



Roche Roche Group

[Translation: Please note that the following purports to be a translation from the Japanese original Notice of Convocation of the 115th Annual General Meeting of Shareholders for the Business Term Ended December 31, 2025 of Chugai Pharmaceutical Co., Ltd. prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.]

Notice of Convocation of the 115th Annual General Meeting of Shareholders for the Business Term Ended December 31, 2025

You are kindly requested to exercise your voting rights in advance.

Deadline for exercising your voting rights in writing or via the Internet
No later than 5:30 p.m. on **March 25, 2026 (Wednesday)**

Internet Live stream of the Annual General Meeting of Shareholders

The meeting will be delivered on the Internet. [For details, see ▶ page 4.](#)



Deadline for submitting advance questions
March 19, 2026 (Thursday)

Date and Time

10:00 a.m. on **March 26**, 2026 (Thursday)

Venue

Palace Hotel Tokyo – 2F Aoi
1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

Matters for Resolution

First Proposal	Appropriation of Surplus
Second Proposal	Election of Nine (9) Directors
Third Proposal	Revision of Stock Compensation System for Directors

CHUGAI PHARMACEUTICAL CO., LTD.

Securities Code: 4519

Dear Shareholders

The Chugai Group's mission is to dedicate ourselves to adding value by creating and delivering innovative medical products and services for the benefit of the medical community and human health around the world. We undertake actions that give the highest priority to patients and consumers.

There are many diseases in the world for which effective treatment is yet to be found, and there are many patients who are still waiting for treatment. We take on challenges to address these unmet medical needs as our mission, driven by our strong desire to deliver therapeutics that patients are waiting for and to contribute to their happiness.

The Company marked its 100th anniversary on March 10, 2025. During the anniversary year, 2025, we carried out a commemorative project in the Company, through which we strived to learn from our predecessors' efforts and to connect their aspirations in the past to the future. We will continue our efforts to create shared values with society through offering values that lead to the health and happiness of patients around the world.

Based on the philosophy of "Innovation all for the patients," we aim to turn advanced and sustainable patient-centered medical care into a reality through innovative drug discoveries that only we can achieve. We continue to aim to contribute to the resolution of social issues by providing optimal medical care for each and every patient, while at the same time striving to sustainably increase corporate value.

We ask for the further support of our shareholders in our endeavors.

Representative Director
President & CEO



Notice of Convocation of the 115th Annual General Meeting of Shareholders for the Business Term Ended December 31, 2025

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The paper copy to be sent to shareholders from the Company does not include the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements, or the Audit Report.

Dear shareholders:

NOTICE OF CONVOCATION OF THE 115th ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE BUSINESS TERM ENDED DECEMBER 31, 2025

Chugai Pharmaceutical Co., Ltd. (the “Company”) is pleased to announce that its 115th Annual General Meeting of Shareholders for the Business Term ended December 31, 2025 will be held as described below.

The Company has taken measures for electronic provision when convening the meeting and the matters subject to the measures for electronic provision are posted on the website below.



The Company’s website: <https://www.chugai-pharm.co.jp/english/ir/share/agm.html>

The matters subject to the measures for electronic provision are also posted on the website of the Tokyo Stock Exchange (“TSE”), in addition to the website above. Accordingly, please confirm details by accessing the TSE’s website (Listed Company Search) below, conducting a search with the issue name (company name) or the securities code, and selecting “Basic information” and “Documents for public inspection/PR information.”



TSE’s website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

In addition to attending the meeting, you can exercise your voting rights via the Internet or in writing. Please review the reference documents concerning the General Meeting of Shareholders, and exercise your voting rights no later than 5:30 p.m. on March 25, 2026 (Wednesday) upon referring to the Guide on How to Exercise Your Voting Rights below.

Osamu Okuda
Representative Director, President & CEO
CHUGAI PHARMACEUTICAL CO., LTD.

1. Date and Time	10:00 a.m. on March 26, 2026 (Thursday)		
2. Venue	Palace Hotel Tokyo - 2F Aoi 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo		
3. Purpose	Matters for Report	The Business Report for the Business Term (January 1, 2025 to December 31, 2025), Non-Consolidated Financial Statements for the Business Term, Consolidated Financial Statements for the Business Term, and the Report on the Results of Audit of the Consolidated Financial Statements by the Accounting Auditor and Audit & Supervisory Board	
	Matters for Resolution	First Proposal	Appropriation of Surplus
		Second Proposal	Election of Nine (9) Directors
		Third Proposal	Revision of Stock Compensation System for Directors

– End –

- Notes**
- Among the matters subject to electronic provision, the following matters are not provided in the paper based documents delivered to shareholders who have requested the delivery of such documents, in accordance with laws and regulations and the provisions of the Company’s Articles of Incorporation. The Audit & Supervisory Board members (kansayaku) and the Accounting Auditors have audited the documents subject to audit, including the following matters.
 - Company’s Stock Acquisition Rights, etc., Accounting Auditor and Framework to Ensure Operational Adequacy in the Business Report
 - Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements in the Consolidated Financial Statements
 - Non-Consolidated Statement of Changes in Shareholders’ Equity and Notes to the Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements
 - In cases where the matters subject to the measures for electronic provision are amended, the Company will post the amendments on the respective websites on which such matters are posted.

| Handling of voting rights exercised multiple times |

If you exercised your voting right both in writing and via the Internet

The voting right exercised via the Internet shall be treated as the valid one.

If you exercised your voting right for multiple times via the Internet

The last vote shall be treated as the valid one.

- * If you give a conflicting vote in writing after exercising your voting right via the Internet, the voting right exercised via the Internet shall be treated as the valid one. Please exercise your voting rights via the Internet again to change your vote.
- * If neither approval nor disapproval of a proposal is indicated in the Voting Rights Exercise Form, it shall be treated as a vote of approval.

Engagement Portal, a Website Exclusively for Shareholders

The Company set up Engagement Portal, a website exclusively for shareholders, to deepen dialogue with shareholders.

On Engagement Portal, the Company will live stream the Annual General Meeting of Shareholders in real time and accept advance questions from shareholders. In addition, the Company conducts a shareholder survey to use feedback from shareholders as a reference, and your participation would be appreciated.

Please note that you cannot exercise your voting rights on this portal site. We ask you to exercise your voting rights as early as possible.

How to log in

Please scan the login QR code with your smartphone, etc., or access the following URL and enter your login ID and password in case of using your laptop.

[URL for the online site for the Annual General Meeting of Shareholders]
<https://engagement-portal.tr.mufg.jp/>



If you use a smartphone, etc., you can login the site by only scanning the QR code appeared on the form specified above without entering the login ID and password.

- 1 Enter the login ID and password specified in the “Engagement Portal,” an online site for the Annual General Meeting of Shareholders,” provided on the back of the enclosed Voting Rights Exercise Form.
- 2 Check the “Agree to Terms and Conditions” check box after confirming the terms and conditions.
- 3 Click the “Login” button.

The top image shows the back of a Voting Rights Exercise Form. It contains a QR code and instructions for logging in to the Engagement Portal. The instructions are in Japanese and include the URL <https://engagement-portal.tr.mufg.jp/>. A red dashed box highlights the QR code and the login ID and password fields. A red arrow points from the QR code to the login ID field in the bottom image.

The bottom image shows the login page on the Engagement Portal website. The page title is "Engagement Portal" and the MUFG logo is visible. The login form has three main sections: 1. Login ID (ロダイドID) with a red box around the input field and a red arrow pointing to it from the QR code. 2. Password (パスワード) with a red box around the input field. 3. A "Login" (ログイン) button with a red box around it. There is also a checkbox for "同意する" (Agree to Terms and Conditions) and a "パスワードを忘れた" (Forgot Password) link.

Acceptance of advance questions

We accept questions concerning the agenda items for the General Meeting of Shareholders prior to the meeting. Matters of high interest to shareholders will be addressed at the meeting. Please note that we will not be able to answer questions individually.

Deadline for submitting advance questions **March 19, 2026 (Thursday)**

Internet Live Streaming

The General Meeting of Shareholders will be available on live streaming. Please note the following:

- We will provide real-time captioning during the live stream. Because the captions are entered in real time, they will lag behind the audio and may not be completely accurate.
- In consideration of the privacy of the shareholders attending the meeting, filming will be limited to the area around the Chairman and board members' seats. However, there may be cases in which shareholders in attendance are unavoidably filmed.

Date and Time of Delivery **March 26, 2026 (Thursday)**
from 10:00 a.m. until the end of the meeting

* The related website will be accessible at **around 9:30 a.m., 30 minutes before the start time.**

* Please note that there is a possibility that we may not be able to provide the Internet delivery of the meeting due to a natural disaster or other circumstances beyond our reasonable control.



Request for shareholder survey participation

We would appreciate your cooperation in completing a survey, as we wish to use your feedback to inform our future activities.

