.

Having said this, however, there are limits to our ability to approach business partners on a stand-alone basis as the supply chain expands globally. With this in mind, Kyowa Kirin joined the membership of the Pharmaceutical Supply Chain Initiative (PSCI)*2, which aims to address supply chain issues across the industry as a whole. Through this membership in the PSCI, we intend to have a more significant impact while collaborating with global pharmaceutical and other companies.

*1 Please refer to Environmental Initiatives for Business Partners (Reduction of Scope 3 Emissions) on P44 for details.
*2 PSCI is a non-profit organization established in the United States in 2013 with the overarching goal of achieving excellence in safety, environmental, and social outcomes across the pharmaceutical and healthcare supply chain. Currently, more than 80 pharmaceutical and healthcare companies worldwide are members of the PSCI.

Human Rights

Kyowa Kirin Group Human Rights Policy

In December 2022, Kyowa Kirin formulated the Kyowa Kirin Group Human Rights Policy. Along with conforming to the United Nations Guiding Principles on Business and Human Rights, this Policy expresses our intent to respect the Declaration of Helsinki in the same manner we would any other international norm as a pharmaceutical company. This Policy also stands as our promise to engage in initiatives involving respect for human rights as based on internal policies and regulations, and states that we will support and respect various international norms regarding human rights. With this policy as our commitment, we will promote corporate activities that respect human rights.

Over and above the aforementioned, we implemented e-learning programs with common global content in 2024. We also provide appropriate education and training to ensure that our Human Rights Policy is incorporated into all of our business activities and implemented effectively, and will work to ensure that the concept of respect for human rights firmly takes root in the minds of our officers and employees.

Kyowa Kirin Group Human Rights Policy
https://www.kyowakirin.com/sustainability/human_rights/index.html

Human rights due diligence

In the presence of Caux Round Table Japan (CRT Japan), Kyowa Kirin held a human rights due diligence workshop in 2022. During this workshop, we identified human rights themes faced by Kyowa Kirin. As a result of this workshop and an assessment made through a desktop study, we identified the priority issues that must be addressed by the working team. Similarly, in 2023, we conducted a survey of foreign technical intern trainees at a supplier used by Takasaki Plant. Together with CRT Japan, we directly interviewed the management department and technical intern trainees at SHIN-NIPPON WEX CO., LTD., which actually employs the technical intern trainees. These interviews confirmed that SHIN-NIPPON WEX respects the human rights of its technical intern trainees, and does not present any specific issues of concern regarding human rights violations at the current time. Although it is difficult to assess the entire value chain, which includes the supply chain, we will continue to conduct a cycle in which we survey and evaluate human rights issues that have emerged or present a high potential risk of doing so, engage in the requisite initiatives, advance to the next step based on the results of these efforts, and disclose the outcomes.

The link for SHIN-NIPPON WEX CO., LTD. is as follows.
https://www.wex.co.jp/english/

Constructing a correction and complaint handling mechanism

In cooperation with Kirin Holdings, we are standing members of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER). As a member, we have established a human rights whistleblowing system for use by all stakeholders, including those working in the supply chain, anyone in local communities suffering negative effects from the standpoint of human rights, and all individuals, or their representatives, who may be subject to such. We report on our JaCER membership at the briefings we hold for suppliers each year, and aim to construct a system for receiving reports from further upstream along the supply chain.

Sustainable procurement

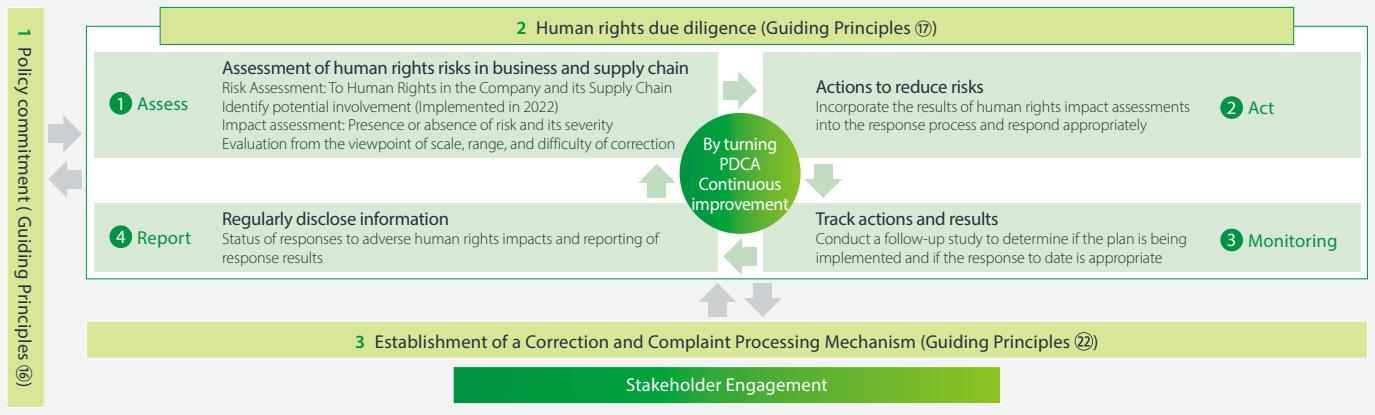
Kyowa Kirin is working to fully globalize its business. In light of the growing importance placed on such social concerns as human rights and the environment, we updated the Kyowa Kirin Group Supplier Code of Conduct and worked to ensure a uniform global approach based on the most recent statutory and regulatory requirements of each country as well as the PSCI Principles for Responsible Supply Chain Management in 2023. Under this revised Supplier Code of Conduct, we will promote sustainable procurement in concert with our suppliers and contribute to the realization of a sustainable society.

Kyowa Kirin holds a supplier briefing in Japan each year to explain its policies and share its thought on issues regarding the supply chain.

Adopting a webinar format, we held a supplier briefing in 2024. Based on the theme, "Toward a Sustainable Society," this briefing was attended by 205 companies. This briefing was held as an opportunity to share details of our sustainable procurement policy and specific examples of initiatives with our suppliers and to discuss how to promote sustainable procurement, including respect for human rights and environmental conservation.

Please refer to the following link for details of the Company's sustainable procurement.
https://www.kyowakirin.com/sustainability/trust/procurement/index.html

Major items that enterprises should follow under the Guiding Principles on Business and Human Rights (UN Approval 2011)



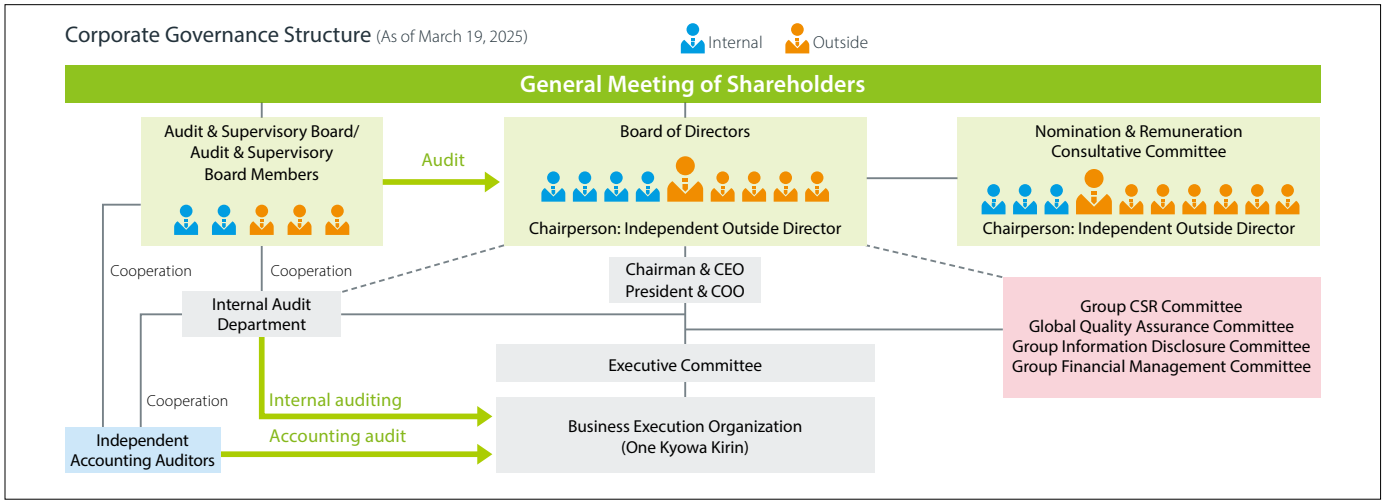
Governance

Basic Policy on Corporate Governance

Based on our philosophy that states that "The Kyowa Kirin Group companies strive to contribute to the health and well-being of people around the world by creating new value through the pursuit of advances in life sciences and technologies," on its values as well as on its vision and medium-term business plans, Kyowa Kirin, as a company responsible for delivering social infrastructure, will work on the enhancement of its corporate governance. It will be achieved not only by ensuring transparency and fairness in decision-making to achieve sustainable growth and increase corporate value over the medium to long term but also by establishing the structures necessary for speedy and strong decision-making and the execution of management duties, and for appropriate monitoring and supervisory functions.

The Company is therefore implementing all the principles of the Corporate Governance Code.

A Transparent Governance Structure That Leverages the Strengths of Outside Directors and Outside Audit & Supervisory Board Members



Outside Directors and Audit & Supervisory Board Members Independence Criteria

In connection with the requirements designed to ensure the independence of outside directors and Audit & Supervisory Board members and thereby to ensure the transparency and objectivity of their governance function as they exert proper management oversight, Kyowa Kirin has put in place and made public details of its own unique set of selection standards. To ensure independence in relation to our Group, the Company had referred to the provisions for independent outside directors and Audit & Supervisory Board members stipulated in the enforcement rules for securities listing regulations of the Tokyo Stock Exchange as well as the independent directors' nomination reference model created by the Japan Association of Corporate Directors in 2011.

Functions of Outside Directors/ Audit & Supervisory Board Members

In order to improve the fairness and transparency of its corporate governance while ensuring the Group's sustainable growth and boosting corporate value over the medium to long term, Kyowa Kirin appoints a majority (five out of nine directors) of independent outside directors who meet the Company's criteria for independence as outside directors.

Our outside directors have various backgrounds, expertise, and experience. They apply their wealth of experience and knowledge to the management of the Company, supervising the Company's management from an objective and fair perspective. The Company's outside Audit & Supervisory Board members apply their expertise, knowledge, and experience to auditing the Company's management from an objective and neutral standpoint, ensuring the reliability and soundness of our management.

Directors and Board of Directors

Taking into account its fiduciary duties and accountability to shareholders, the Board of Directors works diligently to realize the Company's corporate philosophy, and secure the Group's sustainable growth while increasing corporate value over the medium to long term, by establishing effective and efficient corporate governance. The Board of Directors makes decisions on significant matters pertaining to business execution by the Group. This includes the long-term management vision, medium-term and annual business plans of the entire Group and key Group companies, as well as statutory matters. The Board of Directors is also responsible for supervising the execution of directors' duties, developing a basic policy on sustainability and overseeing the initiatives carried out thereunder, and establishing appropriate internal control systems across the Group by collaborating with the Internal Audit Department. In addition to items stipulated by law and the Articles of Incorporation, the Board of Directors stipulates matters to be resolved by the Board of Directors in the Regulations of the Board of Directors and delegates other authority related to business execution to the executive officers in charge of each business operation.

With respect to the Board's composition, the maximum number of directors is 10, in accordance with the Articles of Incorporation. Upon considering the skill set—that is, knowledge, experience, capabilities and insights—necessary for a Global Specialty Pharmaceutical Company and ensuring diversity, we established a transparent governance system, which is well-balanced as a whole. In order to ensure the effectiveness of objective management oversight, independent directors who have been appointed to the Board from outside the Company are in the majority, and the position of Board Chair is assumed by Mr. Yoshihisa Suzuki, who is an independent outside director. Policies and procedures for the selection of director candidates are discussed by the Nomination & Remuneration Consultative Committee and decided by the Board of Directors.

As of March 19, 2025, the Company has nine directors (seven males and two females, five of whom are independent outside directors). In principle, the Board of Directors meets once a month to make decisions on important matters such as management policies and to supervise business execution. In FY2024, the Board of Directors met 14 times, making decisions on important matters that included the Company's management policies and supervising the execution of duties by directors.

Audit & Supervisory Board Members and the Audit & Supervisory Board

As an independent body mandated by shareholders, the Audit & Supervisory Board and its members audit the directors as they carry out their duties as means to supervising and verifying the status of establishing sound management for the Group's sustainable growth and enhancement of corporate value over the medium to long term. Leveraging the ability of full-time members to gather information within the Group as well as their independence, Audit & Supervisory Board members actively express their opinions at Board of Directors' meetings. At the same

time, Audit & Supervisory Board members also strive to put in place and improve the framework used to ensure the effectiveness of auditing by each member. Furthermore, in order to better provide information to outside directors, Audit & Supervisory Board members exchange opinions with outside directors, and provide information which they have obtained through their auditing activities.

The Audit & Supervisory Board comprises persons with appropriate knowledge of finance and accounting matters. In accordance with the Company's Articles of Incorporation, the Audit & Supervisory Board has at least three members, at least half of whom are outside Audit & Supervisory Board members.

As of March 19, 2025, the Company had five Audit & Supervisory Board members (three males and two females, three of whom are Outside Audit & Supervisory Board members).

Evaluation of the Board of Directors' Effectiveness

To identify gaps between expected roles and responsibilities of the Board of Directors set forth in the "Kyowa Kirin Corporate Governance Policy" and the actual state of the Board of Directors in 2024 and consider what is the optimal governance concept to realize Story for Vision 2030, we conducted an evaluation of the effectiveness of the Board of Directors. With respect to the evaluation of the Board's effectiveness, from the perspective of ensuring the effectiveness of governance, we identified wide-ranging issues, not limited to operational issues of the Board of Directors.

1. The evaluation method for Board effectiveness in 2024

With the aim of identifying issues from a medium- to long-term perspective, we utilized an external organization to conduct questionnaires and interview all executives. In addition, we analyzed the results of questionnaires and interviews while obtaining advice from the external organization, and conducted the evaluation after exchanging opinions among all directors and Audit & Supervisory Board members.

2. Results from 2024 effectiveness evaluation

The external organization that conducted the questionnaire and interviews evaluated that, while there were several issues, there were improvements in discussions on growth strategy in light of changes in the environment, as well as in the selection of agenda items appropriate to the role and devising time for deliberations. In addition, as a result of discussions among the members of the Board of Directors on the results of analysis based on evaluations from the external organization, the Board of Directors evaluated that the Board of Directors is functioning appropriately and that the effectiveness of the Board of Directors is ensured, as well as that the Board of Directors has advanced improvements to issues identified in previous years and has engaged in in-depth and high-quality discussions. In addition, we set questions for the members of the Nomination and Remuneration Consultative Committee, an advisory body to the Board of Directors. As a result, we evaluated that information was obtained appropriately, agendas were set, and sufficient discussions were held.

Corporate Governance Report
https://ir.kyowakirin.com/en/management/governance.html

3. Achievements in addressing issues identified in the 2024 evaluation

	Issues from 2024 evaluation	Achievement
❶	**Enhancement of discussions on growth strategy in light of environmental changes**	In 2024, we enhanced discussions on growth strategy in light of changes in the business environment by, for example, setting up multiple opportunities for members of the Board of Directors to focus on important issues.
❷	**Enhancement of discussions on individual important themes linked to growth strategy**	In order to enhance discussions on individual important themes (Portfolio strategy, human resource strategy, DX strategy, production strategy, governance, etc.), the Board of Directors has an opportunity to hold intensive discussions once every two months.
❸	**Development of a discussion environment that emphasizes broad-based discussion and the exercise of supervisory functions**	With regard to matters to be submitted to the Board of Directors, we have made efforts to ensure that discussions at the Board of Directors are conducted effectively and efficiently by, for example, exchanging opinions with Board members several months in advance and sharing the planned agenda. The course of discussions at the management side leading up to the submission of matters to the Board of Directors and the main points of discussion are appended to the materials of the Board of Directors.

4. FY2025 initiatives

Based on the evaluation results of the Board's effectiveness, we plan to implement the following measures for improvement in 2024:

	FY2025 issues	Initiatives
❶	**Formation of a common understanding of monitoring methods**	In order to enhance the feasibility of the growth strategy and continue to achieve further growth in a sustainable manner, we will provide an opportunity to discuss how monitoring should be conducted in order to form a common understanding on the targets and methods of monitoring that should be targeted in light of our scale and business.
❷	**Dialogue with management on reporting matters to enhance the feasibility of management plans**	Members of the Board of Directors discuss the elements necessary for appropriate monitoring, which is our goal, and collaborate on the content to be included in reports from the management side.

As the formulation of Story for Vision 2030 further clarified the direction of our growth strategy, we will deepen discussions on the following individual themes.

Management aware of profitability and growth

In implementing the goals set out in our growth strategy, we will deepen discussions on capital allocation and capital efficiency, such as market forecasts and success probabilities for pipelines under development, capital demand forecasts based on the validity period of patents for products currently being marketed, and dividend payout ratios for other pharmaceutical companies, to further fulfill our accountability to capital markets.

Human capital

As a Global Specialty Pharmaceutical company, we will further enhance discussions on human capital from a more global perspective regarding the recruitment, allocation, development and retention of talented human resources.

Board Members with a Wide Array of Skills

The Board of Directors comprises diverse individuals with various skills (knowledge, experience, etc.). This is to enable the Board of Directors to fulfill its decision-making and management oversight functions appropriately and to enhance the transparency of our governance structure.

