

**Terumo Report  
2025**  
Sustainability Section



## Group Mission

# Contributing to Society through Healthcare

## Our Promise (Established on April 1, 2025)

**Everything starts from our unwavering commitment to patients.**

**Listening sincerely to their needs and understanding deeply their hopes and aspirations, we boldly pursue innovative ways to help enhance the lives of patients around the world.**

## Core Values

### Respect — Appreciative of others

We show respect and appreciation toward associates, customers, and business partners.

We value individuality and diverse cultures, and listen widely and carefully to different opinions and the voice of society.

### Integrity — Guided by our mission

As associates of Terumo Group, responsible for life and health, we always act with sincerity and a sense of mission.

Through our daily efforts, we build trust among all stakeholders.

### Care — Empathetic to patients

We are mindful that everything we do ultimately connects us to patients.

We strive to understand healthcare providers deeply and work together with them to give patients a better future.

### Quality — Committed to excellence

To ensure safety and reliability in healthcare, we view each issue from a "gemba" perspective in order to find the optimal solution.

As well as product quality, we pursue excellence in all we do, from product supply to customer care.

### Creativity — Striving for innovation

We promote a mindset that embraces challenge for the future, and work with curiosity and passion.

We respond to the needs of "gemba" by delivering products and services that create meaningful value in a timely manner.

\* Terumo uses the term "associates" to refer to our employees, emphasizing the idea of employees as partners with whom we work together.

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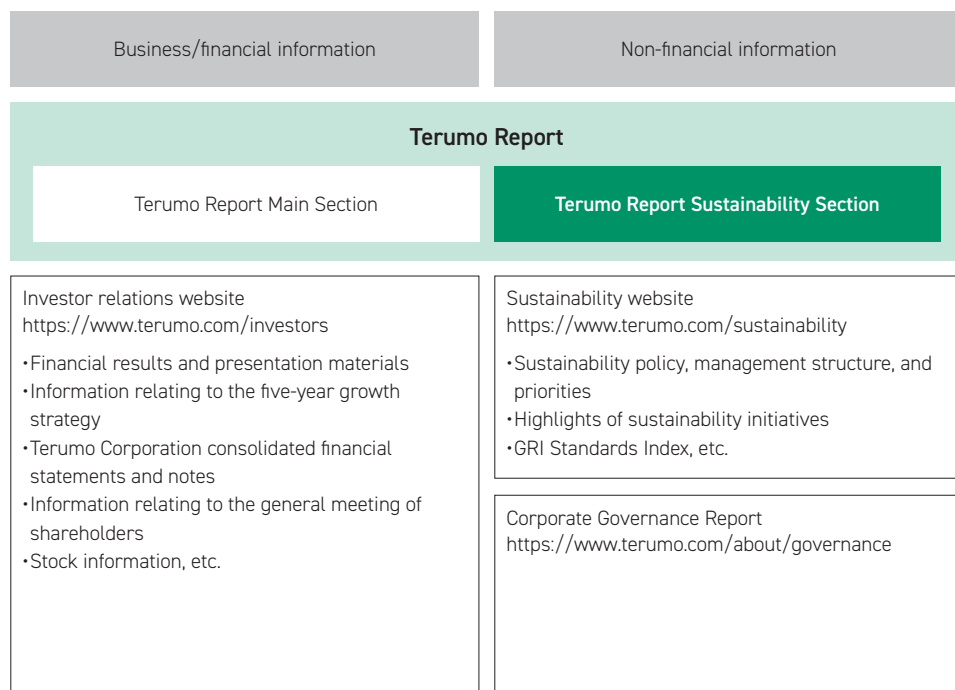
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## Editorial policy

### Editorial policy

At Terumo, we issue our integrated report, the "Terumo Report," to provide stakeholders, including shareholders and investors, with a clear understanding of our comprehensive efforts toward medium- to long-term value creation and enhancing corporate value. The Terumo Report comprises the Main Section and the Sustainability Section. The Main Section focuses on the Terumo Group's overall management policies and medium- to long-term growth strategies. The Sustainability Section provides a comprehensive overview of our approach to sustainability management, priorities, organizational structures, and ESG initiatives that support CSV, together with relevant data.

### Information disclosure framework



### Coverage

Report coverage includes, in principle, those elements of the global Terumo Group falling within the scope of consolidated earnings statements. When the scope differs from that described above, notification is provided individually.

### Reporting period

The reporting period is fiscal year 2024, from April 1, 2024, through March 31, 2025, and includes some activities occurring before and after that period. (In this report, fiscal year 2024, which ended March 31, 2025, is referred to as "fiscal 2024," and other fiscal years are referred to accordingly.)

### Adoption of International Financial Reporting Standards

Beginning with its financial results announcement for fiscal 2017, Terumo has adopted International Financial Reporting Standards (IFRS) with the goal of making its financial information more easily comparable to that of companies around the world and to improve management accuracy and strengthen corporate governance through the global application of uniform rules.

### Cautionary statement regarding forward-looking statements

Forward-looking statements in this report, including financial projections, are based upon assumptions using information available at the time and are not intended to be a guarantee of future events or performance. Accordingly, it should be noted that actual results may differ from forecasts and projections due to various factors. Factors affecting actual results include, but are not limited to, changes in the economic conditions surrounding Terumo, fluctuations in foreign exchange rates, and the state of competition. Information on market share in this report is partly derived from our own independent research. Information about products (including products currently in development) included in this report is not intended to constitute advertising or medical advice.

### Referenced guidelines

- GRI Sustainability Reporting Standards
- SASB Standards
- Task Force on Climate-related Financial Disclosures (TCFD)
- Japanese Ministry of the Environment, Environmental Reporting Guidelines 2018

# Sustainability at the Terumo Group

## Terumo Group Sustainability Policy

Terumo holds "Our Promise," the long-term direction to be pursued by the entire Terumo Group to realize its Group Mission of Contributing to Society through Healthcare.

### Our Promise

Everything starts from our unwavering commitment to patients. Listening sincerely to their needs and understanding deeply their hopes and aspirations, we boldly pursue innovative ways to help enhance the lives of patients around the world.

To fulfill Our Promise, Terumo will strive for the utmost quality in all activities, create solutions of value by utilizing new technologies, and spread those solutions globally.

Amid drastic changes in social and global environments, Terumo will also take leadership toward solving a variety of social issues, and to meet the expectations of its broad range of stakeholders.

Through these sustainability efforts, Terumo will contribute to the realization of a sustainable society, create new Terumo strengths and culture, and bring about sustainable corporate growth. With the Core Values and Group Code of Conduct as guides, we will meet the future challenges of healthcare and society together as Terumo Group associates.

## Sustainability priorities

### Sustainability Priorities

Based on the Terumo Group's Sustainability Policy, we have identified seven sustainability priorities we will focus on to realize our Group Mission. These priorities are classified into the categories of "Social value creation" (CSV) and "Foundation supporting social value creation" (ESG). (Please refer to pp. 7-9 for specific CSV/ESG themes and KPIs set out in our five-year growth strategy GS26 based on our sustainability priorities.)

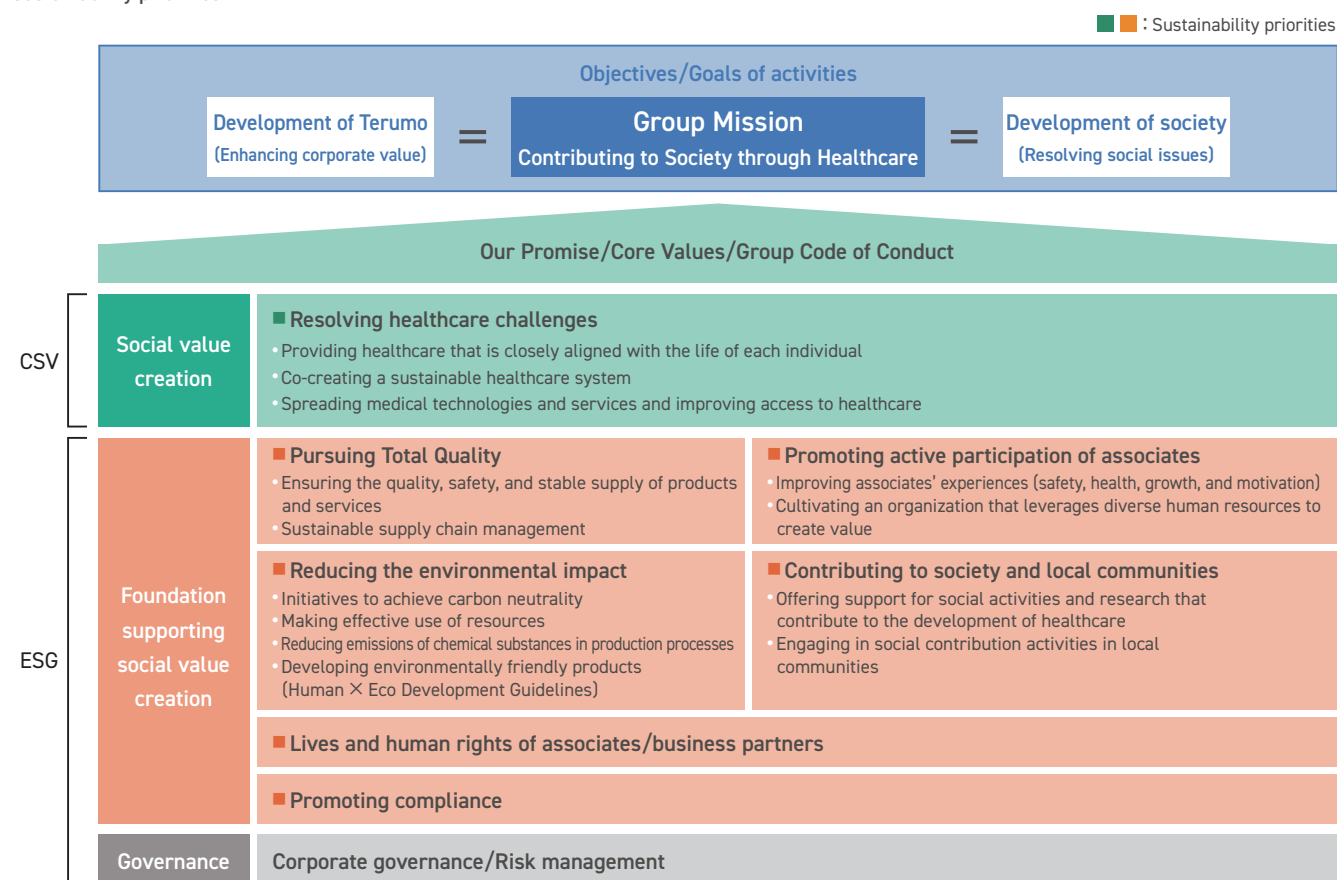
### Social value creation (CSV)

We have identified "Resolving healthcare challenges" as our primary sustainability priority, which is rooted in our Group Mission. Listening sincerely to patients' needs and understanding deeply their hopes and aspirations, we aim to create valuable solutions and deliver them globally. Through these efforts, we strive to contribute to a sustainable society and achieve sustainable growth for the Terumo Group.

### Foundation supporting social value creation (ESG)

As a foundation to support the creation of social value, we have set six sustainability priorities including "Pursuing Total Quality," "Promoting active participation of associates," "Reducing the environmental impact," and "Lives and human rights of associates and business partners." While responding to various social demands, we will build a solid business foundation through our unique activities.

### Sustainability priorities



## Sustainability at the Terumo Group

### The Process to determine sustainability priorities

The Terumo Group determines priorities according to the following process.

#### STEP1 Identify potential issues

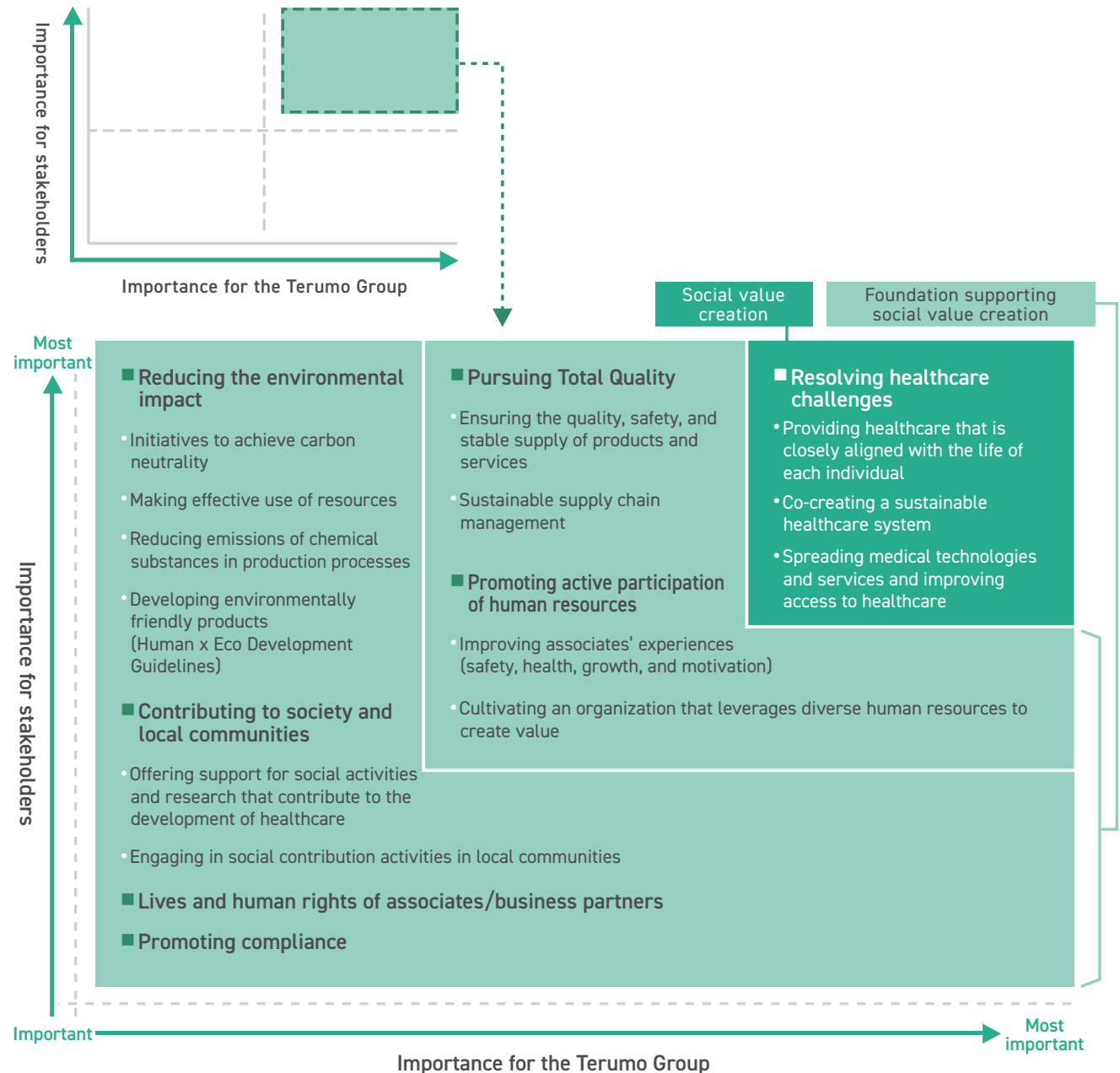
Referring to sustainability guidelines and standards such as those published by GRI and SASB, comprehensively identify which sustainability issues concern the Terumo Group.

#### STEP2 Prioritize

Evaluate how important these issues are for the Terumo Group, in terms of their importance to stakeholders and relevance to our Group Mission and other related policies. Select those that are highly important to both parties.

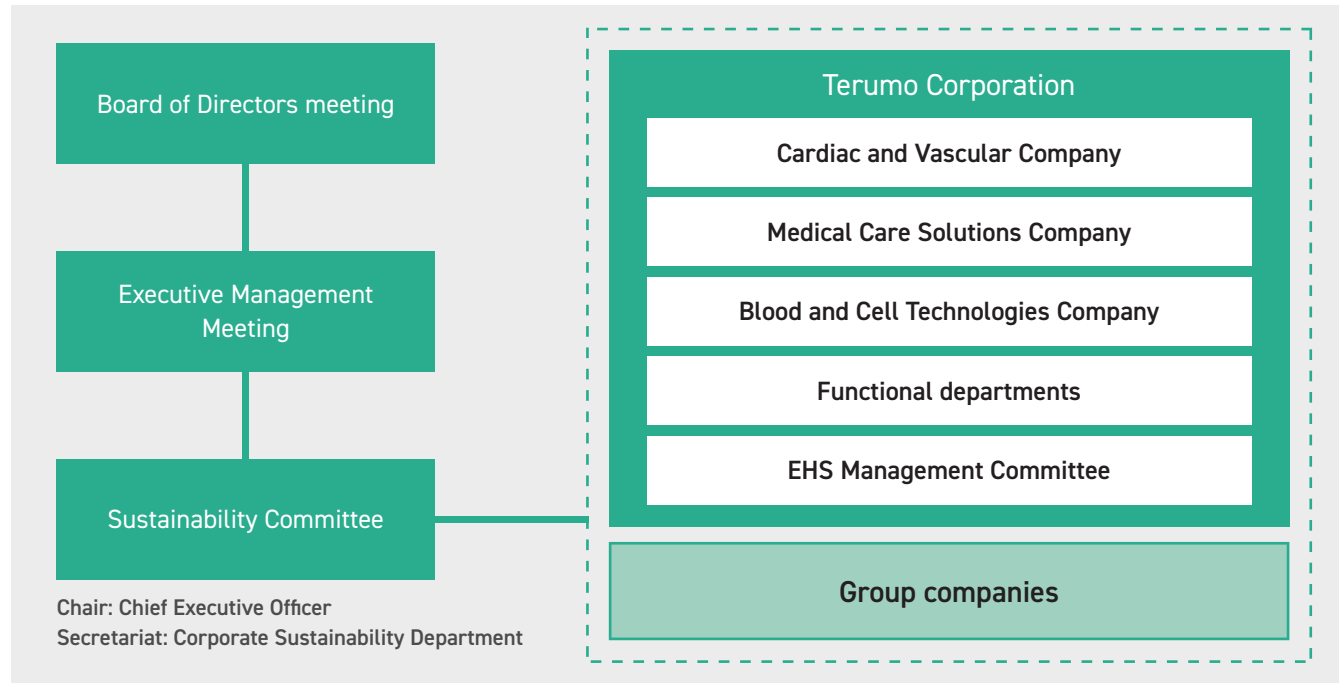
#### STEP3 Determine priorities

Taking into consideration the current status of initiatives within the Terumo Group, determine the sustainability priorities from among those that had been selected for their high level of importance. The Executive Management Meeting and the Board of Directors meeting then deliberates over the priorities that were identified to confirm that they are appropriate.



**Sustainability management**

Terumo established the Sustainability Committee in April 2023. The Sustainability Committee under the Executive Management Committee develops action policies and priorities related to sustainability, including CSV and ESG, finds ways to disseminate them throughout the Terumo Group, and promotes specific initiatives, by working together with relevant departments and the group companies. The Sustainability Committee also monitors the progress of the initiatives and KPIs for CSV and ESG and reports them regularly to the Executive Management Meeting and the Board of Directors meeting. Matters raised at the Executive Management Meeting and the Board of Directors meetings are fed back to the relevant departments or the Terumo Group companies to enhance the initiatives. Terumo also understands the societal expectations and demands of the Terumo Group through communication and dialogue with internal and external stakeholders and incorporates them into its initiatives.



As of September 30, 2025

Participation in initiatives

United Nations Global Compact

In 2012, Terumo became a signatory to the United Nations Global Compact. This action reflects Terumo's agreement with the Ten Principles of the compact, which relate to human rights, labor practices, the environment, and anti-corruption measures. Under the Group Mission of "Contributing to Society through Healthcare," the Terumo Group is striving to practice these principles throughout the course of its business operations.

WE SUPPORT



Science Based Targets initiative (SBTi)

Terumo's greenhouse gas (GHG) emissions reduction targets for fiscal 2030 have been approved by the Science Based Targets initiative (SBTi) as being aligned with the common goal to limit global temperature rise to 1.5°C above pre-industrial levels.



External recognition

MSCI Nihonkabu ESG Select Leaders Index

Terumo has been selected as a constituent stock of the MSCI Nihonkabu ESG Select Leaders Index, a major index of Environmental, Social, and Governance (ESG) investment (as of June 2025).

\* The INCLUSION OF TERUMO IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF TERUMO BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

FTSE4Good Index Series/FTSE Blossom Japan Index/FTSE Blossom Japan Sector Relative Index

Terumo has been selected as a constituent stock of the FTSE4Good Index Series, the FTSE Blossom Japan Index, and the FTSE Blossom Japan Sector Relative Index created by FTSE Russell (as of June 2025).



ISS ESG Corporate Rating

Terumo has been rated "Prime" in "The ESG Corporate Rating" by ISS ESG, an ESG investment solution business unit of the world's leading proxy advisory firm, ISS, Institutional Shareholder Services Inc. of the U.S. (as of June 2025).

S&P/JPX Carbon Efficient Index

Terumo has been selected for inclusion in the S&P/JPX Carbon Efficient Index (as of June 2025).



SOMPO Sustainability Index

Terumo has been selected for inclusion in the SOMPO Sustainability Index (as of June 2025).



Recognition by CDP

The Terumo Group has been selected for the "A List," the highest rating, in the categories of "Water Security" and "Supplier Engagement" in CDP 2024. In the category of "Climate Change," we have received an A- rating (Leadership level) for three consecutive years. CDP is an international non-governmental organization that requires companies to disclose information on climate change, water security, and other environmental issues.



## CSV and ESG themes of the GS26

At Terumo, we position the creation of social value (CSV) through resolving medical issues as the top priority of our sustainability management. In addition, we have set our sustainability priorities related to ESG as the foundation to support the promotion of CSV. We are actively working to achieve these priorities. (For more information on Terumo's sustainability priorities, please refer to p. 3.)

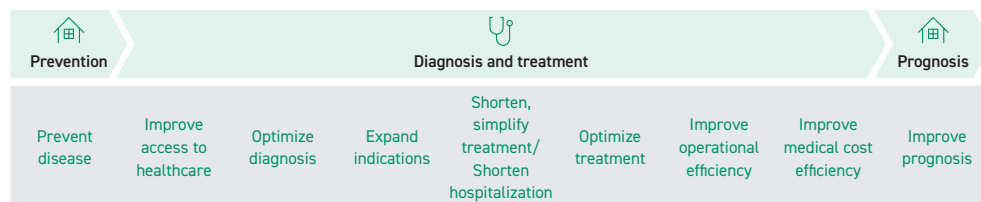
Under our five-year growth strategy GS26, which began in fiscal 2022, we have established specific initiatives and key performance indicators of CSV and ESG to monitor based on the aforementioned sustainability priorities. Under the CSV themes, we will provide valuable solutions to medical settings and patients by leveraging our broad range of products and technologies to create social and economic value in the patient journey, from prevention to diagnosis, treatment, and prognosis. For the ESG themes, we are working on efforts that support CSV, including ensuring the quality, safety, and stable supply of our products and services and fostering an organization that leverages diverse talent to create value. We are also advancing initiatives to meet societal demands, such as achieving carbon neutrality.

The Sustainability Committee monitors the progress of these themes and KPIs and reports regularly to the Executive Management Meeting and the Board of Directors. In addition, we have introduced the Future Corporate Value Targets as a performance assessment indicator for executives starting in fiscal 2023 to appropriately reflect their contributions in practicing sustainability management in their evaluation and compensation. Moving forward, we will continue to enhance our corporate value over the medium to long term through the practice of sustainability management.

### CSV themes of the GS26

At the Terumo Group, each of the three companies has identified its own CSV themes and is working on them by leveraging its distinctive products and technologies, as well as the experience and knowledge gained from solving medical issues. By providing unique solutions that leverage each company's strengths in the patient journey from prevention to diagnosis, treatment, and prognosis, we will contribute to creating healthcare value in broad areas, such as reducing treatment and hospitalization time, improving operational efficiency in the medical settings, and improving medical cost efficiency.

#### Key healthcare value offered by the Terumo Group



### Cardiac and Vascular Company

We are committed to promoting the broader adoption of radial access procedures, where a catheter is inserted through a blood vessel in the wrist (radial artery) for vascular interventional therapy. Compared to femoral access procedures, where catheters are inserted through the femoral artery in the groin, radial access procedures have shorter hemostasis time, reduced complications, and faster ambulation following the procedures, contributing to improved QOL. Radial access procedures can also lead to reduced healthcare costs\* through early patient recovery and shortened hospital stays, including same-day discharge in certain countries. To extend the benefits of radial access procedures beyond cardiac (coronary artery) applications to peripheral, visceral, and neurovascular treatments, we are actively expanding our product portfolio and offer medical training tailored to each treatment area.

We are also working to develop products and solutions to enable personalized therapies, which provide optimal medical care based on each patient's specific characteristics and risks.