Survey response period **From February 26, 2026 (Thursday) to 5:00 p.m. on March 26, 2026 (Thursday)**

Notes

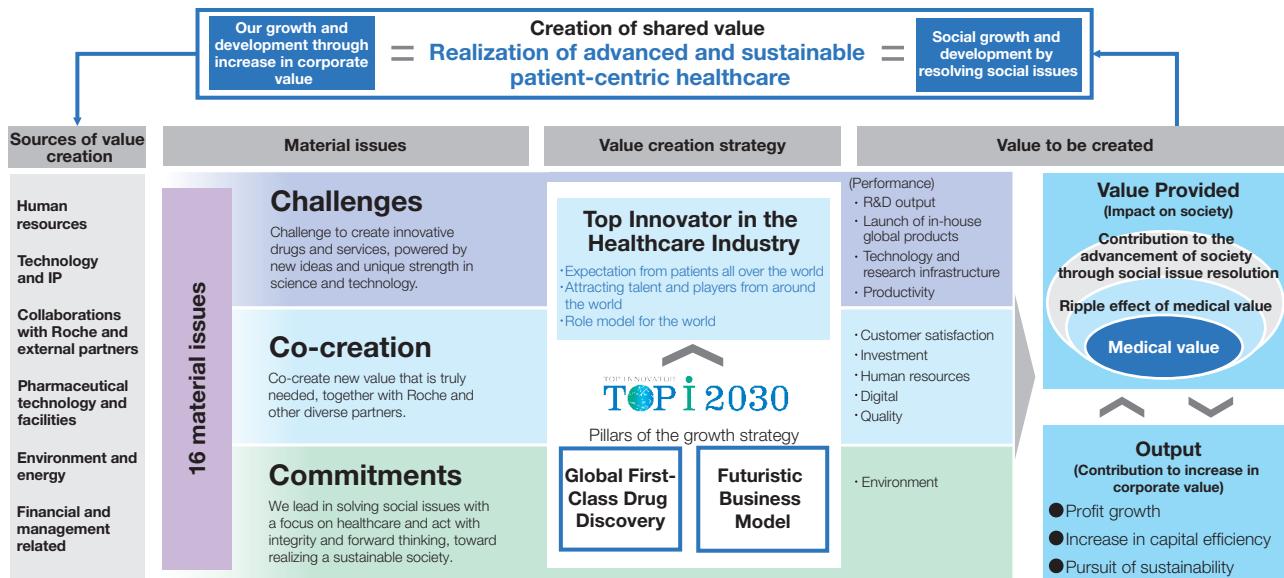
- ✓ Viewing of the Internet broadcast to participate in the meeting does not constitute attendance at the Annual General Meeting of Shareholders for the purposes of the Companies Act. Therefore, **you will not be able to ask questions, exercise your voting rights or make motions as shareholders are permitted to do at the Annual General Meeting of Shareholders, through Internet participation. Please exercise your voting rights by attending the meeting in person, or by paying attention to the deadline for exercising your voting rights and using the postal voting form or the advance exercise via the Internet, or by attending the meeting by a proxy who has been granted the right of representation by power of attorney or otherwise.**
- ✓ Internet participation of the meeting is limited to shareholders.
- ✓ It is strictly prohibited to film, record, or save the live broadcast, or to publish it on social network or other media.
- ✓ Please note that video and audio may be affected by your computer environment (model, performance, or others) and Internet connection (network conditions, connection speed, or others).
- ✓ Each shareholder is responsible for all communication charges and other costs associated with the viewing of the meeting.

Mission Statement

The Chugai Group upholds its Mission Statement—which consists of its Mission, its Core Values and its Envisioned Future—in order to meet a diverse array of stakeholder expectations as it realizes its corporate responsibility to society. It is on the basis of the business philosophy “Innovation all for the patients” that the Chugai Group conducts its business operations.

Mission	Core Values	Envisioned Future
Our mission is to dedicate ourselves to adding value by creating and delivering innovative medical products and services for the medical community and human health around the world.	<p>1 Patient Centric Make each patient’s wellbeing our highest priority</p> <p>2 Pioneering Spirit Pursue innovation by improving ourselves and thinking differently</p> <p>3 Integrity Maintain the highest standards in all we do to create shared value with society</p>	Become a top innovator to realize advanced and sustainable patient-centric healthcare, powered by our unique strength in science and technology, in collaboration with Roche

Value Creation Model



Reference Documents for General Meeting of Shareholders

Proposals and Matters for Reference First Proposal: Appropriation of Surplus

Taking into account strategic funding needs and earnings prospects, Chugai (the Company) sets a target for consolidated dividend payout ratio of 45% on average in comparison with Core EPS^(*), with an aim to continuously provide a stable allocation of profit to all shareholders.

In the fiscal year ended December 31, 2025, Chugai achieved an increase in core net income for the ninth consecutive fiscal year, which resulted in Core EPS increasing by 13.6% year on year.

Reflecting the favorable results and based on our principles of “a stable allocation of profit” and “aiming for a consolidated dividend payout ratio of 45% on average in comparison with Core EPS,” the Company would like to declare appropriation of surplus for the fiscal year under review as described as below:

(*) Core EPS is diluted earnings per share attributable to the Company's shareholders after deduction of non-Core profit or loss items determined by the Company.

Matters concerning Year-End Dividends

(1) Type of dividend assets:

Cash

(2) Allotment of dividend assets to the shareholders and the amount thereof:

JPY**147** per share of common stock of the Company (consisting of a regular dividend of JPY72 per share and a special dividend for the company's 100th Anniversary of JPY75).

Total: JPY241,919,872,593

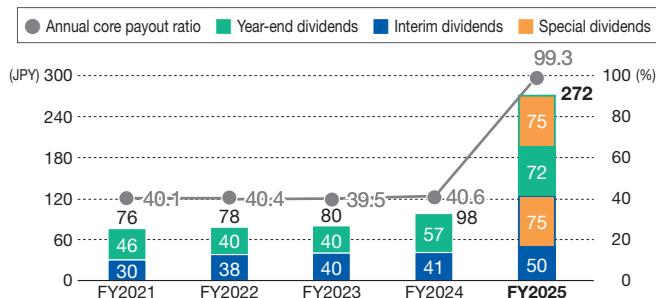
Since the interim dividends of JPY**125** per share were paid, the total dividends for the fiscal year under review are JPY**272** per share, and the Core dividend payout ratio is 99.3% (an average of 54.9% for the past five years).

(3) Date when dividends of surplus become effective:

March 27, 2026

Reference

Dividends and Dividend payout ratio



Capital Allocation Policy

The Company is committed to appropriately allocating capital to provide solutions that create value for patients and deliver stable returns to shareholders. This commitment aligns with its mission: “Dedicate ourselves to adding value by creating and delivering innovative products and services for the medical community and human health around the world.”

Capital Allocation for “Value Creation”

1. Investment for Creation and Delivery of Innovative Medicine

We will appropriately allocate capital to create and deliver innovative drugs, by investing in our research and development powered by our unique strength in science and technology, as well as through investments such as in manufacturing facilities for stable supply of high-quality products & investigational drugs.

2. Expanding “Value Creation Engine”

We will pursue opportunities of strategic investments including Open Innovation to strengthen drug discovery platforms.

3. Other Investment Opportunities

We will appropriately evaluate other investment opportunities which support sustainable growth of the Company and solutions of social issues such as environmental preservation.

Shareholder Returns

Taking into account strategic funding needs and earnings prospects, the Company sets a target for consolidated dividend payout ratio of 45% on average in comparison with Core EPS, with an aim to continuously provide a stable allocation of profit to all shareholders.

Second Proposal: Election of Nine (9) Directors

The term of office of all nine (9) Directors will expire at the closing of this Annual General Meeting of Shareholders.

Therefore, it is proposed that nine (9) candidates be elected.

The election of candidates for Directors is deliberated at the Appointment Committee, a voluntary advisory board, and determined at the Board of Directors.

The candidates for Directors and the composition of the Board of Directors after the election (planned) are as follows:

Composition of the Board of Directors after the election (planned)

	Candidate No.	Name	Gender	Age*	Attribute	Current Position and Responsibility	Tenure as Director	Attendance at the Meetings of the Board of Directors
Executive Directors	1	Osamu Okuda	Male	62	Reappointment	Representative Director, President & CEO In charge of Audit Department	6 years	100% (11 out of 11)
	2	Iwaaki Taniguchi	Male	59	Reappointment	Director, Executive Vice President & CFO Head of Finance Supervisory Division	2 years	100% (11 out of 11)
	3	Hitoshi Iikura	Male	56	Reappointment	Director, Executive Vice President •Head of Corporate Planning Dept. •In charge of ASPIRE transformation Dept.	2 years	100% (11 out of 11)
Non-Executive Directors	4	Fumio Tateishi	Male	76	Reappointment Outside Independent	Outside Director	3 years	100% (11 out of 11)
	5	Hideo Teramoto	Male	65	Reappointment Outside Independent	Outside Director	3 years	100% (11 out of 11)
	6	Kinuko Mitani	Female	67	New appointment Outside Independent	—	—	—
	7	Thomas Schinecker	Male	50	Reappointment	Director	1 year	75% (6 out of 8)**
	8	Teresa A. Graham	Female	52	Reappointment	Director	3 years	91% (10 out of 11)
	9	Boris L. Zaītra	Male	53	Reappointment	Director	1 year	100% (8 out of 8)**

Reappointment Candidate for reappointment as Director **New appointment** Candidate for new appointment as Director

Outside Candidate for Outside Director **Independent** Independent officer who has been registered with Tokyo Stock Exchange, Inc.

* The ages of the candidates are as of this Annual General Meeting of Shareholders.

** The number of meetings attended by Directors Thomas Schinecker and Boris L. Zaītra stated above refers to the number of the Board of Directors meetings they attended after their assumption of office on March 27, 2025.

Reference

Expertise and experience expected of Directors and Audit & Supervisory Board Members after the approval of the Second Proposal are as follows:

	Positions at the Company (Including planned positions)	Name	Expertise and experience expected of the Company's Directors and Audit & Supervisory Board Members						
			Corporate management	R&D	Sales, Marketing	Finance, Accounting, Tax affairs	Legal affairs, Intellectual property, Risk management	Medical science, Pharma-ceutical science	International experience
Executive Directors	Representative Director, President & CEO	Osamu Okuda	●	●	●			●	●
	Director, Executive Vice President & CFO	Iwaaki Taniguchi	●			●	●		●
	Director, Executive Vice President	Hitoshi Iikura	●	●				●	●
Non-Executive Directors	Outside Director Independent	Fumio Tateishi	●		●		●		●
	Outside Director Independent	Hideo Teramoto	●		●	●	●		
	Outside Director Independent	Kinuko Mitani						●	●
	Director	Thomas Schinecker	●	●	●				●
	Director	Teresa A. Graham	●	●	●				●
	Director	Boris L. Zaitra	●			●			●
Audit & Supervisory Board Members	Full-time Audit & Supervisory Board Member	Shigehiro Yamada		●			●		●
	Full-time Audit & Supervisory Board Member	Masayoshi Higuchi		●			●	●	●
	Outside Audit & Supervisory Board Member Independent	Kenichi Masuda					●		●
	Outside Audit & Supervisory Board Member Independent	Yumiko Waseda					●		
	Outside Audit & Supervisory Board Member Independent	Mami Yunoki				●			●

Independent Independent officer who has been registered with Tokyo Stock Exchange, Inc.