	Name	Outside Independent	Board Chair	Nomination & Remuneration Consultative Committee	Professional skills									
					Corporate management/ Business strategy	Global business	Finance, accounting and banking	Legal, governmental affairs and compliance	HR and labor	Healthcare	R&D	Production and SCM	IT/DX	Sustainability
Directors	Masashi Miyamoto			●	●	●		●		●	●			
	Abdul Mullick			●	●	●		●		●				
	Takeyoshi Yamashita			●	●	●		●		●	●		●	●
	Daisuke Fujiwara									●	●			●
	Takashi Oyamada	●		Chairperson	●	●	●		●					
	Yoshihisa Suzuki	●	●	●	●	●					●	●	●	
	Rumiko Nakata	●		●					●	●				
	Hiroshi Kanno	●		●	●	●				●	●	●		
	Yukiko Ito	●		●				●		●			●	
Audit & Supervisory Board Members	Hiroshi Komatsu				●	●	●			●				
	Hajime Kobayashi					●	●		●					
	Mayumi Tamura	●		●	●	●	●							
	Toru Ishikura									●	●	●		●
	Yoko Wachi	●		●			●	●		●				

Initiatives to Strengthen Governance of Executive Organization

- Established One Kyowa Kirin, a matrix management system comprising of regional dimension, a functional dimension, and a product (franchise) dimension
- To strengthen the regional executive oversight function, boards of directors have been established at overseas regional operating companies.
- Appointment of at least two non-executive directors who possess experience in global pharmaceutical business as directors of each overseas region
- Initiated direct exchanges of opinions between regional non-executive directors, Kyowa Kirin directors, and outside directors

Paul Carter
(Gilead Sciences, GlaxoSmithKline, Sterling Health, Arthur Anderson)

Francoise De Craecker
(Novartis, Avexis, Chiesi Farmaceutici, Horizon Pharma, Raptor Pharmaceuticals, Pharmacia, Smith & Nephew)

James Shannon
(Novartis, GSK, Sterling Winthrop)

Paula Soteropoulos
(Genzyme, Moderna, Akcea)

Gary Zieziula
(Merck, BMS, Roche, AMAG Pharmaceuticals)

EMEA
Kyowa Kirin International plc.

NORTH AMERICA
Kyowa Kirin USA Holdings, Inc.

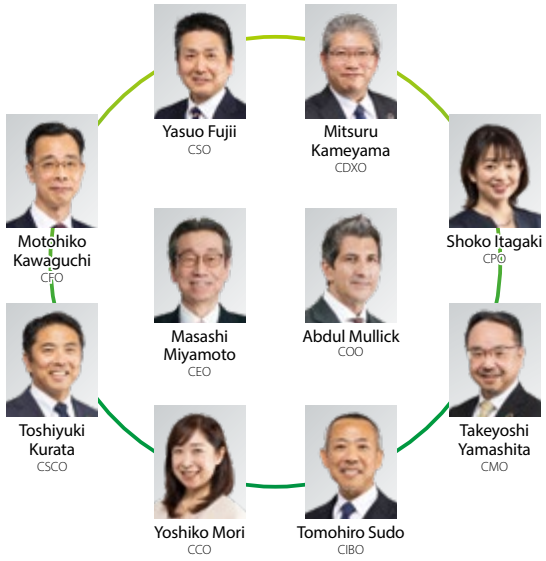
Transitioning to a CEO/COO Structure

In order to further enhance the management team at the global level, we established a new COO position and transitioned the Company to a dual structure with both a CEO and COO. This move aims to lead the Company into a new stage and achieve greater heights.

- Chairman & CEO: Leads discussions on the direction and overall strategy for Kyowa Kirin, and maintains relationships with stakeholders
- President & COO: Oversees the execution of all business operations at the global level, enhances collaboration across each region and function, and promptly and steadily advances the management strategy.

Enhancing the CxO Structure

The CxOs have been established as follows, where the CEO and COO lead active discussions intended to tackle each management issue in a unified manner. In 2025, we established a new CDXO position to lead the acceleration of DX activities.



Basic policy on remuneration of Directors of the Board and Audit & Supervisory Board Members

Remuneration for Directors of the Board and Audit & Supervisory Board members is designed to increase commitment to the Company's further sustainable growth and improvement in corporate value, to attract and retain suitable talent who aspire to help the Company make the leap forward to a Global Specialty Pharmaceutical Company, and to motivate executives to contribute to the Company by fulfilling their respective duties as directors or Audit & Supervisory Board members and determined through a transparent and appropriate process by adopting an objective viewpoint.

In order to realize this basic policy, investigations and deliberations on executives' remuneration are conducted by the Nomination & Remuneration Consultative Committee, which consists of a majority of outside directors and outside Audit & Supervisory Board members, and is chaired by an outside Director.

Claw back provision

Kyowa Kirin has established a claw back provision that allows the Board of Directors to decide, based on deliberations and recommendations from the Nomination & Remuneration Consultative Committee, the return of executive directors and executive officer remuneration in the case of such events as illegal acts or violations of laws and regulations.

Executive Remuneration

	Fixed remuneration	Variable remuneration		
		Short-term incentive remuneration (variable)	Medium- to long-term incentive remuneration (variable)	
Type	Basic Remuneration	Performance-linked annual bonus	Share-based remuneration	
			Restricted share-based remuneration	Performance-linked, share-based remuneration (Performance Share Unit)
Payment eligibility	Directors and Audit & Supervisory Board members	Executive directors	Executive directors	
Purpose (Incentive for Officers)	Provide remuneration commensurate with the role and responsibilities of each officer, referencing peer company size and remuneration levels	Raise awareness toward the need to contribute to improving business performance each fiscal year	Have executive Directors of the Board of the Company share in the benefits and risks of share price fluctuations with the shareholders and enhancing their contribution to increase of the share price and corporate value more than ever before	Clarify the linkage between Executive directors' remuneration and the Company's business performance, and share price, and thereby provide them with incentives for sustainable growth of corporate value, as well as to facilitate their sense of sharing value with shareholders
Payment method	Cash	Cash	Stock	Stock and cash (in roughly equal amounts)
Payment schedule	Monthly	A certain time each year (generally April)	A certain time each year (generally April)	
Evaluation indicator	—	Annual targets (revenue and profit)	—	ROE / CAGR / core operating profit ratio
Factor for determining the amount of remuneration	Role and responsibilities	Achievement of targets (Payment rate of 0% to 200%)	Base amount determined based on basic remuneration and stock price	Base amount determined based on basic remuneration, stock price, and achievement of targets for three consecutive fiscal years (Variation rate of 0% to 150%)
Approximate ratio (when performance targets are achieved)	1	Around 1.1 to 1.4		
	1	Around 0.5 to 0.6	Around 0.6 to 0.8	

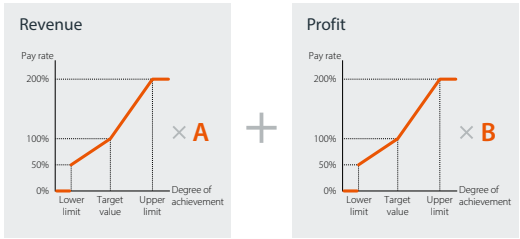
Mechanism of linking bonus to performance (Illustrative image)

Individual amount of payment = Reference bonus amount + (Degree of achievement for annual financial performance indicators) × (Degree of achievement for annual non-financial performance indicators)

Degree of achievement for annual financial performance indicators		
Performance evaluation indicators	Weight	Pay rate
Degree of achievement for revenue	30%	0–200%
Degree of achievement for profit	70%	0–200%

Degree of achievement for annual non-financial performance indicators	
Performance evaluation indicators	Pay rate
Degree of achievement of targets for important management issues	80–120%

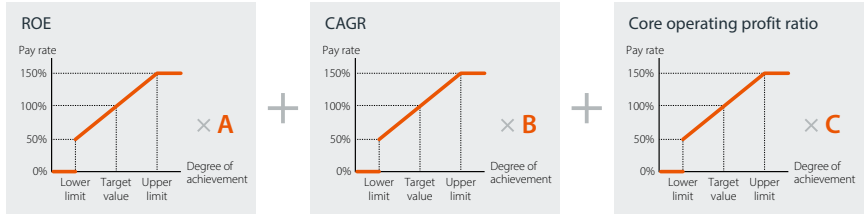
Achievement rate of annual financial indicators



The weight for executive directors for fiscal 2024 is set at a ratio of A:B = 3:7.

Mechanism of calculating the degree of achievement of performance targets (Illustrative image)

Degree of achievement of performance targets = ROE × A + CAGR × B + Core operating profit ratio × C



The weights for Executive directors in FY2023 are A to B to C = 1 to 1 to 1.

Remuneration*1 by position (FY2024)

Position	Total Remuneration (Millions of yen)	Breakdown of Remuneration (Millions of yen)				Number of Eligible Officers
		Fixed remuneration	Variable remuneration			
			Performance-linked remuneration		Non-monetary remuneration	
		Basic Remuneration	Performance-linked annual bonus*2	Performance-linked share-based remuneration*2	Restricted share-based remuneration*2,3	
Directors (Excluding outside directors)	419	177	150	31	62	3
Audit & Supervisory Board members (Excluding outside Audit & Supervisory Board members)	30	30	—	—	—	1
Outside directors	92	92	—	—	—	5
Outside Audit & Supervisory Board members	65	65	—	—	—	4

*1 Figures include one Audit & Supervisory Board Member of the Board who retired at the conclusion of the Ordinary General Meeting of Shareholders in the previous fiscal year. Further, they do not include two Directors of the Board and one Audit & Supervisory Board Member to whom no remuneration was paid.
*2 All the amounts of performance-linked annual bonus, share-based remuneration with restriction on transfer and performance-linked share-based remuneration are the amounts recorded as expenses during the fiscal year under review. The amount of performance-linked share-based remuneration is the sum of the amounts recorded as expenses during FY2024 for each of performance-linked share-based remuneration with the performance evaluation period starting in FY2023 and FY2024 in accordance with the expected degree of achievement of the targets as of the end of the fiscal year. Performance-linked share-based remuneration is paid and delivered in the form of monetary and non-monetary remuneration after the elapse of the performance evaluation period.
*3 The number of restricted shares delivered to Executive Directors during the fiscal year under review was 21,737 shares (paid-in amount per share was ¥2,845, the closing price on March 21, 2024).

Linking important management issues (materiality) with Executive Remuneration

To realize its vision for 2030, the Company has selected key management issues (materiality) as strategic issues in its annual business plans and is monitoring them at Board of Directors' meetings. The Company has included action plans regarding pipeline enrichment, access to medicine, and other materiality set for each fiscal year as performance indicators for performance-linked annual bonuses, and links materiality to executive director remuneration by determining the payment rate in accordance with the degree of achievement.

Nomination & Remuneration Consultative Committee

The Company established the Nomination & Remuneration Consultative Committee as an advisory body to the Board of Directors. Its purpose is to supplement the functions of the Board of Directors and further enhance the transparency of our governance system. The Committee deliberates and decides on the Company's nomination and remuneration from an objective and fair perspective, and reports to the Board of Directors. The Nomination & Remuneration Consultative Committee consists of 10 members, of whom the majority (7) are independent directors. The chairperson of the Committee is selected from among the independent officers.

The Nomination & Remuneration Consultative Committee deliberates and decides on proposals for policies regarding: the appointment and removal of directors, executive officers, Audit & Supervisory Board members and candidates for these officers; appointment and removal of senior directors; duties of individual directors; the policy for determining the successor of the current CEO of the Group; candidates for presidents and other key positions at individual Group companies; remuneration systems, levels, and remuneration amounts for directors, executive officers, Audit & Supervisory Board members, and for presidents and other key positions at individual Group companies. After deliberating on and deciding these matters from an objective and fair perspective, the Committee presents proposals to the Board of Directors.

CEO succession planning

The Nomination & Remuneration Consultative Committee conducts ongoing discussions about the selection and development of individuals who, from the perspective of KKC, would be ideally qualified for the position of CEO and reports its findings to the Board of Directors. The discussion theme includes knowledge, skills and experience needed for the role of CEO, as well as the following ideal profile of CEO, for example:

- As a leader in a human life and health-related business, deeply understand and fully commit to putting into practice the Company's philosophy and core values.
- Truly empathize with and have a strong sense of responsibility in delivering "life-changing value" to people facing illness.
- Possess the determination to want to create value for society and to change the Company for the better while leading the organization with unwavering resolve even when faced with difficulties.
- Competence to create and instill a future vision within organizations and guide that vision beyond national borders toward the achievement of the Company's strategies.

Internal control

Based on the fundamental principles of the internal control system of its parent company, Kirin Holdings Company, Limited, the Company steadily maintains and operates internal control systems in line with Article 362, paragraph 4, item VI of the Companies Act: "The development of systems necessary to ensure that the execution of duties by directors complies with laws and regulations and the articles of incorporation, and other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of a Stock Company." The status of the systems' maintenance and operation was reported and confirmed by the Board of Directors on January 22, 2025.

1. Compliance System
2. System of Information Preservation and Maintenance
3. System for Risk Management
4. Effective and Efficient Performance System
5. System for reporting for execution of duties and other Group internal control system
6. Systems related to Audit & Supervisory Board members

Governance as a listed subsidiary

Ensuring management independence

- The Integration Agreement clearly states that management independence is ensured, requiring reasonable efforts to maintain Kyowa Kirin as a listed company
- M&A decisions are made solely by the Company, without the need for prior consultation with the parent company
- In accordance with the Company's own investment policy, the interest rate on loans is determined based on reasonable judgment after considering market interest rates based on the loan period, and the loan period is shortened (in principle, one month)
- Developing systems that are compatible with the CG Code/ market requirements

Decision-making process that starts with protecting minority shareholders

- Ensuring that independent outside directors are in the majority
- An independent outside director elected as chairperson of the Board of Directors. Directors from the parent company do not participate in resolutions when they are special interested parties
- In the event that independent outside directors do not constitute the majority at the time of important transactions, etc. with the parent company, the Board of Directors shall establish, as an advisory body to the Board of Directors, a Conflicts of Interest Supervisory Committee for Intercompany Transactions, that will consist of independent outside directors to conduct deliberations and considerations, and report to the Board of Directors
- Consisting of a majority of outside directors, the Nomination and Remuneration Consultative Committee deliberates and decides on selecting and deselecting independent directors from an objective and fair perspective and reports back to the Board of Directors.

Implementation Status of Dialogue with Shareholders, etc.

Policy for constructive dialogue with shareholders

- Understanding that constructive dialogue with all shareholders will lead to further improvement in corporate governance and, in turn, to greater corporate value over the medium to long term, the Company actively responds in principle to requests for dialogue from all shareholders, and voluntarily offers opportunities for constructive dialogue based on the shareholder composition, which is periodically confirmed.
- Requests for dialogue from individual shareholders are dealt with mainly by the IR/PR Group of the Corporate Communication Department, under the supervision of the officer in charge of IR. If the officer in charge of IR determines that a meeting is, within reason, necessary between the requesting shareholder and the president, a director (including outside directors) or an executive officer, such a meeting will be arranged.
- Depending on the purpose of the dialogue, the Finance Department, the Corporate Planning Department, the Legal Department and other related departments will provide their cooperation to the officer in charge of IR to enhance the content of the dialogue with the shareholders.
- The Company plans and implements presentation meetings and shareholder/investor visits to explain the Company's long-term business vision, medium-term and annual business plans, financial results, R&D, sustainability, and other matters to deepen understanding of the Company and encourage dialogue with shareholders.
- The Company pays close attention to the timeliness, appropriateness and impartiality of dialogues, gives explanations in a sincere manner, listens to the opinions of all shareholders, and endeavors to engage in interactive communication. The officer in charge of IR provides reports on the opinions of and questions from all shareholders periodically or on an as-needed basis to the CEO, directors, Audit & Supervisory Board members and executive officers.
- With regard to the implementation of management that is conscious of the cost of capital and stock price, please refer to "Financial Strategy." With regard to the implementation of management that is conscious of stock price, share-based remuneration is adopted.

Please refer to **page 17** for the Financial Strategy.

Implementation status of IR activities

Twice a year, the Company holds a Group Information Disclosure Committee meeting, chaired by the president, to discuss and decide on its policies concerning communications with shareholders, investors, and other stakeholders. Relevant officers attend the committee meetings, deliberate and make decisions based on the status of communication with all parties and matters of interest, and meeting content is reported to the Board of Directors.

With regard to the IR events and IR interviews held by the Company, our IR staff compiles the status of dialogue with shareholders and market reactions and reports that information to all officers, including outside directors, and relevant departments.

Event	Number of times	Organizers	Finance	Sales	R&D	ESG	Other
Financial results briefings	4 times	President*, officers in charge	●	●	●		●
IR events	4 times	President, Officers in charge, outside director		●	●	●	
IR interviews with the president	20 times	President, officers in charge	●	●	●	●	●
IR interviews with management	18 times	Officers in charge	●	●	●	●	
IR interviews by officer in charge of IR	144 times	Officer in charge of IR	●	●	●	●	●

* Participates twice a year: second quarter financial results and annual financial results.

Enhancing information disclosure

To further enhance dialogue with investors and shareholders, we strive to disclose high-quality information with consideration for transparency and fairness in accordance with our disclosure policy. As information disclosure tools, in addition to TDnet provided by the Tokyo Stock Exchange (TSE), we utilize the Company website for shareholders and investors, which has excellent immediacy and fairness. With some exceptions, in principle information is disclosed simultaneously in both Japan and the UK.

Introduction of website for shareholders and investors
https://ir.kyowakirin.com/en/index.html

Ordinary General Meetings of Shareholders with emphasis on dialogue

To enable shareholders to have sufficient time to review the general meeting agenda items, in accordance with the Corporate Governance Code the Company sends out convocation notices approximately three weeks prior to a meeting and, via the electronic delivery system, the electronic version is posted on the websites of the Company and the TSE even before the notices are sent. Additionally, securities reports are disclosed before general meetings of shareholders. Furthermore, in consideration of our overseas investors, we provide English translations of convocation notices and securities reports as well as an electronic voting platform. With regard to the operations of the general meetings of shareholders, for those who will not be attending on the day of the event, we will be live streaming and accepting questions in advance. After a general meeting of shareholders, we upload to our website a video of that day's proceedings, including shareholder Q&A and replies to the preliminary questions.