\* The results of the study below conducted in the U.S. showed that the cost of percutaneous coronary intervention using the radial approach was \$916 less per case than the femoral approach.  
Amin AP, et al. J Am Coll Cardiol Interv. 2017;10(4)

<b>CSV themes</b>	<ol style="list-style-type: none"> <li>1. Wider adoption of radial access procedures</li> <li>2. Training</li> <li>3. Personalized therapies</li> </ol>
<b>Monitoring items and KPIs</b>	<ol style="list-style-type: none"> <li>1. Rate of radial approach (FY2026) <ul style="list-style-type: none"> <li>• Coronary: 75%+</li> <li>• Peripheral: 20%+</li> <li>• Visceral: 15%+</li> <li>• Neurovascular: 15%+</li> </ul> </li> <li>2. The number of medical professionals that participated in training (Terumo Interventional Systems)</li> <li>3. Drive personalized therapies by promoting devices including stent grafts and intrasaccular devices to be used for more treatments</li> </ol>
<b>FY2024 initiatives and results</b>	<ol style="list-style-type: none"> <li>1. Made steady progress in coronary, visceral, and neurovascular interventions (Coronary: 79%, Peripheral: 8%, Visceral: 15%, Neurovascular: 12%)</li> <li>2. Achieved a year-on-year increase of just over 20% in the number of training sessions, accompanied by a nearly 20% rise in face-to-face participants, totaling approximately 33,000. Meanwhile, the overall number of training participants declined by slightly more than 10%, down to around 53,000 due to a large-scale program held in the previous fiscal year (FY2022), which had over 1,000 participants *Item 2 shows the fiscal year 2023 results</li> <li>3. Advanced the use of digital technologies in collaborative programs between businesses and regions</li> </ol>

## CSV and ESG themes of the GS26

### Medical Care Solutions Company

We are committed to creating unique solutions that provide quality time for all people involved in healthcare in light of our brand promise, "Quality Time for Better Care." By leveraging our experience and capabilities accumulated over many years of addressing issues in medical settings, we will offer solutions that enhance operational efficiency and safety in hospitals, reduce the length of hospital stays and patient visits, and alleviate the burden of treatment at home and improve safety. In this way, we strive to ensure that the time spent on healthcare is as short and high-quality as possible.

<b>CSV themes</b>	<ol style="list-style-type: none"> <li>1. Perioperative solutions</li> <li>2. Outpatient chemotherapy solutions</li> <li>3. Renal care solutions</li> </ol>
<b>Monitoring items and KPIs</b>	<ol style="list-style-type: none"> <li>1. Deliver the solutions to 1,000 medical institutions in Japan and overseas</li> <li>2. Introduce the solutions to 35%* of the designated cancer hospitals in Japan * As the FY2024 results reached 30%, surpassing the initial target, the goal has been revised upward from 20% to 35%.</li> <li>3. Deliver the solutions to 20,000 patients in Japan and overseas</li> </ol>
<b>FY2024 initiatives and results</b>	<ol style="list-style-type: none"> <li>1. Implemented the solutions in 836 medical institutions across the world (785 facilities in Japan and 51 across eight countries outside Japan)</li> <li>2. Introduced closed system drug transfer devices to over 30% of the designated cancer hospitals in Japan. Prepared for the full-scale implementation of the outpatient chemotherapy system in Japan</li> <li>3. Reached around 12,000 patients using the solutions across Japan and overseas. Advanced the full-scale launch of "Terumo PD MyCare," the application for managing peritoneal dialysis, and expanded sales of neutralized peritoneal dialysate in China</li> </ol>

### Blood and Cell Technologies Company

The brand promise "Unlocking Potential" expresses our commitment to improving patient outcomes, serving unmet medical needs, and advancing standards of care in both new and established markets. We champion a safe, equitable, and sustainable blood supply while striving to expand access to new and existing life-changing technologies and therapies. We are also focused on enabling more efficient healthcare delivery by investing in automation solutions that support process efficiencies and high performance across the blood and cell handling infrastructure, from blood processing to cell expansion in cell therapy manufacturing.

<b>CSV themes</b>	<ol style="list-style-type: none"> <li>1. Expand the impact of innovation by increasing the number of patients treated</li> <li>2. Bring lifesaving technology to previously unreachable patients</li> <li>3. Enhance efficiencies in the infrastructure of healthcare delivery</li> </ol>
<b>Monitoring items and KPIs</b>	<ol style="list-style-type: none"> <li>1. Status of reimbursement obtained and disposable unit sales of major product platforms*: Double-digit annual growth of disposable unit sales * Whole blood bags and disposable sets for Reveos, TACSI, Trima Accel, Spectra Optia, Finia, and Quantum</li> <li>2. Sales amount in China and Africa: Increased sales amount</li> <li>3. Total number of whole blood automation devices installed: Increased the total number of devices installed</li> </ol>
<b>FY2024 initiatives and results</b>	<ol style="list-style-type: none"> <li>1. Obtained four major reimbursements in Kenya, the U.K., Brazil, and China 4% growth for disposable unit sales, an indicator of patients treated using major product platforms</li> <li>2. China: Installed record high number of Trima Accel and Spectra Optia devices Africa: 20% sales growth in Central Africa. Approved reimbursement pathway for sickle cell disease including red cell exchange</li> <li>3. 15% sales growth of whole blood automation devices</li> </ol>

Note: After the announcement of GS26, we have partially revised the CSV themes, monitoring items, and KPIs for each company.

ESG themes of the GS26

Based on Terumo's sustainability priority themes, we have established specific ESG activity themes and KPIs under GS26. These activities include ensuring the quality, safety, and stable supply of our products and services and fostering an organization where diverse associates can reach their full potential, which forms the foundation supporting CSV. In addition, we are advancing initiatives to meet societal demands, such as achieving carbon neutrality. With these initiatives, we will contribute to our sustainable growth and the realization of a sustainable society.

Themes		KPIs*1	FY2024 results*1
Achieve carbon neutrality	CO <sub>2</sub> emissions (Scope 1 and 2, compared to FY2018)	Reduce by 50.4% (FY2030) Achieve carbon neutrality (FY2040)	Reduced by 30.4%
	Ratio of renewable energy use to total electricity use	50% (FY2030)	37.2%
Effective use of resources	Water use (Per unit of revenue, compared to FY2018)	Reduce by 20% (FY2030)	Reduced by 46.9%
	Recycling rate	90% (FY2030)	91.4%
Ensure the quality, safety, and stable supply of products and services	Number of critical findings from regulatory authorities	0	0
Sustainable supply chain management	Critical market shortages	0	1
	Transactions with critical deviations from Terumo's Supplier Guidelines	0	0
Promote safety measures for the work environment	Number of fatal and serious work-related accidents	0	Fatal accident: 0 Serious accident: 0
Improve the Associate Experience	Results of the engagement survey conducted for associates	-	Please refer to the "Engagement survey" on p. 40
Foster an organization that leverages diverse talent to create value	Ratio of non-Japanese in Group Executive Officers (GEO) and global key positions (GKP)	-	GEO: 33.3%*2 GKP: 59.3%*2
	Ratio of female managers (Terumo Corporation)	13% (FY2026)	12.0%
Effectiveness of the Board of Directors	Evaluation of the effectiveness of the Board of Directors (Terumo Corporation)	Conduct annually	Conducted*3
Promote compliance	Violations of laws and regulations with significant impact on Terumo Group management	0	0

Note: After the announcement of GS26, we have partially revised the ESG themes and KPIs.

\*1 Scope: Terumo Group (excluding items with notes)

\*2 As of April 1, 2025

\*3 For details on the evaluation of the board's effectiveness, please refer to the "Evaluation of the effectiveness of the Board of Directors" on pp. 56-57.


## Environmental information

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- 24 Response to the risks and opportunities associated with climate change and nature  
(Information disclosure based on the TCFD and TNFD recommendations)

# EHS management

## Basic approach

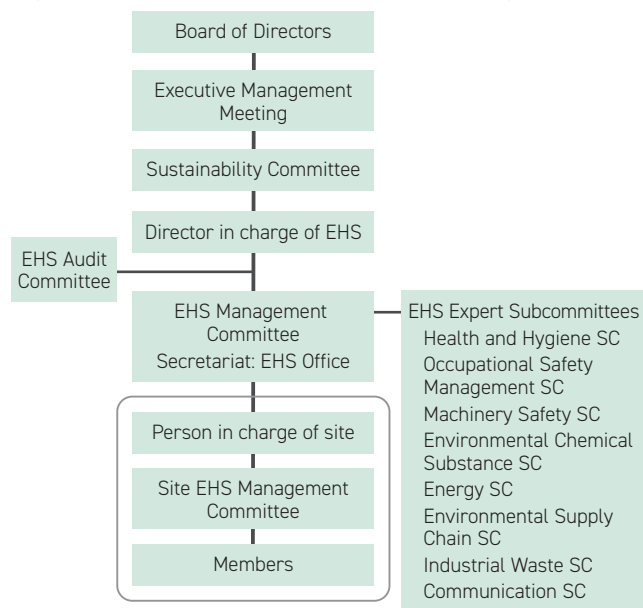
Ensuring occupational safety, promoting the health of employees, and reducing the environmental impact of business activities are important social responsibilities for companies and are crucial to sustainable growth. Acting in accordance with the Terumo Group Environment, Health and Safety (EHS) Policy, the Terumo Group advances initiatives for ensuring occupational safety and promoting the health of its employees throughout all of its business activities, strives to develop safe and comfortable work environments, and works to reduce the impact of its business activities on the environment. In April 2025, we revised the Terumo Group EHS Policy and formulated the Terumo Group Statement on Nature. We will continue to implement initiatives throughout the value chain that embody our response to nature conservation and climate change issues, and our approach and policy in relation to the building of a resource-circulating society. (For information on the initiatives to promote occupational health and safety, please refer to "Occupational Health and Safety" on pp. 45-46.)

 **Terumo Group EHS Policy, Terumo Group Statement on Nature (Please visit the Regulations and Standards section of Terumo's corporate website.)**  
<https://www.terumo.com/about/regulation>

## EHS management

Based on the Terumo Group EHS Policy, we employ an EHS management system that is compliant with international environmental (ISO 14001: 2015) and occupational health and safety (ISO 45001: 2018) standards. As a key part of Terumo's focus on sustainability in business, EHS policies, risks, opportunities, goals, and activity plans are discussed and related decisions are made by the EHS Management Committee, which is chaired by the director in charge of EHS, and then reflected in EHS activities at Terumo Group sites worldwide. EHS Expert Subcommittees, consisting of experts drawn from individual business sites, have been established under the EHS Management Committee, and these subcommittees propose strategies, policies, targets, and activity plans pertaining to their respective areas of responsibility. In addition, the EHS Audit Committee conducts internal audits of business sites to confirm the implementation status and effectiveness of their systems and their compliance with relevant laws. Ongoing improvements are pursued based on the results of these audits.

Organization for company-wide promotion of EHS management system



## ISO 14001 (Environment) certification

Principal manufacturing sites in Japan, a certain number of manufacturing sites overseas, and the head office (EHS Office) have obtained third-party certifications of their compliance with the ISO 14001 standards. The ratio of certifications obtained is 48% on a manufacturing site basis. (For information on ISO 45001 certification, please refer to pp. 45-46.)

Company name	Site
Terumo Corporation	Head office (EHS Office)
	Fujinomiya Factory
	Kofu Factory
	Ashitaka Factory
Terumo Yamaguchi Corporation	-
Terumo Medical Corp.	Elkton Factory*1
Terumo Europe NV	Haasrode Factory*2
	Genk Warehouse
Terumo Vietnam Co., Ltd.	Terumo Vietnam Factory
Terumo BCT, Inc.	Terumo BCT Lakewood Factory
Terumo Penpol Pvt. Ltd.	Blood bag factory
Terumo BCT Vietnam Co., Ltd.	Terumo BCT Vietnam Factory
Terumo BCT, Ltd.	Terumo BCT Larne Factory
Vascutek Ltd.	Vascutek factory
Terumo Medical Products (Hangzhou) Co., Ltd.	Terumo Hangzhou Factory

\*1 Including Kalila Medical, Inc., Distribution Center (Southaven, Phoenix, Northeast), and Terumo Medical Canada, Inc.

\*2 Including Genk Distribution Center

(As of April 30, 2025)

### EHS risk management

#### EHS internal audits

The Terumo Group EHS Audit Committee conducts EHS internal audits to confirm the status of initiatives for reducing environmental, health, and safety risks and to assess EHS performance (progress toward the achievement of EHS targets). When nonconformities have been identified, corrective actions are taken and their effectiveness is checked to prevent recurrences. In fiscal 2024, such audits were conducted at 10 business sites.

#### Audit tasks

1. Check conformity with ISO 14001:2015 and ISO 45001:2018
2. Check compliance with EHS-related laws, regulations, agreements, etc.
3. Check compliance with the Terumo Group EHS Policy and with internal rules and standards
4. Check the operational status of EHS management systems and performance (effectiveness, key performance indicators)
5. Check the status of improvement regarding issues identified through audits, etc.

#### Audits of waste-treatment contractors

To confirm the appropriate processing of industrial waste generated by Terumo, we perform systematic audits of waste collection and disposal contractors. In fiscal 2024, we conducted audits at 44 contractors in Japan and determined that waste collection and disposal are being performed properly.

#### Training and education

To ensure a solid understanding of the Terumo Group EHS Policy and EHS activities, we conduct a basic EHS education program for all associates of Terumo once a year. We have also prepared education materials tailored to the needs of factories, R&D bases, and sales offices and use them in regularly conducted education and training programs. Apart from these systematic education initiatives, EHS information is distributed via the intranet and internal bulletin boards. Through these and other such initiatives, we are striving to increase EHS awareness among our associates.

#### Response training for environment-related emergencies and accidents

Individual business sites have established emergency response procedures to prevent accidents and disasters, and to lessen the severity of such incidents should they occur. They also conduct emergency response training and review the results on a regular basis. In fiscal 2024, there were no serious environment-related accidents or leaks.

#### Compliance with environmental laws and regulations

In fiscal 2024, there were no major violations, fines, or penalties related to environmental laws or regulations, including air and water pollution. (For more information about major violations, fines, or penalties related to environmental laws or regulations, including air and water pollution, please refer to "Environmental Data" on p. 75.)

#### Award program for recognizing outstanding EHS activities

At the Terumo Group, we present the "Terumo EHS Sustainability Award" annually to recognize initiatives that contribute to Environment, Health, and Safety (EHS). This award aims to promote EHS activities by evaluating and sharing excellent case studies throughout the Terumo Group.

In fiscal 2024, we recognized efforts aimed at achieving carbon neutrality in terms of Scope 1 and 2 emissions, such as energy conservation measures, as well as efforts to conserve water through water recycling, and ongoing measures to reduce Scope 3 emissions through improved transportation efficiency. We also recognized measures that have the potential to be rolled out horizontally to other business sites, including measures to prevent accidents that involve slipping and falling, and the obtaining of multi-site ISO14001 and ISO45001 certification.

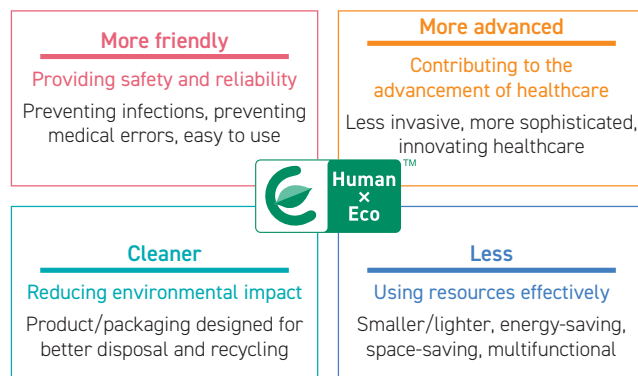
## Development of environmentally friendly and safe products

### Human × Eco Development Guidelines

Terumo has established and applied to product development its proprietary Human × Eco Development Guidelines, a set of guidelines for developing products that are friendly to both people and the environment.

These guidelines consist of four principles—more friendly (providing safety and reliability), more advanced (contributing to the advancement of healthcare), cleaner (reducing environmental impact), and less (using resources effectively)—and 24 directives based on these principles. Products that exhibit excellence with regard to these principles and directives display the “Human × Eco” logo, an internal certification mark, to make this excellence readily apparent to customers.

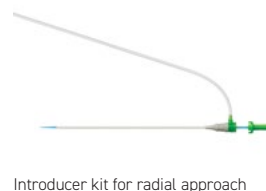
#### “Human × Eco” Development Guidelines



#### Examples of Human × Eco certified products

##### Introducer kit for radial approach—Minimally invasive, medically cost-efficient, and resource-conserving

Percutaneous coronary intervention (PCI) can be performed by inserting a catheter at either the wrist or the groin. The radial approach, in which a catheter is inserted through the radial artery in the wrist, entails fewer complications, such as post-procedure bleeding, and is less invasive than the femoral approach. Terumo has developed an innovative introducer kit that features a sheath with a thinner, more finely formed wall for a smaller outside diameter. A narrower sheath makes more treatment options available for patients with small arteries while also reducing costs and resource usage associated with post-procedure complications.



Introducer kit for radial approach

##### Guiding catheter for radial approach—Minimally invasive, medically cost-efficient, and resource-conserving

Used together with Terumo's introducer kit for the radial approach, this guiding catheter makes it possible to perform the radial approach for treating peripheral artery diseases. Compared with the transfemoral approach, the radial approach is less invasive, places less of a burden on medical professionals and patients, and is more medically cost-efficient. In addition, the packaging type used for this guiding catheter has been changed to realize a 45% reduction in package weight and a 61% reduction in package size. This change is anticipated to contribute to the environment by helping to conserve resources and space and reduce the amount of energy required for transportation.



Guiding catheter for radial approach

##### Drug-eluting stent—Minimally invasive, medically cost-efficient, and resource-conserving

Drug-eluting stents are medical devices that are embedded in patients' bodies to treat conditions such as angina pectoris and myocardial infarction resulting from contraction or blockage of the coronary artery of the heart. Terumo has proceeded to refine the delivery systems of its drug-eluting stents to improve ease of use and passage in order to facilitate smooth treatment of even complicated lesions. These refinements are expected to reduce the burden placed on healthcare professionals and patients while offering higher economic benefits. In addition, the packaging type used for these drug-eluting stents has been changed to realize a 14% reduction in package size. This change is anticipated to provide environmental benefits by helping to conserve resources and space and improving transportation efficiency.



Drug-eluting stent

##### Intravascular ultrasound catheter—Shortened examination times and improved efficiency

Intravascular ultrasound catheters are used during intravascular ultrasounds, an examination that employs ultrasonic waves to visualize the interiors of blood vessels. By improving the image resolution, image acquisition, processing speeds, and ease of operation of our catheters, we have helped reduce the time required for preparations, examinations, and image interpretation in intravascular ultrasounds. We anticipate that the shorter procedure times will reduce the burden on patients and medical professionals, thereby contributing to the realization of safer and more efficient treatments.



Intravascular ultrasound catheter

## Development of environmentally friendly and safe products

### Infusion pump—Resource conservation and improved usability

An infusion pump is a medical device that administers an intravenous solution (IV) etc. at a specified flow rate. By comparison with conventional devices, this product is around 40% lighter. This makes it easier to carry around, and it is also expected to make a positive contribution to environmental protection through resource conservation and enhanced delivery efficiency. Furthermore, the infusion pump includes a color LCD screen for improved visibility and a wireless communication feature that allows easy transfer of the pump's operational history data. These features are expected to improve the working efficiency of healthcare professionals.



Infusion pump

### IV (Intravenous) solution bag—Conservation of resources and reduction of waste

We have developed an IV solution bag designed to be environmentally friendly. It is manufactured with less plastic, in a production process that consumes less energy and emits less CO<sub>2</sub> than previous processes. In addition, because the new IV solution bags weigh 23% less than prior bags, we expect them to generate less waste and reduce the overall impact on the environment.



IV solution bag

### Vaccination syringe—Conservation of resources and reduction of waste, timely development to meet medical demand during the COVID-19 pandemic

In 2021, when vaccination against COVID-19 was underway in Japan, there was urgent demand for syringes that could be used for intramuscular injection. To prevent the wasting of precious vaccine doses, Terumo applied the technology from its low dead-volume syringes, initially designed for subcutaneous injections, to

create a new syringe specifically for intramuscular injections. This new syringe features a longer embedded needle, measuring 16mm, compared to the 13mm needles found in existing models. This new product received manufacturing and sales approval as Japan's first syringe with an embedded needle for intramuscular injection with COVID-19 vaccine. It was on sale within three months of development beginning. The needle embedded in the syringe allows more efficient use of the vaccine agent while reducing the amount of plastic needed in manufacturing.



Syringe for vaccine

### Closed infusion systems—Contributions to safer, more efficient infusion line management

Keeping infusion line mixers closed helps to prevent contamination by external airborne microbes. In addition, our infusion line connectors are designed to not retain any liquid and, therefore, can be used to deliver even very small amounts of drug solutions. Even the connection of syringes and infusion devices requires no special adapters, so drug solution delivery is simple, quick, and more secure from procedural errors. Easy inventory management contributes to greater safety and efficiency in managing infusion line stocks.



Closed infusion system

### Safety IV catheter—Improved usability and medical cost efficiency

This Safety IV catheter is designed to improve the success rate of punctures by creating a sharper needle tip angle compared to conventional models. Additionally, it features a unique design that allows the healthcare professional who performed the puncture to visually confirm that the catheter has successfully accessed the blood vessel. These features are expected to increase the success rate of indwelling the catheter in the blood vessel, reducing the psychological burden on healthcare professionals and patients. Moreover, the improved success rate of indwelling the catheter

reduces product waste generated by improper insertion into blood vessels, thereby contributing to improved medical cost efficiency. Furthermore, the modified shape of the product has resulted in a 12% reduction in product weight compared to conventional products.



Safety IV catheter

### Products free of hazardous substances

#### Leading the industry toward mercury-free products

The Minamata Convention on Mercury took effect in August 2017. Under the convention, it has been illegal to manufacture and engage in trade involving products containing mercury since 2021. Terumo stopped producing mercury thermometers in 1984, more than 40 years ago. Since then, we have developed and launched products such as mercury-free digital thermometers and digital blood pressure monitors, which are safer for use and environmentally friendly. Through these efforts, we are committed to eliminating mercury from our products used in medical settings and at home.



Digital thermometer

Digital blood pressure monitor

#### Promoting PVC-free, DEHP-free products

Terumo helps reduce the release of toxic gas from the incineration of polyvinyl chloride (PVC) by promoting the use of PVC-free packaging. We also use alternatives to Di (2-ethylhexyl) phthalate (DEHP) whenever possible due to concerns over its biological hazards.



Polybutadiene IV solution set



PVC-free IV solution bag



DEHP-free cardiovascular circuit

## Initiatives to address climate change

Various international frameworks have been established in regard to climate change, such as the Paris Agreement and the United Nations Sustainable Development Goals, which were both adopted in 2015. Against this backdrop, companies are expected to set and work toward accomplishing greenhouse gas (GHG) emissions reduction targets based on scientific evidence.

Terumo recognizes that reducing the GHG emissions from its business activities is an important management task. To address this challenge, we are focusing on improving energy efficiency and implementing measures to combat climate change through a concerted effort across the Terumo Group. To further accelerate countermeasures against climate change, Terumo revised its reduction target for GHG emissions from its business activities (Scope 1 and 2) in fiscal 2021 and set a new target of achieving carbon neutrality\* by fiscal 2040. Terumo's GHG emissions reduction targets for fiscal 2030 have been approved by the Science Based Targets initiative (SBTi) in March 2023 as being aligned with the common goal to limit global temperature rise to 1.5°C above pre-industrial levels. In addition, Terumo has set a target for renewable energy use to achieve its GHG emission reduction targets. Terumo will further promote the use of renewable energy such as solar power in addition to conventional energy-saving activities. Terumo will also work to reduce GHG emissions throughout the value chain such as reducing waste, making effective use of natural resources, developing environmentally friendly products, and advancing joint delivery with other companies.

\* Carbon neutrality means that the amount of carbon dioxide emitted and the amount of carbon dioxide absorbed are in balance.

### Terumo Group's GHG emissions reduction targets

#### Scope 1 and 2

- Reduce absolute GHG emissions by 50.4% by FY2030 compared to FY2018\*
- Increase the renewable electricity use ratio to 50% by FY2030
- Achieve carbon neutrality by FY2040

#### Scope 3

- Reduce GHG emissions 60% per unit of revenue by FY2030 compared to FY2018\*



\*Targets validated by SBTi

Note: Reporting is based on the following GHG Protocol categories.

Scope 1: Direct GHG emissions by the company (e.g., fuel combustion)

Scope 2: Indirect GHG emissions from energy production such as purchased electricity (e.g., GHG emissions from electric companies)

Scope 3: Other indirect GHG emissions (Emissions from other companies in raw material production, transportation, disposal, and other activities related to the company's business operations)

## Reduction of GHG emissions

### Scope 1 and 2

The Terumo Group is reducing GHG emissions by improving energy efficiency through adopting high-efficiency equipment and operating facilities efficiently, using renewable energy, and switching to energy with low GHG emissions.

In fiscal 2024, we reduced GHG emissions by approximately 6,100 tons by implementing 198 energy efficiency improvement projects. These projects included upgrading utility facilities and production equipment, improving operational methods for these facilities and equipment, and minimizing unnecessary energy consumption. This reduction volume is equivalent to 2.9% of the Terumo Group's GHG emissions in the previous fiscal year. We are also promoting the transition to renewable energy for electricity, tailored to the specific conditions of each country and region. These measures include advancing the switch to renewable energy power options in Japan and Europe, purchasing non-fossil certificates in Asia, introducing solar power generation facilities for self-consumption, and utilizing corporate power purchase agreements globally. Through these efforts, we have reduced GHG emissions by approximately 76,000 tons, and the ratio of renewable energy to the total electricity used by the Terumo Group in fiscal 2024 was 37.2%. In the Americas, we have three factories that manufacture our products in Costa Rica, where the usage rate of electricity derived from renewable energy is high.

As a result of all these efforts, we reduced the Terumo Group's total GHG emissions by 30.4% in fiscal 2024 compared with the target base year of fiscal 2018, achieving a significant reduction.

To achieve carbon neutrality for the Terumo Group by fiscal 2040, we will continue to advance initiatives to reduce GHG emissions, such as improving energy efficiency and switching to renewable energy for electricity. To support these efforts, we have implemented an internal carbon pricing system. By assigning an internal price to CO<sub>2</sub> emissions reduction (avoided emissions) and incorporating it into our investment decisions, we aim to encourage investments to help us achieve our goal of carbon neutrality.

## Initiatives to address climate change

### Participation in the KEIDANREN Carbon Neutral Action Plan

Terumo participates in the activities of the Federation of Pharmaceutical Manufacturers' Association of Japan (FPMAJ) as a member of the Intravenous Solutions Society, an affiliated organization of the JPMA. KEIDANREN (Japan Business Federation) supports the Japanese government's "2050 Carbon Neutral Declaration" and has developed its "Carbon Neutral Action Plan" to achieve the government's goal. In line with KEIDANREN's action plan, FPMAJ has set a long-term vision to achieve net-zero CO<sub>2</sub> emissions by 2050. In addition, it has revised its phase II target (target for 2030) to achieve a 46% reduction in CO<sub>2</sub> emissions by 2030 from research centers, factories, offices, and company vehicles compared with fiscal 2013.