1

Reappointment



Osamu Okuda

Date of birth: April 5, 1963 (62 years old)

Shares of the Company owned: 223,382 shares

Tenure as Director

(as at the closing of this Annual General Meeting of Shareholders): 6 years

Attendance at the meetings of the Board of Directors: 100% (11 out of 11)

● Summary of career and positions at the Company

- Apr. 1987 Joined the Company
- Oct. 2008 General Manager of Lifecycle Management Dept. II of the Company
- Jun. 2009 General Manager of Lifecycle Management Dept. II and Lifecycle Leader of the Company
- Apr. 2011 President of Roche Products (Ireland) Limited
- Oct. 2013 Head of Oncology Unit, Marketing & Sales Division of the Company
- Jan. 2014 Vice President, Head of Oncology Unit, Marketing & Sales Division of the Company
- Jan. 2015 Vice President, Head of Corporate Planning Department of the Company

2

Reappointment



Iwaaki Taniguchi

Date of birth: December 4, 1966 (59 years old)

Shares of the Company owned: 10,800 shares

Tenure as Director

(as at the closing of this Annual General Meeting of Shareholders): 2 years

Attendance at the meetings of the Board of Directors: 100% (11 out of 11)

● Summary of career and positions at the Company

- Apr. 1989 Joined The Long-Term Credit Bank of Japan, Limited (currently SBI Shinsei Bank, Limited)
- Jan. 2004 Joined Takeda Pharmaceutical Company Limited ("Takeda")
- Apr. 2013 General Manager of Corporate Finance Department of Takeda
- Apr. 2015 General Manager of Finance Management Department of Takeda
- Jan. 2017 Joined Recruit Holdings Co., Ltd. Corporate Executive Officer (Responsible for Finance) of Recruit Holdings Co., Ltd.
- Apr. 2018 Corporate Executive Officer (Responsible for Finance) of Recruit Holdings Co., Ltd. and Director of Recruit Co., Ltd.

Reasons for nominating the candidate for Director

Dr. Osamu Okuda has served as Representative Director, President & COO from 2020, and as Representative Director, President & CEO from 2021, after having worked mainly in the Development Division, Marketing & Sales Division and Corporate Planning Division. He has been engaged in the Company's overall management as well as management and supervision of the Company's global business. Furthermore, he has demonstrated strong leadership in formulating and promoting the growth strategy 'TOP 1 2030' aimed at achieving the vision of becoming a top innovator by 2030. The Company is of the judgment that he will be able to continue to perform his roles and duties as Director appropriately, based on his abundant knowledge and experience in management decision-making and business execution.

- Apr. 2017 Executive Vice President, Head of Corporate Planning Department of the Company
- Apr. 2018 Executive Vice President, Co-Head of Project & Lifecycle Management Unit of the Company
- Mar. 2020 Representative Director, President & COO of the Company
- Mar. 2021 Representative Director, President & CEO of the Company (to present)

● Responsibilities at the Company

- CEO, in charge of Audit Department

● Other special notes

- The Company has no special interests with him.

Reasons for nominating the candidate for Director

Mr. Iwaaki Taniguchi is familiar with the finance and financial accounting fields and risk management through his extensive work experience in Japan and overseas. He has served as Senior Vice President from 2022, as Director, Executive Vice President & CFO from 2024. He has been engaged in the Company's overall management as well as management and supervision of the Company's global business. The Company is of the judgment that he will be able to continue to perform his roles and duties as Director appropriately, based on his abundant knowledge and experience in management decision-making and business execution.

- Aug. 2022 Joined the Company Senior Vice President, Head of Finance & Accounting Department of the Company
- Jan. 2023 Senior Vice President Head of Finance Supervisory Div. and Head of Finance & Accounting Department of the Company
- Mar. 2024 Director, Executive Vice President & CFO of the Company (to present)

● Responsibilities at the Company

- CFO, Head of Finance Supervisory Division

● Other special notes

- The Company has no special interests with him.

3

Reappointment



Hitoshi Iikura

Date of birth: February 26, 1970 (56 years old)
Shares of the Company owned: 8,803 shares
Tenure as Director (as at the closing of this Annual General Meeting of Shareholders): 2 years
Attendance at the meetings of the Board of Directors: 100% (11 out of 11)

● Summary of career and positions at the Company

Aug. 2000 Joined the Company
 Apr. 2017 Head of Medicinal Chemistry Research Department of the Company
 Jan. 2021 Head of Research Division of the Company
 Apr. 2022 Vice President, Head of Research Division of the Company
 Jan. 2024 Vice President, Head of Translational Research Division of the Company
 Mar. 2024 Director, Executive Vice President and Head of Translational Research Division of the Company

Reasons for nominating the candidate for Director

Dr. Hitoshi Iikura is familiar with all aspects of pharmaceutical research and development through his extensive work experience in Japan and overseas. He has served as Vice President from 2022, as Director, Executive Vice President from 2024. He has been engaged in the Company's overall management as well as management and supervision of the Company's global business. The Company is of the judgment that he will be able to continue to perform his roles and duties as Director appropriately, based on his abundant knowledge and experience in management decision-making and business execution.

Jan. 2026 Director, Executive Vice President and Head of Corporate Planning Dept of the Company (to present)

● Responsibilities at the Company

- Head of Corporate Planning Dept.
- In charge of ASPIRE transformation Dept.

● Other special notes

- The Company has no special interests with him.

4

Reappointment

Outside

Independent



Fumio Tateishi

Date of birth: July 6, 1949 (76 years old)
Shares of the Company owned: 0 shares
Tenure as Director (as at the closing of this Annual General Meeting of Shareholders): 3 years
Attendance at the meetings of the Board of Directors: 100% (11 out of 11)

● Summary of career and positions at the Company

Aug. 1975 Joined Tateisi Electronics Co. (currently OMRON Corporation)
 Jun. 1997 Director of OMRON Corporation ("OMRON")
 Jun. 1999 Managing Executive Officer of OMRON
 Jun. 2001 Senior General Manager, Corporate Strategic Planning HQ of OMRON
 Jun. 2003 Executive Officer and Executive Vice President of OMRON, Company President, Industrial Automation Company of OMRON
 Jun. 2008 Director and Executive Vice Chairman of OMRON
 Jun. 2013 Chairman of the Board of OMRON
 Mar. 2023 Director of the Company (to present)
 Jun. 2023 Honorary Advisor of OMRON (to present)

Reasons for nominating the candidate for Outside Director and expected roles

Dr. Fumio Tateishi has provided appropriate supervision and advice on the management of the Company, based on his long engagement in global corporate management and a high level of insight into sustainability and ESG. As a Chairperson of the Appointment Committee as well as a member of Compensation Committee and Special Committee, he contributes to ensuring the transparency and objectivity of management by providing opinions and proposals from an independent and objective standpoint. Therefore, the Company nominates him as a candidate for Outside Director based on its expectation that he will continue to perform his roles and duties as Outside Director appropriately in the future as well.

● Important concurrent positions

- Honorary Advisor of OMRON Corporation

● Other special notes

- He satisfies the requirements for an independent officer stipulated by Tokyo Stock Exchange, Inc. and Independence Standards established by the Company. The Company has registered him as an independent officer with Tokyo Stock Exchange, Inc. Also, the Independence Standards established by the Company are stated in page 27.
- The Company has no special interests with him.

5

Reappointment

Outside

Independent



Hideo Teramoto

Date of birth: May 20, 1960 (65 years old)

Shares of the Company owned: 0 shares

Tenure as Director

(as at the closing of this Annual General Meeting of Shareholders): 3 years

Attendance at the meetings of the Board of Directors: 100% (11 out of 11)

● Summary of career and positions at the Company

- Apr. 1983 Joined The Dai-ichi Mutual Life Insurance Company
- Jun. 2012 Director, Managing Executive Officer, Deputy Chief General Manager of Group Management Headquarters, and General Manager of Corporate Planning Department of The Dai-ichi Life Insurance Company, Limited. ("DLI")
- Apr. 2013 Director, Managing Executive Officer, and Deputy Chief General Manager of Group Management Headquarters of DLI
- Apr. 2015 Director, Senior Managing Executive Officer, and General Manager of Marketing Promotion of DLI
- Oct. 2016 Director, Senior Managing Executive Officer, and General Manager of Marketing Promotion of Dai-ichi Life Holdings, Inc. ("DLH")
Director and Senior Managing Executive Officer of DLI
- Apr. 2017 Director of DLH
Representative Director and Vice Chairman of DLI
- Apr. 2020 Director, Vice Chairman, and General Manager of Innovation Strategy Unit of DLH

Reasons for nominating the candidate for Outside Director and expected roles

Mr. Hideo Teramoto has provided appropriate supervision and advice on the management of the Company based on his extensive experience and knowledge concerning corporate management and a high level of insight into finance and financial accounting, etc. As a Chairperson of the Special Committee and a member of Compensation Committee, he contributes to ensuring the transparency and objectivity of management by providing opinions and proposals from an independent and objective standpoint. Therefore, the Company nominates him as a candidate for Outside Director based on its expectation that he will continue to perform his roles and duties as Outside Director appropriately in the future as well.

- Apr. 2021 Representative Director, Vice Chairman, and Executive Officer of DLH
- Apr. 2022 Director of DLH
- Jun. 2022 President of Dai-ichi Life Research Institute, Inc. (to present)
- Mar. 2023 Director of the Company (to present)
- Jun. 2023 Outside Director of Imperial Hotel, Ltd. (to present)

● Important concurrent positions

- President of Dai-ichi Life Research Institute, Inc.
- Outside Director of Imperial Hotel, Ltd.

● Other special notes

- He satisfies the requirements for an independent officer stipulated by Tokyo Stock Exchange, Inc. and Independence Standards established by the Company. The Company has registered him as an independent officer with Tokyo Stock Exchange, Inc. Also, the Independence Standards established by the Company are stated in page 27.
- The Company has no special interests with him.

6

New appointment

Outside

Independent



Kinuko Mitani

Date of birth: December 22, 1958 (67 years old)

Shares of the Company owned: 0 shares

● Summary of career and positions at the Company

- Apr. 2000 Chief Professor, Department of Hematology, Dokkyo Medical University
- Apr. 2008 Chief Professor, Department of Hematology and Oncology, Dokkyo Medical University
- Apr. 2024 Emeritus Professor & Specially Appointed Professor, Department of Medicine, Dokkyo Medical University (to present)
- Jul. 2025 Councilor (Part-time), Tokyo Medical University (to present)

Reasons for nominating the candidate for Outside Director and expected roles

Dr. Kinuko Mitani has been engaged in health care for many years as a physician and university professor, possessing extensive experience and deep expertise, and has also been responsible for the management of organizations such as universities and hospitals. Although she has no past experience in corporate management, the Company has nominated her as a candidate for Outside Director with the expectation that she will leverage her experience and expertise in medicine and pharmacology, including overseas, to appropriately fulfill her roles and responsibilities, such as providing supervision and advice on the Company's management.

