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June 19, 2020

CHUGAI PHARMACEUTICAL CO., LTD.

Overview of the Results of Fiscal Year 2019 Evaluation  
about the Effectiveness of the Company's Board of Directors

The Board of Directors of Chugai Pharmaceutical Co., Ltd. (the "Company") implemented an evaluation and analysis of the effectiveness of the Company's Board of Directors (the "Board") in fiscal year 2019. The following is a summary of the results.

1. Outline of Evaluation of Effectiveness of the Board

Based on the provision to the Company's Basic Corporate Governance Policy to the effect that "Each financial year, the Board of Directors will analyze and evaluate its activities to secure the effectiveness of its decision-making and supervision, in such manners as self-evaluation of each director and third-party evaluation; and will disclose a summary of the results," the Company retained a third-party law firm (the "Outside Specialist") to conduct a third-party evaluation and analysis of the effectiveness of the Board.

2. Method of Evaluation and Analysis

As the basis of our third-party evaluation and analysis, the Outside Specialist administered a self-evaluation questionnaire between February and March 2020 to the respondents — directors (including executive and non-executive directors) and Audit & Supervisory Board Members serving on the Board as of the last day of fiscal year 2019.

As hereinafter provided, two steps were taken to objectively and rationally verify whether those responses truly reflect the reality of the Board.

First, the Outside Specialist examined all the relevant materials, such as the appendices to the convocation notice for the 2019 general meeting of shareholders; the 2019 annual securities report; the agendas, minutes and materials from Board meetings in fiscal year 2019; the Company's Board of Directors regulations and other internal rules and guidelines; and materials from liaison meetings for outside officers.

Second, the Outside Specialist conducted interviews, as necessary, with the directors and Audit & Supervisory Board Members serving on the Board as of the end of fiscal year 2019.

### 3. Evaluation Categories

The key categories in the self-evaluation questionnaire were:

- (1) Composition of the Board;
- (2) Deliberations of the Board;
- (3) Administration of Board meetings;
- (4) Activities of each director or Audit & Supervisory Board Member;
- (5) Measures and activities of committees; and
- (6) Other comments.

### 4. Summary of Results of Evaluation and Analysis

Almost all of the responses with respect to the evaluation categories (as described in summary item 3) in the self-evaluation questionnaire were “Yes,” and the materials examined and the interviews conducted by the Outside Specialist indicated that these responses truly reflect the reality of the Board and its related activities. Thus, the Outside Specialist confirmed that, from the standpoint of all the evaluation categories, the effectiveness of the Board is secured.

### 5. Reporting and Deliberation at Board Meeting

The Board received the Outside Specialist’s report with respect to the results of the self-evaluation questionnaire and third-party evaluation and analysis at the Board meeting, at which items for possible consideration to ensure and improve the effectiveness of the Board (as described in summary item 6) were deliberated.

### 6. Items for Possible Consideration

With respect to the following items for possible consideration to ensure and improve the effectiveness of the Board as provided by the Outside Specialist, the respective measures as hereunder described were carefully examined.

First, with regard to the Board’s supervision of transactions with the Company’s parent company (the “Parent”), since it is important for deepening understanding by outside officers, including that of basic transaction agreements with the Parent, the Company will take measures to further provide information through liaison meetings for outside officers, among other such opportunities.

Second, with regard to the supervision of group companies and enhancement of group internal control by the Company, in light of enhancing the corporate governance system of

both domestic and overseas subsidiaries and the internal control system as a group, the Board will supervise the group by continuously receiving timely reports through the enhanced monitoring system implemented by amending the system to manage overseas subsidiaries in 2019, in addition to regular reports on the internal control system and risk management. The Board will continue its discussions based on the evaluation results as described above and endeavor to further improve its effectiveness.

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