We are also participating in the KEIDANREN Action Plan and actively working to achieve its goal.

### Scope 3

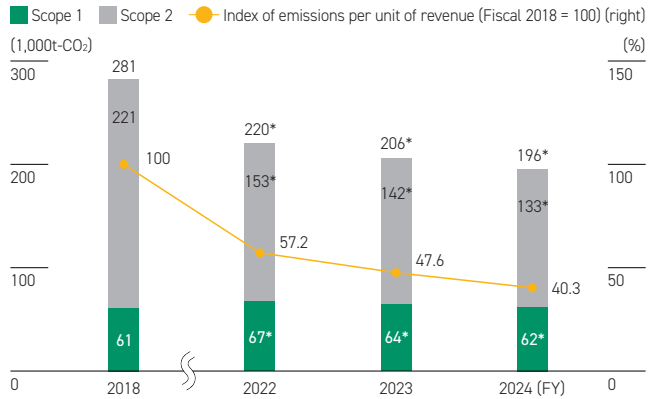
Terumo has its proprietary Human × Eco Development Guidelines, which serve as a framework for developing products that benefit both people and the environment. By following these guidelines, we aim to reduce resource use and enhance transportation efficiency by making products smaller and lighter and designing packaging with improved loading efficiency during product transportation. In 2019, we introduced the Supplier Guidelines and began collaborating with our suppliers on joint transportation of procured goods. This initiative also includes transitioning to eco-friendly transportation, specifically shifting from trucks to ships. In fiscal 2020, we launched a new shared transportation initiative within Japan for shipping products and worked on reducing CO<sub>2</sub> emissions associated with product deliveries. We are proceeding with supplier engagement aimed at encouraging all suppliers to reduce their GHG emissions; for example, in fiscal 2024, we administered a questionnaire survey to those suppliers in Japan that have the highest GHG emissions, and we held meetings with some suppliers to discuss the current implementation status of related measures. (For more information about EHS initiatives in procurement, please refer to "EHS Initiatives in Procurement" on p. 31.)

The Terumo Group's Scope 3 GHG emissions per unit of revenue in fiscal 2024 were down 30.3% compared to fiscal 2018. The measures outlined above have received recognition, and the Terumo Group has been selected for the "A List," the highest rating, in the category of "Supplier Engagement" in the survey of CDP 2024. For more information about CO<sub>2</sub> emissions, energy consumption, and renewable energy use, please refer to "Environmental Data" on pp. 73-74.

For more information about disclosure based on the TCFD Recommendations, please refer to "Responding to the risks and opportunities resulting from climate change and nature (Information disclosure based on the TCFD and TNFD recommendations)" on pp. 24-25.

## Initiatives to address climate change

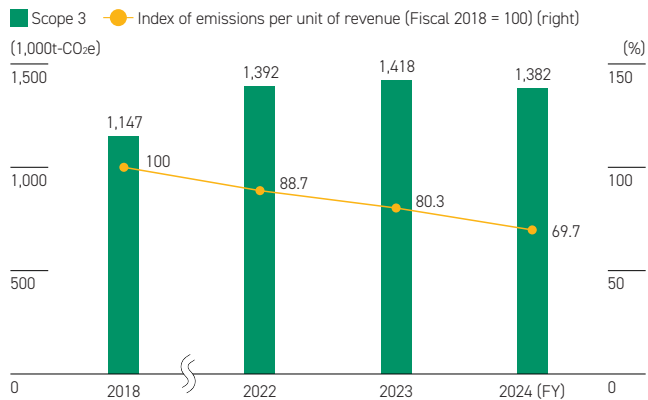
### CO<sub>2</sub> emissions (Scope 1 and 2)



\* Data assured by a third party. The actual assured value was in t-CO<sub>2</sub>; this has been rounded off to the nearest 1,000t-CO<sub>2</sub>.

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas  
 Note: CO<sub>2</sub> emissions are calculated by using the CO<sub>2</sub> emission factors for electricity for each fiscal year provided by power companies.

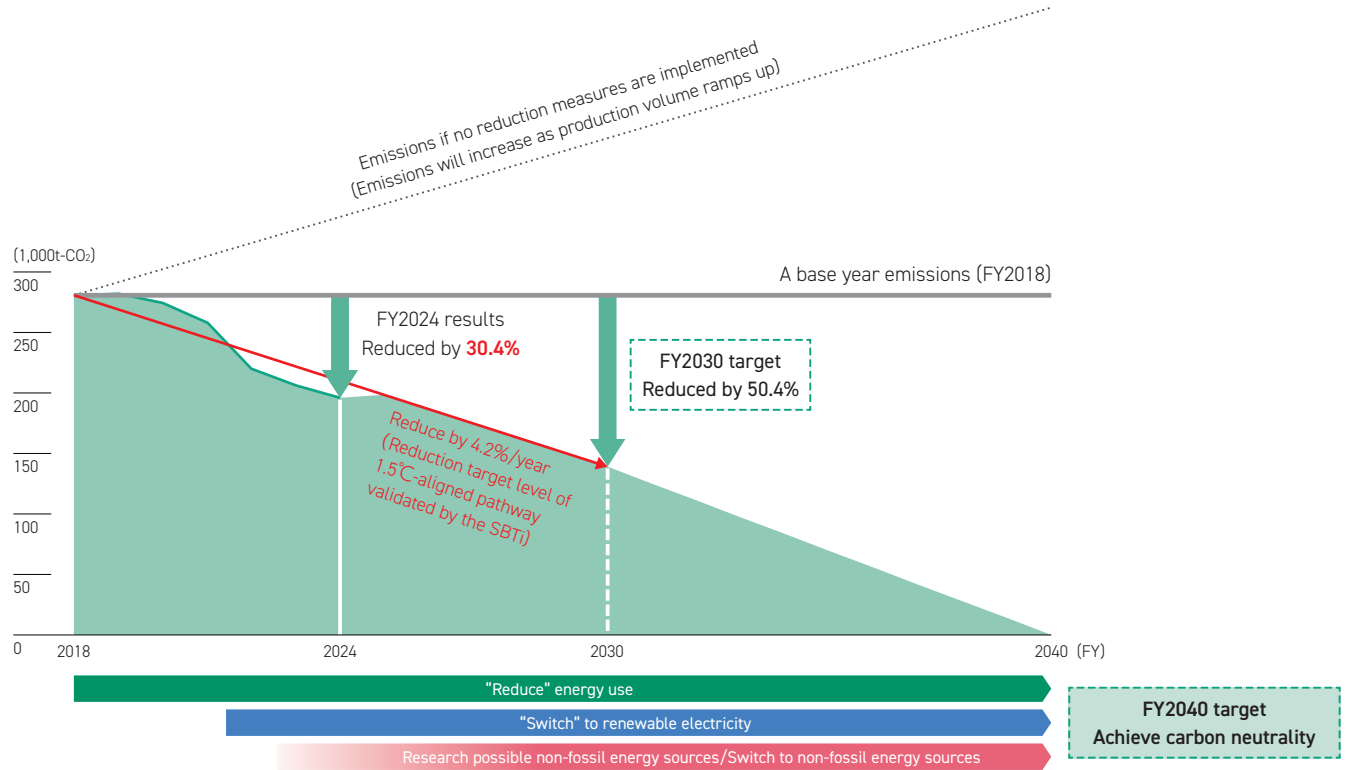
### CO<sub>2</sub> emissions (Scope 3)



Scope: Terumo Group

Note: The figures above are calculated based on the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.7) compiled by the Ministry of the Environment and the Ministry of Economy, Trade and Industry. The calculation method for certain data has been updated to enhance accuracy. Consequently, historical data has also been adjusted to align with this new calculation method.

### A roadmap to achieve carbon neutrality (Scope 1 and 2)



## Initiatives to address climate change

### TOPICS

#### Utilization of renewable energy

##### Introduction of solar power generation equipment

Terumo is proceeding with the installation of solar power generation equipment on a global scale. In this section, we introduce our solar power initiatives in the U.S. and in Japan.

#### U.S.

In fiscal 2024, MicroVention (located in California) installed solar carports with a combined generating capacity of approximately 0.4 MW in the parking area of its premises.

#### Japan

Terumo's Kofu Factory (located in Nakakoma district, Yamanashi Prefecture) has installed solar carports with a combined generating capacity of approximately 1.2 MW in the parking area of its premises, and is utilizing an on-site power purchase agreement (PPA). This solar power facility began generating electricity in September 2025.



Newly installed solar power generation facilities (solar carports)  
(Left) MicroVention, Inc. (Right) Kofu Factory



#### A list of sites where solar power generation facilities have been installed to date

To date, the Terumo Group business sites listed below have already installed solar power generation facilities. In fiscal 2025, we are also continuing to prepare for the introduction of solar power generation facilities at other business sites. Moving forward, we will strive to reduce our environmental impact through the use of renewable energy.

- Fujinomiya Factory (Shizuoka, Japan)
- Kofu Factory (Yamanashi, Japan)
- Terumo Yamaguchi Corporation (Yamaguchi, Japan)
- Terumo BCT, Inc. (Colorado, USA)
- Terumo Europe NV (Leuven, Belgium)
- Terumo Medical Products (Hangzhou) Co., Ltd. (Zhejiang, China)
- Terumo Vietnam Co., Ltd. (Hanoi, Vietnam)
- Terumo BCT Vietnam Co., Ltd. (Dong Nai Province, Vietnam)
- MicroVention, Inc. (California, USA)

#### Measures to reduce Scope 1 and 2 emissions

##### Reduction in Scope 1 emissions by Terumo Medical Pranex

Over the period from fiscal 2024 to fiscal 2025, the Terumo Medical Pranex facility (located in Kanagawa Prefecture, Japan) replaced its existing air conditioning and hot water supply equipment, which was powered from the municipal gas supply (and thus indirectly burnt fossil fuels) with new equipment that is powered by electricity. It is anticipated that this change will reduce Terumo Medical Pranex's Scope 1 emissions by approximately 92% compared to the situation before the new equipment was installed.

Besides measures aimed at realizing energy conservation by reducing energy usage, the Terumo Group is also exploring and converting to new, non-fossil-fuel energy sources. Although there are some technical issues and constraints in relation to this switch over to non-fossil fuels, we are still working to reduce our Scope 1 emissions, for example by reducing unnecessary wastage of heat energy.

#### Measures to reduce Scope 3 emissions

##### Reducing CO<sub>2</sub> emissions by eliminating the use of outer packaging for export

Terumo Vietnam and Terumo Europe have collaborated on eliminating the use of outer packaging used for transporting products for certain products when they are transported from Vietnam to Belgium by sea or by air. Eliminating outer packaging not only cuts down on the amount of single-use packaging materials that are needed, it also reduces the number of working hours that need to be spent on packing in Vietnam and on unpacking in Belgium, thereby helping to cut CO<sub>2</sub> emissions and rationalize warehouse operations. In addition, increasing the loading ratio within each container also helps to reduce transport costs. Terumo will continue to implement initiatives aimed at enhancing transportation efficiency.

# Effective utilization of resources and initiatives to realize a circular economy

## Waste reduction and recycling

As part of its efforts to use resources more efficiently, Terumo sets targets for recycling and for reducing final disposal waste. From a safety perspective, it is difficult to reuse waste (i.e., practice material recycling) internally. We do, however, strive to reduce the amount of plastic and metal waste generated in manufacturing processes and from business activities in offices. In addition, we segregate various types of waste from such processes and activities, and, with the cooperation of a recycling company, turn it into plastic products, refuse plastic fuel (RPF), and organic fertilizer.

In fiscal 2024, the recycling rate for Terumo Group business sites in Japan and manufacturing and R&D sites overseas was 91.4%. Final waste disposal accounted for 0.09% of total waste at Terumo Group business sites in Japan, accomplishing our target for the year.

Terumo will continue to pursue higher levels of resource efficiency going forward through means such as ongoing waste reduction efforts and extensive sorting of waste.

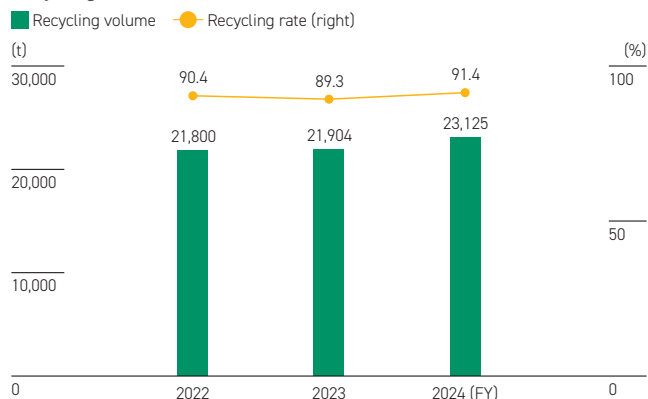
### Medium-term targets (FY2023–FY2026)

- Waste recycling rate for the Terumo Group (Terumo Group business sites in Japan and manufacturing and R&D sites overseas): 89% or higher
- Final waste disposal amount of all Terumo Group business sites in Japan: 0.3% or less of total waste generated

### Medium- to long-term target (FY2030)

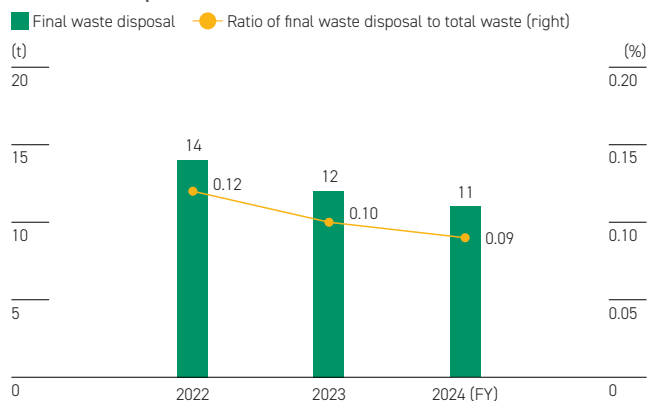
- Waste recycling rate for the Terumo Group (Terumo Group business sites in Japan and manufacturing and R&D sites overseas): 90% or higher

### Recycling volume and rate



Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

### Final waste disposal



Scope: Terumo Group business sites in Japan

## Initiatives to realize the circular economy

Terumo is implementing initiatives to help realize the circular economy, in response to the issues of resource depletion and climate change. To drive the development of new products that are both user-friendly and environmentally friendly, we have formulated our own unique set of standards—the Human × Eco Development Guidelines (see p. 13 for more details). Based on the guidelines, we are proceeding with efforts to control the amount of waste generated in production processes, choose materials and components that have a small environmental impact, and make both products and packaging smaller and more lightweight.

Ensuring that plastic and other by-products that are produced during the manufacturing process are properly sorted and transferred to recycling firms to create new resources, we are implementing material recycling that recycles waste into new plastic products such as stationery and pallets. In fiscal 2023, we began to sell our first products that are partly made from recycled plastic.

We offer leasing services with maintenance for medical electronic devices such as infusion pumps. We also collect and recycle the devices once the lease contracts have ended.



Pallet made from recycled plastic



Products partly made using recycled plastic



Medical electronic equipment offered with a maintenance lease

## Effective utilization of resources and initiatives to realize a circular economy

### Initiatives to collect and recycle small rechargeable batteries

Terumo works through the Japan Portable Rechargeable Battery Recycling Center (JBRC) to collect and recycle used rechargeable batteries from Terumo products. This is in compliance with Japan's Act on the Promotion of Effective Utilization of Resources. To promote the proper recycling of small rechargeable batteries, we display a recycling logo on our products and inform customers through product instruction booklets that batteries should be recycled. In addition, for products covered by our maintenance services, we regularly inspect and replace small rechargeable batteries and recycle batteries that are no longer usable. (For more information about performance in relation to the collecting and recycling of small rechargeable batteries, please refer to "Environmental Data" on p. 75.)

### Reduction of containers and packaging and promotion of recycling

To effectively use resources and improve ease of use for customers, Terumo is working to reduce its use of containers and packaging materials. These efforts include the development of smaller, lighter, and slimmer containers and packages and the adoption of new containers and package designs.

In Japan, recycling of containers and packaging waste is promoted through the Containers and Packaging Recycling Law, which requires product sellers to recycle containers and packaging discarded as household waste. Terumo fulfills its recycling obligation by outsourcing the recycling of containers and packaging to the Japan Containers and Packaging Recycling Association. In fiscal 2024, Terumo Group business sites in Japan outsourced a total of 288 tons of materials for recycling, which includes 17 tons of paper and 271 tons of plastic packaging materials.

## Effective utilization of water resources

### Reduction of water use

Terumo uses large quantities of water in its manufacturing processes and for producing infusion solutions. Using the Aqueduct water risk assessment tool developed by the World Resources Institute (WRI), we monitor the risks and opportunities associated with our water usage periodically, examining the status of water resources and the level of water stress, etc., in the countries and regions where each of Terumo's production and R&D sites is located. The survey results indicate that, as of the end of fiscal 2024, among the Terumo Group business sites in Japan and manufacturing and R&D sites overseas, the sites in North America, Europe, China, India, the Philippines, and Vietnam are located in regions with high levels of water stress. Water usage by these sites accounts for around 13% of the Terumo Group's total water consumption.

With reference to SDG Goal 6, which aims to "Ensure the availability and sustainable management of water and sanitation for all," Terumo has set water-related targets and is actively working to reduce water use (water withdrawal) and enhance water recycling. We are implementing several specific measures to reduce water loss in our manufacturing processes. These measures include the installation of flow meters to accurately track water usage for different purposes and systems that effectively visualize our overall water consumption. In addition, we are implementing water-saving equipment, recycling used water for cooling, and other efforts. As a result of these initiatives, we achieved an 13.6% reduction in water consumption per unit of revenue in fiscal 2024 compared to the previous year and a 46.9% reduction compared to fiscal 2018. The Terumo Group is committed to the efficient use of water resources and will continue to pursue these efforts.

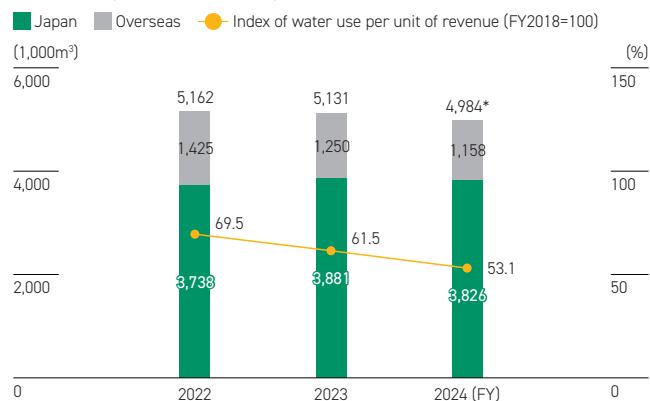
#### Medium-term target (FY2023–FY2026)

- Overall water use (water withdrawal) per unit of revenue for the Terumo Group (Terumo Group business sites in Japan and manufacturing and R&D sites overseas): Reduce by more than 20% compared to fiscal 2018

#### Medium- to long-term target (FY2030)

- Overall water use (water withdrawal) per unit of revenue for the Terumo Group (Terumo Group business sites in Japan and manufacturing and R&D sites overseas): Reduce by more than 20% compared to fiscal 2018

#### Water use (water withdrawal) volume



\* Data assured by a third party. The actual assured value was in m³; this has been rounded off to the nearest 1,000m³.

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

## Proper control of chemical substances

Terumo manages chemical substances and tracks their use, emissions, and disposal in accordance with the Terumo Group EHS Policy in order to mitigate health risks and reduce environmental impacts associated with these substances. Chemical substance risk assessments are carried out at worksites that use such substances and proper chemical substance control is practiced based on information on hazardous chemical substances derived from the Globally Harmonized System of Classification and Labelling of Chemicals. Voluntary goals have been established with regard to substances that pose a particular risk to people's health and precautions are taken to prevent emissions of these substances.

### Voluntary action to reduce chemical substance emissions

#### Reduction of Dichloromethane emissions

Terumo is working to reduce its emissions of dichloromethane based on its own voluntary targets. At business sites that handle large amounts of dichloromethane, we have installed a recycling system to reduce emissions of this air pollutant as much as possible. As an added measure, we monitor dichloromethane concentrations at the exhaust ports and boundaries of sites.

#### Reduction of Ethylene Oxide emissions

Ethylene oxide is widely used to sterilize medical devices. At Terumo, we are working to reduce ethylene oxide emissions to the outside environment. To this end, we have installed exhaust gas treatment systems to limit emissions and regularly check the concentration of emissions at outlets. In addition, we have voluntarily set a target for atmospheric concentrations at the boundaries of sites, and we perform periodic monitoring.

#### Proper disposal of Polychlorinated Biphenyls

At Terumo's business sites in Japan, the disposal of all equipment (transformers, capacitors, etc.) containing high levels of polychlorinated biphenyls (PCBs) has been completed by the Japan Environmental Storage & Safety Corporation (JESCO). Equipment containing low concentrations of PCBs is also being systematically disposed of by private waste disposal management companies.

#### Compliance with environmental regulations for products

The regulated substances and environmental pollutants contained in products are clearly identified at the product design and procurement stages. We use our Human × Eco Development Guidelines as a tool to raise designer awareness.

Terumo seeks to comply with the Restriction of Hazardous Substances Directive (RoHSII\*<sup>1</sup>), the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH\*<sup>2</sup>), and other environmental regulations pertaining to products. For this reason, Terumo is stepping up management of these substances by monitoring the regulated substances contained in procured items.

\*1 Directive of the European Union that restricts the use of certain hazardous substances included in electrical and electronic equipment

\*2 Regulation of the European Union regarding the registration, evaluation, authorization, and restriction of chemicals

## Initiatives for biodiversity conservation

Terumo's business activities have an impact on nature, including biodiversity and ecosystems, while at the same time benefiting from nature. The company's business activities, including its value chain, are underpinned by the benefits that it derives from natural capital, and we recognize that, as an enterprise, we have a responsibility to reduce the burden that we place on the environment and to promote activities aimed at conserving nature. In 2025, Terumo issued the Terumo Group Statement on Nature, and we are implementing nature-positive initiatives, including working together with local communities to conserve and reinvigorate nature.

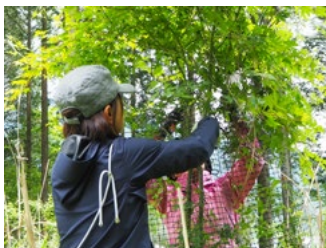


**Terumo Group Statement on Nature**  
(Please visit the Regulations and Standards section of Terumo's corporate website.)  
<https://www.terumo.com/about/regulation>

### Protecting Forests

#### Mt. Fuji Reforestation Project

Terumo has two factories in the city of Fujinomiya in Shizuoka, Japan. Both take in groundwater from springs at the foot of Mt. Fuji for use in the production of medical devices, pharmaceuticals, and other products. Recognizing that our business depends on the use of natural resources, we launched the Terumo Mt. Fuji Reforestation Project in fiscal 2003 with the aim of restoring the natural forests in this area. This project involves the reforestation of parts of Mt. Fuji's forests where many trees have been destroyed by typhoons. Repopulating these areas with native tree species will help them become more resistant to future natural disasters and ensure that they can continue to serve as a source of groundwater. In fiscal 2011, three parties—Shizuoka Prefecture, a local forest owner, and Terumo—entered into an agreement called the Shizuoka Mirai-no-Mori (Future Forest) Supporter Pact. Under this agreement, we plant trees and maintain forested areas throughout the year to create the Terumo Megumi-no-Mori reserve



Tree planting activity (Shizuoka, Japan)

within the Fumoto district of Fujinomiya.

In fiscal 2024, we engaged in activities with 137 participants, including associates and their families. Besides planting trees and caring for saplings, we have also planted seedlings of the Keyaki tree (*Zelkova serrata*), which when grown provides a home for a wide variety of organisms, in line with our desire to create a forest that is rich in biodiversity. We have also taken on the challenge of making leaf mold from fallen leaves to facilitate field observation of plants and insects, and to help learn about the forest resource cycle.

#### —Receiving an award from Shizuoka Prefectural Government as a Shizuoka Mirai-no-Mori (Future Forest) Supporter—

The Shizuoka Mirai-no-Mori (Future Forest) Supporter award is presented to companies and organizations that have undertaken outstanding forest restoration activities over an extended period of time. Terumo received this award from Shizuoka Prefectural Government in October 2024 in recognition of our ongoing activities at Terumo Megumi-no-Mori reserve since 2011.

#### Results of activities under Shizuoka Mirai-no-Mori Supporter Pact (FY2011—FY2024)

- Total number of participants: 2,585
- Activity details:
  - Planting of 2,866 trees (sawtooth oak, konara oak, maple, cherry, etc.)
  - Tree-planting, caring for saplings, making leaf mold, field observation of plants and insects, etc.

#### ECO Challenge

We hold the ECO Challenge in which volunteer Terumo associates in Japan conduct a variety of voluntary environmental preservation activities at home and at work. In fiscal 2024, around 5,785 people took part in the ECO Challenge, undertaking five activities based around the theme of biodiversity that included activities to reduce food loss and demonstrate concern for water (including water conservation and pollution prevention). Points were calculated based on the results of participating associates, and Terumo translated these points into a monetary value for donations to

the Children's Forest Program (The Philippines) arranged by the Organization for Industrial, Spiritual and Cultural Advancement – International, Japan (OISCA Japan).