- Councilor (Part-time), Tokyo Medical University

● Other major positions

- Member of Science Council of Japan (Section II)

● Other special notes

- She satisfies the requirements for an independent officer stipulated by Tokyo Stock Exchange, Inc. and Independence Standards established by the Company. The Company plans to designate her as an independent officer with Tokyo Stock Exchange, Inc. Also, the Independence Standards established by the Company are stated in page 27.
- The Company has no special interests with her.

● Important concurrent positions

- Emeritus Professor & Specially Appointed Professor Department of Medicine, Dokkyo Medical University

7

Reappointment



Thomas Schinecker

Date of birth: April 23, 1975 (50 years old)

Shares of the Company owned: 0 shares

**Tenure as Director
(as at the closing of this Annual General Meeting of Shareholders):** 1 year

**Attendance at the meetings of
the Board of Directors:** 75% (6 out of 8)

Reasons for nominating the candidate for Director

Dr. Thomas Schinecker has experience leading not only the Pharmaceuticals Division but also the Diagnostics Division within the Roche Group, and also serves as the head of an international pharmaceutical industry association. Based on his perspective on the healthcare system as a whole and his deep knowledge of the global healthcare business, he provides supervision and advice regarding the Company's management. The Company is of the judgment that he will be able to continue to perform his roles and duties as a Director appropriately.

● Summary of career and positions at the Company

2003	Joined Roche Group
2005	Roche Diagnostics Austria, Head of Marketing and Sales
2008	Roche Diagnostics Sweden, General Manager
2011	Roche Diagnostics, Lifecycle Leader Sequencing Solutions
2013	Roche Diagnostics Germany, General Manager
2018	Roche Diagnostics, Global Head of Roche Diagnostics Centralized and Point of Care Solutions
Aug. 2019	Roche Diagnostics, CEO, Member of the Corporate Executive Committee (to present)
Jan. 2023	Roche Pharma, CEO ad interim
Mar. 2023	Roche Group, CEO (to present)
Mar. 2025	Director of the Company (to present)

● Important concurrent positions

- Roche Group, CEO

● Other major positions

- President of International Federation of Pharmaceutical Manufacturers and Associations

● Other special notes

- The relationship between the Company and the Roche Group, where he serves as a member of the Corporate Executive Committee, is as stated in "1. Overview of Consolidated Business Activities (10) Parent Company and Principal Subsidiaries" of the Business Report.

8

Reappointment



Teresa A. Graham

Date of birth: December 30, 1973 (52 years old)

Shares of the Company owned: 0 shares

**Tenure as Director
(as at the closing of this Annual General Meeting of Shareholders):** 3 years

**Attendance at the meetings of
the Board of Directors:** 91% (10 out of 11)

Reasons for nominating the candidate for Director

Ms. Teresa A. Graham, as a member of the management of Roche, has knowledge and extensive experience in maximizing product value, having led the development and execution of product marketing strategies in the global market. Based on her strategic knowledge and deep insight into the market, she provides supervision and advice regarding the Company's management. The Company is of the judgment that she will be able to continue to perform her roles and duties as a Director appropriately.

Mar. 2023 Director of the Company (to present)

● Summary of career and positions at the Company

Jan. 2005	Joined Genentech as Product Manager
Feb. 2010	Genentech Sales Manager
Jan. 2011	Genentech Marketing Director
Sep. 2013	Genentech Sr. Dir. Field Reimbursement Management
Mar. 2015	Roche Lifecycle Leader Actemra
May 2017	Genentech Vice-President Rheumatology/Nephrology
Jan. 2018	Genentech Vice President AATE & LGI Sales
May 2019	Roche Pharma Head of Global Product Strategy
Mar. 2023	CEO of Roche Pharmaceuticals, Member of the Roche Corporate Executive Committee (to present)

● Important concurrent positions

- CEO of Roche Pharmaceuticals, Member of the Roche Corporate Executive Committee

● Other special notes

- The relationship between the Company and the Roche Group, where she serves as a member of the Corporate Executive Committee, is as stated in "1. Overview of Consolidated Business Activities (10) Parent Company and Principal Subsidiaries" of the Business Report.

9

Reappointment



Boris L. Zaitra

Date of birth: April 24, 1972 (53 years old)

Shares of the Company owned: 0 shares

**Tenure as Director
(as at the closing of this Annual General
Meeting of Shareholders):** 1 year

**Attendance at the meetings of
the Board of Directors:** 100% (8 out of 8)

Reasons for nominating the candidate for Director

Mr. Boris L. Zaitra, as a member of the management of Roche, has knowledge and extensive experience in maximizing the value of the business portfolio, having led global M&A, business development, and investment strategies. With insight based on his high level of expertise, he identifies future growth opportunities while providing supervision and advice regarding the Company's management. The Company is of the judgment that he will be able to continue to perform his roles and duties as a Director appropriately.

● Summary of career and positions at the Company

- Sep. 1995 JP Morgan, Mergers & Acquisitions, Associate
- Aug. 1999 Duke Street Capital, Partner
- Nov. 2005 Airbus Group, Head of Mergers & Acquisitions, Corporate Vice-President
- Apr. 2012 Roche, Head of Group Business Development / M&A
- Jul. 2024 Roche, Head of Corporate Business Development, Member of the Enlarged Corporate Executive Committee (to present)
- Mar. 2025 Director of the Company (to present)

● Important concurrent positions

- Roche, Head of Corporate Business Development, Member of the Enlarged Corporate Executive Committee

● Other special notes

- The relationship between the Company and the Roche Group, where he serves as a member of the Enlarged Corporate Executive Committee, is as stated in "1. Overview of Consolidated Business Activities (10) Parent Company and Principal Subsidiaries" of the Business Report.

Notes related to Second Proposal

1. Overview of the contents of a limited liability agreement

The Company has provided in its Articles of Incorporation that it may enter into a limited liability agreement (the "Agreement") with a Director (excluding Director serving as Executive Director, etc.)," as provided in Article 423, Paragraph 1 of the Companies Act, and the limit of liability in the Agreement shall be equal to the minimum liability limit stipulated by laws and regulations. The Company has entered into the Agreement with Dr. Fumio Tateishi, Mr. Hideo Teramoto, Dr. Thomas Schinecker, Ms. Teresa A. Graham and Mr. Boris L. Zaitra, and the Company plans to sustain such Agreement with them if they are elected as Directors. In addition, the Company plans to enter into the Agreement with Dr. Kinuko Mitani if she is elected as Directors.

2. Overview of the contents of the corporate indemnity agreement

The Company has entered into a corporate indemnity agreement with each of the Directors and Audit & Supervisory Board Members, as provided for in Article 430-2, Paragraph 1 of the Companies Act, pursuant to the resolution of the Board of Directors meeting. Under such agreement, the Company shall indemnify them for the expenses provided for in Item 1 and the losses provided for in Item 2 of the said Paragraph to the extent prescribed by laws and regulations. Dr. Osamu Okuda, Mr. Iwaaki Taniguchi, Dr. Hitoshi Iikura, Dr. Fumio Tateishi, Mr. Hideo Teramoto, Dr. Thomas Schinecker, Ms. Teresa A. Graham and Mr. Boris L. Zaitra, have already entered into such agreement, and the Company plans to sustain such agreement with them if they are elected as Directors. In addition, the Company plans to enter into the indemnity agreement with Dr. Kinuko Mitani if she is elected as Directors.

3. Overview of the contents of the directors' and officers' liability insurance

To secure excellent human resources and to prevent contraction in the execution of duties, the Company has concluded a directors' and officers' liability insurance agreement with an insurance company with the following conditions, and plans to renew such agreement in July 2026. If each candidate is reelected or elected, he/she will be covered by this insurance agreement.

[Overview of the insurance]

- 1) The ratio of premiums to be actually borne by the insured individuals

The premiums, including the portion for riders, will be borne by the Company. There are no actual premiums to be borne by the insured individuals.

- 2) Overview of the insurance accidents covered

The insurance, including riders, covers damage that may be incurred by the insured directors and officers as a result of assuming responsibilities relating to the execution of duties or receiving claims relating to the pursuit of such responsibilities. However, there are certain exemptions such as in cases where violations of laws and regulations were knowingly committed.

4. The number of "Shares of the Company owned" by each candidate shown in the table above includes shares of stock in the Officers Shareholders' Association of the Company.
5. The ages of the candidates are as of this Annual General Meeting of Shareholders.

Third Proposal: Revision of Stock Compensation System for Directors

1. Reasons for the Proposal and the Appropriateness of the Remuneration

The remuneration, etc. for Directors (excluding Non-Executive Directors; the same applies hereinafter in this proposal) of the Company consists of bonuses payable as a short-term incentive based on performance, etc., for each fiscal year and restricted stock compensation as a long-term incentive linked to mid- and long-term performance (tenure-based and performance-based), in addition to regular remuneration as fixed remuneration. However, we would like to ask for the approval of our shareholders regarding the revision to Trust-Based Stock Compensation System (hereinafter referred to as the “System”) for the Directors of the Company in place of the restricted stock compensation.

In addition, subject to approval of this proposal as originally proposed, we will abolish the remuneration limit for restricted stock compensation that was approved at the 106th Annual General Meeting of Shareholders held on March 23, 2017, and will no longer allocate new restricted stock. However, any restricted stock that has already been granted will remain in effect.

The Company believes that the content of this proposal is appropriate, as the revision to this System is designed to increase Directors’ sense of responsibility to contribute to improving the Company’s mid- and long-term performance and increasing corporate value, to achieve a more stable and efficient system than the currently implemented restricted stock system, and to align their interests with those of our shareholders.

The Company has revised the Policy relating to the determination of the content of remunerations of individual directors at the Board of Directors meeting held on January 29, 2026, subject to the approval of this proposal at this Shareholders’ Meeting. Furthermore, in order to ensure transparency and objectivity in the remuneration determination process, the revision to the System has been deliberated by the Compensation Committee, whose members are Non-Executive Directors including Independent Outside Directors.

If the Second Proposal, “Election of Nine (9) Directors”, is approved as originally proposed, the number of Directors covered by the System will be three (3).

