

MILLENNIUM PHARMACEUTICALS, INC.

POLICIES OF THE BOARD OF DIRECTORS

1. Role of the Board

The Board of Directors (the “Board”) is elected by the stockholders to oversee the business affairs of Millennium Pharmaceuticals, Inc. (the “Company” or “Millennium”) for the benefit of its stockholders. The Chief Executive Officer and senior management are responsible for the day-to-day management of the business. The Board advises management, monitors management’s performance, and generally represents the interests of shareholders in creating shareholder value.

2. Functions of the Board

In addition to general oversight of management, the Board focuses its efforts on:

- Selecting, developing, evaluating, compensating, energizing, and terminating (as necessary) the CEO and senior management;
- Ensuring that the company is talent rich and planning for senior management succession and development;
- Enhancing and approving long and short term financial and business strategies and major corporate actions;
- Monitoring operating results and financial condition;
- Overseeing proper risk management; and
- Ensuring that processes are in place to maintain the integrity of Millennium, its financial statements, compliance with law and ethics, relationships with employees, business partners, customers and suppliers, and relationships with other stakeholders.

3. Board Composition

(i) Size of the Board

The Board and the Governance Committee periodically review the size of the Board and assess its ability to function effectively and with appropriate expertise and diversity. The Board determines the number of directors on the Board, provided that there are at least three. The Board presently has nine members. It is the sense of the Board that a size of about 9 to 12 members is appropriate.

(ii) Independence of Board and Committee Members

A substantial majority of the Board as a whole and all members of the Audit Committee, the Compensation and Talent Committee, and the Board Governance Committee will be independent directors. An independent director is one who meets all applicable “independence” requirements and is free of any relationship that in the opinion of the Board of Directors would interfere with the exercise of independent judgment. The

Board Governance Committee periodically, at least annually, reviews the independence of the directors, determines which directors are independent and reports its determination to the Board.

(iii) Management Involvement with the Board

Certain members of Millennium's senior management attend Board and/or committee meetings on a regular basis. While the Chief Executive Officer and other members of management may serve on the Board of Directors, Board membership is not normally appropriate for management other than the CEO.

(iv) Board Membership Criteria

The Board Governance Committee works with the Board, at least annually, to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members. This Committee selects nominees whose attributes it believes would be most beneficial to Millennium considering the composition of the Board, the operating requirements of Millennium and the interests of the stockholders. The Committee's assessment includes criteria such as independence, skills, experience, and expertise in business areas relevant to Millennium, integrity, competence, diversity, and dedication. Directors should possess the highest personal and professional ethics, integrity and values and be effective in representing the long-term interests of the stockholders.

(v) Selection of New Director Candidates

The Board Governance Committee selects, and recommends to the Board, nominees for director. The Board recommends to the stockholders the nominees for election and the stockholders elect directors annually at each annual meeting of stockholders. Between annual stockholder meetings, the Board may elect directors to fill vacancies on the Board who serve for a term expiring at the next annual meeting of stockholders

(vi) Directors who Change their Present Job Responsibility

Directors who experience a significant change in their business or professional affiliation or responsibility during their Board service are expected to offer their resignation from the Board. While a director whose job changes should not necessarily leave the Board, there should be an opportunity for the Board via the Board Governance Committee to review the continued appropriateness of Board membership under these circumstances.

(vii) Director Time Commitment

Directors are expected to devote sufficient time to carrying out their duties and responsibilities effectively and to ensuring that other existing and planned future commitments do not materially interfere with their service as a Millennium director. Directors may serve on the boards of directors of up to four other publicly traded

companies. In selecting a director nominee, the Board considers other demands on the time of a candidate. With respect to current members of the Board, the Board considers the other demands on their time as it affects their attendance at, preparedness for and participation in Board and Committee meetings. Directors should advise the Chairman of the Board and Vice Chairman of the Board in advance of accepting an invitation to serve on another public company board of directors.

(viii) Term Limits

The Board does not believe it should establish term limits. While term limits can help ensure that there are fresh ideas and viewpoints available to the Board, they can lead to losing the contribution of directors who have been able to develop, over a period of time, increasing insight into Millennium and, therefore, provide an increasing contribution to the Board as a whole.