We will continue to aim for more open shareholder meetings in the years to come.

Main assessments from external organizations (as of February 2025)

Our ESG initiatives are highly respected within the global pharmaceutical industry, with MSCI ESG Ratings of AA (Leader), Sustainalytics ESG Risk Ratings of 17.9 (Low Risk), and an ISS ESG Corporate Rating of B–. In 2025, the Company was also selected for the first time as a Sustainalytics' Industry ESG TOP Rated company.

Having been selected for inclusion in multiple ESG indices both domestically and internationally, Kyowa Kirin is included in all ESG indices for Japanese equities selected by the Government Pension Investment Fund (GPIF).

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Kyowa Kirin Co., Ltd. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of Japanese companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Kyowa Kirin Co., Ltd. has been independently assessed according to the FTSE Blossom Japan Sector Relative Index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index Series. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

The inclusion of Kyowa Kirin Co., Ltd. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Kyowa Kirin Co., Ltd. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

For details on assessments from external organizations, please see the External Assessments section in the ESG-related information on our website.
https://www.kyowakirin.com/sustainability/esg_data/index.html

Compliance

Compliance at Kyowa Kirin refers to acting ethically and with integrity in a socially responsible manner, with respect to all business activities of our Group

Code of Conduct and Group Policies

The Kyowa Kirin Group Code of Conduct sets forth the actions that should be taken by everyone working in the Kyowa Kirin Group. The Code of Conduct is translated into local languages and disseminated to Group companies all around the world. All executives and employees of the Group pledge to comply with the Code of Conduct. Their understanding and compliance is monitored through employee awareness surveys and other means. We also encourage all partners in our supply chain to comply with the Code of Conduct. In addition, action policies related to individual business areas have been established as the Kyowa Kirin Group Policies.

The Code of Conduct and the Group Policies are continuously reviewed in light of changes in the external environment, such as laws and regulations, as well as changes in the internal environment and any revisions must be approved by the Board of Directors.

Kyowa Kirin Group — Outline of the Relationship between the Management Philosophy and Kyowa Kirin Group Policies
https://www.kyowakirin.com/sustainability/group_policy/index.html

Governance

Under the supervision of the Chief Compliance Officer (CCO), the Kyowa Kirin Group has appointed a Global CSR Head and established the CSR Management Department to assist the Head in their duties. The Global CSR Head and the CSR Management Department take the leading role in compliance, formulating and implementing compliance measures on a global and regional basis in collaboration with the Regional CSR Heads*1, who are responsible for compliance in the three regions of JAPAC (Japan and Asia Pacific), North America and EMEA.

The Kyowa Kirin Group has established regional CSR committees in the three regions to discuss compliance-related activities. These committees are held on a quarterly basis to discuss the status of activities and issues that are global or specific to each region*2. In addition, a Group CSR Committee meeting, in which all CxOs and the Regional CSR Heads participate, is held twice a year to deliberate on compliance strategies and action plans for the entire Group, and to report on the progress of activities during the year. The Group CSR Committee is chaired by the CCO. Important matters discussed in these committee meetings are reported to the Board of Directors.

*1 Currently, the Global CSR Head also serves as the Regional CSR Head for JAPAC.
*2 In JAPAC, held semiannually. Important issues discussed at each Regional CSR Committee are compiled by the secretariat and reported to the Regional CSR Committee held in JAPAC.

Education and Training

Kyowa Kirin conducts annual training programs, including Code of Conduct, through group workshops and e-learning, in order to foster an organizational culture that can flexibly respond to changes in social norms. In 2024, global e-learning on the Code of Conduct and anti-bribery and anti-corruption was conducted for all executives and employees, including contract and temporary employees 6,184 people. Other training sessions were held on topics such as personal information protection, and promotional codes.

Every year, we also conduct a Kirin Group-wide compliance and human rights awareness survey (4,444 people in Japan responded as the Kyowa Kirin Group in 2024) and a Kyowa Kirin Global Engagement and Motivation Survey (5,359 people in Japan and overseas responded in 2024). The results of the survey help to identify changes in employee awareness and issues that need to be addressed, and are utilized in formulating the Group's initiatives.

Whistleblowing System

The Kyowa Kirin Group has put in place the Compliance Line, whistleblowing system, in order to prevent, detect at an early stage and correct acts that are against the Kyowa Kirin Group Code of Conduct, as well as acts that seriously damage the brand value of the Kyowa Kirin Group. We have established and operate our whistleblowing system in accordance with the guidelines based on Article 11 of the Whistleblower Protection Act and the Corporate Governance Code, referring to the international standard ISO 37002 issued by the International Organization for Standardization (ISO) based in Geneva, Switzerland. On top of the strict adherence to confidentiality and a rule that those who report will not be subjected to any retaliation, steps have been taken to establish an internal and external point of contact for reporting that can be accessed by telephone, electronic and postal mail as well as online tools. Reports can also be filed anonymously. In this manner, every effort is being made to create a simple and easy reporting environment. We have introduced a process under which reports concerning directors are passed directly to company auditors. Moreover, top-level messages on such topics as the importance of the Compliance Line, confidentiality and non-retaliation are sent out on a continuous basis. The point here is to ensure that employees gain a better understanding of the system through group training and e-learning and while maintaining a continuous awareness toward each point of contact for reporting. Details of the Compliance Line are readily available on the Company's website and posters displayed throughout the workplace.

Overseas subsidiaries operate local whistleblowing systems in each region. We also established and operate a global line that enables overseas subsidiaries' employees to report directly to the Group's head office in Japan in their local language. In 2024, a total of 36 reports in Japan and overseas were received by the Compliance Line at the Group's head office.

Future Initiatives

Kyowa Kirin is strengthening its global compliance management system with the aim of becoming a global specialty pharmaceutical company. In all areas of our compliance functions (governance/organizational structure, policies and procedures, education and training, risk management and monitoring) and of compliance categories, including our Group Policies, the entire Group will work together to strengthen compliance in accordance with a roadmap created with the aim of establishing the ideal compliance management system for our Group.

Kyowa Kirin Group Code of Conduct (Summary)

Introduction

1. Purpose of this Code of Conduct
2. Scope of this Code of Conduct
3. Role of Officers
4. Role of Managers
5. Raising questions and concerns
6. Prohibition of retaliation
7. Response to non-compliant actions with this Code of Conduct

Chapter 1. Relationship with Society
Chapter 2. Relationship with Employees
Chapter 3. Compliance with Rules
Chapter 4. Respect for Human Rights
Chapter 5. Environmental Preservation
Chapter 6. Information Management
Chapter 7. Risk Management

Risk Management

To earn the trust of its customers and society, the Kyowa Kirin Group identifies and responds appropriately to the various risks that arise in conducting its business activities.

Kyowa Kirin Group Risk Management

The Kyowa Kirin Group recognizes that the realization of its vision, based on its corporate philosophy will lead to sustainable growth and the enhancement of corporate value over the medium to long term. In order to safeguard its corporate value from threats, the Group engages in enterprise risk management. Through various opportunities and the taking of appropriate risks, our risk management endeavors also help create new corporate value.

Risk Management System

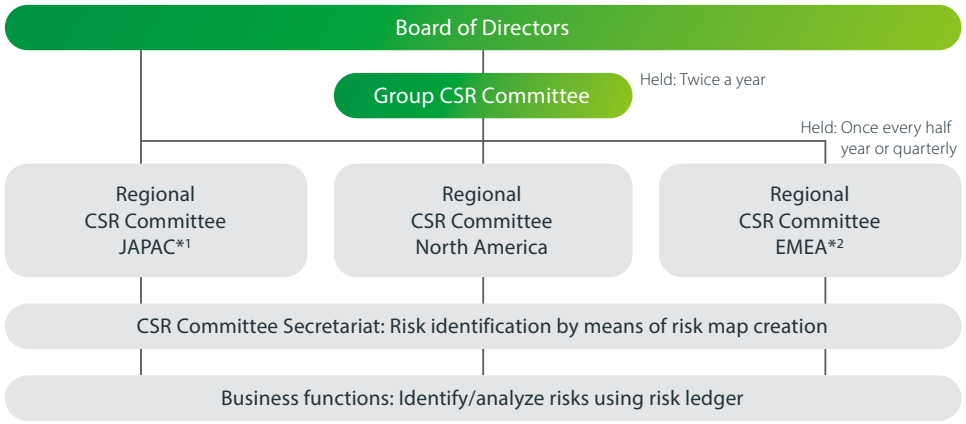
In the Kyowa Kirin Group, business functions identify risks based on changes in their internal and external environments and analyze the degree of impact of identified risks on management and the likelihood of their occurrence. After discussing and adjusting the analysis results while conversing with business functions concerning internal and external environmental changes and risk trends, the CSR Committee organizes risks by category, and identifies the principal risks. In addition to confirming the appropriateness of identifying principal risks, CSR Committees monitor measures aimed at mitigating risks as well as progress while organizing and supervising the risk management of business functions. Moreover, the Group CSR Committee meets twice a year to deliberate on the Group's overall risk management strategy and action plan and monitors the status of activities during the year. Details of principal risk mitigation measures and the monitoring results discussed by the Committee are reported to the Board of Directors.

The Kyowa Kirin Group is also moving forward with the digitalization of our risk management system, having introduced an IT system for centrally managing the risks of the entire group in a database. After business functions register risk ledgers and incident information in the database, the information is shared using a work- flow with divisions that support, advise, and monitor risks from specialized and company-wide risk standpoints. This enables visualization of critical risks on a risk map. In this way we are working to develop a system that enables the effective and efficient monitoring of risks.

Crisis Management System

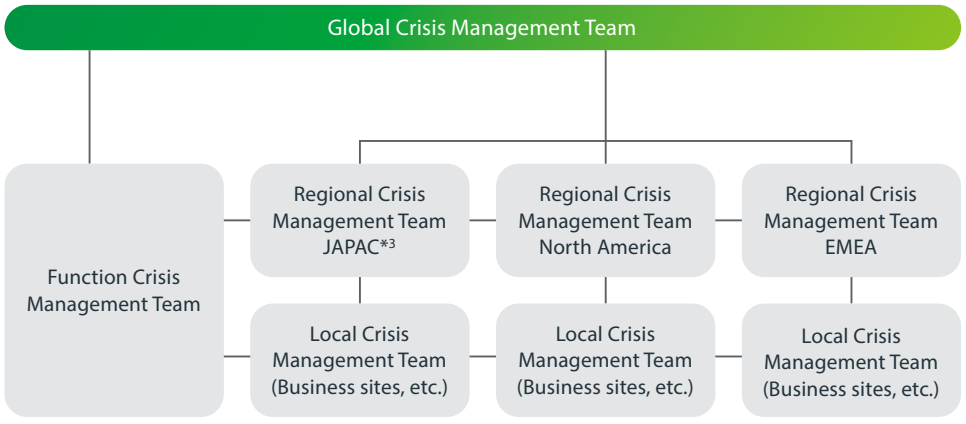
We define "crises" as situations that may have a profound impact on our business and require a rapid response among those that inhibit the achievement of our management goals. In addition, we define "crisis management" as activities that minimize the impact on our business when risks evolve into crises. In the Kyowa Kirin Group, crisis management is executed autonomously by area task forces in three layers—global, regional, and local—and the Area Crisis Management Team that responds using specialized expertise. In the event that a global response is required, each crisis management team will work together to build a system to quickly reduce any impact. In addition, we conduct global crisis BCP exercises, which connect each region, including Japan, with our global headquarters, and work to strengthen our crisis response and business continuity systems based on worst-case scenarios. Through these exercises, we improve our response capabilities, review our risk assessment and mitigation measures, and monitor to detect any signs of risk. In this way, we aim to create a resilient organization that is able to adapt flexibly to difficult situations.

Risk Management System



*1 As of January 1, 2025. Other regions' reports collated and presented in JAPAC.
*2 EMEA stands for Europe, the Middle East, and Africa.

Crisis Management System



*3 As of January 1, 2025.

Directors

The directors promote swift and precise decision-making while ensuring transparency and fairness with the aim of driving sustainable growth and greater corporate value for the Kyowa Kirin Group.
Amid a drastically changing environment, the directors will work to fulfill the Company's responsibilities, and to promote Story for Vision 2030, with the goal of realizing our Vision.
The directors ensure Kyowa Kirin continues to create life-changing value as a Japan-based Global Specialty Pharmaceutical (GSP) company.

Audit & Supervisory Board Members

Audit & Supervisory Board members strive to ensure the soundness and transparency of management with the aim of driving sustainable growth and greater corporate value for the Kyowa Kirin Group.
Moreover, Audit & Supervisory Board members work to underpin and help drive swift and precise decision-making by supervising management from an objective perspective, and assisting in the implementation of appropriate governance on an ongoing basis.

Directors' Profiles

Representative Director of the Board, Chairman Chief Executive Officer (CEO)

Masashi Miyamoto, Ph.D.

Apr. 1985 Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)
Apr. 2011 Director, Regulatory Affairs Department, Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)
Mar. 2012 Executive Officer, Director, Regulatory Affairs Department, Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.
Jul. 2014 Executive Officer, Director, Strategic Product Portfolio Department and Regulatory Affairs Department, Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.
Apr. 2015 Executive Officer, Director, Strategic Product Portfolio Department, Kyowa Hakko Kirin Co., Ltd.
Mar. 2017 Director of the Board, Managing Executive Officer, Strategic Product Portfolio Department, Kyowa Hakko Kirin Co., Ltd.
Apr. 2017 Director of the Board, Managing Executive Officer, Director, Corporate Strategy & Planning Department, Kyowa Hakko Kirin Co., Ltd.
Mar. 2018 Representative Director of the Board, President, Kyowa Hakko Kirin Co., Ltd.
Apr. 2024 Executive Director of the Board, President and Chief Executive Officer (CEO), Kyowa Kirin Co., Ltd.
Apr. 2025 Representative Director of the Board, Chairman & Chief Executive Officer (CEO), Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection

Utilizing his abundant experience and sophisticated knowledge on the overall business management, Dr. Masashi Miyamoto has led discussions on the Company's medium- to long-term growth strategy and executed measures to strengthen the global management base, while playing a role in making decisions on important matters of management and in supervising the execution of duties as Director. Accordingly, he was selected because the Company has judged that he is the right person to fully perform the role of decision-making on material matters of management and supervising the execution of operations as Director of the Board, and to realize the Company's vision of continuously creating life-changing value as a Japan-based specialty pharmaceutical company.

Representative Director, President Chief Operating Officer (COO)

Abdul Mullick, Ph.D.

Jan. 1999 Global Marketing Director, Diabetes, Hoechst Marion Roussel Ltd. (presently Sanofi-Aventis Pharma AG)
Jan. 2005 Senior Global Brand Director, Diabetes, Novartis Pharma AG
Dec. 2007 EMEA Business Unit Head, Genzyme Corp.
Jan. 2009 Vice President Commercial Operations — Japan, Asia-Pac, Australia & China, Genzyme Corp.
Jan. 2011 Vice President, Head of Global Marketing, Rare Diseases, Genzyme Corp.
Jul. 2013 Vice President & General Manager, Endocrinology and Cardiology, Rare Diseases, Genzyme USA
Sep. 2014 Executive Vice President, Head of Global Marketing, Vifor Pharma Ltd
Mar. 2018 Executive Vice President, Rare Disease Head, Kyowa Kirin International plc
Apr. 2019 President, Kyowa Kirin International plc
Jan. 2023 Managing Executive Officer, Vice Chief International Business Officer, Kyowa Kirin Co., Ltd.
Mar. 2023 Managing Executive Officer, Director, Chief International Business Officer, Kyowa Kirin Co., Ltd.
Apr. 2024 Managing Executive Officer, Chief International Business Officer (CIBO), Kyowa Kirin Co., Ltd.
Mar. 2025 Representative Director and President, Chief Operating Officer (COO), Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection

Dr. Abdul Mullick has extensive knowledge about the global development of pharmaceuticals for rare diseases, and has shown excellent capabilities over the management of businesses, organizations, and employees since joining the Group in 2018, by leading growth of Kyowa Kirin's business, including global products and promoting reforms in EMEA and Asia-Pacific regions. Accordingly, he was selected because the Company has judged that he is the right person to fully perform the role of decision-making on material matters of management and supervising the execution of operations as Director of the Board, and to realize the Company's vision of continuously creating life-changing value as a Japan-based specialty pharmaceutical company.

Director of the Board, Executive Vice President Chief Medical Officer (CMO)

Takeyoshi Yamashita, Ph.D.

Apr. 1987 Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)
Apr. 2010 Director, Innovative Drug Discovery Laboratories, Research Division, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)
Apr. 2012 Director, Research Planning Department, Research Division, Kyowa Hakko Kirin Co., Ltd.
Apr. 2014 Director, Research Core Function Laboratories, Research Functions Unit, R&D Division, Kyowa Hakko Kirin Co., Ltd.
Apr. 2015 Director, Regulatory Affairs Department, Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.
Mar. 2017 Executive Officer, Director, Regulatory Affairs Department, Pharmacovigilance and Quality Assurance Division, Kyowa Hakko Kirin Co., Ltd.
Mar. 2019 Executive Officer, Director, Corporate Strategy & Planning Department, Kyowa Hakko Kirin Co., Ltd.
Mar. 2021 Managing Executive Officer, Director, Corporate Strategy & Planning Department, Kyowa Kirin Co., Ltd.
Apr. 2022 Managing Executive Officer, Vice President Head, Strategy Division, Kyowa Kirin Co., Ltd.
Mar. 2023 Senior Managing Executive Officer, President Head, Strategy Division, Kyowa Kirin Co., Ltd.
Apr. 2023 Director of the Board, Senior Managing Executive Officer, Kyowa Kirin Co., Ltd.
Apr. 2024 Director of the Board, Senior Managing Executive Officer, Chief Medical Officer (CMO), Kyowa Kirin Co., Ltd.
Mar. 2025 Director of the Board, Executive Vice President, Chief Medical Officer (CMO), Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection

Dr. Takeyoshi Yamashita has abundant experience in management as well as product strategies and regulatory affairs together with a high level of foresight from a strategic point of view, as well as profound knowledge and a high level of insight accumulated by driving innovation in divisions related to research and development. Accordingly, he was selected because the Company has judged that he is the right person to perform the role of decision-making on material matters of management and supervising the execution of operations as Director of the Board, and to realize the Company's vision of continuously creating life-changing value as a Japan-based specialty pharmaceutical company.