2. Amount and Details of Remuneration Under the System

(1) Overview of the System

The System is a stock compensation system for Directors, under which the Company contributes money to a trust equivalent to the amount of remuneration paid to Directors, the Company’s shares are acquired through the trust using this money as funds, and the Company’s shares or cash in an amount equivalent to the value of the Company’s shares (hereinafter, the “Company’s Shares, etc.”) are then delivered and paid (hereinafter, the “Delivery, etc.”) as officers’ remuneration, according to each Director’s position and responsibilities and the level of achievement of business performance targets. (Details of the System are provided below in (2) and the following sections.)

(a) Recipients of the Delivery, etc. of the Company’s Shares, etc. subject to this proposal	- Directors of the Company (excluding Non-Executive Directors)
(b) Impact of the Company’s shares subject to this proposal on the total number of issued shares	
The maximum amount of money to be contributed by the Company (as specified in (2) below).	<ul style="list-style-type: none"> - The amount obtained by multiplying 450 million yen per fiscal year by the number of fiscal years in the target period of the trust is contributed in a lump sum in the first fiscal year of the target period - The initial target period is set for four fiscal years, amounting to 1,800 million yen
The maximum number of the Company’s Shares, etc. to be delivered to Directors and the method of acquiring the Company’s Shares (as specified in (2) and (3) below).	<ul style="list-style-type: none"> - 150,000 shares per fiscal year. - The initial target period is set for four fiscal years, amounting to total 600,000 shares - The Company’s shares will be acquired from the stock market or from the Company (disposal of treasury stock) - The ratio of the number of shares per fiscal year (150,000 shares) to the total number of issued shares of the Company (as of December 31, 2025, after deducting treasury stock) is approximately 0.01%

<p>(c) Details of the performance achievement conditions (as specified in (3) below).</p>	<ul style="list-style-type: none"> - Performance-based portion of the points based on the Delivery, etc. of Company's shares, etc. (hereinafter referred to as "Base Points") in the initial target period varies within a certain range depending on the achievement status of the business performance target.etc. set by the Board of Directors of the Company - For the initial target period, variation is determined based on the results of the comparison ranking between the Company's Total Shareholder Return (hereinafter referred to as "TSR") after four fiscal years from the grant (the evaluation period) and the TSR of domestic pharmaceutical companies - For the performance-based portion of the Base Points granted in the initial target period, the range of fluctuations based on the achievement rate of the business performance target, etc. after four fiscal years from the grant (the evaluation period) will be in 0 to 150%.
<p>(d) Timing of Delivery, etc. of the Company's Shares, etc. to Directors (as specified in (4) below).</p>	<ul style="list-style-type: none"> - Four fiscal years after the Base Points are granted.

(2) The Maximum Amount of Money Contributed by the Company

In principle, the period covered by the System will be four fiscal years (hereinafter referred to as the "target period").

The Company will set, for each target period, the maximum amount of trust funds to be contributed in a lump sum in the first fiscal year of the target period as Directors' remuneration at an amount equivalent to 450 million yen multiplied by the number of fiscal years in that target period (1,800 million yen for the initial target period of four fiscal years).The Company will contribute such funds as Directors' remuneration and establish a trust (hereinafter referred to as the "Trust") for the period corresponding to the target period, with Directors who meet the beneficiary requirements as the beneficiaries. Using such funds, the Trust will acquire the Company's shares from the stock market or from the Company, in accordance with the instructions of the trust administrator. During target period, the Company will grant Base Points to Directors in the every fiscal year of the target period as set forth in (3) below, and, at predetermined times as set forth (4) below, the Trust will deliver the Company's Shares, etc. in an amount equivalent to the number of Share Delivery Points.

In addition, at the expiration of the Trust term, the Trust may be continued by amending the trust agreement and making additional contributions. In such cases, the new target period will generally be four fiscal years, and the Trust term will be extended for the period corresponding to the new target period. The Company will make additional contributions within the total maximum amount of trust funds to be contributed to the Trust as approved by the Annual General Shareholders' Meeting, and will continue to grant Base Points and deliver the Company's Shares, etc. in an amount corresponding to the number of Share Delivery Points to Directors for the new Target Period. However, if such additional contributions are made, and there are the Company's shares (excluding those equivalent to the number of Base Points and Share Delivery Points granted to Directors but not yet delivered) and money (excluding the amount equivalent to the dividends reserved in the Trust based on the number of Base Points and Share Delivery Points granted to Directors as described in (7) below; hereinafter, together with the Company's shares, the "Remaining Shares, etc.") remaining in the trust assets as of the end of the trust period prior to the extension, the total amount of the Remaining Shares, etc. and the additional trust funds to be contributed will be limited to the amount calculated by multiplying 450 million yen by the number of fiscal years in the Target Period.

This extension of trust period is not limited to one time only, and the trust period may be extended in the same manner thereafter.

(3) Calculation Method and Maximum Number of the Company's Shares, etc. to be Delivered to Directors

The number of the Company's Shares, etc. to be delivered to Directors is determined by the number of "Share Delivery Points" calculated after "Base Points (tenure-based and performance-based)" have been granted and the beneficiary requirements have been met. One Company's share will be delivered for one share delivery point, and any fraction less than one share delivery point will be rounded down. However, if a stock split or consolidation occurs with respect to the Company's shares during the trust period, the number of the Company's shares per share delivery point and the maximum number of shares to be delivered will be adjusted according to the split ratio, consolidation ratio, etc. The Base Points and Share Delivery Points are calculated as follows:

Base Points (for tenure-based and performance-based):

The number of points is determined and granted each fiscal year based on the Director's position and responsibilities.

Share Delivery Points:

For the tenure-based, after the Base Points are granted, they will be granted if the Director remains served four fiscal years (the evaluation period) later.

After the Base Points (performance-based) are granted, they will fluctuate within a certain range depending on the achievement level of the performance targets (*) four fiscal years later.

* Under the Base Points granted in the initial target period, the indicators used to evaluate the achievement level of the performance targets, etc., are relative TSR (compared ranking among domestic pharmaceutical companies) after four fiscal years from the grant, also, the range of fluctuations due to the achievement level of the performance targets, etc., is set to 0 to 150%. Please note that these indicators and fluctuation ranges may be changed in the future by resolution of the Board of Directors.

The maximum number of the Company's Shares, etc. to be delivered to Directors during the target period of the Trust (number of Share Delivery Points to be granted to Directors) will be 150,000 shares per fiscal year (for the target period as a whole, the maximum is 150,000 shares multiplied by the number of fiscal years in the target period). The maximum number of the Company's shares, etc. to be delivered to Directors is set based on the maximum amount of money contributed by the Company as described above, and with reference to the Company's stock price trends, etc.

(4) Method and Timing of Delivery, etc. of the Company's Shares, etc. to Directors

The timing of the Delivery, etc. of the Company's Shares, etc. will be four fiscal years after the Base Points are granted. If a Director meets the beneficiary requirements, the Trust will deliver the number of Company's Shares, etc. equivalent to the number of Share Delivery Points by the prescribed beneficiary confirmation procedures. In addition, if a Director who meets the beneficiary requirements retires during the target period, the Trust will deliver the number of Company's Shares, etc. equivalent to the number of Share Delivery Points calculated based on the Base Points granted to such Director by the time of retirement by the prescribed beneficiary confirmation procedures.

In these cases, the Director in question will be delivered with the number of Company's shares equivalent to 50% of the Share Delivery Points, and the remainder will be converted into cash within the Trust, after which the Director will be paid the amount equivalent to the converted value.

If a Director who meets the beneficiary requirements dies during the target period while in office, in principle, all of the Company's shares equivalent to the number of Share Delivery Points calculated based on the Base Points at that time will be converted into cash within the Trust, and the heirs of the Director will receive a payment equivalent to the converted value.

(5) Malus and Clawback System

Where a material revision to the Company's financial statements or an incident that has a material impact on Company's reputation take place due to the execution of duties by Directors, beneficiary rights associated with shares, etc. of the Company that were planned to be delivered to the Directors in question may be confiscated (malus), or the Company may request that money corresponding to the Company's Shares, etc. that has already been delivered be returned (clawback).

(6) Exercise of Voting Rights Regarding the Company's Shares Held in the Trust

With regard to the Company's shares held in the Trust (Company's shares before the Delivery, etc. to Directors), voting rights will not be exercised during the trust period in order to ensure neutrality of corporate management.

(7) Handling of Dividends Regarding the Company's Shares Held in the Trust

Dividends paid on the Company's shares held in the Trust will be received by the Trust and used to cover the trust fees and expenses of the Trust. In addition, the amount equivalent to a dividend of one share per point will be reserved in accordance with the number of Share Delivery Points granted to Directors, and will be paid to Directors along with the Company's Shares, etc. to be delivered pursuant to (4) above.

(8) Other Details of the System

Other details of the System will be determined by the Board of Directors each time the Trust is established, the trust agreement is amended, or an additional contribution is made to the Trust.

Reference

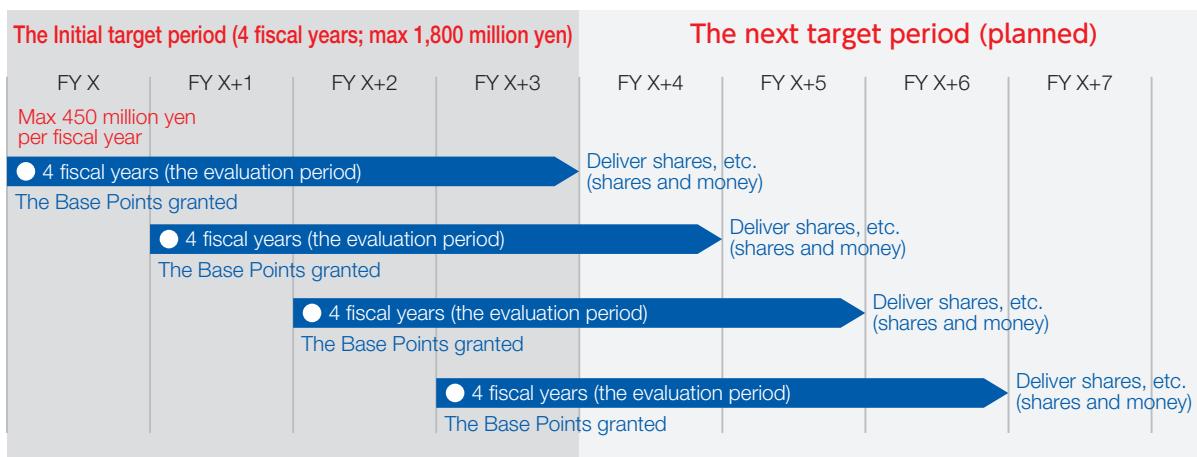
The structure of remuneration and the principal features of the Trust-Based Stock Compensation are as follows, assuming this proposal is approved as originally submitted.

