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April 25, 2025

CHUGAI PHARMACEUTICAL CO., LTD.

Overview of the Results on Fiscal Year 2024 Evaluation of the Effectiveness of the Company's Board of Directors

The Board of Directors of Chugai Pharmaceutical Co., Ltd. (the "Company") implemented an analysis and evaluation of the effectiveness of the Company's Board of Directors (the "Board") in fiscal year 2024. The following is a summary of the results.

1. Outline of Evaluation of Effectiveness of the Board

Based on the provision of 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 law firm (the "Outside Specialist") to conduct a third-party analysis and evaluation of the effectiveness of the Board (the "Analysis and Evaluation").

2. Method of the Analysis and Evaluation

As the basis of the Analysis and Evaluation, the Outside Specialist administered a self-evaluation questionnaire (the "Questionnaire") in December 2024 to the Directors and Audit & Supervisory Board Members serving on the Board as of the last day of fiscal year 2024.

As hereinafter provided, two steps were taken to objectively and rationally verify whether those responses to the Questionnaire 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 2023 general meeting of shareholders; the 2023 annual securities report; the minutes and materials from Board meetings held between January 2023 and March 2024; the Company's Board of Directors regulations and other internal rules; and materials from Information-Sharing Meeting among Chugai Outside Board Members.

Second, the Outside Specialist conducted interviews with all directors and Audit & Supervisory Board Members serving on the Board as of the end of fiscal year 2024.

3. Evaluation Categories in the Questionnaire

The questions in the Questionnaire were prepared by the Outside Specialist to cover the principles and supplementary principles relating to the board of directors, directors, and *kansayaku* (Audit & Supervisory Board Members) in the Corporate Governance Code (amended as of June 11, 2021) published by the Tokyo Stock Exchange. Thus, the Company considers the questions in the Questionnaire to cover the topics necessary and sufficient to confirm the effectiveness of a board of directors at the time the Outside Specialist conducted a survey based on the Questionnaire.

The key categories of the 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 each committee

4. Summary of Results of Analysis and Evaluation

Almost all of the responses in the Questionnaire were “Yes,” and the materials examined, and the interviews conducted by the Outside Specialist indicated that these responses accurately reflect the reality of the Board and its related activities. Thus, the Outside Specialist confirmed that, from the standpoint of all the evaluation categories listed in item 3. above, the Board is functioning effectively.

5. Initiatives to Enhance Effectiveness of the Board of Directors in FY 2024

Based on the evaluation results of the FY 2023 effectiveness evaluation, initiatives to enhance effectiveness were divided into "priority theme" and "focused measures" and the following initiatives were implemented.

Priority Theme

The Board of Directors held discussions on refinement the growth strategy "TOP I 2030", which led to increase the resolution of the mid- to long-term strategy. In addition, through the reporting of the Chugai Venture Fund, we confirmed the progress of initiatives related to open innovation, one of the three key drivers for the realization of “TOP I 2030”, and expanded opportunities for discussion.

Focused measures

In order to promote understanding of the mid- to long-term strategy, which is our priority theme, and to stimulate discussions in the Board of Directors, together with the existing programs, we have organized the programs to be implemented outside the Board of Directors by purpose and in a systematic manner. Based on these considerations, we held information-sharing meeting to provide detailed explanations of our business plan and established a forum for dialogue called "Dialogue Discovery" where directors living overseas who usually attend board meetings remotely could get together. In addition, we enhanced information provision to promote understanding of Board of Directors agenda items, such as providing advance explanations on Board of Directors agenda items to outside directors and sharing Executive Committee minutes.

6. Reporting and Deliberation at a Board Meeting

The Board received the Outside Specialist's report with respect to the results of the survey conducted by the Questionnaire and the Analysis and Evaluation at a Board meeting, at which an item based on the findings from outside experts, the Company should address and the measures for further improvement the effectiveness of the Board (as described in item 7. below) was deliberated.

7. Initiatives to Enhance Effectiveness of the Board of Directors in FY 2025

Based on the evaluation results of the FY 2024 effectiveness evaluation, the following initiatives will be implemented for further enhance effectiveness this fiscal year.

Priority Theme

The Board of Directors will focus on the following topics for discussion.

- Following the refinement of the growth strategy "TOP I 2030" implemented in FY2024, we will confirm the progress of mid-term milestones toward the realization of TOP I 2030.
- We have defined the agenda items that should be discussed at a deeper level in this fiscal year as priority agendas, and in this fiscal year, we selected "Drug Discovery Strategy and prospect of Pipeline" to continuously create innovative drugs and "Policy and countermeasure to geopolitical risks including supply chain" in response to changes in the business environment toward the realization of TOP I 2030.

Focused measures

We will implement the following measures to stimulate discussion at the Board of Directors meetings.

- Enhance agenda and frequency of information-sharing meeting for outside officers.
- We will continue to hold the “Board Round Table (formerly Dialogue Discovery)” where all members get together, together with directors living overseas this fiscal year
- Continuously enhance the explanations of the agenda items

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