

FUNDAMENTAL POLICY

Based on the Mission: "we strive toward better health for individuals and progress in medicine by developing superior pharmaceutical products," Takeda strives to establish a management framework befitting a "world-class pharmaceutical company with Japanese origin," which operates business worldwide. We, therefore, strengthen internal control, including thorough compliance, as well as promoting the establishment of a system allowing the creation of a healthy and transparent environment for quick decision-making, while clarifying the responsibilities and authority systems of the whole group.

MANAGEMENT STRUCTURE

The Chairman of the Board sets the basic policy of the Takeda group, as well as overseeing management from the position of a shareholder, and engages in decision-making as a company, while the President is responsible for the overall execution of business operations and management, based on the basic policies of the Takeda group. In addition, the Executive Committee hosted by the Chairman of the Board deliberates business strategies as well as material management issues. The Operations Committee hosted by the President deliberates important issues in terms of the execution of business, including reporting issues to the board of directors, to engage in discussions and implement coordination among corporate divisions. We position the board of directors as an organization playing the role

of a decision-making body, as well as one which observes and oversees business operations as its basic function. The board of directors consists of seven directors and where resolutions and reporting on important matters regarding management are conducted by holding a board meeting on a once-a-month basis.

As for the business execution, Takeda considers it possible to establish a quick and effective business operation system that we target, by constituting an organization centering on human resources, with considerable knowledge of the pharmaceutical business and in-house circumstances. For this reason, we have not appointed external directors.

AUDITING SYSTEM

The organizational form is a company with auditing officers. As for improving the transparency of management by utilizing human resources from outside the company, we consider that the objectivity and impartiality of the management observation function have been successfully secured through audit by three external auditors (out of four auditors in total) and fully functioning.

Deloitte Touche Tohmatsu was serving as accounting auditor; however, due to the termination of a term, taking into consideration their auditing period, we have newly appointed KPMG AZSA & Co. as the accounting auditor.

Corporate Governance Structure