#### Initiatives at overseas business sites

We are organizing events to raise awareness about recycling and conducting tree planting activities at our business sites overseas, as well as at our sites in Japan, to contribute to biodiversity conservation. In fiscal 2024, Terumo (Philippines) Corporation conducted tree planting activities in the Laguna-Quezon Land Grant in Laguna. MicroVention, Terumo Cardiovascular and Terumo BCT, which have production facilities in Costa Rica, have collaborated on plastic waste clean-up activities in coastal areas. Vascutek (located in Glasgow, UK), has created a Bug Hotel to help conserve living creatures' habitat. In addition, many other locations engaged in activities such as cleaning up nearby areas and nature reserves, as well as hosting internal biodiversity awareness events.

These initiatives aim to reduce environmental impact through forest conservation and environmental education.



Bug Hotel (Glasgow, UK)

#### Endorsement of Declaration of Biodiversity by KEIDANREN and Action Policy

Terumo has declared its support of the Declaration of Biodiversity by KEIDANREN (Japan Business Federation) and the Action Policy released by KEIDANREN and the KEIDANREN Committee on Nature Conservation. This declaration and policy will guide our activities going forward.

For more information about disclosure based on the TCFD Recommendations, please refer to "Responding to the risks and opportunities resulting from climate change and nature (Information disclosure based on the TCFD and TNFD recommendations)" on pp. 24-25.

## Responding to the risks and opportunities associated with climate change and nature (Information disclosure based on the TCFD and TNFD recommendations)

Terumo recognizes that there is a high degree of interconnectedness between strategies to respond to climate change and efforts to conserve and restore nature (include those relating to biodiversity, ecosystems, and ecosystem services), and that it is important for

Terumo to have an integrated, coordinated response to the related risks and opportunities. Below, Terumo discloses the response to risks and opportunities related to climate change and nature, based on the TCFD and TNFD frameworks.

\* TCFD: Abbreviation of Task Force on Climate-related Financial Disclosures  
TNFD: Abbreviation of Task Force on Nature-related Financial Disclosures

	Climate	Nature
<b>Governance</b>	<ul style="list-style-type: none"> <li>The director in charge of EHS (Environment, Health and Safety), who is a member of the Board of Directors of Terumo Corporation, has responsibility for oversight relating to environmental matters, including climate change and nature.</li> <li>The EHS Management Committee, which is chaired by the director in charge of EHS, is the company's highest decision-making body in regard to matters relating to climate change and nature. In addition, the executive officer in charge of EHS participates as a member of the Sustainability Committee, which is a sub-organization of the Executive Management Meeting. The Sustainability Committee monitors the progress made in regard to initiatives and targets relating to the realization of carbon neutrality and the effective use of resources, which were set as key themes and KPIs under the GS26 five-year growth strategy, and submits regular reports to the Executive Management Meeting and Board of Directors.</li> <li>The EHS Management Committee identifies climate change related risks and opportunities, formulates and revises related policies, strategies, and targets, monitors the achievement status of targets, and reports to the Executive Management Meeting and the Board of Directors. The EHS Management Committee meets three times a year, and has established an Energy Subcommittee (Energy SC) under it as an EHS Expert Subcommittee. The Energy SC conducts progress management in regard to energy-related targets, and submits periodic reports to the EHS Management Committee.</li> <li>In regard to nature, relevant departments report to the EHS Management Committee on measures to evaluate nature-related impacts and dependencies, as well as risks and opportunities, and also report on these annually to the Sustainability Committee.</li> </ul>	
<b>Strategy</b>	<ul style="list-style-type: none"> <li>Under the Group Mission of "Contributing to Society through Healthcare," the Terumo Group recognizes that ensuring an uninterrupted supply of medical devices and pharmaceuticals to safeguard people's lives and health is its most important task. We also believe that, by providing new treatments, we can help to make healthcare provision more efficient and facilitate the reduction of GHG emissions deriving from medical settings.</li> <li>Regarding climate change scenarios, we are focusing on two scenarios: the scenario that assumes the highest level of physical risks, with average global temperatures rising by 4.0°C compared to the situation prior to the Industrial Revolution (Representative Concentration Pathways (RCP) 8.5), and the scenario that assumes the highest level of transitional risk, with the rise in average global temperature kept down to within 1.5°C (RCP1.9). For these two scenarios, we have collated the potential opportunities and risks that might affect our business, as shown in the lists of "Climate-related risks affecting our business activities" and "Climate-related opportunities relating to our business activities."</li> </ul>	<ul style="list-style-type: none"> <li>In April 2025, we announced the Terumo Group Statement on Nature, which lays out our strategy for promoting measures to help conserve biodiversity throughout the value chain.</li> <li>In FY2024, we implemented a preliminary assessment of nature-related dependencies, impacts, risks and opportunities in our business activities and in the value chain. The assessment covered the entire value chain (including direct operations, and the upstream and downstream segments). Based on the results obtained in this assessment, we examined the nature-related risks and opportunities for Terumo.</li> </ul>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>The EHS Management Committee identifies climate change and nature related risks and opportunities, evaluates the potential impact on the company's business operations, directs related departments to implement management in a way that will reduce risk and maximize opportunities, and manages progress status.</li> <li>The scope of the risks covered by the Terumo Group's risk management includes climate change-related risks and biodiversity-related risks noted by the EHS Management Committee. Climate and EHS-related risks are particularly significant, and are therefore monitored based on the risk management plan in line with the group-wide risk management system established by the Risk Management Committee.</li> </ul>	
<b>Indicators and targets</b>	<p>Terumo has set its GHG emissions reduction targets which are aligned with the common goal to limit global temperature rise to 1.5°C above pre-industrial levels. Terumo's targets have been approved as science-based by the Science Based Targets initiative (SBTi).</p> <p><b>Terumo Group's GHG emissions reduction targets</b></p> <p><b>Scope 1 and 2</b></p> <ul style="list-style-type: none"> <li>Reduce absolute GHG emissions by 50.4% by FY2030 compared to FY2018*</li> <li>Increase the renewable electricity use ratio to 50% by FY2030</li> <li>Achieve carbon neutrality by FY2040</li> </ul> <p><b>Scope 3</b></p> <ul style="list-style-type: none"> <li>Reduce GHG emissions 60% per unit of revenue by FY2030 compared to FY2018*</li> </ul> <p>* Targets validated by SBTi</p>	<p>We have set targets for FY2030 regarding the effective use of resources, which is one of the ESG themes emphasized in the GS26 five-year growth strategy.</p> <ul style="list-style-type: none"> <li>Reduce water use per unit of revenue by at least 20% by FY2030 compared to FY2018</li> <li>Achieve a recycling rate of 90% by FY2030</li> </ul> <p>In addition, we have set the following target to prevent pollution of the environment, including ecosystems.</p> <ul style="list-style-type: none"> <li>Realize zero major environmental incidents (including air, water, and soil pollution)</li> </ul>

### Climate-related risks affecting our business activities

Risks	Risk content
<b>Physical risks</b>	<ul style="list-style-type: none"> <li>Damage to buildings, facilities, or inventory in the event of a natural disaster occurring, and lost opportunities resulting from the disruption of supply of products due to temporary cessation of operations</li> <li>Increased energy costs and reduced labor productivity due to steady temperature rise or water shortages, and lost opportunities due to temporary disruption of operations</li> </ul>
	<ul style="list-style-type: none"> <li>Sudden, rapid increase in demand for specific products due to the impact of natural disasters on the healthcare system (which constitutes important social infrastructure), and negative impact on revenue resulting from an extended deterioration or stagnation in the functioning of the healthcare system</li> </ul>
<b>Transition risks</b>	<ul style="list-style-type: none"> <li>Increased energy costs and raw material costs in the event of the introduction or raising of carbon tax</li> <li>Replacement of equipment and accompanying increase in capital expenditure costs, resulting from the tightening up of environmental regulations such as those governing GHG emissions</li> </ul>
	<ul style="list-style-type: none"> <li>Increased costs in the event of an increase in demand for GHG emissions reduction or demand for the supply of environmentally friendly products from customers or business partners, and loss of opportunities in the event that it is difficult to respond effectively to such demands</li> </ul>

### Climate-related opportunities relating to our business activities

Opportunities	Opportunity content
<b>Physical opportunities</b>	<ul style="list-style-type: none"> <li>Provision of products in response to changes in long-term disease patterns as a result of climate change, and provision (stable supply) of products that contribute toward strengthening the resilience of the healthcare system</li> </ul>
<b>Transition opportunities</b>	<ul style="list-style-type: none"> <li>Reduced costs due to enhancement of energy efficiency in production and in the supply chain</li> <li>Provision of products that contribute toward enhanced efficiency in medical settings or toward reduction of GHG emissions</li> </ul>

## Responding to the risks and opportunities associated with climate change and nature (Information disclosure based on the TCFD and TNFD recommendations)

Regarding climate-related risks and opportunities, based on an analysis of the potential impact on Terumo's business of the aforementioned risks and opportunities in both the 4.0°C scenario and the 1.5°C scenario, it is anticipated that the following risks could have a comparatively high impact.

### 4.0°C scenario

- Damage to buildings, facilities, or inventory in the event of a natural disaster occurring, and lost opportunities resulting from the disruption of supply of products due to temporary cessation of operations

### 1.5°C scenario

- Damage to buildings, facilities, or inventory in the event of a natural disaster occurring, and lost opportunities resulting from the disruption of supply of products due to temporary cessation of operations
- Increased energy costs and raw material costs in the event of the introduction or raising of carbon tax

Regarding the response to risks relating to business continuity, such as natural disasters, etc., the Group Business Continuity Management (BCM) Policy clearly stipulates the Terumo Group's shared basic approach to business continuity and the related systems and response measures. The risk management representatives at individual production sites, functional departments at the head office involved with raw materials procurement, distribution, etc., individual companies, and overseas subsidiaries liaise with one another and draw up business continuity plans (BCPs) to prevent our operations from being disrupted even under extreme circumstances, and to ensure that operations can be quickly restored and resumed should they be disrupted. If a serious risk emerges that could affect business continuity, the Countermeasures Headquarters, led by the Chief Executive Officer of Terumo Corporation, will be established to swiftly initiate response activities. If it becomes apparent that the Terumo Group's supply chain or operations will be temporarily interrupted, we will strive to restore normal supply chain and operational functions as quickly as possible.

With regard to a possible increase in energy costs or raw

materials costs, we are continuing to implement measures to adopt production equipment with high energy efficiency, and to develop products that can be manufactured with less raw materials and less energy.

### Preliminary assessment of nature-related dependencies and impacts

In 2024, we used ENCORE\* to perform preliminary assessment, by industry group, of nature-related dependencies and impacts. The assessment revealed that there is a high possibility of significant impact on nature from raw material procurement and the supply chain, that pollution prevention and reduction of water usage are important in production (direct operations), and that waste reduction and pollution prevention are also important during the product usage phase. Looking ahead, we will be working to clarify which measures need strengthening in order to mitigate these risks, and we will be implementing related initiatives.

\* A tool developed by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), among others.

## Social information

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## Quality and safety of products and services

### Basic approach

At the Terumo Group, we strive to enhance product quality and achieve continuous improvement in quality systems and processes to promise safety and reliability to medical settings. High product quality is one of the hallmarks of the Terumo Group, and we work to improve quality in every process from product design to manufacturing, distribution, storage, and post-marketing, as well as in the product life cycle from the initiation to the cessation of a product's sale. We do this by identifying and acting on even the smallest matters that could improve safety and reliability, by concentrating on improving the quality and speed of individual processes, and by pursuing the 3Gs principle that places great importance on *Gemba* (field/floor), *Genbutsu* (actual product), and *Genjitsu* (reality). In addition, we seek to ensure that our products are used in a safe and appropriate manner by providing training opportunities for healthcare professionals, practicing proper information disclosure, and actively communicating with customers.

### Quality management

#### Quality management governance structure

At the Terumo Group, we have developed a quality management governance structure headed by the Chief Quality Officer (CQO). As the head of group-wide quality divisions, the CQO is responsible for overseeing efforts to strengthen the group's quality governance and improve the quality of products. With the CQO exercising oversight, we have established a system of quality assurance. In addition, we promote compliance with Japanese and worldwide regulations, and provide product quality improvement guidance to production sites. Furthermore, global meetings are convened regularly by the CQO, and these meetings are attended by associates responsible for quality at individual production sites. These meetings provide opportunities to share and disseminate the group's quality vision, policy, and objectives build consensus with regard to quality issues, formulate improvement measures, and exchange information on recent trends in the regulations and standards of various countries. We also strive to prevent quality issues by implementing a plan-do-check-act (PDCA) cycle that entails gathering quality-related information from across the group, analyzing quality risk, conducting assessments, pursuing improvements, and sharing

quality information.

We developed a Global Quality Policy and are promoting the Policy to continuously manufacture high-quality, safe, and reliable products at all production sites of the Terumo Group. The Policy details the ten practices (procedures and items) pertaining to the quality management system that every associate across the group should adhere to. Furthermore, we are working on the sharing of QMS improvement tools created based on quality data and information analysis of external and internal quality trends, as well as the development of preventive activities tailored to the specific characteristics of each production site, to prevent the recurrence of similar quality problems and achieve a high level of manufacturing and quality management. We also define "Kin-Shitsu" (homogeneous) as the product quality the Terumo Group should aim for, and have established KPIs for quality at each of our production sites to realize "Kin-Shitsu" products. In our mid-to long-term growth strategy, the Terumo Group aims to gain patient trust and customer satisfaction by continuously supplying "Kin-Shitsu" products to the global market.

#### Quality management system compliant with international regulations and standards

To supply products to the global market, it is essential for us to continuously maintain a quality system that adapts and conforms to the requirements of each country's regulations and standards. With this in mind, we are building a system that enables efficient and effective company-wide cooperation and swift response to comply with regulations in Japan and overseas by systematizing the roles of quality departments and of each production site of the Terumo Group. By doing so, we aim to comply with Japanese domestic laws and regulations when we sell products manufactured at each production site to the Japanese market and comply with new regulations outside of Japan as soon as they come into effect to sell products to the global market.

Since establishing a quality management system in response to European Medical Device Directives in 1995, we have been striving to blend our quality management system that conforms to international standards into an existing quality assurance system based on the pharmaceutical Good Manufacturing Practice (GMP) standard. Today, we continue efforts to ensure that our quality

management system is compliant with global requirements. As part of these efforts, all medical device production sites have acquired certification under ISO 13485, the international quality assurance standard for medical devices.

The main regulations and standards currently applied by Terumo are as follows.

Region	Applicable standards and regulations
Japan	PMD Act (the Act on Securing Quality, Efficacy and Safety of Pharmaceuticals, Medical Devices, Regenerative and Cellular Therapy Products, Gene Therapy Products, and Cosmetics)
Europe	Medical Device Regulation : MDR In Vitro Diagnostic Regulation : IVDR
U.S.	U.S. Food and Drug Administration (FDA) regulations
International regulations and standards	ISO 13485 Medical Device Single Audit Program : MDSAP*

\* The Medical Device Single Audit Program is a program through which audits are conducted all at once (collectively) based on common standards pertaining to the relevant medical device regulations in each country. Participating countries include Australia, Brazil, Canada, Japan, and the U.S.

Furthermore, continuous training on our quality management system has been instituted at all relevant divisions to share information on the regulations and standards of countries where Terumo operates and to improve quality awareness.

The Terumo Group company executives have established the Quality Policy in accordance with their individual levels of responsibility. This policy guides efforts to develop, operate, and maintain the effectiveness of quality management systems. Each division also sets quality objectives based on the Quality Policy. The policies devised by senior management are incorporated into the objectives of individual divisions and associates. The customer perspective, which appears at the top of Terumo's Quality Policy, forms the basis of the group's quality assurance.

#### Updating in Response to Changes in Regulations and Standards

With the rapid tightening up of regulations that is taking place in emerging economies, we are endeavoring to identify, at an early stage, the latest trends in medical device and pharmaceuticals regulation in countries throughout the world, and to adapt to these

## Quality and safety of products and services

changes. In the U.S., PART 820—QUALITY MANAGEMENT SYSTEM REGULATION (QMSR) was issued in February 2024. Terumo manufacturing sites which release products to the U.S. have already started to update each QMS to comply with the QMSR by its enforcement date of February 2, 2026.

Meanwhile, global regulatory requirements are becoming more stringent in the pharmaceutical industry with regard to data integrity (DI) in relation to evidence of the quality, safety, and efficacy of pharmaceuticals. The Terumo Group has therefore been implementing measures to ensure data integrity in the manufacturing of pharmaceuticals. We are also working to implement and build data integrity into the process for the production of medical devices similar to that required for pharmaceuticals.

We have initiated a project to implement a “quality assurance system to maintain product homogeneity.” We have established a Product Security Incident Response Team (PSIRT) system for this project. Under the PSIRT system, we are working to incorporate measures into product design and realize commercialization, respond to incidents as they occur, and collect relevant information on vulnerabilities to assess their impact and develop appropriate countermeasures.

### Improving effectiveness of quality management system through internal and external audits

Terumo conducts internal audits to objectively evaluate whether its quality management system is being appropriately implemented and followed. The audits are conducted by associates who have been trained and have received internal certification authorizing them to perform internal audits. In addition, we undergo several external audits conducted by government authorities, notified bodies, corporate customers and other organizations each year to verify our compliance with Japan’s PMD Act, regulations of countries where we sell our products, and the requirements of corporate customers. We continuously improve our quality management system based on the results of these internal and external audits.

### Appropriate collection and disclosure of information on safety, quality, and efficacy

Terumo has established frameworks for collecting information on safety, quality, and efficacy from customers and reporting this information to the relevant government authorities based on the laws and regulations of each country where we operate. We also analyze information from customers and share the findings with relevant divisions for use in improving quality and in developing new products.

#### Medical representatives (MRs)

- Medical representatives (MRs), who are responsible for providing information to medical institutions, encourage customers to properly use medical devices and pharmaceuticals. MRs also collect accurate information from medical institutions and swiftly provide information to institutions to ensure the safety, quality and efficacy of our products.

#### Terumo Call Center

- As Terumo handles a wide range of products—from those designed for medical institutions to those for home medical care—the Terumo Call Center consists of experts in every required field to ensure that all inquiries are addressed promptly and appropriately. The Terumo Call Center in Japan receives around 130,000 telephone and email inquiries per year from ordinary consumers, medical institutions, and distributors. We respond to emergency calls, such as those pertaining to peritoneal dialysis or diabetes-related products, 24 hours a day, 365 days a year.
- To maintain and enhance the quality of responses to customer inquiries via phone and other channels, our staff are trained regularly on product knowledge and communication skills and are tested twice a year to ensure that they are properly equipped to respond to inquiries and provide satisfaction to customers. We also renewed call response systems and introduced artificial intelligence-powered voice recognition and document summarization systems. With the system, we are working to improve the quality of call responses and reduce the time required for responses and record keeping.

### Post-Market Surveillance and Vigilance Department

- The Post-Market Surveillance and Vigilance Department collects and evaluates information on the safety, quality, efficacy, and proper use of post-market products, and issues reports on these matters to government authorities in accordance with relevant laws and regulations.
- We are committed to prompt and detailed communication to ensure the proper use of our products, including the provision of necessary information through Information on Precautions, etc., our corporate website, and participation in industry organizations. Also, MRs visit medical institutions to provide information. Furthermore, we use the accumulated information to develop, refine, and improve products and support medical safety training at medical institutions (T-PAS\*).
- We conduct vigilance training via e-learning for all associates in Japan to give them a more in-depth understanding of Good Vigilance Practice (GVP).
- Terumo is also moving forward with the development of safety management systems and the reinforcement of monitoring of information collection activities overseas.

\* For more information on T-PAS, please refer to “Support for training at medical institutions to improve medical safety” at the bottom right of p. 29.

## Quality and safety of products and services

### Training of healthcare professionals

Terumo believes that medical devices can be effective only if they are used correctly. Accordingly, we have long endeavored to enhance the quality and safety of medical care by actively creating training opportunities for healthcare professionals to learn how to use medical devices properly and how to apply treatment procedures. The information collected from the medical field through these activities is utilized in the development of new products and in the refinement and improvement of existing products.

#### Terumo Medical Pranex

Terumo Medical Pranex is a facility with a total floor area of 14,000m<sup>2</sup> which was established within the Shonan Center, Terumo's R&D base in Kanagawa Prefecture, Japan, with a vision of "Contributing to medical care for the future." The goal of Terumo Medical Pranex is to make a contribution toward enhancing patient safety and patient outcomes by enabling medical professionals to learn and practice, and to help visitors to the facility to develop a better understanding of Terumo through experience and dialogue. Since its opening in 2002, a total of more than 200,000 people have visited the facility.

Terumo Medical Pranex faithfully reproduces a hospital environment with wards, operating rooms, and catheterization laboratories, providing an environment in which visiting medical professionals can learn techniques in a realistic, hands-on manner. The facility makes effective use of knowhow built up over many years regarding how to use products effectively, as well as years of experience in providing training on treatment techniques, to develop education and training programs for medical professionals both in Japan and overseas. By extending the scope of these activities to other parts of the world, Terumo Medical Pranex contributes toward reducing regional disparities in healthcare provision and toward enhancing the overall quality of medical care.

The facility also has an exhibition room that introduces Terumo's history and technology to visiting medical professionals and personnel from partner companies, helping them to develop an in-depth, multi-faceted understanding of our corporate activities through which we aim to contribute to the medical technology of the future. Through visiting Terumo Medical Pranex, visitors can

experience for themselves Terumo's commitment to "Contributing to society through healthcare," and our goal is that this will help to build a relationship of trust and lead to Terumo being chosen as a partner that one can work with to build the future of healthcare together.



Training being performed at Terumo Medical Pranex



Terumo Medical Pranex  
<https://www.terumo.com/about/pranex>

### Support for training at medical institutions to improve medical safety


To prevent accidents during the use of syringes, IV solution sets, and other medical devices, Terumo conducts safety training based on requests by medical institutions. These training sessions, known as T-PAS,\* emphasize critical points in the use of individual devices among those described in Information on Precautions, etc., and enable healthcare professionals to learn through hands-on training scenarios. The value of this program is illustrated by the feedback of healthcare professionals who have participated, which indicates that T-PAS training provides a tangible sense of the situations that can lead to accidents and demonstrates why the understanding of device use must be based on more than just assumptions or casual advice from others. In addition, Terumo has designed and offers a practical training program boasting high levels of learning retention in order to promote proper product use. This program includes videos documenting medical accidents as well as hands-on activities recreating device failures.

\* T-PAS stands for Terumo Proactive Action for Safety and is based on Terumo's own assessments of accident prevention needs.

# Procurement

## Basic approach

The Terumo Group Procurement Policy, which outlines the basic approach of the Terumo Group's procurement activities, comprises six items: Quality and Safety; Stable Procurement; Promotion of Compliance; Fair Procurement; Consideration for Human Rights and the Environment; and Mutual Prosperity based on Reliability with Suppliers. We ask all suppliers who do business with us to conduct their business activities following the "Supplier Guidelines" established in line with the Terumo Group Procurement Policy.



**The Terumo Group Procurement Policy and the Supplier Guidelines**  
<https://www.terumo.com/about/procurement>

## Supply chain management

### Promotion system

At Terumo, we recognize that collaborating with our suppliers worldwide and fulfilling our social responsibility through our supply chain is an important part of procurement. The Supplier Guidelines, consisting of seven chapters, form the basis for coordination with suppliers. Based on the Guidelines, Terumo Corporation and its group companies in Japan, the U.S., Europe, and Asia are promoting business with the suppliers. Specifically, we formally stipulate the first two chapters, "1. Quality, Safety" and "2. Stable Supply," in our contracts with suppliers. We also ask suppliers to familiarize themselves with the other five chapters, "3. Promotion of Compliance," "4. Fair Dealings," "5. Consideration for Human Rights for Labor," "6. Consideration for the Environment," and "7. Management Systems," and we request that they sign an acknowledgment in relation to these chapters.

In fiscal 2024, we have obtained signed acknowledgments from new direct and indirect material suppliers.

Besides getting suppliers to sign an acknowledgment in relation to the Supplier Guidelines, we are also implementing, in stages, a Self-Assessment Questionnaire (SAQ) aimed at clarifying the current state of suppliers' ethical business practices, human rights, environmental initiatives, and management systems. We have made it mandatory to implement the SAQ from manufacturing

sites in Asia, including Japan, for new direct material suppliers, and we are gradually rolling it out globally. Based on the results from FY2024, we have not identified any critical deviations from the requirements specified in the Supplier Guidelines or any concerns regarding the potential for such deviations. For those suppliers whose management systems in regard to human rights, labor, and environmental legislation were deemed not to be fully adequate, although there are no apparent concerns regarding critical deviations, we requested them to make improvements based on the relevant international standards, local laws, and Terumo's Supplier Guidelines. We also provided feedback on items where it was recommended that the suppliers in question implement self-directed improvements where necessary.

In order to more efficiently understand the status of our entire group's supply chain and to establish globally unified standards for supplier management, we are proceeding with the introduction of a system that can automatically determine various risks, conduct investigations, and provide improvement guidance. In fiscal 2024, we completed automated risk assessment using this system, targeting all of Terumo Corporation's direct material suppliers, including low-risk suppliers; it was confirmed that there were no suppliers where there were concerns regarding critical deviations.

In the procurement of materials, we manage suppliers at our production sites based on the Quality Management System. We also conduct regular audits of suppliers that could directly affect the quality of our products in line with the risks associated with those suppliers. Through these efforts, we strive to ensure the quality and safety of our products.

## Evaluation items and main contents of the self-assessment questionnaire

Evaluation items	Main contents	Number of questions
<b>Ethics</b>	Anti-corruption measures	2
<b>Respect for human rights</b>	Prohibition of child labor, forced labor, discrimination, and harassment, labor management	12
<b>Environmental protection</b>	Greenhouse gas reduction, effective use of resources, waste management, hazardous substance management	8
<b>Health and safety</b>	Activities to prevent work-related accidents, workplace health management, evacuation drills	11
<b>Management system</b>	Compliance with laws and regulations, BCP, document management	5
<b>Conflict minerals*</b>	Status of avoiding conflict minerals*	2*
<b>Total</b>		40

\* Scope: tin, tantalum, tungsten, gold, and cobalt  
 (For the content of the questions, please refer to "Measures for addressing Conflict Minerals" on p. 31.)