Structure of Remuneration

In terms of the proportion of each remuneration (bonuses and Trust-Based Stock Compensation calculated assuming full payment, respectively) of Executive Directors, the proportion for CEO for a fiscal year is based on a guideline of “regular remuneration at 1, bonuses at 1 and stock compensation at 1.3” and the proportion of each remuneration for other Executive Directors is determined based on the proportion for the CEO, in consideration of their responsibilities, etc.

Illustrative diagram and related metrics under the Trust-Based Compensation System

As shown in the diagram below, the Trust-Based Stock Compensation System involves granting Base Points every fiscal year and then delivering, etc. the Company’s shares four fiscal years later. The evaluation indicators consist of performance-based linked to relative TSR and a non-performance-based (tenure-based) that is paid on the condition of a certain period of service with the aim of motivating Directors to increase the corporate value over the mid- to long-term and promoting retention.



Method for calculating the base amount (the Base Points) and determining Share Delivery Points under the Trust-Based Compensation System

Directors will receive the Base Points at a rate of 30% tenure-based and 70% performance-based. The Base Points to be granted are calculated by dividing the base amount, which is determined according to position, responsibilities, etc., by the monthly average closing price of the Company’s shares in regular trading in March of the year in which this Trust is established (or, if this Trust is extended, the fiscal year in which the date of said extension falls).

Under the tenure-based, subject to the condition on having served as a Director of the Company for four fiscal years, the Share Delivery Points equal to the number of the Base Points will be determined, and under the performance-based, furthermore, the Share Delivery Points will be determined within a range of 0% to 150% of the Base Points based on the comparison ranking of total shareholders returns between domestic pharmaceutical companies and the Company after four fiscal years from the grant (the evaluation period).

End

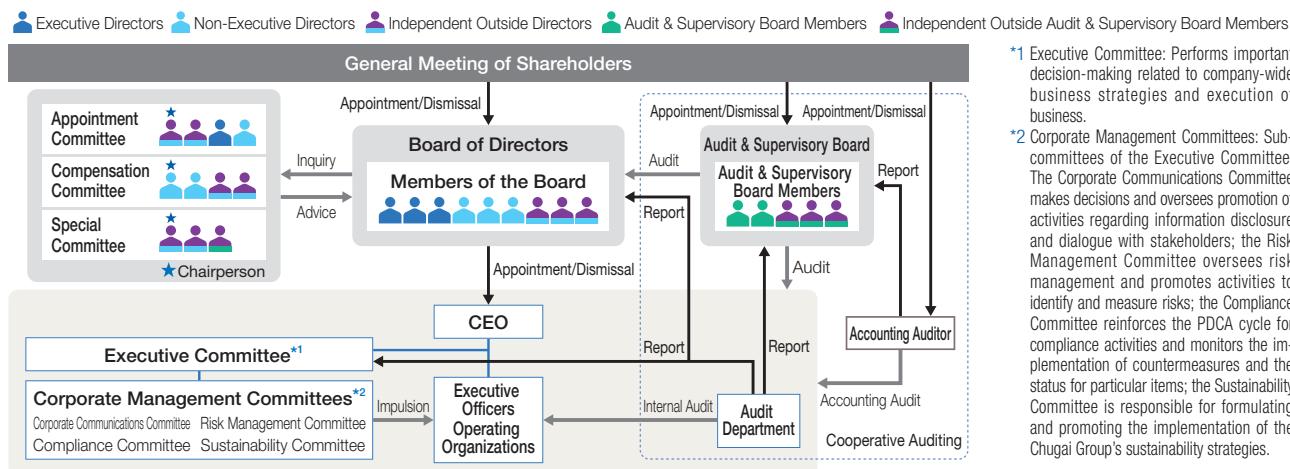
Corporate Governance

In line with its strategic alliance with the world-leading pharmaceutical company Roche, the Company has established “dedicating itself to creating new values through the provision of innovative medical products and services for the benefit of the medical community and human health around the world” as its mission and “becoming a top innovator in the healthcare industry that realizes sophisticated and sustainable patient-centered medical care, powered by our unique strength in science and technology and the alliance with Roche” as its envisioned future. While being a member of the Roche Group, the Company maintains its managerial autonomy and independence as a publicly listed company and constantly strives to perfect its corporate governance as established in the “Chugai Pharmaceutical Co., Ltd. Basic Corporate Governance Policy” in order to fulfil the mandate of its many stakeholders appropriately and fairly for the achievement of its basic management objective.

Organizational Structure

The Company adopted “Company with an Audit & Supervisory Board” as its corporate organizational structure under the Companies Act in order to ensure effective oversight of Directors from an independent and objective standpoint. The Company adopted this structure, as it determines reasonable to appoint Non-Executive Directors, including Independent Outside Directors, to strengthen the function of the Board of Directors and enhance the managerial decision-making and overseeing functions, together with the function of Audit & Supervisory Board Members. In addition, the Company adopted the executive officer system in order to separate managerial decision-making and supervision from the execution of business and work to define clear roles and responsibilities for execution of business and increase management efficiency with swift decision-making regarding business execution. The Board of Directors delegates to the Executive Committee, which is to consist of Executive Directors and Executive Officers, the decision-making and execution of all business not determined by the Board of Directors itself. Furthermore, the Company established the Appointment Committee, the Compensation Committee and the Special Committee as advisory boards to the Board of Directors, so as to secure managerial transparency and fairness.

Chugai’s Corporate Governance System (as of January 1, 2026)

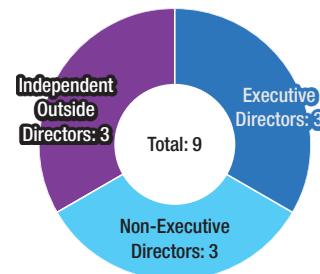


Board of Directors

Number of Board of Directors meetings held: 11

Based on fiduciary duties and accountability to shareholders, the Board of Directors manages the Company focusing on factors including its sustainable growth, enhancement of corporate value over the medium to long term, and improvement of profitability and capital efficiency. In order to fulfill its duties, the Board of Directors makes important decisions on management strategies and other matters and establishes an environment that supports appropriate risk taking by Executive Directors. Independent Outside Directors and other Non-Executive Directors supervise business execution by utilizing reports on business execution and the internal audit function, from an independent and objective standpoint.

The Board of Directors consists of persons with diverse knowledge, experience and skills, and it must be ensured that the Board as a whole has the necessary expertise and skills and is of appropriate diversity, including in terms of gender, international experience, work experience, age and size, so that it makes prompt and decisive management judgement involving appropriate risk taking. In addition, the Board of Directors established and disclosed Independence Standards aimed at ensuring effective independence of Independent Directors, taking into consideration the independence criteria set by the Tokyo Stock Exchange, and appoints one-third of the Directors or more as Independent Outside Directors to fulfill the supervisory function objectively as well as based on perspectives of all shareholders and other stakeholders.



Appointment and Dismissal of Directors

The Board of Directors selects as Executive Director candidates, including CEO candidates, individuals with the knowledge and experience to manage the Company properly, fairly and efficiently, and sufficient public trust. The Board of Directors selects Non-Executive Director candidates from among the managers of other companies, medical experts and others with academic experience, and similar persons, taking into account experience, knowledge, and expertise, so that they may appropriately give advice on important decision-making and carry out the function of supervising business execution of the management of the Company by incorporating global-level governance and management perspectives into the Board of Directors, etc. If the Board of Directors determines that it is difficult to achieve sustainable growth and the increase of corporate value over the mid- to long-term (such as if the Company continually fails to achieve business plans and performance is not expected to improve, or if material misconduct or a material compliance violation occurs), it will consider dismissing the Executive Directors, including the CEO. The selection of Director candidates and dismissal of Directors will be deliberated by the Appointment Committee and determined at a Board of Directors meeting, and the reasons for the selection or dismissal will be disclosed.

Major matters deliberated in fiscal year 2025

Theme	Matters deliberated
Business strategy and sustainability	<ul style="list-style-type: none"> Decision making and monitoring regarding TOP I 2030, business strategies, and business plans (including an annual plan, a drug discovery strategy, and an in-house product portfolio strategy) M&A and investment Progress and action plans for Mid-Term Environmental Goals 2030 and the DE&I goals Report on Sustainability Committee
Governance	<ul style="list-style-type: none"> Review of criteria for proposals to the Board of Directors Evaluation of the effectiveness of the Board of Directors and formulation of measures to enhance effectiveness Matters related to officer appointment and remuneration Report on IR activities Report on Appointment Committee, Compensation Committee, and Special Committee
Risk management, internal control, and compliance	<ul style="list-style-type: none"> System to address and manage geopolitical risks Internal control report Internal audit report Report on the Risk Management Committee and report on Compliance Committee