As an alternative to term limits, the Board Governance Committee, in consultation with the Chairman of the Board and the Vice Chairman of the Board, will review each director's continuation on the Board prior to the time for his or her re-election. This review should involve consideration of both the director's interest in continuing as a member of the Board and the needs of the Company for a proper mix of personnel and talents on the Board given the Company's needs at the time.

(viii) Resignation Policy

As a condition to being nominated by the Board for election as a director, each nominee agrees that he or she will submit his or her offer of immediate resignation from the Board in the event such nominee receives, in the case of an uncontested election (as defined below), a greater number of votes "withheld" from his or her election than votes "for" his or her election (a "Majority Withheld Vote"). Such resignation will become effective if the Board determines to accept such resignation in accordance with this policy. If any nominee for director in an uncontested election receives a Majority Withheld Vote, the Board shall follow the following procedures in determining whether or not to accept the nominee's resignation, all of which procedures shall be completed within 90 days following certification of the shareholder vote:

- The Committee (as defined below) shall evaluate the best interests of the Company and its shareholders and shall recommend to the Board the action to be taken with respect to such resignation (which can range from accepting the resignation, to maintaining the director but addressing what the Committee believes to be the underlying cause of the withheld votes, to resolving that the director will not be re-nominated in the future for election, to rejecting the resignation). In reaching its recommendation, the Committee shall consider all factors it deems relevant, including, as it deems appropriate, any stated reasons why shareholders withheld votes from such director, any alternatives for curing the underlying cause of the withheld votes, the total number of shares voting and the number of broker non-votes, the director's tenure, the

director's qualifications, the director's past and expected future contributions to the Company and the overall composition of the Board, including whether accepting the resignation would cause the Company to fail to meet any applicable SEC or NASDAQ requirements.

- The Board shall act on the Committee's recommendation. In acting on the Committee's recommendation, the Board will consider all of the factors considered by the Committee and such additional factors as it deems relevant.
- Following the Board's determination, the Company shall promptly publicly disclose the Board's decision of whether or not to accept the resignation and an explanation of how the decision was reached, including, if applicable, the reasons for rejecting the resignation.
- The nominee who received a Majority Withheld Vote shall not be present during deliberations or voting of the Committee or the Board regarding whether to accept his or her resignation or, except as otherwise provided below, a resignation offered by any other director in accordance with this policy. Prior to voting, the Committee and the Board will afford the affected nominee an opportunity to provide the Committee or the Board with any information or statement that he or she deems relevant.

For purposes of this policy, the term "uncontested election" means an election where the number of nominees is not greater than the number of directors to be elected and where proxies are not solicited by any person other than the Company and the term "Committee" means (i) the Governance Committee, provided such committee then consists of at least three directors, each of whom is an independent director and none of whom is a director who received a Majority Withheld Vote at the most recent annual meeting or (ii) if clause (i) is not satisfied, a committee of at least three directors designated by the Board, each of the members of which is an independent director and none of the members of which is a director who received a Majority Withheld Vote at the most recent annual meeting; provided, however, that if there are fewer than three independent directors then serving on the Board who did not receive a Majority Withheld Vote at the most recent annual meeting, then the Committee shall be comprised of all of the independent directors and each independent director who received a Majority Withheld Vote at the most recent annual meeting shall recuse himself or herself from the Committee and Board's deliberations and voting with respect to his or her individual resignation. Neither broker non-votes nor abstentions shall be deemed to be votes "withheld" from a nominee.

The foregoing procedures will be summarized and disclosed each year in the proxy statement for the Company's annual meeting of stockholders.

4. Conduct of Board Meetings

(i) Selection of Agenda Items for Board Meetings

The Chairman of the Board and the Vice Chairman of the Board, in consultation with Board members, will determine the frequency and length of meetings. There are generally five regularly scheduled meetings each year, with additional meetings held as needed. The Chairman and the Vice Chairman will establish the agenda for each Board meeting. Each Board member is invited to suggest the inclusion of item(s) on the agenda.

(ii) Board Materials Distributed in Advance

Information and data that are important to the Board's understanding of the business will be distributed in writing to the Board before each meeting. The Chairman and the Vice Chairman will attempt to ensure that this material is focused to enable decisions to be made. Sensitive subject matters may be discussed at the meeting without materials being distributed in advance of the meeting.