## Procurement systems for ensuring stable supply of products

Terumo has formulated a Business Continuity Management (BCM) policy for procurement, and is proceeding with steps to secure a stable supply of products. Under the basic philosophy of maintaining a stable supply of our products to meet healthcare needs continuously, we are building a supply chain that will ensure the reliable delivery of our products to medical institutions and patients by promoting stockpiling of parts and materials and purchasing from multiple suppliers. By doing so, we will respond to global issues that may disrupt the supply chain, such as natural disasters, pandemics, and geopolitical risks.

## Procurement

### EHS\* initiatives related to procurement

Terumo strives to mitigate EHS-related risks in the supply chain by requesting the suppliers to sign acknowledgments of Supplier Guidelines and complete questionnaires. In addition, in fiscal 2024, we implemented a questionnaire survey targeting suppliers with high levels of greenhouse gas (GHG) emissions, and held meetings with some of these suppliers regarding the current state of implementation of related measures. We will continue our efforts to reduce emissions while communicating with our suppliers. With regard to raw materials transportation, we are making efforts to cut procurement-related GHG emissions and reduce the burden on the environment through measures such as consolidation of truck deliveries (by means of joint delivery) and reducing the number of journeys made.

\* Environment, Health and Safety

### Measures for addressing Conflict Minerals

One of the items contained in the Supplier Guidelines is "5. Consideration for Human Rights for Labor." To ensure that Terumo does not become complicit in human rights violations or environmental destruction, the guidelines stipulate that requests be made to suppliers not to procure or use raw materials, components, or products containing illegally mined tin, tantalum, tungsten, or gold. In addition, as needed, we ask that suppliers inform us of whether or not said materials contain any of the aforementioned conflict minerals.

### Procurement-related compliance

When doing business with suppliers, Terumo recognizes it vitally important to comply with relevant laws and regulations, and to conduct transparent transactions based on fair and equitable relationships. To ensure thorough implementation of purchasing-related compliance, Terumo Corporation in Japan has established its procurement policy and the related bylaws to ensure compliance in procurement. In addition, we undertake fair dealings with suppliers by signing agreements regarding exclusion of antisocial forces (i.e. organized crime groups), and obtaining suppliers' signatures in acknowledgment of Terumo's Supplier Guidelines before selecting suppliers, establishing rules for third-party checks on subcontracting transactions. We also work together with our

group companies to ensure that appropriate regulations and processes are in place for the Terumo Group as a whole.

### Supplier diversity

The Terumo Group believes that the group and the communities in which it operates benefit from procurement practices that capitalize on the unique skills, knowledge, creativity, and talent offered by a diverse supplier base. The Terumo Group Procurement Policy states that all suppliers will be equally and fairly considered for future business opportunities, and that no suppliers will be favored or refused the right to transact business with the group for illegitimate reasons. Ultimately, Terumo seeks the most capable suppliers in terms of quality, service, cost, value, and technology.

Terumo Americas Holding Inc. (TAH) is working to create opportunities for diverse suppliers by making efforts to identify businesses operated by minorities, women, LGBT individuals, veterans, service-disabled veterans, and people with disabilities, as well as business located in historically disadvantaged areas or HUBZones, and other small businesses.

We believe that diverse solutions provided by suppliers with diverse backgrounds will help to enhance our organization's value, and we will continue to implement initiatives aimed at realizing the Group Mission: "Contributing to Society through Healthcare."

# Human resources

## Basic approach

The Terumo Group refers to all of its employees as “associates” to reflect the fact that they are viewed as valued colleagues. The growth of Terumo comes through the diverse associates around the globe who have joined Terumo to work, learn, and grow vigorously in a way that suits each of them. With the rapid pace of change in the environment in which we operate our business and in which our associates work, it is becoming ever more vitally important to synchronize our people strategy with our management strategy. By implementing our global people strategy and supporting our associates to perform at their best, we are driving the development of global management for the company. We will realize the enhancement of corporate value by strengthening associates’ identification with our Group Mission of “Contributing to Society through Healthcare,” and fostering a shared sense of Terumo’s purpose.

## People strategy

### Basic approach

As healthcare and society as a whole is changing rapidly, we recognize that the development of our talents is imperative to the implementation of Terumo Group growth strategies. To that end, we are implementing the people strategy to enable our associates to continue growing with the company.

Specifically, we are focusing on leveraging and developing diverse leaders who will support our global business and strategic workforce planning to build new capabilities for the organization as a whole with an eye on future management strategies. In addition, we are building an environment in which associates are able to fully exercise their ability through encouraging each associate to adopt a “Growth Mindset” to continue to take on new challenges and learn, also working to ingrain a culture of diversity, equity, and inclusion in the organization. Furthermore, we define the attraction and value of working at the Terumo Group as “Advancing healthcare with heart” and have begun to share this concept internally and externally. We are also focusing on promoting effective collaboration beyond the boundaries of specific businesses, functions, and regions to realize a better Associate Experience.

To support the group-wide implementation of these strategies,

we collaborate with HR members of the group companies in Japan and overseas to share the challenges and practices at each company under the Chief Human Resources Officer (CHRO). In addition, we have HR teams comprising expert members of each area from various regions and organizations to design and implement common HR programs.

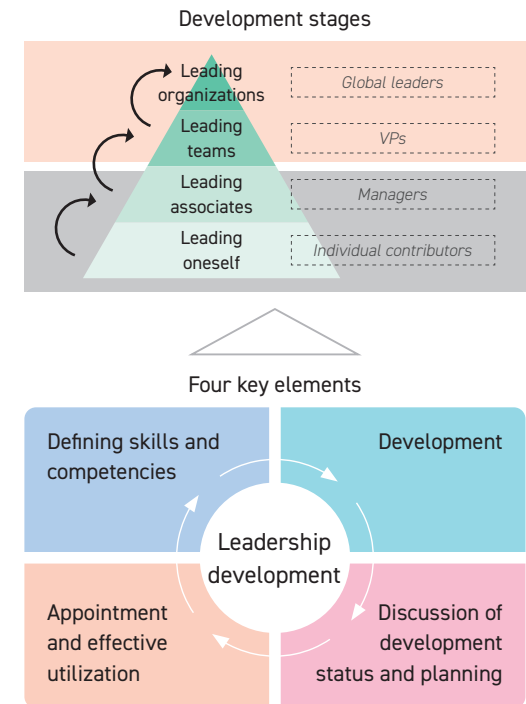


## Development of global leaders

### Basic approach

With operations in more than 160 countries and regions worldwide, the Terumo Group is promoting the development of talents capable of excelling on the global stage. As a common global development framework, we have designed measures with four consistent elements to create a continuous pipeline connecting each stage of leadership development.

### Development stages and four key elements



**Global leadership program**

We offer global leadership programs tailored to different development stages. In fiscal 2019, we defined the skills and competencies required for future leaders to tackle Terumo Group’s business challenges and launched a global leadership development program. This one-year training program brings together selected associates from around the world who are candidates for future management positions at Terumo Group to collaborate and take on the challenges of creating new value for Terumo. In addition, we have expanded the scope of this group-wide leadership program. Starting in fiscal 2021, we introduced a new program track for high-potential associates with two to seven years of professional experience, and from fiscal 2023, added another track for managers as well.

**Succession planning**

Profile of Terumo Group’s key talent is shared among senior management for discussions on the development, deployment, and effective utilization of those talents across the group to expand the pipeline of global leaders and strengthen the organization. We are also undertaking succession planning of business leaders such as potential successors of CEO positions at the subsidiary entities that can lead sustainable business growth incorporating external objective assessment based on a common global framework.

**Terumo ONE Connect**

At Terumo, we are promoting HR initiatives aimed to strengthen our human capital by focusing on “placing the right talent in the right positions,” and “supporting associates drive their own career development.” As part of these efforts, we have launched Terumo ONE Connect, an AI-enabled online platform from fiscal 2024.

Terumo ONE Connect enables postings and applications for positions and projects across Terumo Group. By registering their profile, work experience and skills, associates can receive AI-driven recommendations for positions and opportunities within the group that are relevant for them. Moreover, the platform includes networking features that allow users to search for associates with certain skills and knowledge and foster connections across different countries and regions. These capabilities aim to expand opportunities for associates within Terumo Group and further harness new business solutions through the sharing of internal knowledge and experience.

**Talent development (Terumo Corporation)**

**Talent development/Training program**

We believe the growth of our business is realized through the growth of our individual associates, and we manage our talent development initiatives with the fundamental intent of supporting the continuous development of diverse talents. Talent development starts with practical skills acquired through on-the-job training (OJT) and a variety of training programs designed to supplement OJT. We believe that the most effective learning comes from individual motivation and the feeling of the necessity to learn; associates with this motivation can nominate themselves to participate in various voluntary and selective training programs.

**Main content of the talent development/Training program (Terumo Corporation)**

<b>Level-based training</b>	Training for new associates, follow-up training for second and third-year associates, training for associates appointed to new positions (mid-level associates and managers), career design training
<b>Support for self-development</b>	Business <i>Dojo</i> , management school support, online business training, English conversation lessons, internal recruitment of project members, and lectures for associates
<b>Development of management leaders</b>	Individual training for executive officer candidates, development training for next generation leaders, program for supporting associates to study for MBAs (for associates in their second year with the company up to 39 years of age), financial support for MBAs (for associates who have been with the company for at least two years), fast-track development program for next generation associates, and global talent development (including overseas training)
<b>Development of R&amp;D talent</b>	Advanced Terumo Medical Academy (ATOM), Management of Technology (MOT) and Biomedical, and R&D-related cross-industry exchange and training, etc.
<b>Development of <i>Monozukuri</i> associates</b>	Training program to help associates learn the principles of <i>Gemba</i> (field/floor), <i>Genbutsu</i> (actual product), and <i>Genjitsu</i> (reality)

**Level-based training**

Terumo supports the ongoing growth of its associates through training designed to help them acquire the skills necessary at various levels—including new associates, associates who have been with the company for two to three years, mid-level associates, and managers in various roles. To accompany the adoption of a new HR policy in 2022, we have renewed the training program for managers

so that it reflects the new policy. We are also conducting career design seminars for associates from diverse backgrounds on an ongoing basis to encourage them to further drive their own career development.

**Support for self-development**

A diverse range of learning opportunities are provided for all associates with a passion for growth, whether they are new to the organization or veterans. We offer programs that respond to the needs of our associates including support for course fees related to business fundamentals, English conversation, and English proficiency assessment, as well as a incentive rewards for obtaining certifications in the digital domain. Associates are expected to put their own hand up to the program they wish to enroll in.

**Development of management leaders**

We implement selective development programs targeting different levels, including mid-level employees, managers, and potential future leaders. The purpose is to systematically cultivate candidates for management and leadership positions within the company. In addition to company-led selection, we also encourage self-nomination, which helps in discovering new potential leaders.

Our program design encompasses various aspects such as business perspectives, management assessments, business literacy, liberal arts, and more, to support the growth of individuals who possess the ambition to take on future leadership roles. Furthermore, to foster management talent for the future of our company, we have established a support policy for those associates who wish to obtain qualifications such as an MBA both domestically and overseas. This policy allows for a leave of absence for the necessary period of study, and the utilization of previously expired paid leave. When approved by the company, individuals can borrow funds from the company without interest to cover tuition fees and living expenses. Additionally, under certain conditions, the company also provides partial support for enrollment fees and tuition fees.

We place emphasis not only on acquiring knowledge and skills but also on the experience of engaging with diverse colleagues from around the world and striving for excellence within different cultural contexts.

### Development of R&D talent

We conduct research and development on an ongoing basis with the aim of contributing to the advancement of healthcare through innovation created by merging the knowledge and technologies in specialized fields that associates have acquired at educational institutions. Moreover, associates are given access to the Advanced Terumo Medical Academy (ATOM) course as part of internal training after joining the company so that they can quickly acquire the medical insight required as Terumo engineers. In this course, associates study basic knowledge of medicine via Terumo's original e-learning program; receive lectures from doctors, nurses, pharmacists, and other medical professionals active in clinical settings; and take part in a training curriculum. In addition, we utilize online communication tools to promote networking among engineers and facilitate inhouse development, and perform medical device surveys through means that go beyond the standard connections between business sites. We have also been implementing a wide range of related initiatives for many years now, including incorporating training on the Biodesign Program, a medical device development approach originating from the United States, providing education on new development approaches, and arranging observation tours of medical settings.

All training programs are carefully planned based on the concept of instructional design to set the necessary goals for associates engaged in research and development and to ensure that the learning content necessary to achieve the goals is acquired effectively and efficiently while stimulating trainees' interest. Terumo is well aware of the importance of flexible thinking, broad insight, and interpersonal networks. For this reason, we actively support those associates seeking to undergo external training through short- or medium-term programs of their own accord. External training provides opportunities to acquire insight and technologies not available within the company through instruction from external instructors and also helps associates form interpersonal networks. The types of external training available to associates include the Management of Technology program, basic medical curriculum, and other curricula as well as inter-industry personnel exchanges.

### Development of *Monozukuri* associates

We are working to improve the training environment and develop the trainers to enhance the manufacturing *monozukuri* (product creation) capabilities at its production sites. As one of our efforts, we provide intensive training for new associates assigned to production, engineering, quality assurance, or R&D positions every year to pass on to next generation associates the skills and experience of long-cultivated veterans and the spirit of *monozukuri* and the skills required for modern production. Associates who work at production sites create training curricula in line with *Gemba* (field/floor), *Genbutsu* (actual product), and *Genjitsu* (reality) to continuously enhance the training content to make it valuable as opportunities to learn the common skills to be deployed at factories, the *Gemba* (field/floor) for *monozukuri*. Based on the curricula, associates, including Terumo Expert System (TES) associates—veteran associates rehired after retirement age—call upon their years of *Gemba* experience to act as trainers to train specific content and support next generation engineers in acquiring skills.

### The new HR policy (Terumo Corporation)

To further enhance the capabilities of our associates, we introduced a job-based human resources (HR) policy for managerial positions in April 2022, and for non-managerial positions in April 2024.

To become a company that can provide solutions to new medical issues on a global scale, we must create an environment where associates who lead and support our strategies can fully demonstrate their diverse abilities, and each associate must also achieve personal growth. Based on this idea, the new HR policy upholds three concepts: self-owned career development, deploying the right talent in the right position, and providing support for growth. Associates are encouraged to design their own career paths with autonomy, rather than following a company-led approach and take the initiative to challenge themselves with new opportunities through friendly competition. Additionally, the most suitable associate will be appointed to positions that are aligned with our business strategy, regardless of age. The company will support associates' growth in a more strategic and robust manner than before.

Through these three concepts, we will continue to strive for growth both at the individual level for our associates and for the company as a whole.

### Performance feedback and career-planning meetings

Supervisors conduct biannual meetings with associates to provide feedback on performance evaluations, highlight areas for improvement, and outline expected future actions to foster awareness and growth.

In addition, annual career interviews provide an opportunity for associates to deeply reflect on their future careers, including career plans and specific work objectives, and to engage in serious discussions with their supervisors. Information from these interviews is managed as data and used as foundational information for personnel transfers and other career support provided to each individual.

### One-on-one meetings

In fiscal 2022, Terumo introduced one-on-one meetings in addition to performance feedback and career planning sessions. These monthly meetings, lasting approximately 30 minutes to one hour, enhance communication between supervisors and associates. During these sessions, associates share their work experiences, while supervisors address current challenges and concerns related to career development. Furthermore, the meetings regularly and frequently review work objectives and expected roles, and identify any issues. This approach aims to foster and support the growth of associates.

### "Career Challenge" in-house job posting program

Since 1997, Terumo has implemented an internal job posting system where associates can apply for positions in various departments and roles, winning jobs through their own efforts. This system provides motivated associates with opportunities to challenge themselves, gain experience, and grow, regardless of age or gender.

In fiscal 2022, the program was renamed "Career Challenge," and its content was significantly revamped. This included opening managerial positions for application and removing the previous requirement for years of experience in the current role. We aim to promote "career autonomy," encouraging each associate to proactively think about their career, challenge themselves with career advancement opportunities based on their own will and abilities, and engage in friendly competition. By doing so, we provide more active opportunities for associates to achieve career growth.

## Human resources

### Side Work Authorization Policy

As a new initiative to further support associates to drive their own career development, we have introduced Side Work Authorization Policy in fiscal 2024. Through side work, we expect associates to gain broader knowledge and skills outside of Terumo, leading to further personal growth. We also aim to create synergy between the experiences gained through side work and those acquired at Terumo, ultimately driving transformation and innovation that contributes to the company's growth.

### Target critical skills development

#### Basic approach

At Terumo Group, we are engaged in strategic workforce planning to identify the capabilities (roles, skills, competencies) necessary to achieve our medium- to long-term growth strategy, and to create and implement recruitment and development plans accordingly. Since fiscal 2021, we have been identifying and specifying the capabilities and key skills that need to be strengthened across the group, and each business, function, and region also formulates and reviews strategic workforce plans annually.

#### Definition of digital talent

We are working on development and acquisition of digital talent as a key capability that needs to be strengthened across the group. Since fiscal 2022, we have defined the roles of digital talent across the group, to identify and monitor the number and location of these talents. Using the data collected through this process, we are sharing digital talent resource challenges with global business leaders and working to strengthen digital talent communities, provide knowledge and skills training at each group company, and improve our recruitment processes.

#### Development of digital talent (Terumo Corporation)

Since 2020, we have launched the "Terumo DX College" to enhance the digital literacy of associates and support motivated associates in acquiring digital knowledge (from 2022). Additionally, starting in 2023, we have been conducting specialized and practical training courses to improve the skills of experts who aim to solve business and operational challenges with digital skills, based on the needs

of the entire company or individual businesses. We are not only creating new value, but also making effective use of generative AI to further develop Terumo's existing strengths and create an environment that would generate new strengths.

### Growth Mindset

#### Basic approach

The Terumo Group places great importance on the growth of each of its associates. In order for Terumo to continue to be a company able to take on emerging medical challenges and provide more innovative solutions in the rapidly evolving healthcare landscape, it is important to foster an organizational culture where associates are constantly taking on new challenges and growing. We have therefore introduced the concept of "Growth Mindset" across the Terumo Group. Growth Mindset is a concept that our abilities are not fixed with qualities we are born with, but rather, we can improve these abilities through efforts and experiences. Creating shifts in each associate's awareness and behavior will lead to positive transformation within the company. To promote Growth Mindset, the top management and business leaders are actively working to create an environment in which associates can incorporate the three key habits of Growth Mindset (experiment, value progress, and learn from others) into their daily work.

#### Measures to implement Growth Mindset (Terumo Corporation)

We are continuously promoting initiatives that introduce best practice cases of Growth Mindset both inside and outside Terumo, sharing practical tips to encourage implementation. These efforts aim not only to implement Growth Mindset at the individual level, but also to embed it across the organization and broaden perspectives.

For managers, we regularly provide concrete and actionable advice, and we also offer customized workshops tailored to the specific needs of each team. These initiatives help provide opportunities for practical learning. Moving forward, we will continue to promote efforts to embed Growth Mindset as part of our organizational culture and apply it to drive business success.

### Diversity, equity, and inclusion (DE&I)

#### Basic approach

Terumo Group operates in more than 160 countries and regions worldwide, with approximately 80%\* of its revenue coming from overseas. We have 30,000 associates working at Terumo Group, and 75%\* of them are based outside of Japan. It is essential for Terumo's sustainable growth that our diverse associates respect and value each other's differences and realize their full potential.

In March 2022, we established a global "DE&I Philosophy" to further cultivate a culture of diversity, equity, and inclusion (DE&I) within Terumo Group. In addition, we defined a "DE&I Guiding Principle" as standards for our behavior and decisions related to DE&I. The DE&I Philosophy and the DE&I Guiding Principle are aligned with Terumo's Core Values and the Terumo Group Code of Conduct, clearly stating our commitment to fostering a globally diverse, equitable, and inclusive culture and embedding it in our daily business activities. The five-year growth strategy "GS26," which started in April 2022, aims to promote the active participation of diverse talents to achieve global management. Moving forward, we will continue to create new value through the practice of DE&I, contributing to the advancement of healthcare and the enhancement of patients' quality of life.

\* Calculated based on revenue for the fiscal year ended March 31, 2025, and the number of Terumo Group associates as of March 31, 2025.



#### DE&I Philosophy and Guiding Principle

<https://www.terumo.com/about/regulation/diversity-equity-inclusion>



The concept of the expression  
The overlapping colors of the DE&I letters in this logo symbolize our associates. This design demonstrates our commitment to respecting individual differences and providing resources tailored to each associate, empowering everyone to fully realize their potential, supporting "TERUMO," and fostering continuous growth.

### Promotion measures

In 2021, we established the Global DE&I Council, composed of associates with diverse backgrounds in terms of gender, nationality, job roles, and positions. Through active discussions within the council, we formulated the common DE&I Philosophy and Guiding Principle for the Terumo Group. Furthermore, in 2023, we revamped the four focus areas to promote DE&I, tailoring our initiatives to the characteristics of each region. Additionally, the status of DE&I promotion plans and initiatives, including women's empowerment, is regularly reported and discussed at the board of directors' meetings, where we also receive advice based on various insights from external directors.

#### The four focus areas and its major initiatives

1. Goal setting and HR process: DE&I goals/KPIs set and managed by executive officers
2. Inclusive leadership: Advancing the implementation of inclusive leadership
3. A sense of belonging and togetherness: Promoting collaboration between Associate Resource Groups across businesses and geographies
4. Awareness and communication: Strengthen both internal and external communication regarding DE&I

#### TOPICS

##### Global collaboration across business sites

At Terumo Group, we hold "Terumo DE&I Week" every March to promote a better understanding of DE&I, foster mutual respect among associates, and create an inclusive work environment where associates are empowered to bring their authentic selves to work. During this period, we hold DE&I-related events, including video messages from the management team and panel discussions, at Terumo and our global group companies. We also organize events, such as online lectures, that associates from various business locations can participate. In addition to this, our Associate Resource Groups (ARGs) are active across various countries and regions. ARGs on gender, culture, disability, generations, LGBTQ etc. are active in different locations. The Global DE&I Council plays a key role in this area, organizing collaborative events that bring ARG leaders and sponsors from multiple business locations together to share best practices, which helps generate ideas for future initiatives.



Messages from business leaders are shared using social media

### DE&I promotion (Terumo Corporation)

Terumo Corporation is committed to fostering an inclusive environment and corporate culture where diverse associates—each with their own values and backgrounds—can thrive and fully demonstrate their unique strengths.

#### Major initiatives implemented so far

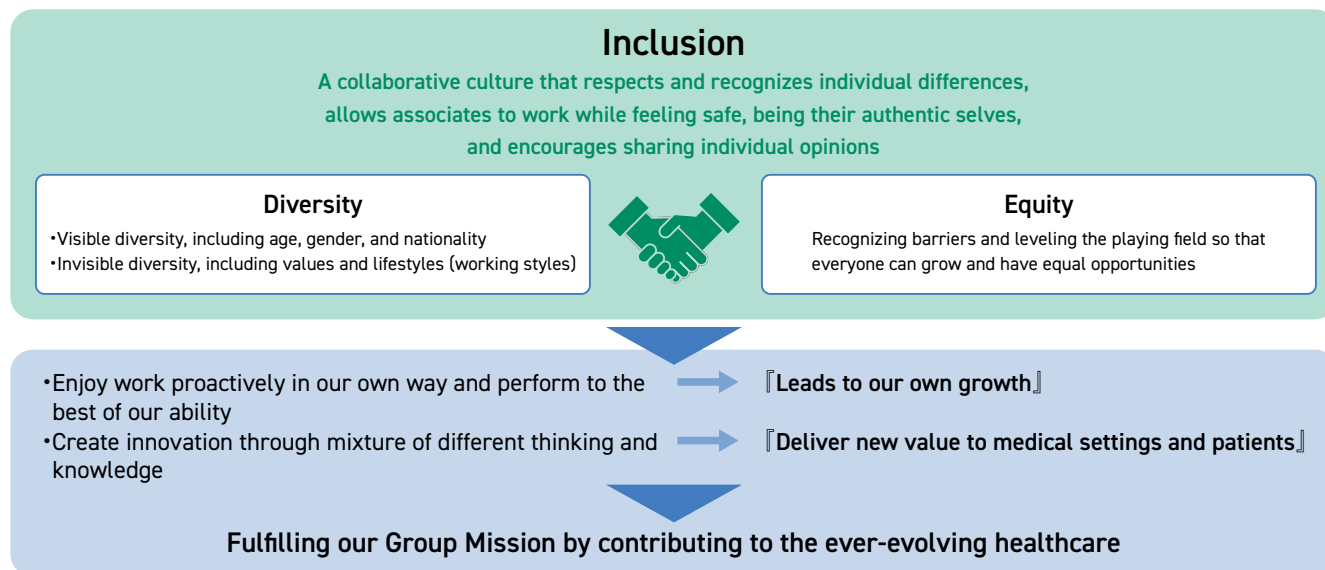
- Posted the targets and plans for DE&I initiatives on the company's intranet site
- Held lectures and workshops by independent directors and external lecturers for top management, heads of departments, factories, and sales managers
- Posted commitments declared by executives to promote diversity within their departments on the company's intranet
- Held diversity management training session for managers (with content including management approaches that can effectively draw out the skills of diverse associates, including women and non-Japanese individuals, and how to interact with subordinates from diverse backgrounds)
- Conducted level-based trainings on the skills needed to be able to effectively manage diverse talents and work styles, on unconscious bias, and on methods for appropriate performance evaluation
- Implemented e-learning for all Terumo associates, including seconded personnel (e-learning topics include basic knowledge about DE&I, unconscious bias, psychological safety, etc.)
- Disseminated information about DE&I through Terumo's social media accounts

## Human resources

Changes in initiatives to promote DE&I at Terumo, and our vision of where we want to be in the future



Terumo's vision for DE&I



### Promotion of active participation by female associates

At Terumo, in order to continue growing in a diverse global society, the top management team is committed to promoting women's empowerment as part of achieving DE&I.