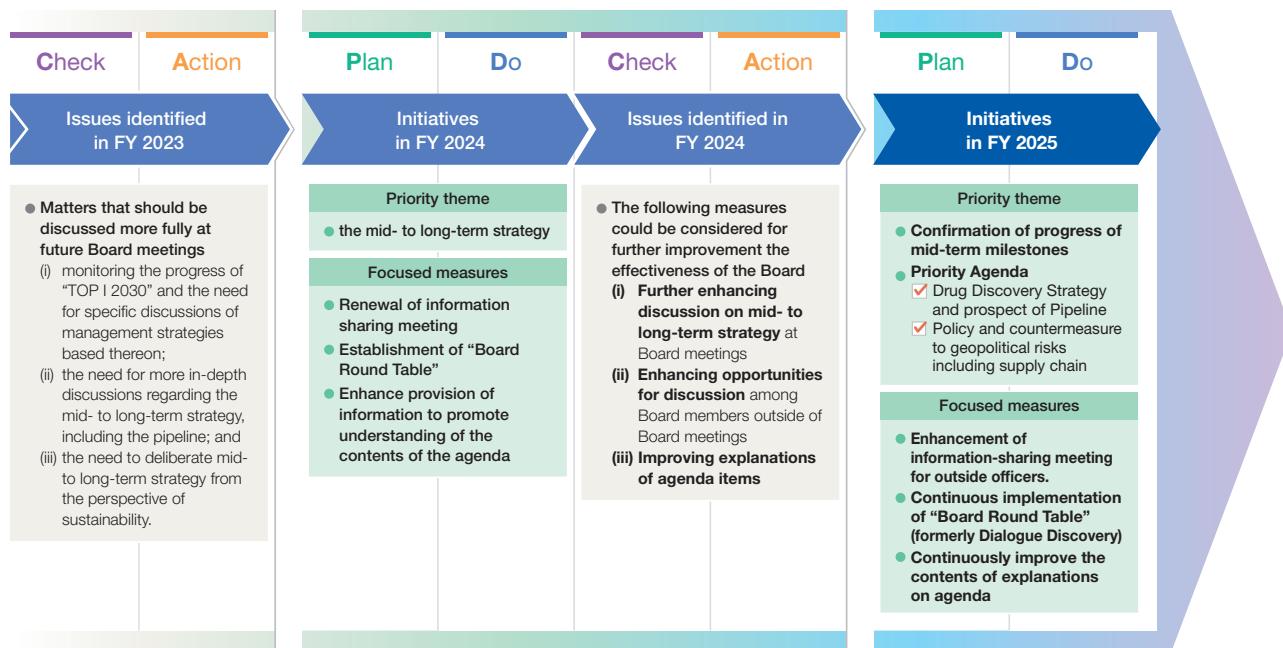
Evaluation of Effectiveness of Chugai Board of Directors

The Board of Directors of the Company is subject to the third-party evaluation and analysis of its activities by outside experts in each financial year, in addition to the self-evaluation of the Directors and Audit & Supervisory Board Members, to secure the effectiveness of its decision-making and supervision, and discloses a summary of the results.

For fiscal year 2024, the Company conducted the evaluation of effectiveness of the Board of Directors through a self-evaluation questionnaire and the review of relevant materials as well as interviews by outside experts on the Directors and Audit & Supervisory Board Members who were on the Board as of the end of the fiscal year. Almost all of the responses with respect to the effectiveness of the Board of Directors in the self-evaluation questionnaire were “Yes,” and the materials reviewed and the interviews conducted by the outside experts indicated that these responses truly reflect the reality of the Board and its related activities. Thus, the outside experts confirmed that, from the standpoint of all evaluations, the effectiveness of the Board is secured.

PDCA cycle to enhance the effectiveness of the Board of Directors

The Board of Directors of the Company sets priority theme and focused measures for issues identified through the annual effectiveness evaluations and works on enhancing its effectiveness. In the following fiscal year, the effects of the previous fiscal year's measures are verified, and the outcome is reflected on new improvement initiatives. In this way, the PDCA cycle is implemented to continuously enhance the effectiveness of the Board of Directors.



For corporate governance, please visit here:
<https://www.chugai-pharm.co.jp/english/ir/governance/index.html>



Measures implemented in 2025

As a measure to enhance the effectiveness of its Board of Directors, the Company systematically organizes and implements events for helping to acquire and enhance the knowledge necessary to fulfill the expected roles and functions of the Company's Directors throughout the year, enhancing understanding of the Company's business, and promoting communication among the Directors and Audit & Supervisory Board Members. In May, the Company held a discussion on themes such as the impacts of the Trump administration on innovative drugs, with all the Directors and Audit & Supervisory Board Members, including those who live abroad and usually have little face-to-face contact, coming together in person. In November, when a Board of Directors meeting was held at the Ukima Plant, the plant with the longest history in the Group, the Board of Directors visited facilities, including a manufacturing building for active pharmaceutical ingredients (APIs) of biopharmaceuticals (UK4). The Company will continue to systematically implement measures that help to enhance the effectiveness of the Board of Directors, by also using other opportunities than Board of Directors meetings.

Overview of Annual Programs Outside of Board of Directors Meetings

* The key activities are described.



- A** Acquire and improve knowledge necessary for fulfilling the roles and functions expected of the Company as a director and for decision-making and supervising in Board of Directors meetings
- B** Provide information to promote understanding of projects, the Company's organization and culture, and other factors that contribute to stimulating discussions at Board of Directors meetings
- C** To strengthen mutual cooperation among members of the Board of Directors



Briefing on single-use parts at a manufacturing building for bio APIs



Mid-size molecule automatic synthesis devices at the synthetic research building

The month of the event	Event/program	Purposes
February	TOP I Leaders' Meeting*2	A/B/C
March	Onboarding program for newly appointed Directors and Audit & Supervisory Board Members	A/B
	Participated in CHUGAI AWARD*3	B
May	Board Round Table	A/C
September	Outside Directors and Audit & Supervisory Board Members Information Meeting	A/B/C
October	Informal meeting of Directors and Audit & Supervisory Board Members	B/C
	Outside Directors and Audit & Supervisory Board Members Information Meeting	A/B/C
November	Held a Board of Directors meeting at a different business site and a site visit to the Ukima Plant (Tokyo)	B/C
December	Participated in Chugai Marketing & Sales Annual Meeting 2025*4	B
	Outside Directors and Audit & Supervisory Board Members Information Meeting	A/B/C

*1 Opportunity for only Outside Directors and Outside Audit & Supervisory Board Members to meet after the Board of Directors' meeting to examine issues and improvement measures from that day, share cases of other companies, and exchange opinions to utilize in the next meeting

*2 Meeting for the management to share company-wide policies

*3 Award that recognizes employee initiatives to take on challenges and create values

*4 Initiative to strengthen, step up and advance the efforts with sharing excellent efforts in the sales field in the form of an annual conference

Advisory boards to the Board of Directors

The Company has established the Appointment Committee, the Compensation Committee, and the Special Committee as voluntary advisory boards to the Board of Directors to ensure managerial transparency and fairness. Each of the Committees elects its Chair from among its members at its meeting held after a General Meeting of Shareholders.

 Executive Directors  Non-Executive Directors  Independent Outside Directors  Audit & Supervisory Board Members  Independent Outside Audit & Supervisory Board Members

Appointment Committee

Number of committee meetings held: 3

★Chair ▶ **Fumio Tateishi**
Osamu Okuda
Mariko Y Momoi
Teresa A. Graham



The Appointment Committee deliberates on the selection of Director candidates, succession plan for Executive Directors, including the CEO, appointment and dismissal of Directors, and other matters.

Major matters deliberated in fiscal year 2025

- The proposal of Director candidates submitted to the General Meeting of Shareholders for resolution
- The proposal of Executive Director candidates and the proposal of a Representative Director candidate
- Standards for appointment and dismissal of Representative Director and CEO and re-appointment process
- Re-appointment of Representative Director and CEO and confirmation of intent
- The proposal of the appointment of Honorary Advisor
- Report on major Executive Officers list in 2026
- Report on Representative Director and CEO successor candidates

Compensation Committee

Number of committee meetings held: 2

★Chair ▶ **Teresa A. Graham**
Fumio Tateishi
Hideo Teramoto
Thomas Schinecker



The Compensation Committee deliberates on remuneration policy and the remuneration of individual Directors.

Major matters deliberated in fiscal year 2025

- Individual bonus payment amount for Executive Directors for fiscal year 2024
- The proposal of remuneration for Representative Director and CEO for fiscal year 2025
- The proposal of remuneration for Director and Executive Vice Presidents for fiscal year 2025
- The proposal of remuneration for Non-Executive Directors including Outside Directors for fiscal year 2025
- Report on the release rate of the transfer restriction for performance-based restricted stock compensation based on the comparison results of total shareholders returns

Special Committee

Number of committee meetings held: 3

★Chair ▶ **Hideo Teramoto**
Fumio Tateishi
Kenichi Masuda



The Special Committee deliberates and reviews on significant transactions and conducts, etc. that may generate a conflict of interests between Roche and minority shareholders.

Major matters deliberated in fiscal year 2025

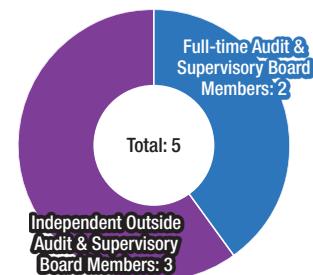
- Report on transactions related to Roche for the first half of fiscal year 2025
- Report on transactions related to Roche for the second half of fiscal year 2025

* The members of each of the Committees listed above are those as of the end of December 2025.

Audit & Supervisory Board

Number of Audit & Supervisory Board meetings held: 11

Audit & Supervisory Board Members work with the Board of Directors to play a part in the supervisory function of the Company and, as an independent organization entrusted by shareholders, ensure sound and sustainable growth of the Company and audit the execution of duties by Directors, to establish a high-quality corporate governance system that responds to social trust and ensure the soundness of management that supports sustainable growth and the enhancement of corporate value over the medium to long term. The Audit & Supervisory Board receives reports from the Audit & Supervisory Board Members on important matters related to audits and makes consultations or resolutions. The Audit & Supervisory Board consists of members with the necessary knowledge, experience, and specialist skills, and ensures the balance of expertise of that Board as a whole. A majority of the Audit & Supervisory Board Members are Independent Outside Audit & Supervisory Board Members to ensure independence and objectivity. One of the Independent Outside Audit & Supervisory Board Members must possess significant knowledge, experience and expertise in finance and accounting. In addition, full-time Audit & Supervisory Board Members shall be persons who can demonstrate a high level of information-gathering capabilities within the Company. To ensure the independence and enhance the auditing functions of Audit & Supervisory Board Members, the Office of Audit & Supervisory Board Members has been established as an organization under the direct control of the Audit & Supervisory Board to assist the Audit & Supervisory Board Members.



Coordination with Outside Directors

The Company holds regular information-sharing meetings between Independent Outside Directors and Audit & Supervisory Board Members for the purpose of obtaining the information necessary for active discussion at Board of Directors meetings, and enhancing mutual coordination. The Audit & Supervisory Board Members actively exchange opinions with Outside Directors at the Outside Directors and Audit & Supervisory Board Members Information Meeting and an informal meeting of Directors and Audit & Supervisory Board Members. Also, Full-time Audit & Supervisory Board Members share information about their audit activities with Outside Directors at the Audit Activity Information-Sharing Meeting.

