

FOR IMMEDIATE RELEASE

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Matters Concerning Controlling Shareholders

Tokyo, Japan, March 31, 2021 - Kyowa Kirin Co., Ltd. (hereinafter, "Kyowa Kirin") hereby provides information on "matters concerning controlling shareholders" with regard to its parent company Kirin Holdings Company, Limited. Details are as follows:

1. Names of the parent company, controlling shareholders (excluding parent company) and other associated companies and their parent companies.

(As of December 31, 2020)

Business name	Relationship	Ownership of voting rights (%)			Stock exchanges on which shares are listed
		Direct	Indirect	Total	
Kirin Holdings Company, Limited	Parent company	53.82	--	53.82	- Tokyo Stock Exchange, Inc. (1 st section) - Nagoya Stock Exchange, Inc. (1 st section) - Securities Membership Corporation Sapporo Securities Exchange - Securities Membership Corporation Fukuoka Stock Exchange

2. Position of listed company within the corporate group centering on the parent company and other relationships between listed company and the parent company.

- 1) Position of listed company within the corporate group centering on the parent company, transactional, personnel and capital relationships, etc. with the parent company and its group companies

Kyowa Kirin carries out research, development, manufacturing, marketing and import/export of ethical pharmaceuticals as a core company within the Pharmaceuticals Business division of Kirin Holdings Company, Limited (hereinafter, "Kirin Holdings").

Regarding personnel relationships, as of March 31, 2021, one Director of the Board, Senior Executive Officer of Kirin Holdings is appointed as a non-executive Director of Kyowa Kirin's Board with the aim of strengthening Kyowa Kirin's management structure and other initiatives, and one full-time Audit & Supervisory Board Member at Kirin Holdings also serves as a part-time Audit & Supervisory Board Member of Kyowa Kirin.

- 2) Constraints, risks and benefits from a business standpoint due to membership in the corporate group centering on the parent company, as well as impacts on management or business activities such as those affected by transactional, personnel and capital relationships, etc. with the parent company and its corporate group.

Kyowa Kirin believes that the brand strength and other management resources which derive from Kirin Holdings and its group companies contribute to increasing the corporate value of Kyowa Kirin and its group. Through membership in the Kirin Holdings corporate group, Kyowa Kirin is able to make effective use of these management resources.

As a core company operating an ethical pharmaceuticals business in the Kirin Holdings corporate group, Kyowa Kirin maintains management independence and considers itself to be unconstrained from a business standpoint and its management or business activities to be unaffected by transactional, personnel and capital relationships, etc. with the parent company and its corporate group.

- 3) Measures to ensure a certain degree of independence from the parent company

Kyowa Kirin is a consolidated subsidiary of Kirin Holdings, a pure holding company. In the Integration Agreement dated October 22, 2007, it is agreed that both companies recognize that, Kyowa Kirin will operate as an autonomous company with independence and flexibility, ensure management independence as a listed company, strive to maximize value for all shareholders and achieve consistent growth of its corporate value, while respecting Kirin Holdings' core group management policies, and Kirin Holdings will exert full and reasonable efforts to maintain Kyowa Kirin as a listed company.

To ensure the effectiveness of objective management supervision and from the perspective of protecting minority shareholders, four of the eight appointed Directors of the Board and two of the five appointed Audit & Supervisory Board Members as of March 31, 2021, who do not have a conflict of interest with general shareholders, are independent outside officers, and the position of Board Chair is assumed by an independent Director.

Kyowa Kirin establishes the Nomination & Remuneration Consultative Committee, which consists of a majority of outside officers, and is chaired by an independent Director, and also conducts the evaluation on the effectiveness of the Board of Directors utilizing external advisors.

Kyowa Kirin's transactional relationships with Kirin Holdings and its group companies do include the lending of funds. Loan interest rates are determined through rational decisions, based on our investment policy, considering the market interest rate for the loan period. Also, Kyowa Kirin's Board of Directors believes that Kyowa Kirin makes final decisions independently of the parent company under its internal rules and regulations and that such decisions are not detrimental to the interests of Kyowa Kirin.

3. Transactions with controlling shareholders and other items

Fiscal year ended December 31, 2020

(million yen)

Category	Name	Transactions	Transaction amount	Account	Outstanding balance at fiscal year-end
Parent company	Kirin Holdings Company, Limited	Lending of funds *	257,707	Loans receivable from parent	260,026

(Note) Transaction amount is the average balance through the period. Also, loan interest rates are determined through rational decisions, taking into consideration market interest rates.

4. Implementation of measures to protect minority shareholders in transactions, etc. with controlling shareholders

Transactions with the controlling shareholder, whether those be of goods and services provided by Kyowa Kirin or to Kyowa Kirin, are based on objective market information and other data, and as with ordinary transactions, rational terms are agreed, and the transaction is conducted appropriately.

In case of conducting a transaction with the controlling shareholder, as measures to secure the fairness and to avoid a possible conflict of interest, when making a decision at the Board of Directors, officers who also work for the controlling shareholder, Kirin Holdings do not participate in deliberation and resolution of such an agenda, and do not participate in our discussion and negotiations with Kirin Holdings.

Furthermore, in case of any material transaction, Kyowa Kirin establishes an independent third-party committee for the purposes of examining whether trade terms are not deemed disadvantageous to minority shareholders, and reporting the findings to the Board of Directors.

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