The ratio of female managers in the Terumo Group globally is 30.8%, compared with 12.0% in Japan (as of March 31, 2025). To ensure continued value creation in the future, it is critical to have a diverse pool of decision makers, including women in management positions. To achieve this goal, we have set a target of 13% women in managerial positions in Japan by the end of fiscal 2026. We are working toward this goal by creating an environment led by the top management team that enables women to maximize their potential. Besides including at least one female candidate in succession plans for key management positions, we also send them to women's leadership programs at external training institutions to develop women leaders and candidates. In mid-career hiring, we are promoting recruitment of female talent as candidates for future management positions, as well as for specialist positions such as lawyers, and for managers and manager candidates. In addition to these efforts, we are actively supporting the creation of a network where associates can share challenges and information about career and life events with other associates. We are also holding Health Literacy Awareness Seminars to strengthen understanding of health issues that affect women. This seminar is designed not only for women but for all associates, aiming to enhance health literacy across the organization. Centered around the newly established Fertility Treatment Leave Rule introduced in fiscal 2025, the seminar explores related conditions, symptoms, and treatments. Through this learning, Terumo promotes the creation of an environment where associates can thrive.

### Number and ratio of female managers (Terumo Corporation)

	FY2022	FY2023	FY2024
Number	90	100	122
Ratio (%)	9.6	10.4	12.0

TOPICS

Women's talent development program

**Module 1: Women's Leadership Development Program (for female associates)**

By rotating members each year, we will cultivate our own authentic leadership that brings sense of fulfillment at work, and continue to develop female leaders.

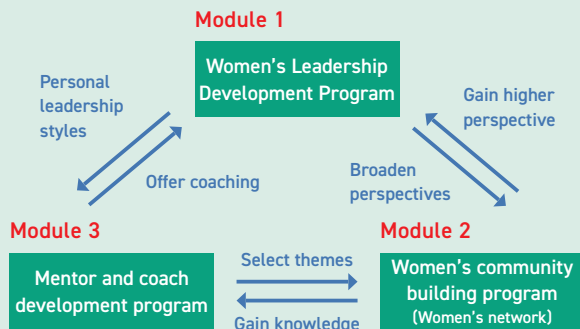
**Module 2: Women's community building program (consisting of two parts: webinars and networking)**

Part 1: Panel discussion with unique women leaders (internal and external) as speakers, for all associates  
Part 2: Building a network of female associates

**Module 3: Mentor and coach development program (Target: associates in managerial positions)**

Participants receive mentoring and coaching by professional coaches and learn through practice to become inclusive leaders themselves, as well as mentors for female associates participating in Module 1.

Overview of women's talent development program (FY2024–FY2026)



Renewal of factory uniform

In an aim to reduce anxiety during menstruation, we have introduced navy blue uniform at factories.



Major DE&I initiatives implemented so far

- Introduced DE&I-related criteria as one of the individual's qualities to be evaluated for executive officer appointments
- Included at least one female candidate in the succession plan for key executive positions
- Made it mandatory to set the development plan for subordinates as one's own objectives
- Implemented initiatives for improving diversity management skills in managers that have responsibility for developing women leaders
- Developed women leaders and candidates for executive positions by sending female associates to women's leadership programs offered by external training institutions
- Developed a system to ensure that absence from work due to life events does not affect subsequent career development, promotions, and appointments.
- Established a consultation desk for balancing work and private life
- Built a network for identifying issues and exchanging opinions on career and life events
- Introduced a babysitter subsidy policy and overseas transfer spousal leave policy
- Enhanced the program to subsidize the cost of a return trip home for associates on solo assignments in Japan
- Seminars for associates and their partners covering every stage from pregnancy through to childcare
- Introduced an application service tailored for single individuals to foster partner connections
- Health Literacy Awareness Seminars (Scheduled for six sessions in FY2025)

Promotion of active participation by International Associates

At Terumo, we are engaged in recruiting overseas talents regardless of nationality and promoting the recruitment of global talents by accepting overseas university students and international students in Japan as interns.

As our business is becoming more globalized, we are also working to create an environment where every associate—regardless of nationality or language—can work more comfortably. As part of this effort, we use the term IA (International Associates) to refer to foreign national associates who are working at Terumo Corporation in Japan, and we are conducting cross-cultural communication training for managers who have IA under their supervision. We have also established an Associate Resource Group (ARG) for IA to promote interaction among IA members and to create an environment where IA can work in Japan easily and can freely seek advice. In addition to these efforts, we have also established internal infrastructure, such as providing internal announcements via e-mail and office bulletin boards in English.

Support for contributions by senior associates

At Terumo Corporation, we have introduced TES, or the Terumo Expert System, in fiscal 1998 as a way to rehire retirees with outstanding skills and expertise. Many associates have been brought back through TES and continue to make the most of the expertise they developed over many years. These Terumo Experts work not only in highly specialized areas but also in a wide variety of other areas where they contribute to the company by drawing on their wealth of experience to provide guidance and advice to younger associates.

In April 2023, we made changes to the TES to introduce a compensation structure that is based on roles and performance. We also introduced flexible work arrangements that allow diverse work styles such as allowing side jobs and 3-4 work days per week.

Furthermore, we have introduced a career advisor program to offer additional support for the contributions of senior associates. Through this program, advisors with management experience within the Terumo Group meet individually with all rehired associates to identify any issues they might face early on and offer various advice.

### Employment of persons with disabilities

Terumo promotes the employment of individuals with disabilities to enable them to lead rewarding lives as independent members of society by providing job opportunities that match each individual's skills and aptitudes. In fiscal 2018, we introduced a new program in which associates with certifiable disabilities can receive 12 days of special paid leave a year. This program aims to provide them with peace of mind when taking days off for medical appointments, hospitalization, or ill health, supporting the development of workplace environments where associates with disabilities feel more comfortable working and can fully demonstrate their abilities. In addition, Terumo Partners Corporation, which was certified as a special subsidiary in fiscal 2025, is engaged in tasks such as administrative work within the group and agricultural activities on abandoned farmland where labor is scarce. We will continue to promote initiatives that enable each associate with disabilities to maximize their abilities and make efforts to expand employment.

### Inclusion of sexual and gender minorities

To create a workplace environment wherein associates with different backgrounds respect each other and can work to the fullest of their ability, Terumo is engaged in various initiatives from the perspective of sexual and gender minorities, such as members of the LGBTQ community.

In January 2017, we clearly outlined the prohibition of harassment based on sexual orientation or gender identity in Terumo's work regulations. Additionally, in the revised "Terumo Group Code of Conduct" of April 2019, we also included a statement to create and maintain a workplace where individuals are not unfairly treated based on their sexual orientation or gender identity.

Topics pertaining to the prevention of harassment based on sexual orientation and gender identity were incorporated into the harassment training provided to all associates. We are also striving to enhance associates' understanding of LGBTQ issues through measures such as the installation of unisex restrooms, and the holding of LGBTQ sensitivity training sessions by external lecturers.

## Wellbeing

### Basic approach

For our associates to fully utilize their abilities and thrive in the workplace, it is essential that they maintain both physical and mental health. Additionally, their experience at Terumo should be enriching, and they should feel a sense of purpose and job satisfaction. At the Terumo Group, we refer to this state of being as "wellbeing." To enhance wellbeing, we are implementing various initiatives across the entire group, in every region, country, and company.

### Promotion of associate health improvement

Terumo recognizes that health of associates is essential to the company's sustainable growth. As a company committed to contributing to the healthcare, we are dedicated to ensuring that our associates remain healthy and providing them with an environment that allows them to feel energized in their work.

### Message from senior management

Hikaru Samejima  
Chief Executive Officer

Since its establishment in 1921, Terumo has been addressing various medical challenges together with its associates (employees) under the Group Mission of "Contributing to Society through Healthcare." To continue contributing to the ever-evolving medical settings, it is essential to further strengthen the capabilities of our associates, and at the core of this is "health."

At Terumo, we believe that our associates are the driving force behind sustainable growth, and we are promoting health management across the entire company. In a global environment where diverse talents thrive and work styles and individual careers are becoming increasingly diverse, we believe that each associate being physically and mentally healthy, working energetically in their own way, and feeling the value of working at the Terumo Group leads to increased corporate vitality and engagement. As a company involved in healthcare, we will continue to address various challenges from both management and associate perspectives, promote health management, and aim for evolution to bring further innovation to healthcare together with our associates.

### Promotion of global wellbeing program

At Terumo Group, we are advancing global wellbeing program with the aim of ensuring that all associates work healthily and actively, and feel the value of working at Terumo Group. By learning from initiatives promoted by other group companies in each region and promoting them together, we are working with a sense of unity. In 2020, we created a shared global common tagline, "Your Health, Your Happiness, Our Priority," and an internal logo. This tagline embodies the shared desire of associates and the entire Terumo Group to protect the health of all associates.

### Terumo Patient's Day

At the root of our associates' motivation to work with a sense of purpose is our Group Mission: "Contributing to Society through Healthcare." Since 2013, we have been hosting an in-house event called "Terumo Patient's Day" around the world, where we listen to patients' voices. This event provides opportunities for associates to reconnect with our mission, share the belief that all our work benefits patients and healthcare, and find motivation.

### Engagement survey

At Terumo, we believe that fostering engagement—helping our associates feel fulfilled and experience growth in their daily work—leads to better performance and, ultimately, greater corporate value. With this in mind, we conduct a biennial survey to assess our associates' engagement levels. (Note: Some entities conduct their own engagement surveys on a more frequent basis.)

The survey consists of 14 questions on common topics relevant to all global entities, such as inclusion, work-life balance, and growth opportunities. In the first quarter of fiscal 2024, the survey had a global response rate of 69%.

The main trends in the results showed that scores were high (positive) for questions like "I feel as if I belong at Terumo" and "My manager recognizes my team's progress toward our goals." Scores were lower for statements such as "I feel safe to fail when trying new approaches at work" and "It is easy to connect with other Terumo associates (across departments and Terumo entities) who possess specific skills or expertise, allowing us to meet, collaborate, or learn from each other." Globally we plan to continue to foster a culture of learning and growth from failure as part of our group-wide initiative, Growth Mindset (see p. 35). Additionally, we will enhance collaboration across the Terumo Group through our online platform, Terumo ONE Connect (see p. 33), which aims to facilitate networking among associates.

Terumo Corporation conducts its own engagement survey twice a year in addition to the biennial global survey in order to hear the voice of associates and to understand the current state of the organization. For the survey conducted in fiscal 2025 first quarter, we have renewed and revised the questions in an aim to better grasp the situation of *Gemba*, achieving a response rate of 83%. The overall trend seen in the responses were similar

to last year, receiving high scores for questions related to CSR and corporate ethics, and lower scores for questions regarding growth opportunities. In response to those results, we are focusing on creating an environment that supports learning and taking on challenges in an aim to raise associates' awareness of the importance of personal growth and career development. Moving forward, we will further promote initiatives that link survey results to organizational actions at each site and divisions, creating a workplace where every associate can truly feel they can grow at Terumo.

We will continue to listen closely to our associates and stay connected with what happens in *Gemba*. We will use our associates' feedback to take concrete actions to improve engagement.

### Workstyle reform

Terumo considers the success of every associate as the driving force behind the company's sustainable growth. To ensure that each associate can maximize their potential, we are promoting work style reforms. Focusing on work outcomes and aiming to improve productivity, we are working to enable flexible work styles that fit the nature of the work and our associates' lifestyles.

#### Policies to facilitate flexible workstyles (Terumo Corporation)

Policy	Description
<b>Staggered working hours</b>	Adjustment of start and end of work day by up to two hours available according to daily work and schedule
<b>Flexible working hours</b>	Flexibility for each associate to set their own start and end times and working hours within the total number of hours set for each month
<b>inter-work interval</b>	A policy to prevent overwork that requires associates to take an interval of at least eight hours between the end of one workday and starting the next
<b>Work-at-home Policy</b>	Available to all associates working on remote assignments (no limit on frequency of use)
<b>Satellite offices</b>	Satellite offices established, mainly in the Tokyo metropolitan area, to support location-free work styles
<b>Paid half-day Leave</b>	Paid leave for taking a half day off in the morning or afternoon available
<b>Hourly paid Leave</b>	Paid leave available in hourly units
<b>Refreshment Leave</b>	Five days of refreshment leave (special paid leave) for associates who have been working for 10 or 20 years or who have retired and transitioned to the Terumo Expert System

## Human resources

### Proper working hour management

At Terumo, we are focused on improving work efficiency by thoroughly managing daily working hours and creating a work environment where associates can fully concentrate during work hours and enjoy complete rest during their breaks.

#### Major initiatives implemented to enhance working efficiency and ensure appropriate working hours

- Use new technology to reduce production process manpower requirements
- Save labor through the adoption of automation technologies such as robotic process automation (RPA)
- Adjust operations and making them more efficient
- Establish a minimum of one "no overtime" day per week
- Send alerts when hours worked outside normal working hours reach a specified level
- Provide associates in managerial positions with periodic notifications and training, implement e-learning programs for all associates
- Establish company holidays
- Promote the taking of paid vacation days

### Ratio of paid vacation days taken (Terumo Corporation)

	FY2022	FY2023	FY2024
Ratio (%)	71.1	73.2	73.8

### Support balancing work and family life

Terumo is fostering a workplace environment that enables associates to realize their maximum potential by supporting flexible work styles that accommodate childbirth, childcare, caregiving, and other life events.

### Childcare and caregiving support policies (Terumo Corporation)

	Policy	Description
Childbirth	Maternity leave	• Up to six weeks' leave can be taken before childbirth, and up to eight weeks' leave after childbirth
	Parental leave for spouses	• Two days' leave can be taken within one month of the spouse giving birth
Childcare	Long-term childcare leave	• Leave available to be taken until the child reaches the age of 14 months (until the child reaches the age of three if there are special circumstances such as being unable to enter a nursery school) • Up to 30 days of expired paid leave can be used at the beginning of leave • Postnatal paternity leaves available to male associates within eight weeks of spouse giving birth, which allows them to work while on childcare leave
	Shortened working hours	• Working hours can be shortened by up to two hours per day until the child finishes elementary school (approximately age 12) • In the case of children with disabilities or who require medical care, the period of shortened working hours can be extended, regardless of the child's age.
	Staggered working hours	• The start and end time of regular working days can be moved forward or backward by up to two hours until the child finishes elementary school (approximately age 12) • In the case of children with disabilities or who require medical care, the period of shortened working hours can be extended, regardless of the child's age.
	Exemption from working outside normal working hours	• Until the child reaches elementary school age: The associate concerned can submit an application to the company to be exempted from working outside normal working hours, to be exempted from late-night working, and to be exempted from working more than 24 hours a month or 150 hours a year outside normal working hours
	Work at home	• Available to remote workers with no limit on the frequency of use
	Authorization to use company vehicles to drop off or pick up children at childcare facilities	• Associates can use company vehicles to drop off or pick up children at childcare facilities when on their way to perform business activities or when on the way home
	Fertility treatment	Fertility treatment leave
Caregiving	Long-term caregiving leave	• Leave can be taken up to three times for a cumulative total of up to three years for each family member requiring caregiving • Up to 30 days of expired paid leave can be used at the beginning of leave
	Shortened working hours	• Working hours can be shortened by up to two hours per day for a cumulative total of up to three years
	Staggered working hours	• The start and end time of daily working hours can be moved forward or backward by up to two hours for a cumulative total of up to three years
	Work at home	• Available to remote workers with no limit on the frequency of use
	Authorization to use company vehicles to drop off or pick up relatives at care facilities	• Associates can use company vehicles to drop off or pick up relatives at care facilities when on their way to perform business activities or when on the way home

### Support for helping associates return to work after childbirth and childcare leave

In fiscal 2013, we began holding career-resumption seminars for female associates currently on childbirth or childcare leave, and for their supervisors. At these seminars, we invite female associates who have experience with adjusting to changes in the balance between work and childcare to share their insights on how they

navigated these transitions. These associates also outline key developments at the company that have taken place while the returning associates have been on leave and the preparations and attitude needed for a smooth return to work.

For supervisors, the seminars provide explanations of various policies that help associates balance work and family responsibilities, the necessity of individual meetings before and

## Human resources

after returning from childcare leave, and the evaluation and promotion systems. This helps supervisors develop management skills that enable their team members to excel in diverse working styles and support their careers from a long-term perspective.

### Career support for associates working while raising children

It is important for companies to understand the underlying concerns of associates who work while raising children. Based on this understanding, we create opportunities for associates balancing work and parenting to exchange opinions on challenges and information related to their careers and life events. This includes building networks where they can discuss and share experiences, as well as organizing workshops tailored to specific job roles to help them reflect on their career paths.

We also share the firsthand feedback gathered from these activities with our top management team. By doing so, we aim to make the leaders aware of the realities of work-life balance and foster further insights and understandings. Additionally, the feedback obtained from associate surveys and consultation channels has led to the implementation of support programs such as babysitting assistance, spouse overseas transfer leave, and the expansion of home visit travel cost for associates living away from their families.

### Encouraging male associates to take childcare leave

In fiscal 2024, 98 male associates at Terumo took childcare leave, resulting in a take-up rate of 80.9%. Associates who have actually taken childcare leave have commented that they have been able to provide physical and mental support to their spouses, and that it has deepened family ties and unity. It is important for each associate taking male childcare leave to have the understanding and support of his supervisor and workplace in order to create an environment in which an associate can take leave for the required period of time. For this reason, we are posting articles and videos featuring experiences and stories of those who have taken male childcare leave on the intranet. We also hold roundtable discussions with associates and their supervisors to identify challenges and areas for improvement. We are promoting mutual understanding by encouraging not only those directly involved but also entire workplaces to participate in study sessions on childcare.

### Number and ratio of male associates taking childcare leave (Terumo Corporation)

	FY2022	FY2023	FY2024
Number	104	118	98
Ratio (%)	68.8	76.6	80.9

### Selected as a "Next Nadeshiko: Company Supporting Dual-careers and Co-parenting"

Terumo Corporation has been selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as one of the "Next Nadeshiko Companies Supporting Dual-careers and Co-parenting\*" for its outstanding efforts in supporting dual-careers and co-parenting.

\*1 "Next Nadeshiko Companies Supporting Dual-careers and Co-parenting" is a program to select companies making particularly outstanding efforts in supporting a work-life balance that enables both parents to work and raise children together. This program was newly established in 2023 to operate alongside the "Nadeshiko Brands\*" selected by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE).

\*2 Nadeshiko Brands: a program to select listed companies making outstanding efforts to promote women's empowerment in the workplace.



### Acquisition of Kurumin Certification under Japan's Act on Advancement of Measures to Support Raising Next-Generation Children

In September 2024, Terumo Corporation received "Kurumin Certification\*" as a "company actively engaged in childcare support."

\* Established under the Act on Advancement of Measures to Support Raising Next-Generation Children, Kurumin certification program enables companies that have established a General Employers Action Plan and have met certain standards to apply to the Ministry of Health, Labour and Welfare for certification as a company that supports the raising of children.



### Participation in "IkuBoss\* Alliance"

In June 2018, Terumo Corporation joined the "IkuBoss Alliance," a business network operated by the nonprofit organization Fathering Japan. Through our participation in the IkuBoss Alliance, we aim to increase the number of "IkuBoss" supervisors in the company who specialize in creating workplace environments that are empowering and comfortable for all and in helping their teams fully exercise their skills.

\* One who supports the work-life balance, careers, and lives of their subordinates and staff and seeks to create results for the organization while achieving a good work-life balance themselves.

### Support for balancing work with caregiving

In preparation for the challenges of caregiving, which every associate may eventually face, Terumo has established a policy to support associates balancing work and caregiving responsibilities. We also provide information and consultation venues to assist associates in achieving such balance and have taken steps to promote their awareness of these support options.

Item	Details
Caregiving columns	Introduction and explanation of wide-ranging information in support of caregiving by a specialized lecturer through the intranet
Caregiving seminars	Caregiving seminars by specialized lecturers held for associates nationwide
Individual caregiving consultation events	Regular individual consultation events held by a specialized lecturer (family members may attend)
Caregiving handbooks	Preparation and distribution of handbooks under the guidance of a specialized lecturer to encourage associates to discuss caregiving with family members while they are still healthy

### Rehiring of former associates through the career-return policy

Terumo has opened a pathway to rehire associates who have left because of marriage, childcare, fertility treatment, caregiving responsibilities or the relocation of their spouse. The Career-Return Policy expands the range of employment choices for associates who wish to resume their careers at Terumo in Japan. By helping associates resume their careers, we aim to leverage their diverse experiences and the values they have gained from them for Terumo.

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### Leave policy when accompanying a spouse on overseas assignment

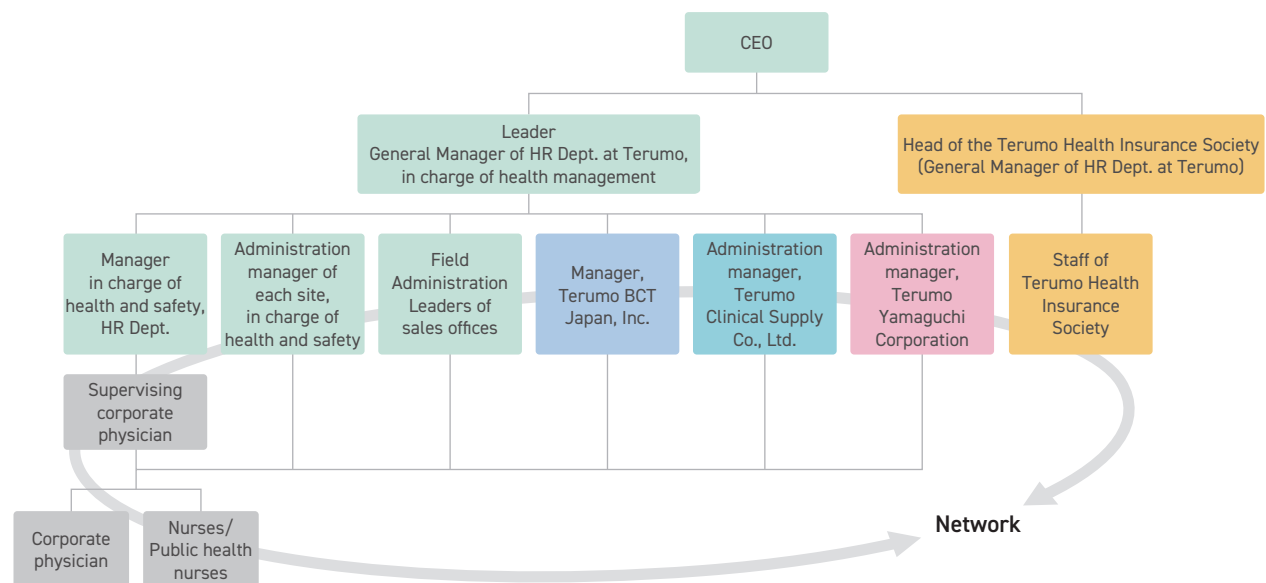
Spousal transfer leave, which allows associates to take a leave of absence for a certain period of time to accompany their spouse on an overseas assignment, was introduced in October 2023. As a result, we have been able to provide new options that support the continuity of careers for associates who face challenges in continuing their careers due to accompanying their spouses on overseas transfers.

### The “Kenko Keiei” program (Health and productivity management program)

To promote “Kenko Keiei,” we have formed a team, with members drawn from across Terumo Group companies in Japan, to work with the Terumo Health Insurance Society to undertake “collaboration of health”\* initiatives. In addition, led by a supervising corporate physician, corporate physicians, nurses, public health nurses, and other corporate health staff deployed to individual business locations share information on “Kenko Keiei” directions for the group companies in Japan and on common initiatives and best practices in order to facilitate the standardization of initiative levels.

\* Initiatives undertaken through collaboration between company management and the Terumo Health Insurance Society

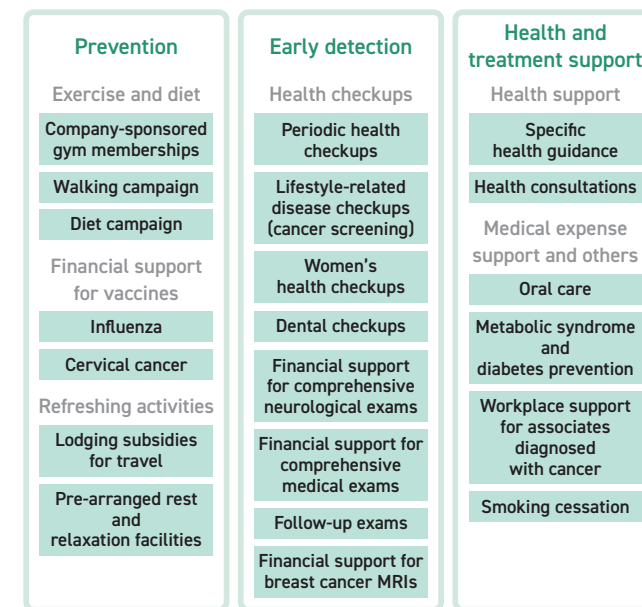
Terumo “Kenko Keiei” Promotion Team



### Basic approach and major initiatives

At Terumo, we will analyze past health checkup results and medical expense data to set policies and formulate annual action plans to be implemented at all group companies in Japan. Initiatives based on policies and plans are advanced, and their results are quantitatively and qualitatively verified on an annual basis. In addition, internal “Kenko Keiei” surveys are conducted to incorporate associate input and needs into a “Kenko Keiei” plan-do-check-act (PDCA) cycle. Specifically, we provide for health checkups from the perspective of prevention and early detection, and offer support through seminars, events, and financial subsidies. In addition, we offer personalized health guidance for individual associates, financial support that can also be used by family members, and events that families can participate in together—ensuring our approach supports both associates and their families.

### Efforts on prevention, early detection, and treatment support



### 1. Reduction of ratio of smokers and ratio of associates diagnosed with metabolic syndrome

We are working to prevent the onset of lifestyle-related diseases.

## Human resources

To that end, we aim to reduce the ratio of smokers to less than 20% and the ratio of associates diagnosed with metabolic syndrome to less than 22%.