Director of the Board

Daisuke Fujiwara, Ph.D.

Apr. 1995 Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)
Nov. 1999 Received Ph.D. (Agriculture)
Feb. 2005 Visiting Researcher, RIKEN Research Center for Allergy and Immunology
Sep. 2005 Postdoctoral Fellow, David Geffen School of Medicine at UCLA (USA)
Nov. 2007 Senior Researcher, Central Laboratories for Key Technologies, Kirin Holdings Company, Limited
May 2014 Part-time Lecturer, Graduate School of Agricultural and Life Sciences, The University of Tokyo (to present)
Mar. 2021 General Manager, Health Science Department, Kirin Holdings Company, Limited
Mar. 2023 Executive Officer and General Manager, Institute of Health Sciences, Kirin Holdings Company, Limited
Mar. 2025 Director of the Board, Kyowa Kirin Co., Ltd. (to present) Senior Executive Officer, President of R&D Division, Kirin Holdings Company, Limited (to present)

Reasons for Selection

Dr. Daisuke Fujiwara is a leading researcher in the area of food immunology, with experience in developing the health science business of the Kirin Group, as well as profound knowledge on research and development and extensive networks inside and outside of the Company. He was selected because the Company has judged that he is the right person to perform the role of decision-making on material matters of management and supervising the execution of operations as Director of the Board, and to promote tight-knit cooperation with Kirin Group companies which have various business bases for the continuous creation of life-changing value by providing solutions responding to various medical needs.

Director of the Board
Outside
Independent

Takashi Oyamada, MBA

Apr. 1979 Joined The Mitsubishi Bank, Limited (presently MUFG Bank, Ltd.)
Jan. 2006 Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (presently MUFG Bank, Ltd.)
Jun. 2009 Managing Director, The Bank of Tokyo Mitsubishi UFJ, Ltd.
Member of the Board of Directors, Mitsubishi UFJ Financial Group, Inc.
May 2012 Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2013 Senior Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Jun. 2014 Representative Director, Deputy President, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Jun. 2015 Member of the Board of Directors, Representative Corporate Executive, Deputy President and Group COO, Mitsubishi UFJ Financial Group, Inc.
Apr. 2016 Representative Director, President & CEO, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Member of the Board of Directors, Mitsubishi UFJ Financial Group, Inc.
Jun. 2017 Senior Advisor, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (to present)
Jun. 2018 Director and Vice Chair, The Japan Institute of International Affairs (to present)
Chairman, The Mitsubishi Economic Research Institute (to present)
Dec. 2018 Outside Director, Mitsubishi Research Institute DCS Co., Ltd. (to present)
Jun. 2019 Outside Director, Mitsubishi Electric Corporation
Outside Director, Isetan Mitsukoshi Holdings Ltd.
Mar. 2021 Outside Director of the Board, Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection

Mr. Takashi Oyamada possesses an extremely high-level of knowledge on management from his long experience as a banking executive, and has knowledge and insight into a broad range of industries based on his abundant experience in the financial sector. On the basis not only of his specialist viewpoint of the financial sector, but also of his experience as a manager, the Company has judged him to be capable of supervising the Company's management.

Director of the Board
Outside
Independent

Yoshihisa Suzuki, MBA

Apr. 1979 Joined ITOCHU Corporation
Jun. 2003 General Manager, Aerospace, Space and Electronics Division, ITOCHU Corporation
Apr. 2006 Managing Executive Officer, ITOCHU Corporation Executive Vice President and CAO, ITOCHU International Inc.
Apr. 2007 President and CEO, ITOCHU International Inc.
Jun. 2011 Executive Vice President, JAMCO Corporation
Jun. 2012 President and CEO, JAMCO Corporation
Jun. 2016 Senior Managing Executive Officer, Member of the Board, ITOCHU Corporation
Apr. 2018 President and Chief Operating Officer (COO), Member of the Board, ITOCHU Corporation
Apr. 2020 President and Chief Operating Officer (COO), Chief Digital Officer (CDO), and Chief Information Officer (CIO), Member of the Board, ITOCHU Corporation
Apr. 2021 Vice Chairman, Member of the Board, ITOCHU Corporation
Mar. 2022 Outside Director of the Board, Kyowa Kirin Co., Ltd. (to present)
Apr. 2022 Vice Chairman, ITOCHU Corporation
Jun. 2022 Outside Director, OMRON Corporation (to present)
Apr. 2023 Senior Vice Representative for External Affairs, ITOCHU Corporation
Apr. 2024 Advisory Member, ITOCHU Corporation (to present)
Nov. 2024 Representative Director, Rolling Hills, Co., Ltd. (to present)

Reasons for Selection

Mr. Yoshihisa Suzuki has experience in leading divisions related to aviation and electronic information and in corporate management as Representative Director and President at ITOCHU Corporation. Moreover, he also has experience as president of an overseas subsidiary of the said company and representative director and president of a manufacturing company, as well as in activities in the business community, including Vice Chair of the Board of Councilors of KEIDANREN (the Japan Business Federation). The Company has judged that he will supervise the Company's management based on his experience gained as a corporate manager in Japan and overseas and through activities in the business community.

Director of the Board
Outside
Independent

Rumiko Nakata

Apr. 1979 Joined Esso Sekiyu K.K.
Apr. 1996 Joined Center for Socio-Economic Research K.K.
Apr. 2000 Joined Pfizer K.K.
Dec. 2011 Head of HR and Global Operations, Pfizer K.K.
Mar. 2012 Corporate Officer, Pfizer K.K.
Jan. 2014 Director of the Board, Corporate Officer, Pfizer K.K.
Mar. 2018 Executive Officer, in charge of Diversity & Inclusion, Mitsubishi Chemical Corporation
Apr. 2019 Managing Executive Officer, Supervising — Human Resources Department, Mitsubishi Chemical Corporation
Apr. 2020 Director of the Board, Managing Executive Officer, Supervising — Administration Department, Public Relations Department, Human Resources Department, Mitsubishi Chemical Corporation
Apr. 2022 Director of the Board, Mitsubishi Chemical Corporation
Mar. 2023 Outside Director of the Board, Kyowa Kirin Co., Ltd. (to present)
Jun. 2024 Outside Director, Denka Company Limited (to present)

Reasons for Selection

Having consistently been in charge of human resource departments throughout her career, Ms. Rumiko Nakata possesses abundant knowledge and insight regarding people management based on her experience in promoting various personnel measures, such as diversity promotion and work style reform, as a director and executive officer. As she has also gained experience as a member of the Japan Association of Corporate Executives, the company has judged her to be the right person to supervise the company's management.

Director of the Board
Outside
Independent

Hiroshi Kanno, MBA

Apr. 1983 Joined Nikken Sekkei Ltd.
Aug. 1991 Joined Boston Consulting Group, Inc. (presently Boston Consulting Group, LLC)
Jan. 2000 Partner & Managing Director, Boston Consulting Group, Inc.
Jul. 2008 Professor, Hitotsubashi University Graduate School of International Corporate Strategy
Jun. 2011 Outside Director, OMRON Healthcare Co., Ltd.
Apr. 2012 Dean, Hitotsubashi University Graduate School of International Corporate Strategy
Oct. 2012 Outside Director, Japan Display Inc.
Jun. 2014 Outside Director, WOWOW Inc.
Jun. 2015 Outside Auditor, STANLEY ELECTRIC Co., Ltd.
Mar. 2016 Outside Director, MODEC, Inc.
Sep. 2016 Professor, Waseda Business School (Graduate School of Business and Finance) (to present)
Dec. 2016 Director, Unicharm Kyoshin Foundation (to present)
Sep. 2017 Outside Director, ERI Holdings Co., Ltd.
Sep. 2018 Director, Waseda University Institute for Business and Finance (to present)
Apr. 2020 Visiting Professor, The Open University of Japan (to present)
Jul. 2022 Outside Director, Laboro.AI Inc. (to present)
Feb. 2023 Visiting Professor, School of Business, Aalto University (Finland)
Mar. 2025 Outside Director of the Board, Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection

Mr. Hiroshi Kanno possesses abundant experience and professional knowledge as a management consultant and a researcher on management strategy as well as experience as an outside Director and outside Audit & Supervisory Board Member at many companies. The Company has judged that he will supervise the Company's management based on his considerable knowledge on management.

Director of the Board
Outside
Independent

Yukiko Ito, Ph.D.

Apr. 2006 Assistant Professor, Faculty of Economics, Tokyo Keizai University
Apr. 2009 Associate Professor, Department of Economics, Faculty of Humanities and Social Sciences, Tokyo Gakugei University
Jul. 2015 Committee member, Committee for the Promotion of Integrated Economic and Fiscal Reforms, Cabinet Office
Apr. 2018 Professor, College of Policy Studies, Tsuda University
Jul. 2018 Subcommittee Member, Pharmaceuticals and Medical Devices System, Health Sciences Council, Ministry of Health, Labour and Welfare (to present)
Apr. 2024 Director, Japan Community Healthcare Organization (to present)
Jun. 2024 Director, Pfizer Health Research Foundation (to present)
Mar. 2025 Outside Director of the Board, Kyowa Kirin Co., Ltd. (to present)
Apr. 2025 Professor, Graduate School of Business and Commerce, Keio University (to present)

Reasons for Selection

The Company has judged that Dr. Yukiko Ito will utilize her academic experience and extensive knowledge as a researcher in the field of health economics and international economics as well as her abundant experience as a member of policy councils, etc., in the management of the Company.

Audit & Supervisory Board Members' Profiles/Executive Officers

Audit & Supervisory Board Member

Hiroshi Komatsu

Apr. 1986 Joined Kyowa Hakko Kogyo Co., Ltd.
Feb. 2009 CFO, Hematech, Inc.
Apr. 2012 Manager, Corporate Planning Department, Kyowa Hakko Kirin Co., Ltd. (presently Kyowa Kirin Co., Ltd.)
Apr. 2015 Deputy Director, General Affairs Department, Kyowa Hakko Kirin Co., Ltd.
Apr. 2016 Deputy Director, General Affairs Department, and Leader, Corporate Secretariat Group, General Affairs Department, Kyowa Hakko Kirin Co., Ltd.
Mar. 2018 Audit & Supervisory Board Member (Full-time), Kyowa Hakko Kirin Co., Ltd. (to present)

Reasons for Selection
The company has judged that Mr. Hiroshi Komatsu has profound knowledge and insight through his broad range of experiences in accounting, finance, research and development, management of overseas subsidiaries, corporate planning and the ethical standards, fair and equal judgment required as an Audit & Supervisory Board member and is the right person to appropriately perform the duties as an Audit & Supervisory Board member of the Company Auditor by ensuring that the audit and supervisory functions are fully effective across a broad range of fields.

Audit & Supervisory Board Member
Outside
Independent

Mayumi Tamura

Apr. 1983 Joined Sony Corporation (presently Sony Group Corporation)
Sep. 1991 Joined JOHNSON COMPANY, LIMITED
Jul. 2002 Executive Officer, Johnson Diversey Co. Ltd. (presently CxS Corporation)
Dec. 2004 CFO, adidas Japan K.K.
Jun. 2007 Executive Officer, Senior Vice President and CFO, Seiyu KK
May 2010 Executive Officer, SVP and CFO, Walmart Japan Holdings GK (presently Seiyu Holdings KK) Executive Officer, SVP and CFO, Seiyu GK (presently Seiyu K.K.)
Jun. 2015 Outside Corporate Auditor, Honda Motor Co., Ltd.
Jun. 2017 Outside Director, Honda Motor Co., Ltd. Outside Director, Hitachi High-Technologies Corporation (presently Hitachi High-Tech Corporation)
Jun. 2019 Outside Director, SHIMIZU CORPORATION (to present)
Mar. 2022 Outside Audit & Supervisory Board Member, Kyowa Kirin Co., Ltd. (to present)
Jun. 2022 Outside Director, LIXIL Corporation (to present)

Reasons for Selection
Ms. Mayumi Tamura has been active as Outside Audit & Supervisory Board member and outside director of other companies, and also has experience in engaging in support for diversity and inclusion as a board member of an incorporated NPO. Furthermore, she possesses advanced knowledge and experience through her long-term managing roles across finance/accounting and corporate planning at various global companies, also as former CFO with in-depth insight. The company has deemed her to be an appropriate candidate capable of supervising the company and expressing audit opinions from an independent perspective based on such experience, knowledge and insight, and accordingly selected her as an outside Audit & Supervisory Board member.

Audit & Supervisory Board Member
Outside
Independent

Yoko Wachi

Apr. 1989 Joined Kajitani Law Offices
Admitted in Japan (Dai-Ichi Tokyo Bar Association)
Apr. 2006 Domestic Relations Conciliation Commissioner, Tokyo Family Court (to present)
Jun. 2015 Outside Audit & Supervisory Board Member, NICHIAS CORPORATION
Mar. 2016 Outside Audit & Supervisory Board Member, Otsuka Holdings Co., Ltd.
Jan. 2019 Partner, Kajitani Law Offices (to present)
Apr. 2019 Vice President of the Tokyo Association of Family Conciliations
Jun. 2019 Outside Director, NICHIAS CORPORATION (to present)
Jun. 2023 Outside Director, S.T. CORPORATION (to present)
Mar. 2025 Outside Audit & Supervisory Board Member, Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection
Ms. Yoko Wachi possesses abundant experience and advanced knowledge on corporate legal affairs as an attorney at law, with abundant experience as an outside audit & supervisory board member and outside director of corporations. The Company has deemed her to be an appropriate person capable of supervising the Company and expressing audit opinions based on her professional knowledge and insight in laws.

Audit & Supervisory Board Member
Outside

Hajime Kobayashi

Apr. 1989 Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)
Apr. 2011 Director, General Manager of Corporate Planning, Interfood Shareholdings Company (Vietnam)
Jan. 2013 Deputy Director, Corporate Strategy, Kirin Holdings Company, Limited
Apr. 2018 Head of Global Personnel Section, Personnel & General Affairs, Kirin Holdings Company, Limited
Mar. 2020 General Manager, Internal Audit Dept., Kirin Holdings Company, Limited
Mar. 2022 Executive Officer, General Manager, Internal Audit Dept., Kirin Holdings Company, Limited
Mar. 2024 Outside Audit & Supervisory Board Member, Kyowa Kirin Co., Ltd. (to present)

Reasons for Selection
In addition to experience in divisions related to internal audit, Mr. Hajime Kobayashi also has extensive work experience and profound knowledge and insights on overall Group management, including being involved in accounting and finance, corporate planning, personnel affairs and the management of overseas subsidiaries in the Kirin Group. He was selected as a candidate for outside Audit & Supervisory Board Member because the company has judged that he is the right person capable of overseeing the company group widely and expressing audit opinions.

Audit & Supervisory Board Member

Toru Ishikura

Apr. 1989 Joined Kirin Brewery Company, Limited (presently Kirin Holdings Company, Limited)
Mar. 2015 General Manager, Technology Management Department, Research & Development Division, Kirin Company, Limited (presently Kirin Holdings Company, Limited)
Apr. 2015 General Manager, Research & Development Strategy Department, Research & Development Division, Kirin Company, Limited
Mar. 2018 Executive Officer, General Manager, Research & Development Strategy Department, Research & Development Division, Kirin Company, Limited
Apr. 2019 Executive Officer, Vice President, Research & Development Division and General Manager, Research & Development Strategy Department, Research & Development Division, Kirin Holdings Company, Limited
Mar. 2020 Director of the Board, KYOWA HAKKO BIO CO. LTD.
Apr. 2020 Executive Officer, General Manager, Health Business Strategy Office, Corporate Strategy Department, Kirin Holdings Company, Limited
Apr. 2022 Executive Officer, General Manager, Health Science Business Department, Health Science Business Division, Kirin Holdings Company, Limited
Mar. 2023 Audit & Supervisory Board Member, Kyowa Kirin Co., Ltd. (to present) Audit & Supervisory Board Member (Full-time), Kirin Holdings Company, Limited (to present)

Reasons for Selection
Having been involved in engineering and research and development in the Kirin Group, Mr. Toru Ishikura possesses work experience and profound knowledge and insight with regard to overall Group management as well as experience of working in internal audit divisions. In Kirin Group companies, he assumed the position of General Manager of the Health Business Strategy Office in the Corporate Strategy Department in 2020 and of General Manager of the Health Science Business Department in 2022. Having successfully fulfilled those roles, the company judges him to be capable of appropriately performing duties in a wide range of fields as a member of the company's Audit & Supervisory Board.

Executive Officers

Managing Executive Officers

Hiroshi Sonekawa
Japan Sales & Marketing Head

Motohiko Kawaguchi
Chief Financial Officer (CFO)

Yasuo Fujii, MBA
Chief Strategy Officer (CSO)

Tomohiro Sudo, M.S, MBA
Chief International Business Officer (CIBO)

Shoko Itagaki
Chief People Officer (CPO)

Toshiyuki Kurata
Chief Supply Chain Officer (CSCO)

Yoshiko Mori
Chief Compliance Officer (CCO)

Executive Officers

Fumihiko Kanai
Responsible for ERP introduction

Yoshifumi Torii, Ph.D.
Vice President, Head of Research Division

Hiroki Takamatsu
Vice President, Head of Quality Assurance Division

Kenji Shibata, Ph.D.
Director, Internal Audit Department

Atsushi Matsumoto, Ph.D.
Director, Supply Chain Management Department

Yuichi Kawasaki
Director, Product Strategy Department

Koichi Nagano
Director, Tokyo Branch Sales Office, Sales & Marketing Division

Takefumi Matsushita, Ph.D.
Director, Corporate Planning Department

Katsuyoshi Tsukii
Vice President, Head of Development Division

Tadashi Yamaguchi
Director, Marketing Department, Sales & Marketing Division

Ikuko Okubo
Director, Intellectual Property Department

Naohiko Kubo
Director, Finance Department

Hideaki Matsumoto
Head of Global Product Strategy Department

Mitsuru Kameyama
Chief Digital Transformation Officer (CDXO) and Head of ODX Department

Financial Information

WEB link

Key Financial Data

Cash Flow Data

Financial Summary

Adoption of International Financial Reporting Standards

The Group has adopted the International Financial Reporting Standards ("IFRS") since FY2017 to enhance the international comparability of its financial reporting for the capital market, and unify the process of the Group's accounting. In addition, financial data for FY2016, the fiscal year prior to the adoption of IFRS, is reformulated and displayed in an IFRS format.