On-site audit of domestic and overseas sites

The Audit & Supervisory Board Members conducted on-site audits of 12 bases in Japan and 8 bases overseas, including research laboratories, plants, and regional management offices, which serve as sales offices, as well as overseas research, development, and sales bases, and had interviews and dialogues with organization heads, staff members in charge, and others. The results of the on-site audits were reported at meetings with Directors and Audit & Supervisory Board meetings.



On-site audit of Utsunomiya Plant



On-site audit of an overseas subsidiary (US)

Activities in fiscal year 2025

Matter	Items discussed
Resolution and discussion (19 items)	<ul style="list-style-type: none"> ● Audit policy, audit plans, and audit report by the Audit & Supervisory Board ● Consent to the proposal of the election of Audit & Supervisory Board Members, and remuneration for Audit & Supervisory Board Members ● Results of the examination of proposals and documents for the General Meeting of Shareholders ● Reelection of the Accounting Auditor, consent to the remuneration for the Accounting Auditor, and procedural regulations for prior consent to non-assurance services by the Accounting Auditor or network firms ● Performance evaluation of the employees belonging to the Office of Audit & Supervisory Board Members
Reporting and sharing (47 items)	<ul style="list-style-type: none"> ● Content of discussions at meetings of the Executive Committee, the Corporate Management Committees (Sustainability Committee, Risk Management Committee, Compliance Committee, and Corporate Communications Committee) and other decision-making bodies ● Content of interviews by Audit & Supervisory Board Members ● Content of major news releases related to the Company ● Status of audits of subsidiaries in Japan by subsidiaries' Audit & Supervisory Board Members ● Plan for and results of internal audits by Audit Dept. ● Results of interim review by the Accounting Auditor ● Lecture on activities in a function-based organization

Independence Standards

The Company will judge outside officers (Outside Directors and Outside Audit & Supervisory Board Members) that do not fall under any of the following to be independent officers (independent Outside Directors and independent Outside Audit & Supervisory Board Members) with no risk of a conflict of interests with the Company's general shareholders:

- (1) a person who is currently or has been in the past ten years an executive (see note 1) of the Company or any of its subsidiaries (collectively, the "Chugai Group").
- (2) a person who is currently or has been in the past five years an executive of the parent company or any sister company of the Company.
- (3) a person for whom the Chugai Group is a major business partner (see note 2) or an executive of that person.
- (4) a major business partner (see note 2) of the Chugai Group or an executive of that business partner.
- (5) a major lender (see note 3) of the Chugai Group or an executive of that lender.
- (6) a consultant, accounting professional, or legal professional who receives a large amount of money or other such assets (see note 4) other than officer remuneration from the Chugai Group (including any person belonging to a corporation, partnership, or other such organization that receives such assets).
- (7) a major shareholder (see note 5) of the Company or an executive of that shareholder.
- (8) an executive of a company for which the Chugai Group is a major shareholder.
- (9) an executive of a company that engages a director or Audit & Supervisory Board Member (regardless of whether full or part time) from the Chugai Group or an executive of the parent company or any subsidiary of such company.
- (10) a director or other executive of a corporation, partnership, or other such organization that receives contributions or aid exceeding a certain amount (see note 6) from the Chugai Group.
- (11) an accounting auditor of the Chugai Group or any person belonging to an auditing corporation that is an accounting auditor of the Chugai Group.
- (12) a close relative (see note 7) of any person (limited to those in material positions (see note 8)) who falls under any of (1) through (11) above.

Note 1: "Executive" means an executive director, executive officer, corporate officer, or other such employee or the like.

Note 2: "Major business partner" means a business partner whose transactions with the Chugai Group in any business year within the past five years total 2% or more of the consolidated sales of that business partner or the Chugai Group.

Note 3: "Major lender" means a lender from whom the Chugai Group's borrowings at the end of the business year exceed 2% of the Chugai Group's consolidated total assets at the end of that business year.

Note 4: "Large amount of money or other such assets" means, in any business year within the past five years, money or other such assets in excess of the greater of (a) ten million yen annually or (b) 2% of the total annual income of the person receiving the money or other such assets.

Note 5: "Major shareholder" means a shareholder directly or indirectly holding 10% or more of total voting rights in any business year within the past five years.

Note 6: "Contributions or aid exceeding a certain amount" means, in any business year within the past five years, contributions or aid exceeding the greater of (a) ten million yen annually or (b) 2% of the total annual income of the person receiving the contributions or aid.

Note 7: "Close relative" means a spouse or a relative within the second degree of kinship.

Note 8: "Those in material positions" means directors (excluding outside directors), corporate officers, and executive officers, or any person with authority equivalent to any of these.

Communication with Shareholders, Investors, and Other Multiple Stakeholders

For “To shareholders and investors,” please visit here:
<https://www.chugai-pharm.co.jp/english/ir/>



To fulfill its basic management policy of creating shared value, the Company believes that dialogue with shareholders, investors, and other multiple stakeholders is essential. As well as promoting active information disclosure and extensive dialogue, we analyze insights emerging from the dialogue and take care to incorporate them in management decision-making and other processes.

In 2025, the Company held its first plant tour to a new manufacturing building for active pharmaceutical ingredients (APIs) at the Fujieda Plant, which manufactures mid-size molecule drugs, as well as the first meeting that presents its open innovation strategies for expanding its drug discovery engine, to promote understanding of the growth strategy TOP I 2030. The Company also published a video for individual investors that features dialogue between a business scholar and the CFO, for the purpose of explaining its proprietary technologies and drug discovery strategy with an objective viewpoint. At the seventh Sustainability Meeting*, Director Teramoto shared his view from an independent Outside Director’s standpoint on key governance-related topics for the Company; the role of the Board of Directors, enhancement of the effectiveness of the Board of Directors, and value sharing with the capital markets. Vigorous discussions were conducted with institutional investors and securities analysts participating in the meeting.

* Held as the “ESG Meeting” until the fourth meeting.

Governance Enhancement and Future Challenges

Summary: Key Areas of Focus as an Independent Outside Director



- Aiming to achieve sustainable growth and to protect minority shareholders’ interests, I will make full use of my own experience and expertise. At the same time, I will promote activities for further increasing the effectiveness of governance



Excerpt from the presentation material for Sustainability Meeting



Director Teramoto giving presentation at Sustainability Meeting

Main questions on governance at Sustainability Meeting

Q A question regarding thoughts as an Outside Director on shareholder returns including the 2025 special dividend and on future cash usage.

A We have been discussing based on the understanding that our strength lies in pursuing proactive growth investments for the future while focusing on a balance between returns and growth investments. The current management possesses a mindset for growth investments, including M&A, but they face industry-specific challenges. In the financial industry, the future is relatively predictable and corporate values can be calculated. However, pharmaceutical companies are required to make judgments with great precision and care in the same way as they do for their research and development activities as a result of dealing with projects at the seed stage.

Q A question regarding the independence of the Compensation Committee and the background of discussions on the changes in the incentive scheme for officers.

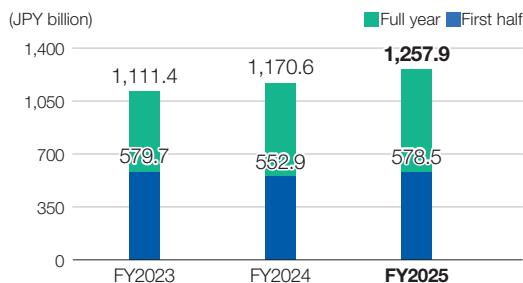
A Our understanding is that its independence has been ensured. This is an outcome of discussions held to increase the weight of medium- to long-term incentives, considering the Company’s business characteristics. We intend to continue discussions moving forward.



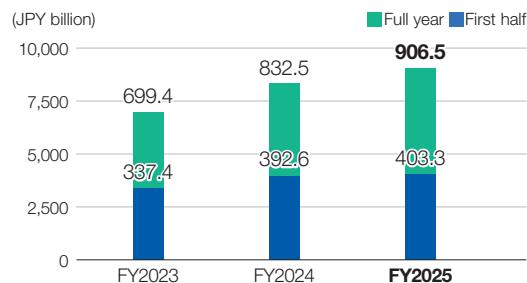
Highlights of Financial Results

Highlights of Consolidated Financial Results: Core Results (from January 1, 2025 to December 31, 2025)

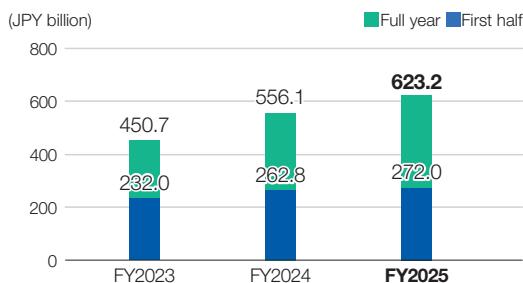
Revenues **1,257.9 billion yen** (up 7.5% year on year)



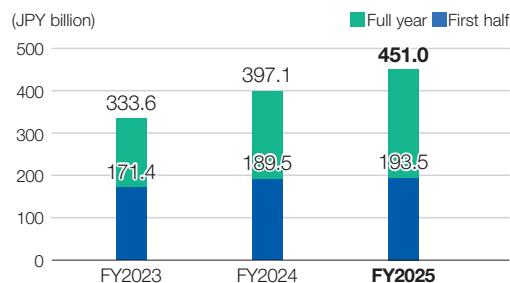
Gross profit **906.5 billion yen** (up 8.9% year on year)



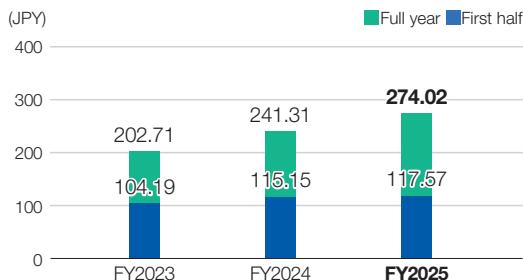
Operating profit **623.2 billion yen** (up 12.1% year on year)



Net income **451.0 billion yen** (up 13.6% year on year)



Core EPS **274.02 yen** (up 13.6% year on year)



Research and development expenses **180.1 billion yen** (up 1.8% year on year)