[Major Initiatives]

- Discouraging smoking: Prohibition on smoking at work, holding seminars on quitting smoking, distribution of tools to assist in quitting smoking, online smoking cessation program, financial support for receiving outpatient smoking cessation assistance or purchasing aids for quitting smoking, and prohibition on smoking on the premises of Terumo Corporation in Japan
- Prevention of metabolic syndrome: Special health guidance, and holding of special walking and dieting events

[Initiative Results]

- Discouraging smoking: The ratio of smokers was 21.0% in fiscal 2024. We will continue to implement activities in this area with the aim of reducing the ratio of smokers to less than 20%.
- Prevention of metabolic syndrome: By implementing measures that enable associates to improve their lifestyle habits while having fun, for example by providing diet programs based on the recording of data that make use of Terumo products, and through periodic events, we are able to strengthen the motivation of associates while enabling them to receive more effective advice from public health nurses.

### 2. Early diagnosis and treatment of cancer to enable associates to return to the workplace

We are focusing on examinations to diagnose and treat cancer early and on creating workplaces that enable associates who have been treated for cancer to return to work when they are ready and continue to work while they are being treated.

[Major Initiatives]

- Full compensation of fees by the Terumo Health Insurance Society for checkups for lifestyle-related diseases (cancer screening), making it easier to receive such checkups by enabling associates to have them during working hours together with regular checkups required by law, encouraging associates to have secondary examinations when the initial examinations indicate that more detailed examination is needed, and a policy to help associates to continue to work while undergoing cancer treatment

[Initiative Results]

- We have achieved a 100% participation rate in regular health checkups, and over 90% of those requiring follow-up examination have completed them.

### 3. Women's health

In response to the increase in female associates, we implement "Kenko Keiei" practices that meet needs specific to women.

[Major Initiatives]

- Various seminars ("Balancing careers with women's health issues," "The importance of breast and cervical cancer screening," etc.), financial support for receiving cervical cancer vaccines, and financial support for undergoing MRI breast cancer examinations\*

\* Having a high rate of lesion detection, MRI examinations are said to be effective for early detection of breast cancer in women with unusually dense breast tissue and in women considered at high risk for breast cancer due to family history or other factors.

### 4. Encouragement of self-help

Based on the belief that voluntary initiatives are the most important element of managing associate health, we are disseminating information to encourage their efforts.

[Major Initiatives]

- Dedicated "Kenko Keiei" intranet site offering information on Terumo's "Kenko Keiei," messages from senior management, health improvement support, initiatives at business sites, and healthcare practices of associates
- Financial support for dental examinations and oral care to help raise awareness of dental diseases, which can contribute to lifestyle-related diseases
- Stretching workshops for improving sleep quality and preventing lower back pain and other training opportunities for addressing presenteeism issues

#### Major initiatives and achievements (FY2024)

<b>Prevention</b>	<ul style="list-style-type: none"> <li>• Walking campaign participants: 3,022 (held in the spring of 2024) /3,031 (held in the autumn of 2024)</li> <li>• Stress check take-up rate: 85.7% (identified as high stress: 12.5%)</li> </ul>
<b>Early detection</b>	<ul style="list-style-type: none"> <li>• Periodic health checkup rate: 100%</li> <li>• Secondary examination rate: 90%</li> </ul>
<b>Health and treatment support</b>	Specific health guidance rate: 53.5% (FY2023)

For more information about these initiatives, please refer to "Human resources and labor data" on p. 72.

### Workplace support for associates diagnosed with cancer

In recent years, with the advances and improvements in diagnostic techniques and treatment methods, there has been an increase in the number of cases where associates are able to continue working while undergoing treatment for cancer, instead of taking a long period off work. In January 2017, we established a workplace support policy for associates who have been diagnosed with cancer, to provide flexible support so that they can balance treatment and work responsibilities, and enable them to take advantage of opportunities for treatment with peace of mind.

#### Types of support

<b>Use of expired paid leave</b>	Expired paid leave may be used a day at a time
<b>Unpaid leave</b>	Associates may take as many days as needed, but no more than 30 consecutive days.
<b>Unpaid working hour reductions</b>	Working hours may be reduced by up to 2 hours per day
<b>Staggered working hours</b>	Adjustment of daily starting and finishing times by up to 2 hours.

### Membership in KENKO Kigyo Kai

Terumo is a member of the KENKO Kigyo Kai, a network of competencies committed to promoting health and productivity management. Under the leadership of their senior management, members of this network embark on an ongoing process of taking steps to promote the health of their employees, reviewing measures and their results, sharing this information, and making improvements. Terumo embraces this approach to business management and contributes to efforts to promote its wider adoption.

### External recognition

In recognition of the effectiveness of its "Kenko Keiei" initiatives, Terumo was selected for inclusion in the Health & Productivity Stock Selection eight times between fiscal 2014 and fiscal 2024. Terumo has also been included in the Excellent Enterprise of Health and Productivity Management—White 500 selection since fiscal 2016. Furthermore, Terumo received the Cancer Prevention Partner

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Award (Cancer Screening Category) in fiscal 2019 through the Ministry of Health, Labour and Welfare's Action Plan for Companies Promoting Cancer Prevention in recognition of its efforts to promote cancer screenings.

### Major "Kenko Keiei" selections, certifications, and awards

- Health & Productivity Stock Selection (eight times between fiscal 2014 and fiscal 2024)
- Excellent Enterprise of Health and Productivity Management (seven times between fiscal 2016 and fiscal 2024)
- Tokyo Sports Promotion Company (ten consecutive years since fiscal 2015 to fiscal 2024)
- Sports Yell Company (eight consecutive years since fiscal 2017 to fiscal 2024)
- Cancer Prevention Partner Award (Encouragement of Cancer Treatment While Working Category) (fiscal 2017) and Cancer Prevention Partner Award (Cancer Screening Category) (fiscal 2019), Action Plan for Companies Promoting Cancer Prevention, Ministry of Health, Labour and Welfare
- Award of Excellence, Awards for Companies Supporting Cancer Patients in Receiving Cancer Treatment While Working, Tokyo Metropolitan Government (fiscal 2017)
- Yamaguchi Prefecture Governor's Award for Excellent Enterprises in Health and Productivity Management, Terumo Yamaguchi Corp. (fiscal 2017)
- Sukoyaka Yamanashi 21 health Promotion Award, Terumo Corporation's Kofu Factory (fiscal 2018)

### Management-worker dialogue

Terumo recognizes that a healthy management-worker relationship based on trust and mutual understanding is extremely important for it to grow and develop together with its associates. In Japan, all non-managerial associates are members of the workers' union (Terumo utilizes a union shop system). Input from the workers' union is treated as valuable feedback, and we resolve issues by taking actions that are acceptable to both management and associates. In Japan, we arrange forums for discussion with senior management as well as regular management-worker conferences, held once a month in principle. By facilitating

reciprocal communication through such forums, the relationship between management and the workers' union has been developed into one in which both sides work as partners to bring about mutual growth and development.

In addition, we hold timely discussions regarding work-style reforms, "Kenko Keiei" (health and productivity management), and other company-wide measures to support the endeavors of associates through a united management-worker effort. We also work to enable a free and vigorous exchange of views throughout the company through surveys and feedback via the workers' union.

### Employee shareholding association

An employee shareholding association policy has been adopted for associates at Terumo Corporation and at its domestic subsidiaries. In encouraging associates to hold Terumo's shares, we are aiming to cultivate a stronger sense of associate participation in management. At the same time, the company provides associates with additional bonus payments based on how much they have invested in company stock, which helps associates to build up their financial assets.

## Occupational health and safety

### Basic approach

Ensuring occupational safety, promoting the health of employees, and reducing the environmental impact of business activities are important social responsibilities for companies and are crucial to sustainable growth. Acting in accordance with the Terumo Group Environment, Health and Safety (EHS) Policy, the Terumo Group advances initiatives for ensuring occupational safety and promoting the health of its employees throughout all of its business activities, strives to develop safe and comfortable work environments, and works to reduce the impact of its business activities on the environment.



**Terumo Group EHS Policy (Please visit the Regulations and Standards section of Terumo's corporate website.)**  
<https://www.terumo.com/about/regulation>

### EHS management system

Based on the Terumo Group EHS Policy, we employ an EHS management system that is compliant with international environmental (ISO 14001: 2015) and occupational health and safety (ISO 45001: 2018) standards. (For more information about the EHS management system, please refer to "EHS Management" on p. 11.)

### ISO 45001 (Occupational health and safety) certifications

Principal manufacturing sites in Japan, a certain number of manufacturing sites overseas, and the head office (EHS Office) have obtained third-party certifications of their compliance with the ISO 45001 international standards. The ratio of certifications obtained is 41% on a manufacturing site basis.

Company name	Site
Terumo Corporation	Head office (EHS Office)
	Fujinomiya Factory
	Kofu Factory
	Ashitaka Factory
Terumo Yamaguchi Corporation	-
Terumo Medical Corp.	Elkton Factory*1
Terumo Europe NV	Haasrode Factory*2
Terumo Vietnam Co., Ltd.	Terumo Vietnam Factory
Terumo BCT, Inc.	Terumo BCT Lakewood Factory
Terumo Penpol Pvt. Ltd.	Blood bag factory
Terumo BCT Vietnam Co., Ltd.	Terumo BCT Vietnam Factory
Terumo Medical Products (Hangzhou) Co., Ltd.	Terumo Hangzhou Factory

\*1 Including Kalila Medical, Inc., Distribution Center (Southaven, Phoenix, Northeast), and Terumo Medical Canada, Inc.

\*2 Including GenK Distribution Center

(As of April 30, 2025)

### Comments from our group companies newly certified with ISO standards

#### North America

In April 2024, Terumo Medical Corporation (TMC) was awarded ISO 14001 and ISO 45001 certifications across six North American sites. Driven by strong leadership commitment, this initiative reflects TMC's dedication to its employees, communities, and the environment. Despite challenges such as cross-site alignment and new compliance requirements, the team demonstrated exceptional collaboration. Building on this achievement, TMC will continue to enhance its commitment to operational quality and regulatory compliance, aiming to strengthen stakeholder trust, business resilience, and long-term competitiveness for the Terumo Group.

#### China

In December 2024, Terumo Medical Products (Hangzhou) Co., Ltd. was awarded ISO 14001 and ISO 45001 certifications. Aiming to achieve conformity with these international standards for environmental management and occupational health and safety, the whole company worked together as a team to successfully overcome issues relating to a challenging schedule and the need to achieve a full understanding of the ISO standards. Looking ahead, Terumo Medical Products (Hangzhou) will continue to implement measures aimed at realizing EHS improvements, and by striving to safeguard the health and safety of everyone who works at the company, it will enhance the level of trust that customers and society as a whole place in the firm, and will contribute toward the sustainable growth of the Terumo Group.

### Initiatives to prevent work-related accidents

In Japan, we have clarified the roles and responsibilities to promote occupational health and safety at the company, and our Occupational Health and Safety Management Committee plays a central role in promoting the company's occupational health and safety. At our factories, in particular, subcommittees are established to address topics such as work safety, disaster response, occupational health, and traffic safety; facilities are inspected and problems remedied to prevent occupational accidents; and 5S (sort, set in order, shine, standardize, sustain) programs are conducted. Results of improvement measures are shared with the official meetings, which then discuss further actions to take. EHS internal

audits performed regularly also identify any potential occupational health and safety risks. Should areas requiring improvement be discovered, corrective measures will be implemented. In addition, individual business sites have established procedures to prevent and lessen the severity of any EHS accidents should they occur. They also regularly conduct emergency response training and review results, and are working to cultivate professionals with specialist expertise and skills in the area of labor safety. In fiscal 2024, 6,829 associates received basic EHS training (e-learning), including occupational health and safety content.

In addition to these measures, we have designated one day each year as safety pledge day (Safety Day) for all associates, including managers. On Safety Day, safety measures are implemented in an intensive manner at each workplace, with managers meeting together to discuss how to build a corporate culture that has safety as its foundation, and with the implementation of equipment inspections and traffic safety drills at each site.

We also present awards for good examples of safety-related initiatives to foster a culture of safety at each business site. We will continue to make efforts to achieve "zero work-related accidents." (For more information about the number of work-related accidents resulting in lost work days, please refer to "Human resources and labor data" on p. 72.)



Workshop for senior management on Safety Day

### Recognition (Praise and approval)

#### Basic approach

As part of our wellbeing initiatives, the Terumo Group believes that recognizing the value created by our associates is crucial. With this in mind, we aim to enhance external recognition and evaluation of the company. In addition, we are strengthening internal recognition efforts through a group-wide award program, unique award programs introduced by each business and function, and mutual recognition among team members.

#### Terumo Global Awards

The Terumo Global Awards is an annual award program open to all Terumo Group companies, to recognize associates who made significant contributions to business or to society through their work or social activities.

#### Terumo Fellows

Associates named as Terumo Fellows possess superior expertise and practical experience in the fields of technology, research, clinical development, and regulatory affairs and have made conspicuous contributions to medical settings throughout the World. A total of nine Fellows have been created since the program was established in 2016, and as of April 2025, four Fellows are currently serving.

### Initiatives to promote recognition (Terumo Corporation)

#### Internal awards programs

Terumo has developed various internal award programs with the aim of heightening the motivation of its associates.

#### Gemba-no Hokori Awards

Terumo recognizes associates that work diligently in lesser acknowledged endeavors through the "Gemba-no Hokori" Awards (literally, the "Honor the Front Line" awards), which are presented each year.

# Human rights

## Human rights initiatives

### Basic approach

Since its founding in 1921, Terumo has carried out its corporate activities while respecting the human rights of patients, healthcare professionals, associates, and other stakeholders, in line with the Group Mission of “Contributing to Society through Healthcare.” In 2012, Terumo became a signatory to the United Nations Global Compact, reflecting Terumo’s agreement with the principles of the Compact, which seeks to encourage business enterprises to undertake initiatives that embody respect for human rights.

Our Core Values, constitute shared values linking Terumo associates throughout the world, include respect for others, acting with integrity, and empathy for patients. Awareness of the importance of respect for human rights is a common value for all associates. The Terumo Group Code of Conduct, our code of conduct for associates also states the importance of respect for human rights as every associate’s guide to day-to-day business activities. The Terumo Group Human Rights Policy was formulated to clarify the Terumo Group’s position on and responsibility toward human rights, and to express the group’s commitment to living up to the expectations of society with regard to human rights.

### Terumo Group Human Rights Policy

The Terumo Group Human Rights Policy expresses Terumo’s support and respect for international human rights codes such as the International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, as well as for the Ten Principles of the UN Global Compact. As a company that provides products and services that are closely related to people’s lives and health, the Terumo Group Human Rights Policy defines priority themes related to human rights such as creating safe and worker-friendly environments, complying with fair labor practices, ensuring the quality and safety of products and services, and complying with ethical standards in research and development, in line with the UN Guiding Principles on Business and Human Rights (UNGPs).

When purchasing materials and services from outside sources, besides respecting human rights in accordance with the Terumo Group Procurement Policy and Supplier Guidelines, we also ask our suppliers to respect human rights.



**Terumo Group Human Rights Policy**  
(Please visit the Regulations and Standards section of Terumo’s corporate website.)  
<https://www.terumo.com/about/regulation>



**The Terumo Group Procurement Policy and the Supplier Guidelines**  
<https://www.terumo.com/about/procurement>

### Promotion system and major initiatives

To support the implementation of human rights due diligence (i.e., assessing, preventing, and reducing the adverse impacts on human rights that our business activities may have in society) in line with the Terumo Group Human Rights Policy, a working group was established comprising members from the corporate sustainability, human resources, legal and compliance, and procurement departments. This working group mainly undertakes the following initiatives and reports the progress on these initiatives to the executive officer in charge of sustainability.

#### Major initiatives

Category	Subjects
<b>Compliance with labor-related laws, and prevention of harassment<sup>*1</sup></b>	• Conducting surveys administered to Terumo Group business sites in Japan and manufacturing sites overseas to verify the state of compliance and of measures implemented
<b>Ensuring the quality and safety of products and services<sup>*2</sup></b>	• Verifying compliance and the response to laws and regulations
<b>Initiatives targeting suppliers<sup>*3</sup></b>	• Asking suppliers to sign an acknowledgment of the items stipulated in the Supplier Guidelines, including “Consideration of Human Rights for Labor” • Conducting the self-assessment questionnaire (SAQ), including questions about the implementation of measures relating to human rights and labor concerning the manufacturing facilities of raw materials suppliers located in regions with high country risk, as well as new suppliers* *Starting transactions with our group companies in Japan, China, Vietnam, and the Philippines • Implementing a management system for supplier risk assessment, investigation, and improvement guidance

Category	Subjects
<b>Compliance with ethical standards in research and development<sup>*4</sup></b>	• Verifying the status of reviews conducted by the Terumo Research Ethical Committee • Verifying compliance and the response to laws and regulations relating to clinical trials
<b>Bribery prevention and anti-corruption<sup>*5</sup></b>	• Building compliance activity plans, including bribery prevention and anti-corruption, dealing with healthcare professionals in an ethical manner, and verifying the state of progress in plan implementation of each region and business

\*1 For more information about harassment prevention initiatives, please refer to “Prevention of harassment” on p. 67.

\*2 For more information about initiatives relating to ensuring the quality and safety of products and services, please refer to “Quality and safety of products and services” on pp. 27-29.

\*3 For more information about initiatives targeting suppliers, please refer to “Procurement” on pp. 30-31.

\*4 For more information about the main initiatives relating to compliance with ethical standards in research and development, please refer to “R&D ethics” on p. 69.

\*5 For more information about the main initiatives relating to bribery prevention and anticorruption, please refer to “Anti-corruption” on p. 68.

### Whistle-blowing system

Based on the Group Compliance Violations Reporting and Anti-Retaliation Policy, the Terumo Group has established and operates the Terumo Integrity Helpline, a group-wide whistleblowing system. Associates at all Terumo Group business sites can make reports or receive a consultation concerning violations of laws and regulations, the company’s internal policies and regulations, the Terumo Group Code of Conduct, and other serious misconduct. Reporting via the Helpline can be conducted anonymously. Reports can be submitted through the Helpline not only by Terumo Group associates, but also by the directors, officers, and employees of business partners that do business with any Terumo Group company. A link to the Helpline has been posted on the Terumo website.

(For more information about the whistle-blowing system, please refer to “Whistle-blowing system,” on p. 67.)

## Contribution to society and local communities

### Basic approach

While contributing to patients and healthcare professionals through its core business, the Terumo Group also engages in social contribution activities as a good corporate citizen based on its Group Mission of "Contributing to Society through Healthcare." We aim to help achieve a sustainable society by gaining a deeper understanding of the society, culture, and environment of each country and region and by pursuing activities that meet the expectations and demands of communities, mainly in our work to support the spread and development of healthcare.

### Supporting the spread and development of healthcare

#### From the Heart blood donation program

Finding ways to maintain a reliable, sustainable, and accessible blood supply is critical as the world continues to face blood supply shortages and low donor engagement. Terumo Blood and Cell Technologies helps address these challenges through our group-wide blood donation awareness program, "From the Heart." The program focuses on educating, empowering, and inspiring associates and communities around the world to donate blood and/or advocate for blood donations. In 2024 alone, From the Heart organized more than 500 local blood drives around the world, collecting more than 23,000 donations.

#### Creative Community Engagement Activities in India

Terumo Penpol has been particularly successful with donor engagement, holding 372 blood donation camps and collecting more than 23,500 units of blood in FY24. They use multiple creative strategies to build awareness and encourage voluntary donations, such as a children's poster-making competition, awareness sessions and collaborations with stakeholders, and publishing the *Bloodline* journal to share best practices, research, and more for people involved in the field of voluntary blood donation.

Here are highlights of three larger initiatives conducted in 2024.

- Meghalaya behavior change campaign  
Terumo Penpol worked with the local government on a

comprehensive campaign aimed at increasing voluntary blood donation in the Ri-Bhoi District. The partnership's ultimate objective is to improve the availability, accessibility, and safety of blood in the district while instilling a culture of voluntary blood donation. Campaign features included:

- A dedicated phone number allowing donors to easily register.
- A multilingual comic book using a relatable story format to engage all ages and to debunk myths surrounding voluntary blood donation while urging people to donate blood for the greater good.
- Educational materials distributed by the Department of Health and Family Welfare, Government of Meghalaya, at schools, colleges, and communities in the Ri-Bhoi District.
- Beach cleanup and sand art event

As part of Erythro 7.0—a two-week-long awareness event to promote the importance of blood donation—associates cleaned a section of local beach and created sand art. The event helped to raise awareness of thalassemia while also promoting environmental sustainability and awareness of marine and beach pollution, as well as fostering creativity, team spirit, and community engagement.

- Mega blood donation camp



Beach cleanup and sand art event

### Supporting STEM talent for the future

To inspire the next generation, our associates support education in multiple countries, with a particular emphasis on science, technology, engineering, and math (STEM). We participate in programs that help students apply these skills to future career opportunities, which also helps our company build a pipeline of high-quality STEM talent.

From Terumo Blood and Cell Technologies' Lakewood headquarters, we have sponsored and partnered with the Girls Exploring STEM (GESTEM) event for about 15 years. GESTEM offers an opportunity for middle-school girls to learn about different STEM careers through hands-on workshops. We typically host two rooms at the event, with our associate volunteers teaching STEM concepts in a fun environment and acting as guides for groups throughout the day.

Each year, the company also hosts STEMblazers, a local organization inspiring middle- and high-school girls to visualize themselves in the STEM space. We invite the group to our Lakewood campus for an afternoon, where they tour the campus and attend a Q&A panel with some of our women associates in the STEM area.

Through our manufacturing facility in Larne, Northern Ireland, we sponsor the annual Science Summer School. The program works to engage future talent in science, technology, engineering, arts, and math (STEAM). The 2024 one-day event saw 400 pupils participating in interactive workshops and a career panel and attending TED-style presentations from industry leaders. More events and activities are planned for the 2025 event.



Science Summer School (Larne Factory, Northern Ireland)

## Contribution to society and local communities

### Implementation of a training project aimed at realizing widespread adoption of percutaneous coronary intervention (PCI) in Kenya

A proposal for “Dissemination of the Japanese-style catheterization techniques, medical devices, and educational methods in Kenya” that was submitted by Terumo was adopted by the Japan Institute for Health Security (JIHS) as one of the Projects for Global Growth of Medical Technologies for fiscal 2025 that the JIHS is implementing on behalf of the Ministry of Health, Labour and Welfare (MHLW)\*1. This is the third consecutive year of adoption, following fiscal 2023 and fiscal 2024.

The project approved in fiscal 2025 involves using the expertise and experience of Japanese doctors, combined with Terumo’s PCI training knowhow, to educate local doctors on how to provide training in the use of PCI techniques, and to cultivate and certify these doctors as trainers who can provide guidance to other doctors. By putting in place a sustainable system whereby trainers certified through this project implement ongoing cultivation of local doctors able to perform PCI, the aim is to enable Japanese-style medical techniques and training methods to become well established in Kenya, and to contribute toward reducing the death rate from cardiovascular diseases.

The Projects for Global Growth of Medical Technologies promote the international adoption of high-quality Japanese medical products and technologies that meet the needs of medium- and low-income countries, by sharing knowledge and experience from Japan’s healthcare system with those countries. Besides contributing toward enhancing the overall level of public health and medical care in medium- and low-income countries, the aim of the Projects is also to increase the trust that Japan enjoys in the international community, and to create a virtuous circle in terms of the relationship between Japan and those countries.

In Kenya, the increase in deaths from non-communicable diseases, and particularly from cardiovascular diseases, is a major problem, and there is a real need for the cultivation of local medical professionals capable of treating cardiovascular diseases. Responding to this situation, since fiscal 2023 Terumo has been working to realize the widespread adoption and taking root of safe, reliable treatment using Japanese medical devices and training methods in Kenya through participation in the Projects for Global

Growth of Medical Technologies.

In the initiatives implemented over the past two years, Kenyan doctors received practical, hands-on training in PCI, both in Kenya and in Japan, with support from Japanese doctors. The training promotes the adoption of a technique that involves inserting the catheter via a radial artery in the wrist, which has a reduced risk of complications compared to conventional treatment involving catheterization via the femoral artery in the groin. By encouraging this approach, the program contributes to offering patients treatment options that provide an enhanced quality of life. In addition, a system has been put in place whereby doctors who complete the training can receive CPD\*2 points under Kenya’s continuing education system for physicians.

Going forward, Terumo will continue contributing toward addressing the world’s healthcare issues through safer treatment that can provide better quality of life, by way of the widespread adoption and taking root of safe, reliable PCI.

\*1 This is a fiscal 2025 Project for Global Growth in Medical Technologies. These Projects are primarily led by the JIHS, which has been commissioned to perform this role by the MHLW.

\*2 Continuing Professional Development. In Kenya, doctors need to accumulate a specified number of CPD points in order to have their physician’s license renewed.



The fiscal 2024 project activity (training in Japan)

### Sponsorship for Nursing Day and Nursing Week activities

Terumo provided sponsorship for Nursing Day and Nursing Week activities hosted by the Japanese Nursing Association (JNA) and the Ministry of Health, Labour and Welfare (MHLW) from May 11 until May 17, 2025. Nursing Day and Nursing Week are held to promote nursing as an attractive career to the younger generation, as well as their parents and teachers, with the aim of securing the nursing workforce in an aging society with a declining birth rate, and feature events include activities such as sharing information about the appeal of the nursing profession. Terumo has continued to provide sponsorship to this initiative since its inception and this year marked 35 consecutive years of support.

Nursing Day and Nursing Week were instituted in 1990 by what was then the Ministry of Health and Welfare. Nursing Day is celebrated every year on May 12, which was the birthday of Florence Nightingale, the founder of modern nursing. The period of one week from Sunday to Saturday that includes May 12 is designated as Nursing Week.

Terumo supports the objectives of Nursing Day and Nursing Week activities and will contribute to society through healthcare by endorsing this initiative.