Adoption of "core operating profit" (IFRS)

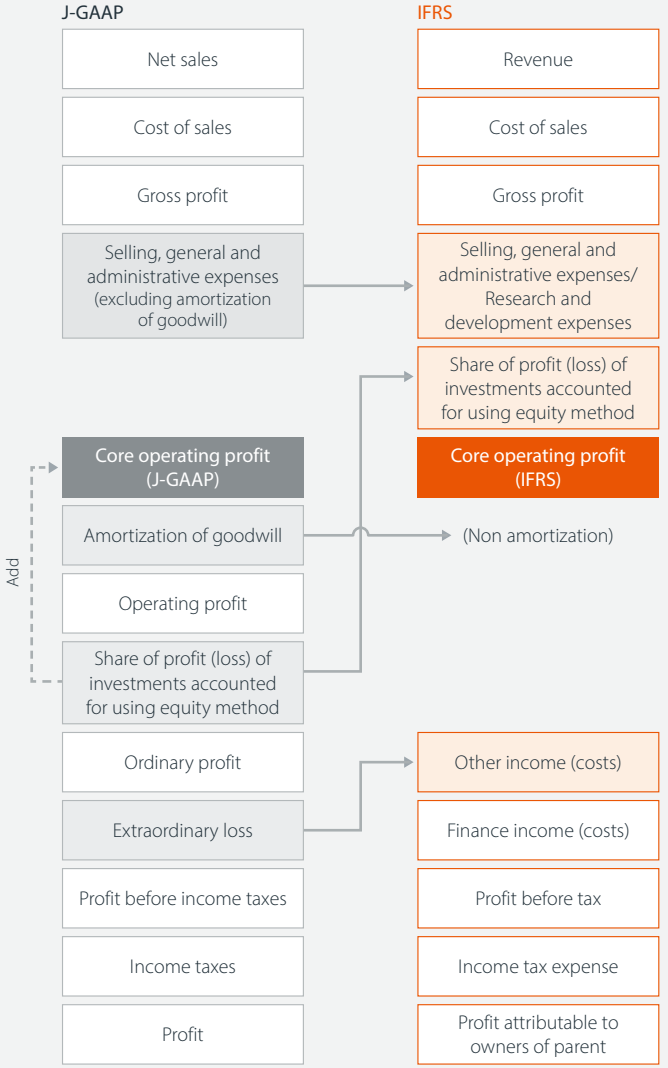
The Group has adopted "core operating profit" (IFRS) as an indicator showing recurring profitability from operating activities.

* Gross profit – Selling, general and administrative expenses – Research and development expenses + Share of profit (loss) of investments accounted for using equity method

Bio-Chemicals Business

Following the conclusion of an agreement on February 5, 2019 in which Kyowa Kirin Co., Ltd. (the "Company") agreed to transfer 95% of the shares of its consolidated subsidiary Kyowa Hakko Bio Co., Ltd. to Kirin Holdings Company, Limited, the Bio-Chemicals business is categorized as a discontinued operation from FY2019. Accordingly, the consolidated financial statements for FY2018 have been restated to reflect the change, and from FY2019, the Group has only one reportable segment: the "Pharmaceuticals business."

Major differences between IFRS and J-GAAP



Eleven-Year Selected Financial Data

	IFRS									J-GAAP		IFRS
	(Millions of yen)									(Millions of yen)		(Thousands of U.S. dollars*1)
For the Year:	**2024/12**	2023/12	2022/12	2021/12	2020/12	2019/12	2018/12	2017/12	2016/12	2015/12	2014/12	**2024/12**
Revenue*2	**¥ 495,558**	¥ 442,233	¥ 398,371	¥ 352,246	¥ 318,352	¥ 305,820	¥ 271,510	¥ 353,380	¥ 347,956	¥ 364,316	¥ 333,446	**$3,133,074**
Gross profit*2	**362,947**	331,026	311,455	264,398	237,912	226,200	198,149	224,321	214,592	225,393	205,904	**2,294,667**
Selling, general and administrative expenses (including R&D expenses)*2	**271,081**	235,184	229,081	203,287	178,922	170,827	147,745	162,113	163,124	181,628	169,731	**1,713,860**
Core Operating Profit (J-GAAP: Operating profit)*2	**95,405**	96,785	86,697	65,685	59,955	59,353	50,306	57,731	39,116	43,765	36,173	**603,181**
Profit attributable to owners of parent	**59,870**	81,188	53,573	52,347	47,027	67,084	54,414	42,899	30,450	29,774	15,898	**378,520**
Capital expenditure and investments in intangible assets*2	**108,740**	32,077	30,984	22,335	34,782	22,586	13,489	20,714	33,270	20,039	29,487	**687,490**
Depreciation and amortization*2	**24,780**	21,096	18,476	19,498	20,466	18,797	16,243	22,032	23,784	23,126	23,885	**156,667**
R&D expenses*2	**103,544**	72,106	62,896	57,679	52,312	53,511	45,659	49,216	52,929	51,604	47,737	**654,636**
Cash Flows:												
Net cash provided by operating activities	**¥ 67,884**	¥ 115,551	¥ 48,672	¥ 86,548	¥ 39,502	¥ 53,655	¥ 56,181	¥ 64,902	¥ 66,881	¥ 66,526	¥ 19,377	**$ 429,181**
Net cash provided by (used in) investing activities	**(142,387)**	(20,382)	(17,185)	(11,363)	252,559	(933)	(39,929)	(45,265)	(49,824)	(57,747)	16,805	**(900,217)**
Net cash provided by (used in) financing activities	**(84,697)**	(32,535)	(29,032)	(28,446)	(26,003)	(47,371)	(16,501)	(18,287)	(13,871)	(14,060)	(37,184)	**(535,483)**
Cash and cash equivalents at the end of the period	**244,681**	403,083	339,194	335,084	287,019	20,762	15,867	14,685	13,076	12,784	17,013	**1,546,949**
At Year-End:												
Total current assets	**¥ 504,026**	¥ 611,124	¥ 542,189	¥ 518,231	¥ 442,482	¥ 448,610	¥ 385,844	¥ 348,150	¥ 314,999	¥ 324,433	¥ 283,192	**$3,186,607**
Total assets	**1,067,363**	1,025,942	939,881	921,872	801,290	784,453	741,982	708,295	683,801	720,764	719,135	**6,748,198**
Total current liabilities	**164,675**	133,237	109,825	109,129	80,749	87,530	80,459	78,409	88,072	84,823	85,182	**1,041,125**
Interest-bearing debt	**21,675**	19,301	21,639	20,371	17,842	17,185	2,527	2,814	7,000	4,840	4,868	**137,035**
Equity	**850,811**	836,418	762,826	737,162	698,396	678,250	649,621	616,028	577,036	614,858	605,368	**5,379,095**
Number of employees	**5,669**	5,974	5,982	5,752	5,423	5,267	7,242	7,532	7,465	7,435	7,424	—
Per Share Data:					(Yen)					(Yen)		(U.S. dollars*1)
Profit attributable to owners of parent*3	**¥ 113.06**	¥ 151.03	¥ 99.68	¥ 97.43	¥ 87.56	¥ 124.57	¥ 99.40	¥ 78.38	¥ 55.65	¥ 54.40	¥ 29.05	**$ 0.715**
Equity attributable to owners of parent	**1,625.68**	1,555.81	1,419.27	1,371.90	1,300.12	1,263.16	1,186.65	1,125.56	1,054.48	1,122.80	1,105.44	**10.278**
Cash dividends	**58**	56	51	46	44	42	35	27	25	25	25	**0.367**
Common Stock Price Range (Per share):												
High	**¥ 3,350**	¥ 3,150	¥ 3,515	¥ 4,240	¥ 3,060	¥ 2,594	¥ 2,478	¥ 2,227	¥ 2,098	¥ 2,321	¥ 1,510	**$ 21.18**
Low	**2,266**	2,276	2,604	2,687	1,849	1,674	1,894	1,515	1,412	1,094	1,006	**14.33**
Stock Information (Thousands of shares):												
Number of common stock issued	**525,635**	540,000	540,000	540,000	540,000	540,000	576,484	576,484	576,483	576,483	576,483	—
Weighted average number of common stock issued	**529,529**	537,576	537,432	537,272	537,109	538,542	547,412	547,290	547,224	547,285	547,348	—
Financial Ratios:					(%, except EBITDA)					(%, except EBITDA)		
Return on assets (ROA)	**5.7**	8.3	5.8	6.1	5.9	8.8	7.5	6.2	4.4	4.1	2.2	—
Core operating return on assets (J-GAAP: Operating profit)*2	**9.1**	9.8	9.3	7.7	7.6	7.8	6.9	8.3	5.6	6.1	5.0	—
Return on equity attributable to owners of parent (ROE)	**7.1**	10.2	7.1	7.3	6.8	10.1	8.6	7.2	5.3	4.9	2.7	—
Ratio of equity attributable to owners of parent to total assets	**79.7**	81.5	81.2	80.0	87.2	86.5	87.6	87.0	84.4	85.2	84.1	—
Core operating margin (J-GAAP: Operating profit)*2	**19.3**	21.9	21.8	18.6	18.8	19.4	18.5	16.3	11.2	12.0	10.8	—
EBITDA*2, *4 (Millions of yen)	**108,843**	118,556	86,392	79,793	72,974	63,750	83,421	78,220	66,981	78,018	64,101	—
Payout ratio*5	**47.8**	35.5	38.9	43.2	50.3	33.7	35.2	34.4	44.9	35.1	54.4	—

*1 U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.17=U.S.$1, the approximate exchange rate at December 31, 2024.

*2 Figures on and after 2018 represent figures in the continued operation (Pharmaceuticals) excluding the discontinued operation (Bio-chemicals).

*3 Profit attributable to owners of parent per share is based upon the weighted average number of shares of common stock outstanding during each year.

*4 EBITDA = Profit before tax + Interest expenses + Depreciation and amortization (+ Amortization of goodwill)

*5 Under J-GAAP, consolidated dividend payout ratios are calculated using net income before the deduction of amortization of goodwill that resulted from the reverse acquisition in April 2008 (Kirin Pharma share transfer). Figures from 2021 are calculated using "Core profit" (("Profit attributable to owners of parent" – "Other income and expenses" (excluding impact from applicable taxes)) / average number of shares during fiscal year)

Management's Discussion & Analysis

Figures presented in these materials have been rounded.

Subsidiaries Included in the Scope of Consolidation

The number of consolidated subsidiaries in the Kyowa Kirin Group stood at 43 as of December 31, 2024. Although the Company's equity interest in Kyowa Kirin China Pharmaceutical Co., Ltd. was transferred to Hong Kong WinHealth Pharma Group Co., Limited, Kyowa Kirin International plc acquired all of the voting shares in Orchard Therapeutics plc, which thereby became a fully-owned subsidiary of the Company. As a result, the number of consolidated subsidiaries increased by eight compared with the end of 2023.

Income

(Billions of yen)

	2023/12	**2024/12**	Change
Revenue	¥442.2	**¥495.6**	¥53.3
Core Operating Profit	96.8	**95.4**	–1.4
Profit attributable to owners of parent	81.2	**59.9**	–21.3

Revenue and Core Operating Profit

The increase in revenue was the result of growth of global strategic products mainly in North America and EMEA and a rise in revenue from technology out-licensing. The positive effect on revenue from foreign exchange was ¥24.4 billion.

Core operating profit decreased as a result of significantly higher research and development expenses, despite higher gross profit achieved due to gains in overseas revenue and revenue from technology out-licensing. The positive effect on core operating profit from foreign exchange was ¥8.6 billion.

Profit Attributable to Owners of Parent

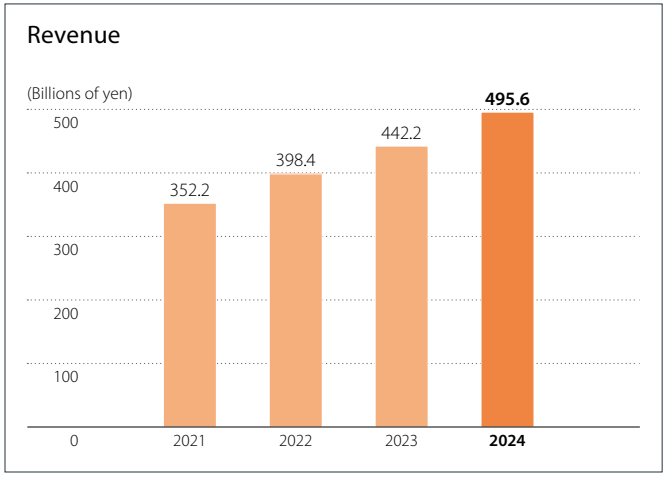
Profit attributable to owners of parent decreased due mainly to increases in finance costs and income tax expenses.

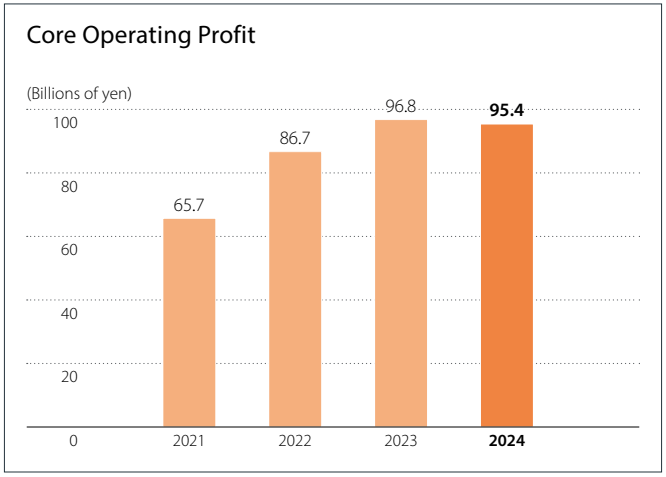
Revenue by Regional Controlling Company

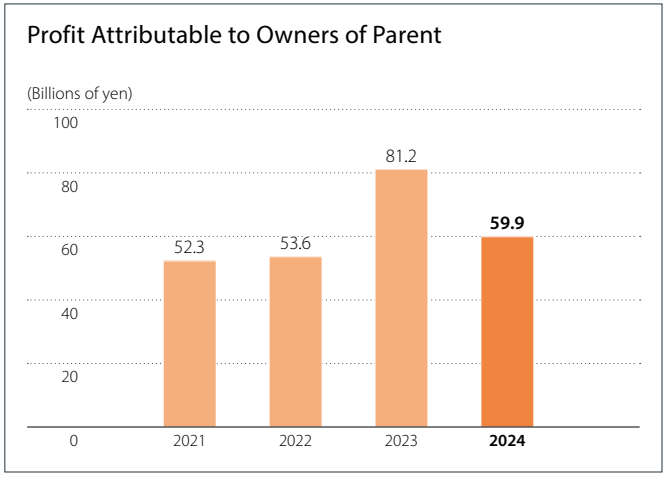
(Billions of yen)

	2023/12	**2024/12**	Change
Japan	¥147.0	**¥134.7**	¥(12.3)
North America	137.8	**174.4**	36.6
EMEA	73.3	**84.9**	11.6
Asia/Oceania	35.7	**41.6**	5.9
Others	48.4	**59.9**	11.5
Total consolidated revenue	¥442.2	**¥495.6**	¥ 53.3

Notes:
1. Revenue by regional control function is classified based on consolidated revenue from products of regional control functions in the One Kyowa Kirin (OKK) matrix global management structure, which combines a regional organization, a functional organization, and a product organization (product franchises).
2. EMEA consists of Europe, the Middle East, Africa, etc.
3. Revenue of APAC includes revenues received for supply of products to local partners of that region in conjunction with the business restructuring.
4. Others consists of revenue from technology out-licensing, hematopoietic stem cell gene therapy (revenue from Orchard Therapeutics), original equipment manufacturing, etc.







Japan

Revenue in Japan decreased year on year due mainly to the impact of the reductions in drug price standards implemented in April 2023 and April 2024, despite the growth in sales of Duvroq, a treatment for renal anemia, and the launch of PHOZEVEL, a treatment for hyperphosphatemia.

- Revenue from Crysvita, a treatment for FGF23-related diseases, has been growing steadily since its launch in 2019.
- Revenue from Darbepoetin Alfa Injection Syringe [KKF], a treatment for renal anemia, decreased due to the impact of the reductions in drug price standards and the market penetration of rival products.
- Revenue from Duvroq, a treatment for renal anemia, has been growing steadily since its launch in 2020.
- Revenue from PHOZEVEL, a treatment for hyperphosphatemia launched in February 2024, has been growing steadily as a result of penetrating the market.
- Revenue from G-Lasta, an agent for decreasing the incidence of febrile neutropenia, decreased due to the impact of biosimilar products launched in November 2023 and the impact of the reductions in drug price standards.

North America

Revenue in North America increased year on year due to the growth of global strategic products.

- Revenue from Crysvita, a treatment for X-linked hypophosphatemia, has been growing steadily since its launch in 2018.
- Revenue from Poteligeo, an anticancer agent, has been growing since its launch in 2018.