(iii) Attendance at Board Meetings

Board members are expected to attend each Board meeting and actively participate in the discussion of the matters presented to the meeting.

(iv) Meetings of Non-employee Directors

The independent, non-employee directors of the Board meet in executive session without management present at the time of each regularly scheduled in-person Board meeting. The Chairman or the Vice Chairman serves as chairman of these meetings. The independent, non-employee directors may also meet at any other times as determined by the Chairman or the Vice Chairman.

5. Board Committees

(i) Number of Committees

The current standing committees of the Board are: Compensation and Talent Committee, Audit Committee, Board Governance Committee, Research and Development Committee and Executive Committee. The Board also appoints from time to time ad hoc committees to address specific matters.

(ii) Assignment of Committee Members

Committee assignments and chairmanships are reviewed on an annual basis by the Board Governance Committee in consultation with the Chairman of the Board and the Vice Chairman of the Board and taking into account the desires of individual Board members. A blend of rotation of committee assignments and continuity of membership is taken into account in making committee assignments.

(iii) **Committee Meetings**

The chairman of each committee, in consultation with committee members, determines the frequency and length of the meetings of the committee. The committee chairman sets the committee agenda for each meeting. The committee chairmen report the highlights of their committee meetings to the full Board at the next Board meeting following meetings of the respective committees.

6. Assessing the Board's Performance

The Board and each committee set goals for themselves at least annually. During the year the Board and the committees monitor progress towards those goals and at the end of the year, conduct a review to assess whether they have successfully achieved those goals. The Board Governance Committee, working with the Vice Chairman of the Board, oversees this self-evaluation process and assesses the full Board's performance. Each committee's evaluation will include a review of its compliance with its committee charter and its annual goals.

In addition, each director sets annual goals for himself/herself and annually submits to the Board Governance Committee a self-evaluation of his or her performance as a director which the Committee considers in connection with its review of individual director performance.

7. Access to Management and to Outside Advice

Directors are encouraged and are provided opportunities to talk directly with members of management regarding any questions or concerns the director may have. The Board and each of its committees may retain outside financial, legal or other advisors from a source independent of Millennium or its management at Millennium's expense.

8. Chief Executive Officer Performance Evaluation

An evaluation of Chief Executive Officer's performance is made annually by the Compensation and Talent Committee of the Board, working with the Vice Chairman of the Board, based on objective and subjective criteria such as performance of the business, accomplishment of long-term strategic objectives, management development, etc.

9. Management Development and Succession Planning

The Compensation Committee will annually review a development and succession plan for the CEO and other senior executives and report on these plans to the full Board.

10. Chairman of the Board

The Board appoints a Chairman of the Board. The Chairman presides at the meetings of the Board of Directors, sets the agenda for the meeting in consultation with the Vice

Chairman, the Chief Executive Officer and the Corporate Secretary, acts as the leader of the non-employee directors, is available to Millennium management on an as needed basis to discuss significant matters and performs other duties as determined by the Board.

11. Vice Chairman of the Board

The Board appoints a Vice Chairman of the Board. The Vice Chairman oversees the annual process of Board and director evaluation, including providing appropriate feedback to the Board, provides assistance to the Chairman of the Board, Chief Executive Officer and the Corporate Secretary in planning Board agendas, acts as Chairman of the Board in the absence of the Chairman or a vacancy in the position of Chairman, and performs other duties as determined by the Board.

12. Strategic Planning

The Board views involvement in strategic planning and approval of the Company's long term strategic plan as important responsibilities and conducts a strategic planning meeting at least annually.

13. Board Compensation and Stock Ownership

Non-employee directors receive compensation for their Board and committee service. The Board Governance Committee reviews, in consultation with outside consultants, and recommends to the Board, appropriate compensation for the non-employee directors serving on the Board and its committees. Compensation for non-employee directors consists of both cash and equity and Directors are encouraged to own a significant amount of Millennium stock.

14. Conflicts of Interest

Directors must promptly inform the Chairman and the Vice Chairman if any actual or potential conflict of interest arises between the director and Millennium. If a significant conflict exists and cannot be resolved, the director should resign. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests.

Approved May 10, 2007