EMEA

Revenue in EMEA increased year on year due to factors such as growth of global strategic products and proceeds from transfer of rights to three brands (Abstral, Adcal D3 and Sancuso), despite a drop in revenue from the established medicines.

- Revenue from Crysvita, a treatment for X-linked hypophosphatemia, has been growing since its launch in 2018, as the number of countries where it has been released and its indications have expanded.
- Revenue from Poteligeo, an anticancer agent, has been growing as the number of countries where it has been released has been increasing since its launch in 2020.
- Following the shift to a joint venture with Grünenthal GmbH for the established medicines business, revenue from established medicines decreased as revenue for 13 brands shifted from product sales to sales royalties and license fees in August 2023 and also as sales royalties for three of those brands ended in July 2024.
- Revenue of £66.4 million (¥13.1 billion) was recorded in July 2024 due to the transfer of the rights (intellectual property) for three brands of established medicines to the joint venture.

APAC

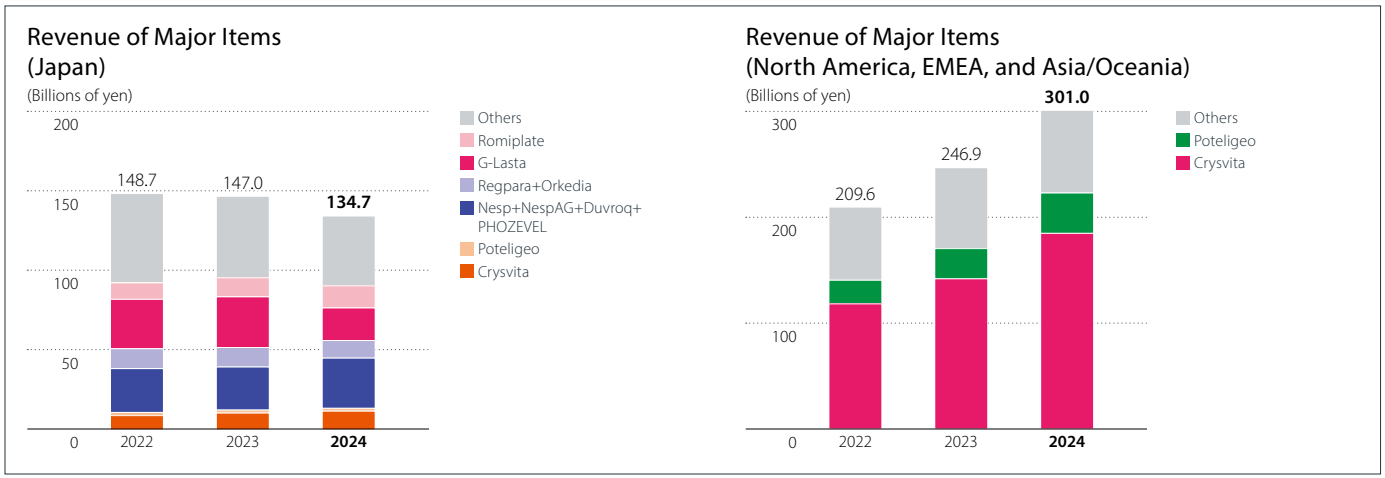
Revenue in APAC increased year on year.

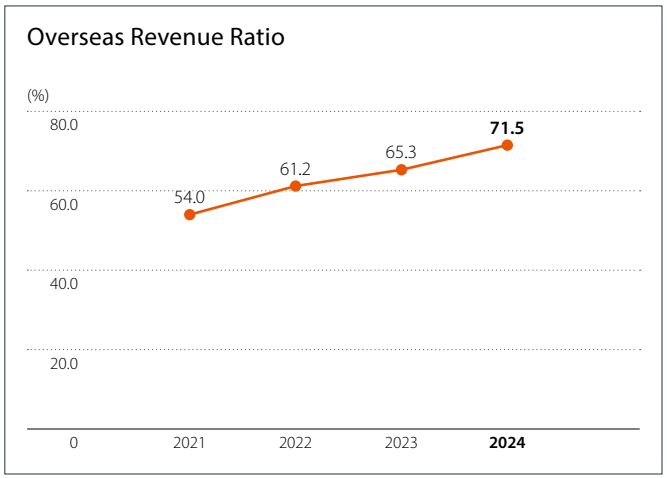
- Revenue from Crysvita, a treatment for X-linked hypophosphatemia, has been growing steadily.
- In conjunction with the business restructuring in the APAC region, revenue increased due to supplying the licensees with the inventories of established medicines.

Others

Revenue from Others increased year on year.

- As a result of the new consolidation of Orchard Therapeutics, revenue was recorded for Libmeldy (approval was obtained in the United States in March 2024 under the product name of Lenmeldy), which is sold by that company in Europe for treatment of metachromatic leukodystrophy (MLD).
- Revenue increased due to an increase in royalties revenue from AstraZeneca in relation to benralizumab and the proceeds from an upfront payment from Boehringer Ingelheim.





Cash Flow

Cash and cash equivalents as of December 31, 2024 were ¥244.7 billion, a decrease of ¥158.4 billion compared with the balance of ¥403.1 billion as of December 31, 2023.

The main contributing factors affecting cash flow during the current fiscal year were as follows:

- Net cash provided by operating activities was ¥67.9 billion, compared with net cash provided by operating activities of ¥115.6 billion in the previous fiscal year. Major inflows were depreciation and amortization of ¥24.8 billion and foreign exchange loss (gain) of ¥8.3 billion mainly relating to exchange differences on translation of foreign currency denominated deposits from consolidated subsidiaries as of December 31, 2024, in addition to profit before tax of ¥83.5 billion. Major outflows were an increase in trade receivables of ¥31.5 billion, income taxes paid of ¥17.7 billion, a decrease of contract liabilities of ¥9.9 billion, and gain on sales of shares and valuation of remaining shares of ¥7.4 billion.
- Net cash used in investing activities was ¥142.4 billion, compared with net cash used in investing activities of ¥20.4 billion in the previous fiscal year. Major outflows were purchase of intangible assets of ¥79.2 billion, ¥48.2 billion for the acquisition of shares of Orchard Therapeutics, and purchase of property, plant and equipment of ¥26.0 billion. The major inflows were collection of loans receivable of ¥4.5 billion and proceeds from sale of property, plant and equipment of ¥3.4 billion.
- Net cash used in financing activities was ¥84.7 billion, compared with net cash used in financing activities of ¥32.5 billion in the previous fiscal year. Major outflows were a purchase of treasury shares of ¥40.0 billion, dividends paid of ¥30.9 billion, redemption of bonds with share acquisition rights issued by Orchard Therapeutics of ¥9.6 billion.

Financial Position

Assets

Assets as of December 31, 2024, were ¥1,067.4 billion, an increase of ¥41.4 billion compared to the end of the previous fiscal year.

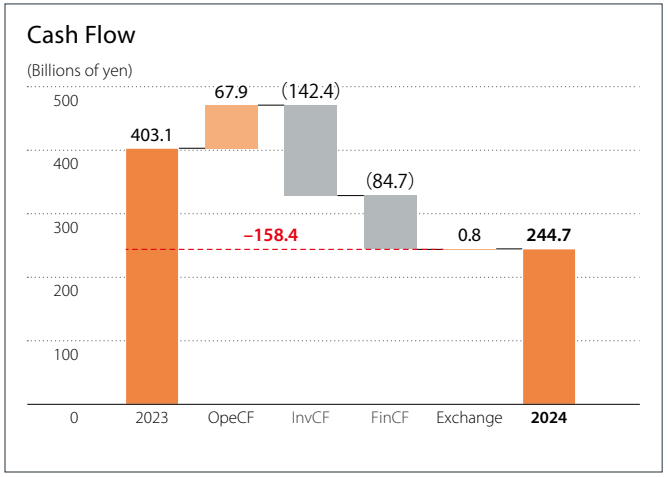
- Non-current assets increased by ¥148.5 billion compared to the end of the previous fiscal year, to ¥563.3 billion, due mainly to an increase in goodwill and intangible assets as a result of the business combination associated with the acquisition of shares of Orchard Therapeutics, in addition to the purchase of intangible assets through the introduction of development products and the purchase of property, plant and equipment, despite factors such as decreases in deferred tax assets and investments accounted for using equity method.
- Current assets decreased by ¥107.1 billion compared to the end of the previous fiscal year, to ¥504.0 billion, due mainly to a decrease in cash and cash equivalents, despite increases in trade and other receivables and other current assets.

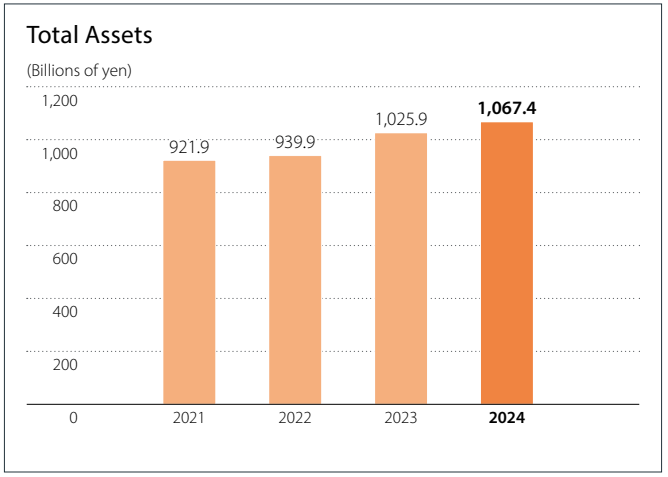
Liabilities

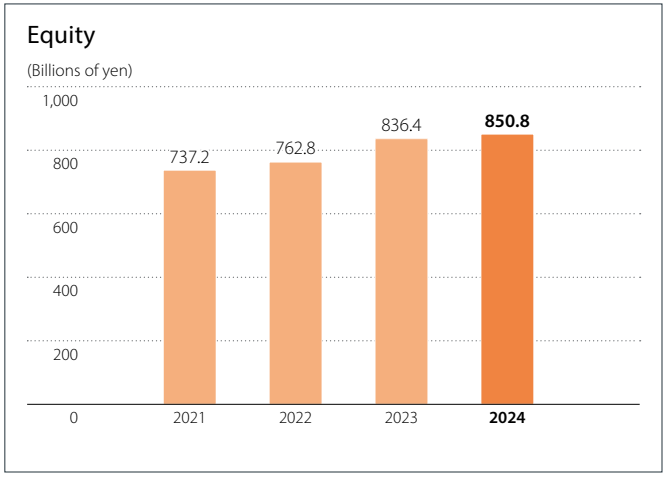
Liabilities as of December 31, 2024, were ¥216.6 billion, an increase of ¥27.0 billion compared to the end of the previous fiscal year, due mainly to increases in trade and other payables and other financial liabilities (non-current), despite factors such as a decrease in other non-current liabilities due to a decrease in contract liabilities.

Equity

Equity as of December 31, 2024, was ¥850.8 billion, an increase of ¥14.4 billion compared to the end of the previous fiscal year, due mainly to an increase due to the recording of profit attributable to owners of parent as well as an increase in exchange differences on translation of foreign operations resulting from the impact of exchange rates, despite a decrease due to the payment of dividends, in addition to the purchase and cancelation of treasury shares. As a result, the ratio of equity attributable to owners of parent to total assets was 79.7%, a decrease of 1.8 percentage points compared to the end of the previous fiscal year.







R&D Expenses

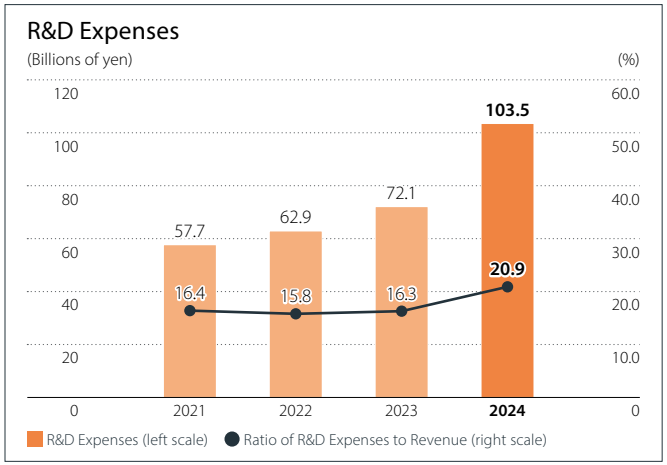
R&D expenses for the fiscal year ended December 31, 2024, totaled ¥103.5 billion, an increase of ¥31.4 billion compared with the previous fiscal year. The ratio of R&D expenses to sales was 20.9%.

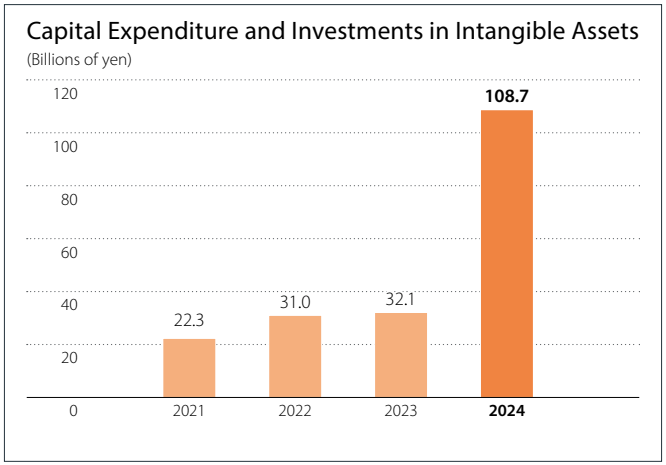
Capital Expenditure and Investments in Intangible Assets

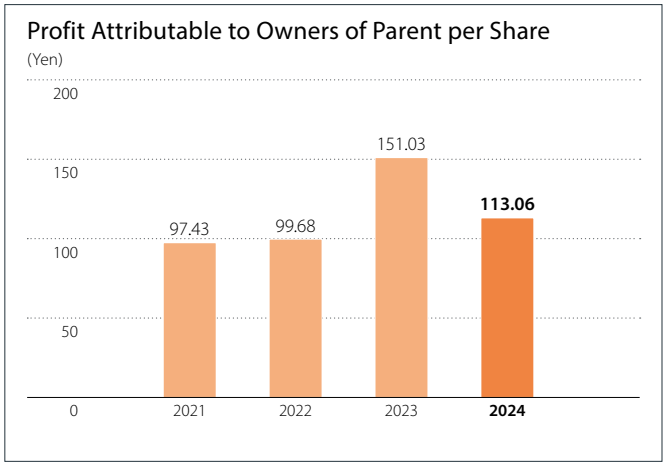
As a basic policy, Kyowa Kirin implements capital expenditure strategically, taking into account the balance with depreciation. Capital expenditure and investments in intangible assets for the fiscal year ended December 31, 2024, totaled ¥108.7 billion, an increase of ¥76.6 billion compared with the previous fiscal year. Depreciation and amortization was ¥24.8 billion, an increase of ¥3.7 billion. This was primarily due to strategic investments, including the formation of licensing agreements regarding the development and sale of ziftomenib.

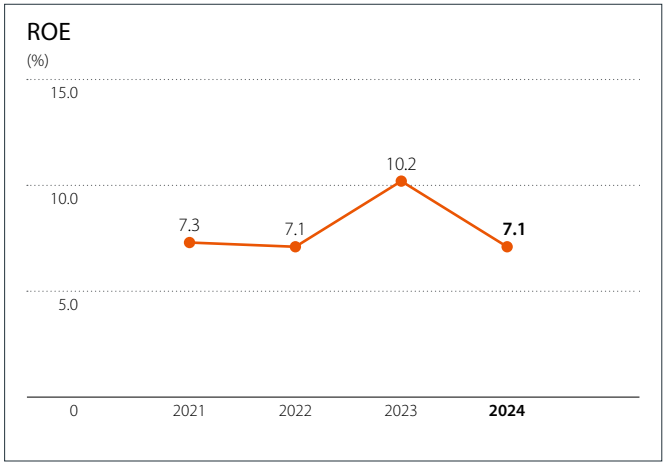
Per Share Data

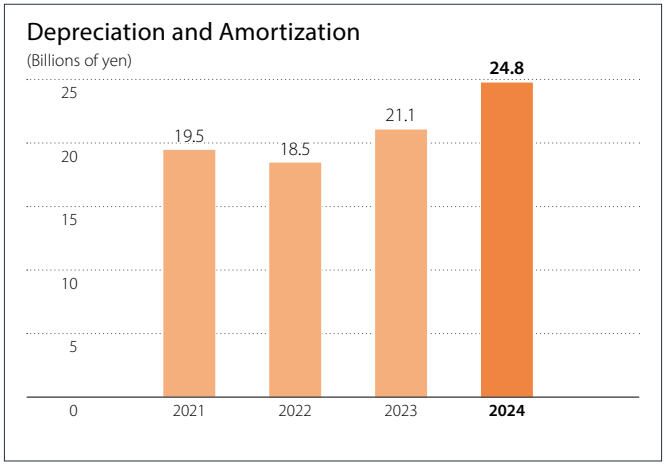
Profit attributable to owners of parent per share for the fiscal year ended December 31, 2024, was ¥113.06, down from ¥151.03 in the previous fiscal year. Equity attributable to owners of parent per share was ¥1,625.68, compared with ¥1,555.81 in the previous fiscal year.

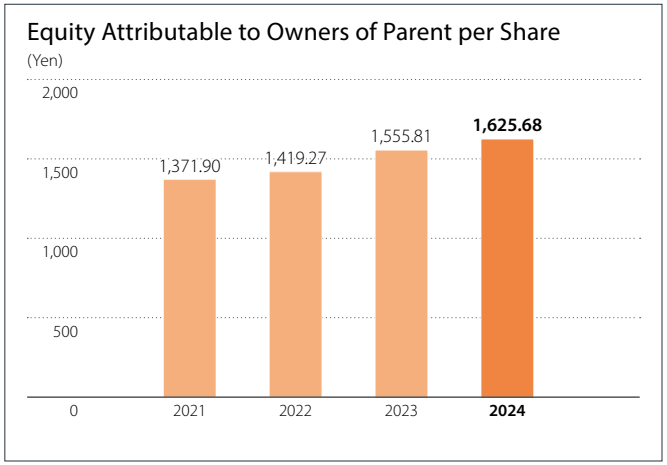












Outlook for FY2025

Consolidated financial earnings forecasts for fiscal 2025 are for revenue of ¥478.0 billion (down 3.5% compared to the current fiscal year), core operating profit of ¥80.0 billion (down 16.1%), profit before tax of ¥74.0 billion (down 11.3%), and profit attributable to owners of parent of ¥57.0 billion (down 4.8%).

- Revenue is expected to decrease compared to the current fiscal year given the likelihood of the impact of the business restructuring in the APAC region, a decrease in one-time revenue in EMEA, the termination of the distribution and co-promotion agreement for the psoriasis vulgaris treatment Dovobet in Japan, the impact of the reductions in drug price standards, and the impact of exchange rates, despite the prospect of the growth of global strategic products mainly in North America.
- A year-on-year decrease is forecasted for core operating profit given the prospect of an increase in research and development expenses accompanying progress in development projects and a decrease in share of profit (loss) of investments accounted for using equity method, in addition to a decrease in gross profit attributable to lower revenue. Selling, general and administrative expenses are expected to decrease due to the impact of the business restructuring in the APAC region, despite an expected increase due mainly to the global strategic collaboration with Kura Oncology for ziftomenib.
- A year-on-year decrease is forecasted for profit before tax due to the downturn in core operating profit, despite an expected decrease in finance costs.
- A year-on-year decrease is forecasted for profit attributable to owners of parent due to the prospect of a decrease in profit before tax, despite an expected decrease in income tax expense.
- Concerning cash flows from operating activities, the Company expects an increase in net cash provided relative to that of the current fiscal year due mainly to the prospect of a decrease in cash used because of decrease (increase) in trade receivables and a decrease in income taxes paid, despite an expected decrease in profit before tax.
- Concerning cash flows from investing activities, the Company expects a decrease in net cash used relative to that of the current fiscal year given the likelihood of decreases in cash used in the purchase of shares of subsidiaries resulting in change in scope of consolidation and purchase of intangible assets.
- Concerning cash flows from financing activities, the Company expects a decrease in net cash used relative to that of the current fiscal year given the likelihood of a decrease in cash outflows for the purchase of treasury shares. As regards the purchase of treasury shares and the sourcing of funds, we will continue to remain flexible and act as appropriate for the economic and funding environment.

As a result of the above, cash and cash equivalents as of the end of fiscal 2025 are expected to decrease from fiscal 2024.

Profit Distribution

The Company regards the return of profits to its shareholders as one of its key management priorities.

The basis of the Company's policy regarding the distribution of profits is to pay dividends stably in light of a comprehensive consideration of factors including consolidated results and dividend payout ratio for each fiscal year, while also increasing its retained earnings for future business development and other purposes. The Company plans to improve its capital efficiency with regards to the purchase of treasury shares by taking a flexible approach while considering the share price in the market and other factors. The Company considers it a top priority to use internal reserve funds for investments for future growth (R&D investments, strategic investments and capital expenditures) in order to achieve sustainable growth from fiscal 2025 and maximize corporate value.

As the dividend policy, the Company set its target dividend payout ratio based on core EPS at 40% in the FY2021–2025 Medium Term Business Plan. The Company aims to ensure a stable and sustained increase in the level of dividend payment (continuous increase of dividend payments) in line with medium- to long-term growth in profits.

In accordance with the above-mentioned policy, the Company paid an annual dividend from surplus of ¥58.00 per share for FY2024, an increase of ¥2.00 from the previous fiscal year and the eighth consecutive year of increase.

Outlook for FY2025

(Billions of yen)

	2024/12	2025/12 (Outlook)	Year-on-year change
Revenue	495.6	478.0	(17.6)
Core operating Profit	95.4	80.0	(15.4)
Profit before tax	83.5	74.0	(9.5)
Profit Attributable to Owners of Parent	59.9	57.0	(2.9)

* Note: These forecasts assume average exchange rates of ¥145/US$, ¥190/British pound and ¥160/€

	2024/12	2025/12 (Outlook)	Calculation method
ROE	7.1%	6.6%	Profit / Average beginning and ending equity
Revenue growth ratio	11.7%	8.5%	Annual average growth rate with fiscal 2020 as base year
R&D expense ratio	20.9%	22.4%	Research and development expenses / Revenue
Core operating profit ratio	19.3%	16.7%	Core operating profit / Revenue

(Yen)

	2024/12	2025/12 (Outlook)
Dividend per share (Second quarter-end)	29	30
Dividend per share (Fiscal year-end)	29	30
Dividend per share (Annual)	58	60
Dividend payout ratio*	47.8%	50.3%

* The dividend payout ratio is based on core EPS (calculated as an indicator showing recurring profitability by dividing core profit (determined by subtracting "other income," "other expenses" and the related "income tax expense" from "profit") by the average number of shares during the period).

Risk Factors

This section describes principal risks identified by the Kyowa Kirin Group as of December 31, 2024. However, the Group may face other unforeseen risks caused by changes in internal and external conditions, and risks not described here may have a negative impact on the Group's business performance and financial position. The Group defines risks as factors that could have an uncertain impact on business targets, including both threats and opportunities.

Risks related to maximizing the value of global strategic products

▸ Details of risks and expected main impacts

The Group is working to maximize the value of two (and other) drugs that have been positioned as global strategic products — Crysvita, a treatment for X-linked hypophosphatemia, and Poteligeo, an anticancer agent. We launched our own marketing for Crysvita in North America in April 2023 and have steadily increased its market share. However, we need to continue monitoring its future trends as the largest market. Moreover, regarding risks of global strategic products as a whole, the following risks may prevent the Group from attaining its business targets: delays to sales area expansion caused by setbacks in market launch preparations; slow progress with market penetration due to difficulties in identifying potential patients; sharply lower-than-expected sales due to a shortfall in projected product prices in new markets; and impediments to stable supplies caused by quality issues, manufacturing problems, and other issues.

▸ Key mitigation measures

In preparation for maximizing the value of global strategic products, we are moving forward with measures for penetrating markets and expanding our business regions, centered on Europe and the U.S. In addition to a global management system that facilitates seamless cooperation between functions (divisions) and regions (affiliates) on a global level, the Group has appointed personnel to take responsibility for each global strategic product. This person leads a cross-function/region team that works together to draft and execute strategies to maximize the value of each product. We have started our own marketing of Crysvita in North America, where we are well-prepared, and continue to identify patients who require treatment, enhance communication with them, monitor field activities, and increase the level of field teams engaged in such activities. Regarding issues with quality and manufacturing, key mitigation measures are outlined in the "Risks related to product quality" and "Risks related to production and stable supply."

Risks related to healthcare cost-control policies

▸ Details of risks and expected main impacts

The trend toward tighter control of healthcare costs is increasing in Japan and elsewhere. Efforts to reform healthcare systems in various countries involve reducing prices of drugs and encouraging wider use of generic drugs. These trends have a significant impact on the Group's business performance and financial position. In this context, while being innovative and also adequate for unmet medical needs is important to the successful reception from stakeholders, it requires a lot of investment and time to develop further practical, groundbreaking new drugs based on the increasing high level of regulatory requirements. Thus, failure to conduct an appropriate and flexible review of the product strategy may undermine the Group's growth potential and profitability.

▸ Key mitigation measures

The Group closely monitors healthcare policy trends in each country, while also strategically examining measures to evaluate the value of its Life-changing pharmaceuticals from various aspects so as to securely deliver them to patients. Furthermore, in price setting, the Group considers the impact on its business so that it can secure appropriate revenues for continuously creating innovative drugs, while complying with each country's systems and gaining stakeholders' understanding.

Risks related to production and stable supply

▸ Details of risks and expected main impacts

In cases where detailed, accurate demand forecasts in various regions are impossible, particularly where market supply and demand fluctuates significantly due to the supply difficulties of other companies; where it is impossible to maintain supply capacity due to compliance violations in the supply chains, such as the Group's proprietary plants, contract manufacturers, or other suppliers of raw materials, or disaster damage, stable supplies of the Group's products could be impeded, resulting in factors such as delays in drug launch schedules or limited shipments of product that could erode trust in Kyowa Kirin as a pharmaceutical company or depress revenues, among other effects.

▸ Key mitigation measures

The Group is implementing sales and operations planning (S&OP) to increase the accuracy of demand forecasting by rapidly identifying product sales and trend in needs responding to changes in external environments, and to achieve a supply-demand balance and enable quick adjustments in line with business plans. The Group formulates a BCP, reviews a safety stock holding policy in accordance with risks, implements self-inspection required in the industry, sets and monitors objective stable supply indicators, and visualizes demand using a supply-demand planning system. In addition, the Group is expanding its network of contractors, investing in proprietary plants, rolling out digital technology to enhance manufacturing operational efficiency, and increasing headcount and upgrading training systems in the production and quality assurance divisions.

Risks related to human resources

▸ Details of risks and expected main impacts

The Group is working to embed its global management system to encourage individuals from diverse backgrounds to demonstrate their abilities and engage in business activities in Japan and overseas. However, if the Company is unable to develop and hire personnel who will be responsible for the global management system, this may hinder the continuation of its business activities or sustainable growth.

▸ Key mitigation measures

To realize our management philosophy and vision and strengthen the development of our personnel and organizations that continuously create new value, the Group has formulated the Kyowa Kirin Group Talent Management Policy, in which we see human resources as the source of innovation. In the value creation story, we clearly prioritize "employees who share Kyowa Kirin's vision and values," "strong and diverse team," and "KABEGOE corporate culture," meaning overcoming barriers to achieve our vision. Believing that the vision can be realized when all of the employees combine their abilities and bravely take on challenges to promote value creating activities which lead to Life-changing value, in line with "Story for Vision 2030" that was announced in 2024 for realization of the vision, we work on maximizing the abilities of each of our employees and providing them with opportunities for challenges. In each value chain of research, development, manufacturing, and sales, we aim to develop human resources who will continue to take on the challenge of transformation until they accomplish them with their high level of expertise and a strong sense of responsibility to make people smile. For that purpose we will be developing workplace environments where healthy and diverse talents can play an active role, as well as cultivating an organizational climate and corporate culture.

To develop the One Kyowa Kirin structure in a sustainable manner, we discover, train, and assign next-generation leader candidates who will lead the future of each region and function. Under the Medium Term Business Plan that started in 2021, to promote the global talent management in a strategic manner, as a global common human resources platform development effort, we have identified global key positions and their talent requirements, developed global common grading, formulated leadership principles, and introduced our global human resource system (HRIS). These initiatives play important roles in talent management, such as hiring, development, evaluation, transfer and appointment, and promotion. We aim to develop global leaders in a sustainable manner by promoting real-time global sharing of HR data in the data-driven talent management system, with the right person in the right position. Initiatives undertaken by the Group include the formulation of individual training programs for each successor (Global Succession Plan), visualization and individual development plans for next-generation leader candidates, and a human resource development program involving short-term assignments on a global basis (Global Exchange Program). While working closely with each function and regional human resources strategy, we have established the Global HR Business Partners System, which enables us to integrate human resources strategies for effective use.

The Group monitors the extent to which the above-mentioned initiatives are gaining acceptance and taking employees' attitude survey (Global Engagement And Motivation Survey) and simple surveys related to corporate culture reform.

Risks related to R&D

▸ Details of risks and expected main impacts

In its R&D, the Group pursues the ongoing creation of groundbreaking pharmaceutical products, and has established the following strategies centered on technology, disease, and open innovation. (i) In addition to its ongoing quest to drive advances in antibody technology, the Group will build a platform for creating breakthrough drugs by making full use of diverse modalities. (ii) The Group will continue to provide "Only-one value drugs" to address diseases that currently have no effective treatment, while taking advantage of disease science that generated global strategic products such as Crysvita and Poteligeo to date. (iii) The Group will continue to proactively incorporate external innovation through advanced open innovation activities, fusing collaborative research activities with academia, startups, and other partners (information gathering in the San Diego area, etc.) with early access to information, by means of venture capital fund investments. However, in the process of developing new drugs over long periods of time, there may be cases where R&D has to be abandoned; for example, if expected efficacy is not confirmed or for safety and other reasons, which may prevent the Group from expanding its drug pipeline, undermining growth potential and profitability.

▸ Key mitigation measures

The Group is actively stepping up investments in R&D (aiming for an R&D expense ratio of 18–20%) to strengthen the pipeline of new drugs that will lead the next generation, such as global candidates. We will prioritize research resources for three treatment fields — bone and mineral, blood cancer and intractable blood diseases, and rare diseases, in which we can expect competitive advantage. In addition, we will create innovation through strategic and efficient research by reducing modalities of small molecules and drastically switching to advanced antibody such as highly potential gene therapy modalities and complex modalities. To complement proprietary research, the Group is also focusing on open innovation activities involving partners from across industry, government, and academia, including active strategic partnering (in-licensing, tie-ups, etc.) to acquire platform technologies and pipeline assets. The Company continues to strengthen alliance with La Jolla Institute for Immunology, a world-leading research institute, through Kyowa Kirin North America's research institute, and promote Corporate Venture Capital activities. We acquired U.K.-based Orchard Therapeutics, which is specialized in hematopoietic stem cell gene therapy, in January 2024 and started a joint research project in this fiscal year, launching a full-scale research of gene therapy modalities mentioned above. To promote these proprietary research and open innovation activities on a global basis in a prompt and efficient manner, we will reorganize the Research Division in January 2025 to build a new research organization that enables appropriate management and governance on a global basis. We will significantly strengthen our R&D abilities to continuously create Life-changing value as our vision by focusing on disease areas and modalities through a series of transformations for a drastic change in the organization.

Risks related to parent and Group company management

▸ Details of risks and expected main impacts

To achieve its management goals as a Japan-based global pharmaceutical company, in accordance with the Basic Policy on the Internal Control System, the Group has been working to enhance its governance by establishing an appropriate system to secure its compliance, risk management, and the appropriateness of financial reports, as well as reporting their operations to the Board of Directors. In the event that these measures are not fully effective, emerging risks could result in restrictions or suspensions of production, sales, and other business activities, and the loss of trust as a pharmaceutical company.

▸ Key mitigation measures

Risk management aims to achieve group-wide risk management that can anticipate the future and take preventative measures. To this end, the Group has introduced an IT tool to uniformly manage group-wide risks, and stages ongoing crisis and BCP drills not only linking its head office with each region but also across regions in Japan and overseas, and deliberates on material issues (materialities) that are both risks the Group needs to address over the medium- to long-term as well as opportunities. Through these actions, the Group is working to heighten its ability to respond to new and potential risks. Principal risks of the Group as well as regions are monitored by the Group's CSR Committee and each region's CSR Committee, and their details are reported to the respective board of directors. Furthermore, the Group conforms to the three-line model advocated by the Institute of Internal Auditors, and has secured a system to take appropriate responses to risks.

Risks related to product quality

▸ Details of risks and expected main impacts

Pharmaceutical manufacturing requires facilities (hard assets) and procedures and people (soft assets) that are compatible with good manufacturing practice (GMP). Should a GMP inspection by a national authority or an internal audit find a serious GMP issue, the regulatory authority may issue instructions for suspension of production or shipments. In addition, if for any reason there are any concerns about the safety or quality of a product with regard to raw materials or manufacturing processes used to make the product, these may give rise to a suspension of shipments or product recall. Furthermore, if an inappropriate clinical study is conducted due to an inadequate study method or poor management of the laboratory, there will be a risk of not being able to guarantee the product quality. In such circumstances, there will be a risk of health damage to patients, and decreased confidence in the Company and economic losses due to a suspension of shipments or product recall may have a significant negative impact on the corporate management and business development.

▸ Key mitigation measures

The Group's quality assurance functions are centered on the Global QA Head, who collects and shares information about quality assurance activities in each region for prompt decision making. Specifically, the Global Quality Assurance Committee, regular and ad hoc Global Product Councils, and other quality assurance bodies discuss critical quality-related issues reported by regional control functions, evaluate quality performance at newly selected manufacturing sites, regularly assess product quality, review the activities of global taskforces established to address specific issues, and monitor issues identified in audits and progress with related response measures. The Group has also established a global, independent specialist audit unit to reinforce product quality audits within the Group and at contractors. In addition, the Group has completed introducing an electronic Quality Management System to appropriately manage and utilize large volumes of quality assurance information on a global level and to drive continuous improvements in processes and reliability. With eQMS, key quality management processes (education and training, document management, deviation, complaints, corrective and preventative actions, modifications, change control, audits, manufacturing site management, risk management etc.) are all managed electronically. We make efforts to cultivate quality culture to raise all employees' awareness.

Quality assurance divisions and safety divisions always work closely and have established a system to prevent health damage to patients by promptly evaluating impacts on patients if quality concerns arise and always consider the effect of quality in product safety monitoring.

Risks related to the management of suppliers and contractors

▸ Details of risks and expected main impacts

The Group enters into alliances with other companies, in the form of joint development, joint commercialization, technology partnerships, and establishment of joint ventures, and it also outsources operations related to the supply of raw materials, production, logistics, and marketing for pharmaceuticals to other domestic and overseas suppliers. However, if the alliances and outsourcing contracts fail to deliver the expected results or are dissolved due to issues related to human rights, legal compliance, the environment, or information security at suppliers, or if there are quality issues with contracted deliverables, the Group could face difficulty securing stable supplies of the Company's products or issues in logistics and sales, which may erode trust in Kyowa Kirin as a pharmaceutical company, lower revenues, or lead to delays in new drug applications.

▸ Key mitigation measures

The Group is seeking to conduct sustainable procurement in line with the Kyowa Kirin Group Procurement Policy, which states its commitment to pursue sustainable procurement together with suppliers to ensure stable supplies of high-quality products. To ensure that suppliers are familiar with the Group's initiatives for sustainable procurement, the Group holds a briefing webinar for suppliers periodically. In addition, the Kyowa Kirin Group Supplier Code of Conduct sums up the seven areas where the Group calls for understanding and cooperation from suppliers: relationships with society, relationships with employees, compliance with rules, respect for human rights, environmental preservation, information management, and risk management. In dealing with suppliers, we have added a clause of compliance with the Kyowa Kirin Group Supplier Code of Conduct to our contracts, and the Group conducts questionnaires to confirm compliance with the Kyowa Kirin Group Supplier Code of Conduct, publishing the results. The Group also obtains risk and credit background data from external organizations and conducts supplier assessments based on objective information. The Group obtains similar information in the course of transactions as needed, and confirms with a supplier when there is any cause for concern. In addition, the Group promptly shares the risk information it obtained with relevant divisions and works together to mitigate risk, including requesting corrective action from suppliers or considering changing suppliers, as needed. Through the procurement functions and systems established in each region, the Group takes measures to reduce risks and monitors the status.

Based on Kyowa Kirin Group Human Rights Policy established in December 2022, the Group also promotes human rights due diligence initiatives.

Risks related to information security

▸ Details of risks and expected main impacts

As the Group utilizes a variety of networks and information systems, the Group may experience system outages or external leaks of confidential information in the event of unauthorized system access or cyberattacks. A cyberattack on a supplier could result in damage such as the leakage of confidential information of the Group or personal data, suspension of business activities, or damage to the brand. The move to hybrid working is improving productivity, but the number of employees using home communication environments or working alone is rising, which increases the risk of surveillance committed through networks, cyberattacks, email errors, and loss of personal computers, all of which may lead to information leaks. In addition, as cloud-based services are used more frequently, a security accident (including inaccessibility to such a service) occurring at the side of an outside service provider may directly affect the Group's business contingency.

▸ Key mitigation measures

The Group is taking steps to upgrade information security, including technical measures to guard against cybersecurity threats that are becoming more diverse and more sophisticated each year, as well as developing playbooks that include information such as the recommended initial response flow and procedural steps in the event of a cyber incident, to establish the system to respond to incidents. Moreover, by periodically conducting an outside evaluation driven by a standard framework for the security industry, the Group continuously improves a responsive plan formulated based on an objective risk evaluation. The Group is also taking measures to mitigate various risks, such as monitoring its business partners to verify their response to the security measures. In addition, to be better prepared to mount a rapid response and minimize damage in the event of an accident, the Group is continuously conducting crisis drills in each region to deal with ransomware and other cyber attacks, as well as global crisis drills for management. Furthermore, the Group is educating employees to raise their level of information security by conducting educational seminars periodically and targeted e-mail attack drills, and raising awareness by disseminating information and precautions on preventing infection by computer viruses in accordance with the characteristics of the latest attack methods, points of attention, etc., through seminars for employees, a dedicated cybersecurity website, etc. BCP system and drills simulating limited use of cloud services are also being organized.

Risks related to compliance

▸ Details of risks and expected main impacts

Business activities of a pharmaceutical company are required to comply with a range of laws and regulations governing pharmaceutical R&D, manufacturing, sales, imports, and exports. In addition, in exchange with patient groups for patient-centered activities and the promotion of pharmaceuticals, in addition to the laws and regulations of each country, there are voluntary codes in the industry, and pharmaceutical companies are strongly requested to comply with them. Failure to comply with these laws, regulations, and voluntary codes could result in sanctions that delay or suspend the development of new drugs, or restrict or suspend production, sales, and other business activities, which may erode trust in Kyowa Kirin as a pharmaceutical company or trigger lawsuits, etc.

▸ Key mitigation measures

The Group believes that compliance is not only legal compliance, but also involves promptly sensing and properly understanding the needs of society and acting ethically. We have stipulated the overall behavior expected of our officers and employees in the Kyowa Kirin Group Code of Conduct and make efforts to cultivate sound ethics and compliance culture. The Company has established a system to comply with various laws and regulations and voluntary codes, and conducts ongoing education and training and works on ensuring thorough understanding and raising awareness. The status of compliance and the progress of measures to address material issues are discussed at each regional CSR Committee meeting and at the Group CSR Committee meeting, both of which are held periodically, and ongoing improvement is promoted. In addition, the Group has set up a whistleblowing hotline to prevent, quickly detect, and rectify acts that violate the Code of Conduct or significantly damage the brand value of the Group. Furthermore, the Group conducts an annual employee compliance awareness survey to identify potential risks, while working to mitigate risks in the early stages by confirming the facts of survey responses and responding accordingly. Survey results are also reported to the Group CSR Committee and the Board of Directors. The Group compliance enhancement project is improving a framework to monitor the status of efforts by each department in charge based on the various Kyowa Kirin Group Policies that supplement the Code of Conduct as well as the laws and regulations that a global pharmaceutical company must comply with, along with a framework of company-wide monitoring of the compliance program of each region, including the global head office. Based on the monitoring results, the Group implements measures for improvement accordingly, further raising its compliance level.

Risks related to natural disasters

▸ Details of risks and expected main impacts

Natural disasters such as earthquakes and typhoons that may occur in various locations could lead to the closure of the Group's head offices, plants, research laboratories, and business offices or halt business activities, potentially impacting progress in drug discovery research and clinical development, the stable supply of products, the collection of safety information, and the provision of product information, which may have a negative impact on the Group's business performance and financial position.

▸ Key mitigation measures

The Group has developed a coordinated disaster prevention plan with its business sites to ensure the safety of employees and their families in the event of a disaster. Based on the plan, the Group regularly conducts safety confirmation drills and safety equipment upgrades/checks. The Group has also developed a BCP to continue supplies, monitoring, and provision of information of pharmaceuticals in the event of difficulty, thereby ensuring the continuity of normal business activities. The Group conducts BCP drills simulating a range of scenarios, including super typhoons and a massive earthquake directly under the Tokyo metropolitan area. We are working to identify issues through such drills and continuously improve our BCP. Based on the global, all-hazard BCP guidelines established in 2021, the Group is working to enhance the business continuity framework in each region to prepare for various events. For example, the Group is planning to construct a new warehouse building with earthquake-proof construction at its Takasaki Plant (construction started in October 2023, operation start scheduled for January 2026).

Risks related to climate change

▸ Details of risks and expected main impacts

The occurrence of floods caused by extreme weather brought about by climate change could affect all of our business activities, including the stable supply of our products and research activities. Furthermore, in the future, the Group's brand value may decline if additional costs are incurred due to the introduction of carbon taxes or measures to comply with tighter environmental regulations, or if greenhouse gas reduction targets cannot be achieved.

▸ Key mitigation measures

In addition to the impact on business activities, the Group considers the response to climate change (prevention of global warming) to be critical to bringing about a sustainable society. The Group has created a roadmap for reducing greenhouse gas (GHG) emissions over the medium- to long-term, and is moving forward with an array of initiatives across the Group. In the medium term, the Group is accelerating the reduction of emissions of GHG by focusing on energy-saving measures and expanding the use of renewable energy. From 2020, we have been gradually introducing RE100-certified renewable energy at our Takasaki Plant, Tokyo Research Park, Fuji Site, and Ube Plant, and have completed the switch to 100% renewable energy for all major Japanese business sites. In 2023, Ube Plant started operation of a large-scale solar power generation system (1.47 MW) based on an on-site power purchase agreement (PPA) model. In addition, the new office building that received net Zero Energy Building (ZEB) certification was completed.

The GHG emissions in the Kyowa Kirin Group's value chain (Scope 3) are calculated by dividing them into 15 categories in accordance with the Ministry of the Environment's guidelines, which are consistent with the GHG Protocol. We have developed measures to reduce GHG by setting a medium- to long-term target for GHG reductions (30% reduction by 2030 from 2019 levels) under Scope 3 and also formulated a roadmap for reduction. To reduce GHG from contracted manufacturers in accordance with the roadmap, we have conducted a survey for acquisition of primary data from suppliers and started preparations. Going forward, we will develop measures to reduce GHG by working together with contract manufacturers and suppliers. Among environmental performance data, we see data of climate change and the amount of water consumption as significant indicators so that we have received a third party assurance to secure the data reliability.

The Company has endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and has determined the risks and opportunities that climate change poses to its businesses and their impacts. Following the recommendations of the TCFD, the Company discloses information on four items: governance, strategy, risk/opportunity management, and metrics and targets. For more details, please refer to our website (https://www.kyowakirin.com/sustainability/trust/environment/tcfd/index.html).

Corporate Data

Corporate Data (As of December 31, 2024)

Kyowa Kirin Co., Ltd.

Head Office
1-9-2, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan
Tel: 81-3-5205-7200
Fax: 81-3-5205-7182
URL: https://www.kyowakirin.com/

Number of Employees
Consolidated: 5,669

Date of Foundation
July 1, 1949

Paid-in Capital
¥26,745 million

Principal Plants

Japan
Takasaki Plant (Takasaki City, Gunma)
Ube Plant (Ube City, Yamaguchi)

R&D Network

Japan
Tokyo Research Park (Machida City, Tokyo)
Fuji Research Park (Sunto-gun, Shizuoka)
CMC R&D Center (Sunto-gun, Shizuoka)
Bio Process Research and Development Laboratories (Takasaki City, Gunma)

Overseas
Kyowa Kirin, Inc.
Orchard Therapeutics Limited

Network (As of December 31, 2024)

Name of Company	Proportion of Voting Rights Held	Share Capital (1,000)	Principal Business
Japan			
Kyowa Kirin Plus Co., Ltd.	100%	¥100,000	Insurance, wholesale and retail
Kyowa Kirin Frontier Co., Ltd.	100%	¥100,000	Manufacturing and sales of pharmaceuticals
North America			
Kyowa Kirin USA Holdings, Inc.	100%	US$ 76,300	Supervision and management of specific subsidiaries (U.S.A.)
BioWa, Inc.	100%	US$ 10,000	Out-licensing of antibody technology (U.S.A.)
Kyowa Kirin, Inc.	100%	US$ 0.2	R&D and sales of pharmaceuticals (U.S.A.)
Kyowa Kirin Canada, Inc.	100%	CA$ 0.2	Sales of pharmaceuticals (Canada)
2 other companies			
EMEA			
Kyowa Kirin International plc.	100%	£13,849	Supervision and management of specific subsidiaries (U.K.)
18 other companies			

Name of Company	Proportion of Voting Rights Held	Share Capital (1,000)	Principal Business
Others			
Orchard Therapeutics Limited	100%	US$ 29,569	Development of pharmaceuticals
Kyowa Kirin Korea Co., Ltd.	100%	KRW 2,200,000	Sales of pharmaceuticals (Korea)
Kyowa Kirin Taiwan Co., Ltd.	100%	TW$ 262,450	Sales of pharmaceuticals (Taiwan)
13 other companies			
Equity-method affiliates			
FUJIFILM KYOWA KIRIN BIOLOGICS Co., Ltd.	50.0%	¥100,000	Development, manufacturing and sales of biosimilar pharmaceuticals
KKI Grunenthal UK HoldCo Ltd	49.0%	£0.1	Supervision and management of specific subsidiaries (U.K.)
Cowellnex Co., Ltd.	50.0%	¥100,000	Exploration of businesses involving health (research and development, venture investment), business planning and development
11 other companies			

Investor Information (As of December 31, 2024)

Stock Listing
Tokyo

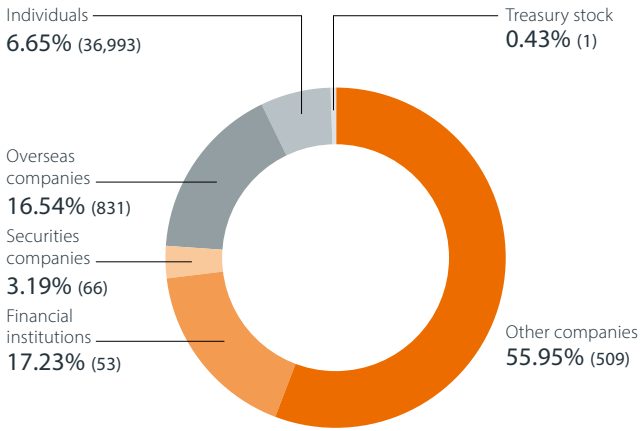
Securities Code
4151

Transfer Agent of Common Stock
Sumitomo Mitsui Trust Bank, Limited
1-4-1, Marunouchi, Chiyoda-ku, Tokyo
100-8233, Japan
http://www.smtb.jp/personal/agency/index.html

Number of Shares of Common Stock
Authorized: 987,900,000
Issued: 525,634,500

Number of Shareholders
38,453

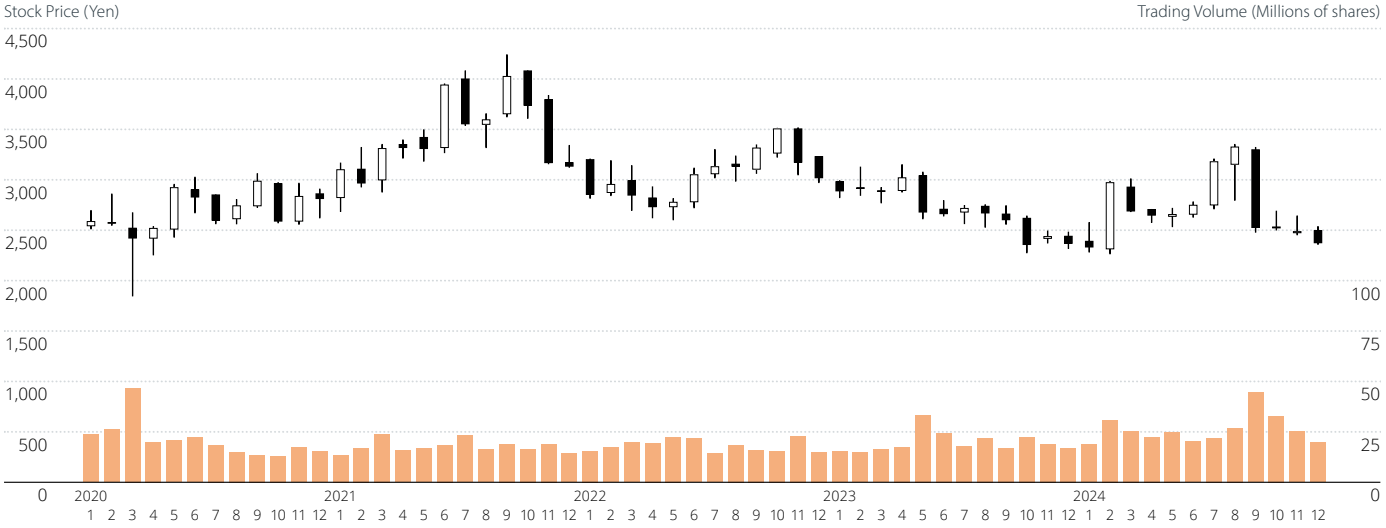
Shareholding by Type of Investor (Number)



Principal Shareholders

	Number of Shares Held (Thousands)	Percentage of Total Shares Issued (%)
Kirin Holdings Company, Limited	288,819	55.19
The Master Trust Bank of Japan, Ltd. (Trust Account)	53,379	10.20
Custody Bank of Japan, Ltd. (Trust Account)	24,942	4.77
STATE STREET BANK WEST CLIENT – TREATY 505234	5,904	1.13
JPMorgan Securities Co., Ltd.	5,334	1.02
STATE STREET BANK AND TRUST COMPANY 505001	3,593	0.69
JPMorgan Chase Bank 385781	3,464	0.66
GOLDMAN SACHS INTERNATIONAL	3,382	0.65
BNYM AS AGT/CLTS NON TREATY JASDEC	3,294	0.63
STATE STREET BANK AND TRUST COMPANY 505025	3,280	0.63

Stock Price and Trading Volume



Total Shareholder Return (TSR)

	Past 4 years	Past 3 years	Past 2 years	Past 1 years	Current year
Kyowa Kirin Co., Ltd.	**111.1%**	**125.3%**	**122.9%**	**99.8%**	**102.2%**
TOPIX Total Return Index	107.4%	121.1%	118.1%	151.5%	182.5%

Commitment to Life

Countless precious lives surround us.
Brought into this world, blessed,
raised with loving care – full of dreams, happiness as the goal of life.
Deeply instill in us,
Infinite possibilities for us, a pharmaceutical company.
and know that what we work for – the most precious presence of all on this planet.

Believe in ourselves, believe in our power, believe in what we have built together.
Not a large company, but with qualities like none other.
History so unique we can be proud of, technology unmatched,
And superior human beings that cannot be found elsewhere.

Be brave; do not shy away from challenges. Have passion; break away from the norm.
Innovation is not just about growth – but instead a leap towards the future,
a grand growth with wings.
Wings never to be given to those who settle for the status-quo.

Don't just make medicine. Make people smile, bring light to their lives.
How strongly one longs to live. How deeply one is loved by their loved ones.
How sincerely one desires to help the one life
they dedicate themselves to in the field of medicine.
Stay receptive, sharpen your sensitivities.
Let us become the top company in the world who cares the most for life.
Strength is not what saves the world. A caring heart is what the world calls for.

Strive to become a superb team.
One human being, excellent or not, is ever so powerless,
as a power of one, mistakes, even a possibility.
Show the world the excellence of coming together. Amazing results, when we become one.
Be driven. Think of those fighting for their lives every day.
Their strong devotion to life speaks to our hearts.
Hurry – do not scurry, but we must not stand still. Stay sincere, always – may that be our vow.
We make medicine. This is, our walk of life.

Work, can bring happiness. Remember this, always.
Born on this planet in various parts of the globe, passing through life in different ways,
And like a miracle we found one another – our jobs, our team, our company.
Know this, and be fulfilled, always.
Be thankful of what you have, pour your heart and soul into the mission you were given,
Be proud of your work, the work to save precious lives.

We are, each and everyone of us, Kyowa Kirin.

Taking the walk of life, one life at a time.