## Contribution to society and local communities

### **TERUMO LIFE SCIENCE FOUNDATION—Contributing to improvements in medicine and in the health of all people through the advancement of life science technologies**

The TERUMO LIFE SCIENCE FOUNDATION was established through contributions by Terumo Corporation in 1987 with the aim of contributing to improvements in medicine and in the health of all people through the advancement of life science technologies.

The foundation focuses its activities on three areas: subsidies for domestic and overseas research and development programs for creating technologies in the field of life science, awards for promising researchers who have made outstanding achievements in the field where medicine and engineering collaborate and integrate, and educational activities to share the appeal of life science with younger generations. Targets of subsidies include research and development projects for creating new value in medical settings in Japan and for improving healthcare and public hygiene in developing countries. In addition, subsidies are provided to fund social contribution activities and workshops for enhancing medicine and healthcare levels. In fiscal 2024, subsidies totaling around ¥380 million were provided to 195 projects.

Awards for researchers include the Tai Morishita Memorial Award in the hope that it will encourage more talented people to enter the field where medicine and engineering collaborate and integrate. Educational activities include the operation of the Life Sciences DOKIDOKI Laboratory website, which is mainly intended for junior high and high school students. The site provides young users—leaders of the future—with the basic knowledge required to understand life sciences as well as information from the front lines of life science fields presented in an easy-to-understand format. In addition, the Science Café is held for high school students every summer, with a two-day program in which participants attend talks relating to the life sciences and medical engineering, and undertake hands-on learning in a research facility, providing an opportunity for the participants to develop a clearer picture of career paths that they could follow in the future. The TERUMO LIFE SCIENCE FOUNDATION will continue such initiatives to contribute to advancements in healthcare and the improvement of people's health.



**TERUMO LIFE SCIENCE FOUNDATION**  
<https://www.terumozaidan.or.jp/english/>

## Governance information

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# Corporate governance

## Basic stance on corporate governance

Terumo's Group Mission is "Contributing to Society through Healthcare." Guided by its mission, Terumo provides valuable products and services to achieve sustainable growth, maximize long-term corporate value, and meet the expectations of its worldwide stakeholders, including its customers, shareholders, associates, business partners, and communities.

Terumo has established "Our Promise," which indicates the direction we will be pursuing to realize our Group Mission.

### Our Promise

Everything starts from our unwavering commitment to patients. Listening sincerely to their needs and understanding deeply their hopes and aspirations, we boldly pursue innovative ways to help enhance the lives of patients around the world.

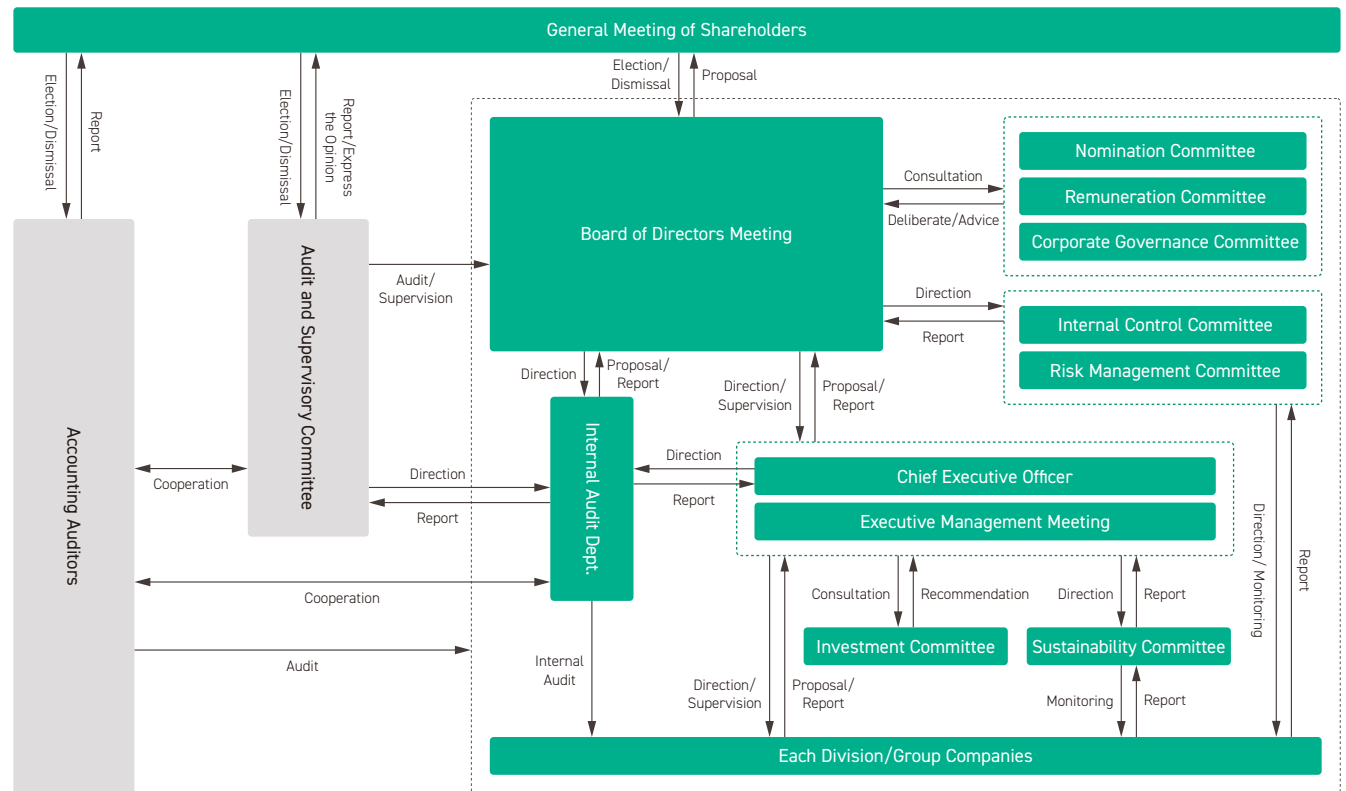
Terumo has also set out its Core Values, which represent the values and beliefs on which all Terumo associates worldwide should base their actions, which are as follows.

- Respect – Appreciative of others**
- Integrity – Guided by our mission**
- Care – Empathetic to patients**
- Quality – Committed to excellence**
- Creativity – Striving for innovation**

Terumo will promote the establishment of a corporate governance framework that enables swift decision-making while maintaining transparency and objectivity in management, based on its Group Mission, Our Promise, and Core Values. By enhancing accountability to stakeholders—such as through active dialogue with shareholders—we strive to continuously earn understanding and trust from both inside and outside the company. Informed

by Japan's Corporate Governance Code, Terumo has developed a global platform for its activities as a good corporate citizen. Terumo strives diligently to foster a corporate culture of "a highly motivating and challenging workplace with open and candid communication," because Terumo believes a culture of this nature is essential to effective corporate governance.

## Corporate governance structure



- Audit and Supervisory Committee members are directors and have voting rights in meetings of the Board of Directors. The majority of the Audit and Supervisory Committee is comprised of independent directors.
- The Audit and Supervisory Committee audits and supervises the directors and the Board of Directors.

As of September 30, 2025

### Corporate governance structure

#### Organizational design

Terumo adopted the organizational design of a Company with Audit and Supervisory Committee, as described in the Companies Act of Japan, to achieve the following goals, further strengthen its corporate governance framework, and to maximize its medium- to long-term corporate value.

#### 1. Strengthen audit and supervisory functions

The members of the Audit and Supervisory Committee shall have voting rights in the meetings of the Board of Directors.

#### 2. Enhance transparency and objectivity in management

By increasing the proportion of independent directors on the Board, transparency and objectivity in decision-making will be enhanced at the Board level reflecting opinions of the independent directors which represent the perspective of shareholders and other stakeholders.

#### 3. Expedite decision-making process

By promoting the appropriate delegation of the Board's authority to Group Executive Officers, and/or Executive Officers, Terumo will further expedite its decision-making process and business development through a shift toward a monitoring-based approach for the Board.

In addition, the company has established the Nomination Committee, Remuneration Committee, Corporate Governance Committee, Internal Control Committee, and Risk Management Committee as discretionary bodies that serve to enhance the transparency and objectivity of management.

#### Board of Directors

##### Roles

- The Board shall strive for optimal decision-making regarding basic management policies with the goal of maximizing corporate value.
- To expedite decision-making processes, the Board may delegate certain duties or responsibilities, which are executed based on basic management policies decided by the Board to Group Executive

Officers, and/or Executive Officers. The Board shall monitor the execution of any such duties or responsibilities so delegated.

- The Board shall oversee the nomination process of the Chief Executive Officer's successor as one of its important obligations for maintaining and improving corporate governance and sound management.

##### Members

- The Board shall consist of no more than 15 persons, excluding the Audit and Supervisory Committee members.
- Terumo shall strive to have independent directors account for at least one-third of the Board membership.
- Considering that, from the standpoint of corporate governance, the execution of business operations, and supervisory oversight should be separated, the chairman shall serve as the chair, in principle; provided, however, that if no chairman has been appointed, the Nomination Committee shall propose a candidate for chair, considering the actual situation of possible candidates based on the above standpoint and the Board of Directors shall appoint such candidate as the chair for the Board of Directors meeting.

#### Audit and Supervisory Committee

##### Roles

- The Audit and Supervisory Committee shall audit and supervise the execution of duties by directors and executive officers to ensure the appropriate, reasonable, and efficient operation of the Terumo Group. Its activities include the following:
  - Attend, provide opinions and exercise voting rights at Board of Directors meetings
  - Attend other important Terumo Group meetings and provide opinions
  - Prepare audit reports
  - Establish and revise audit policies, methods for investigating and reviewing the Company's operations and assets, and other matters related to exercising the authority of the Audit and Supervisory Committee
- To fulfill its audit and supervisory duties, the Audit and Supervisory Committee works together with the Representative Directors, the Internal Audit Department, and the External Financial Auditor. The Audit and Supervisory Committee utilizes the internal

control system to provide instructions to the group internal control departments and receives reports from the operational departments on both a regular and an as-needed basis.

##### Members

- The Audit and Supervisory Committee shall consist of no more than five (5) directors. Terumo shall have independent directors represent a majority of Committee membership.
- The members of the Audit and Supervisory Committee shall elect one of the Committee members to serve as the chair of the Committee.

#### Support systems for independent directors

Terumo actively appoints independent directors to improve the diversity of the Board of Directors and to ensure highly effective discussions. Support systems are being enhanced to enable independent directors to better incorporate their talents and experience into the oversight of management.

- To assist the independent directors in quickly gaining the understanding of the company necessary to fulfill their duties as directors, at the time of their appointment we provide opportunities to receive explanations on the company, its businesses, and its medium- to long-term management plans from the Chief Executive Officer and business representatives.
- Once appointed, independent directors may take part in an annual training program designed to enable them to continue acquiring the legal and industry knowledge required of directors. In addition, independent directors are given the opportunity to visit and observe workplaces and factories in Japan and overseas in order to develop a better understanding of the company and its business.
- Explanations of the items on the agenda for discussion at meetings of the Board of Directors are provided to independent directors prior to the meetings to enable them to gain a better understanding of these items and to facilitate more substantial discussions at Board meetings (in principle, explanations will be provided by a representative from a division proposing each item two days prior to the Board meeting).
- All independent directors are provided with tablets to enable the safe and timely sharing of materials pertaining to the Board of Directors meetings as well as other internal information.

## Corporate governance

### Committees

	Role/Structure	Chairperson
<b>Nomination Committee</b>	<ul style="list-style-type: none"> <li>The Nomination Committee shall, as an advisory body to the Board of Directors, deliberate on the following matters. The deliberations of the Committee shall be reported to the Board of Directors as appropriate. <ul style="list-style-type: none"> <li>Matters concerning successors to the positions of the Chief Executive Officer and Chairman of Terumo Corporation, which is one of the most important corporate governance duties of the Board of Directors</li> <li>Matters concerning the appointment and dismissal of directors and Group Executive Officers</li> </ul> </li> <li>The Committee shall be comprised of members of the Board selected by the Board. Independent directors shall account for a majority of Committee members, and internal directors who serve as the Committee members shall be the Chairman of the Board and the Chief Executive Officer.</li> </ul>	Independent director
<b>Remuneration Committee</b>	<ul style="list-style-type: none"> <li>The Remuneration Committee shall, as an advisory body to the Board of Directors, deliberate on the matters listed below and provide advice to the Board with the goals of maintaining and improving the Terumo Group's business integrity and corporate governance practices. The deliberations of the Committee shall be reported to the Board of Directors as appropriate. In this regard, however, matters related to the remuneration for Audit and Supervisory Board members shall not violate the provisions of Article 361 of the Companies Act. <ul style="list-style-type: none"> <li>Matters concerning the remuneration for directors, Group Executive Officers, and Executive Officers (Policy for determining remuneration amount or calculation method thereof)</li> <li>Other matters which the Board of Directors requests the Committee to consider, or matters the Committee deems necessary to carry out the purposes of the Committee</li> </ul> </li> <li>The Committee shall be comprised of members of the Board selected by the Board. Independent directors shall account for the majority of Committee members, and at least one of the internal directors who serve as the Committee members shall be a representative director.</li> </ul>	Independent director
<b>Corporate Governance Committee</b>	<ul style="list-style-type: none"> <li>The Corporate Governance Committee shall, as an advisory body to the Board of Directors, discuss the matters listed below and provide advice to the Board with the goals of maintaining and improving the Terumo Group's business integrity and corporate governance practices. The deliberations of the Committee shall be reported to the Board of Directors as appropriate. <ul style="list-style-type: none"> <li>Basic matters concerning Corporate Governance</li> <li>Important matters concerning the establishment, design, and operation of the corporate governance system</li> <li>Other important matters which are highly relevant to corporate governance such as an improvement of the corporate system in the fields of the environment and society and efforts to enhance sustainability</li> <li>Other matters that the Board of Directors requests the Committee to consider, or matters the Committee deems necessary to carry out the purposes of the Committee</li> </ul> </li> <li>The Committee shall be comprised of members of the Board selected by the Board. Independent directors shall account for the majority of Committee members, and at least one of the internal directors who serve as the Committee members shall be a representative director.</li> </ul>	Independent director

	Role/Structure	Chairperson
<b>Internal Control Committee</b>	<ul style="list-style-type: none"> <li>Positioned under the Board of Directors, the Internal Control Committee shall design and operate the Terumo Group's internal control systems in accordance with the company's "Internal Control System Design Basic Policy."</li> <li>The Committee shall be comprised of directors who also serve as a Group Executive Officer or Executive Officer, the Chief Legal Officer, the general managers of the Internal Audit Department and the Internal Control Department, and persons designated by the Chairperson (general managers of the Internal Control Departments and related departments, executive officers responsible for such departments, and external experts/intellectuals, etc.). Audit and Supervisory Committee members may attend and speak at the meetings of the Committee.</li> </ul>	Chief Executive Officer
<b>Risk Management Committee</b>	<ul style="list-style-type: none"> <li>Positioned under the Board of Directors, the Risk Management Committee shall design and operate the Terumo Group's risk management system based on risk identification, assessment, analysis, and prioritization across the entire organization.</li> <li>The Committee shall be comprised of directors who also serve as a Group Executive Officer or Executive Officer, the Chief Legal Officer, the general managers of the Internal Audit Department and the Internal Control Department, and persons designated by the Chairperson (general managers of the Internal Control Departments and related departments, executive officers responsible for such departments, and external experts/intellectuals, etc.). Audit and Supervisory Committee members may attend and speak at the meetings of the Committee.</li> </ul>	Chief Executive Officer

### Membership of the Board of Directors, Audit and Supervisory Committee, and other Committees (As of July 1, 2025), and number of meetings held in fiscal 2024

	Board of Directors	Audit and Supervisory Committee	Nomination Committee	Remuneration Committee	Corporate Governance Committee
<b>Board of Directors</b>	Toshiaki Takagi	◎	○	○	○
	Hikaru Samejima	○	○	○	○
	Toshihiko Osada	○			
	Norimasa Kunimoto	○			
	Hidenori Nishi*	○	◎	○	○
	Keiya Ozawa*	○		◎	○
	Mari Kogiso*	○		○	◎
<b>Directors (Audit and Supervisory Committee)</b>	Takanori Shibazaki	○	○		
	Soichiro Uno*	○	◎	○	○
	Keiko Hayashi*	○	○	○	○
<b>Number of meetings held in FY2024</b>	14	12	6	6	7

◎: Chairperson ○: Member \* Independent director

## Selection of directors

### Policy

In selecting candidates for directors, Terumo considers the ideal composition of the Board of Directors and ensures that the knowledge and experience of each director broadly encompasses the elements necessary for supervising and making management decisions.

Terumo also takes into account diversity, including candidates with different backgrounds, areas of expertise, and gender.

Candidates for directors shall be selected in accordance with internal regulations, which stipulate the eligibility criteria, including the following:

[Internal directors]

- To have management judgement capacities and management oversight capacities from stakeholders' standpoint
- To have excellent personality, great insight, and high ethical standards
- To have attained sufficient business results or achievements

[Independent directors]

- To meet the requirements for candidates of independent directors as defined by Terumo
- To be able to contribute to the improvement of corporate governance and supervision of the Company's management, and to be able to offer his/her opinions without reserve
- To have extensive experiences in management, international business, the practice of medicine or other specific areas of expertise

[Independent directors who serve as Audit and Supervisory Committee members]

- To have experience of playing leading roles in the fields of law or accounting with at least one candidate coming from each such field

### Procedure

The Nomination Committee shall discuss and propose potential candidates for directors and the appropriateness of each director's

reappointment, and present the results of these discussions to the Board of Directors. This process is intended to eliminate arbitrariness and to ensure the sound selection of candidates. If any situation arises which causes a serious concern about the performance of a director's duties, the Nomination Committee may immediately propose to the Board of Directors that necessary measures be taken even during one's term of office.

Independent directors shall be subject to the requirements of the Director Independence Standards. The Nomination Committee shall discuss and present the Director Independence Standards for review and approval by resolution of the Board of Directors.

Each director shall concurrently hold officer positions (director, auditor, etc.) with no more than three other listed companies as a condition to serving as a director of Terumo Corporation.

The reasons for selection and the positions concurrently held by each candidate for director shall be disclosed in the Corporate Governance Report, Reference Materials for the General Meeting of Shareholders, or other documents as appropriate.

### Board of Directors skill matrix

		Internal directors					Independent directors					
		Takagi	Samejima	Osada	Kunimoto	Shibazaki	Nishi	Ozawa	Kogiso	Uno	Hayashi	
Director experience value	Healthcare industry experience	●	●	●	●	●		●				
	Financial experience/knowledge		●						●		●	
	Sales marketing experience		●	●	●		●		●			
	Technology/development/regulatory affairs	●		●				●				
	Business responsibility experience	●	●	●	●	●	●		●			
	Experience as CEO of a listed company		●				●					
	Government/industry response	●				●	●	●	●			
	Risk Management	●	●	●	●	●	●	●	●	●	●	●
	New business development experience		●	●			●		●			
	Experience outside Japan*1		●	●	●	●	●	●	●	●		
Environment, Safety and Quality	●	●	●	●				●				
Director experience	Status of posts at other companies*2							●		●		
	Timing of appointment as director	06/2010	06/2024	06/2024	06/2023	06/2021	06/2020	06/2021	06/2024	06/2019	06/2025	Average: 3.9 years*3
Diversity	Age	67	61	58	61	63	74	72	58	62	64	Average: 64 years old*4
	Sex	Male	Male	Male	Male	Male	Male	Male	Female	Male	Female	

● Has experience \*1 Has experience working in a post outside Japan \*2 As of July 1, 2025 \*3 Number of years in position up to July 2025 \*4 Average age of 62 for internal directors/Average age of 66 for independent directors

Reasons for appointing independent directors and attendance at meetings

Name	Reasons for appointment	Attendance at FY2024 meetings	
<b>Hidegori Nishi</b>	Mr. Nishi has the extensive experience as a manager, and many years of experience in overseas and marketing business. He has been appointed as an independent director to utilize the insight he has cultivated from these experiences in the supervision of management at Terumo Corporation.	Board of Directors: 14/14 (100%) Remuneration Committee: 6/6 (100%)	Nomination Committee: 6/6 (100%) Corporate Governance Committee: 7/7 (100%)
<b>Keiya Ozawa</b>	Mr. Ozawa has expert knowledge which includes a track record of research in gene therapy, cell therapy and hematology, has served as Director of IMSUT (The Institute of Medical Science, The University of Tokyo) Hospital and Director of Center for Gene & Cell Therapy (CGCT), and has cultivated extensive experience through the performance of his duties in these organizations. He has been appointed as an independent director to utilize this experience in the supervision of management at Terumo Corporation.	Board of Directors: 14/14 (100%) Remuneration Committee: 6/6 (100%)	Nomination Committee: 6/6 (100%) Corporate Governance Committee: 7/7 (100%)
<b>Mari Kogiso</b>	Ms. Kogiso has extensive experience as a manager, many years of global experience in financial business and has taken the lead of DE&I and ESG action. She has been appointed as an independent director to utilize this experience in the supervision of management at Terumo Corporation.	Board of Directors: 11/11 (100%) Remuneration Committee: 3/3 (100%) Note: With respect to the attendance of Ms. Kogiso at meetings of the Board of Directors and its associated committees, only those meetings held subsequent to their appointment at the Annual General Meeting of Shareholders convened on June 26, 2024, are taken into account.	Nomination Committee: 6/6 (100%) Corporate Governance Committee: 6/6 (100%)
<b>Soichiro Uno</b>	Mr. Uno possesses specialized knowledge and extensive experience as an attorney in Japan and overseas. He has been appointed as an Audit and Supervisory Committee member to audit and supervise the management of Terumo Corporation from the independent perspective.	Board of Directors: 14/14 (100%) Nomination Committee: 6/6 (100%) Corporate Governance Committee: 7/7 (100%)	Audit and Supervisory Committee: 12/12 (100%) Remuneration Committee: 6/6 (100%)
<b>Keiko Hayashi</b>	Ms. Hayashi has extensive knowledge of finance and accounting as a Certified Public Accountant, as well as her leadership in promoting Diversity, Equity & Inclusion (DE&I) initiatives at an audit firm. She has been appointed as an Audit and Supervisory Committee member to audit and supervise the management of Terumo Corporation from the independent perspective.	Appointed on June 24, 2025	

**Selection and cultivation of a successor to the Chief Executive Officer (succession plans)**

The Board of Directors has established the Nomination Committee as an organization overseeing the process of selecting and cultivating successors to the Chief Executive Officer in recognition of the fact that the selection of successors to the Chief Executive Officer is one of the most important duties for the Board of Directors, and the Committee’s activities are monitored by the Board of Directors. The process of selection and cultivation of successors to the Chief Executive Officer is clearly stated in internal regulations. With regard to selecting a successor to the Chief Executive Officer, the Chief Executive Officer shall propose a “Succession Plan” listing more than one candidate and a plan for their cultivation within a specified period of time. The Nomination Committee shall consider the successor candidates in accordance with the procedures stipulated in the internal regulations. From the point of view of cultivating future successor candidates, the Chief Executive Officer shall also submit a “Next-Generation Executives’ Development Plan” naming several persons with the potential to become future executives to the Nomination Committee within a specified period of time, and shall thereafter continue to report on the status of these candidates’ cultivation to the Committee as appropriate.

**Evaluation of the effectiveness of the Board of Directors**

Since fiscal 2015, Terumo has conducted annual evaluation of the effectiveness of the Board of Directors with the aim of improving governance. In evaluating effectiveness, we have conducted anonymous survey of all directors. Additionally, in fiscal 2024, we conducted interviews with all directors and some executive officers. To ensure candid feedback and maintain objectivity, the survey, interviews with directors and executive officers, and their analysis are outsourced to a third-party consulting firm. The analysis results are discussed by the Corporate Governance Committee, majority members of which are composed of independent directors. Based on these discussions, key issues and future initiatives are reported and proposed to the Board of Directors. These are then incorporated into the themes for the next year’s Board of Directors and various committees, thereby reflecting them in the operation.

**Implementation process**

1) Selection and Planning: The Corporate Governance Committee selects the third-party consulting firm and deliberates on the methods and processes for conducting the effectiveness evaluation, then reports to the Board of Directors.

- 2) Survey and Interviews: The third-party consulting firm conducts anonymous survey among all directors. Based on the survey results, interviews are conducted with all directors and some executive officers.
- 3) Analysis and Reporting: The third-party consulting firm reports and discusses the analysis and evaluation results with the Corporate Governance Committee.
- 4) Reporting and Proposals: Key issues and future initiatives are confirmed and reported to the Board of Directors, with proposals for incorporation into future operations.

**Implementation methods**

- Survey
  - Participants: All directors
  - Response Format: Multiple-choice and open-ended questions
  - Main Items: Overall evaluation, Actions to key issues from the previous year, Composition of the Board of Directors, Importance and sufficiency of discussions, Meeting management, Matters related to each advisory committee, Dialogue with shareholders, Contribution as director and Next-generation management, etc.
- Interviews
  - Participants: All directors and some executive officers

Summary of evaluation results for fiscal 2024

- Governance has been positioned as one of the key management agendas for enhancing corporate value. Both the supervisory and executive sides have approached this with high commitment, and its effectiveness is generally ensured.
  - Even in the current relatively favorable business environment, the continuous efforts to further improve governance, under mutual trust between the supervisory and executive sides, are a clear strength compared to other companies.
- 1) Momentum for Board Reform Initiated by Execution: Under the new management team, efforts are being made to increase discussions on management strategies and improve the quality of board discussions.
  - 2) Board Culture that Facilitates Open and Candid Discussions: A board culture has been fostered that allows for open and candid discussions, focusing more on issues that contribute to enhancing corporate value.
  - 3) High Commitment from Audit Committee Members: Audit committee members demonstrate very high commitment to the company, including conducting site visits, and contribute to enhancing corporate value.

Evaluation results (Key issues, etc.)

- Expansion of Discussions on Important Proposals Leading to Medium- to Long-Term Growth  
In discussions aimed at enhancing corporate value over the medium to long term, there is room for further enrichment, particularly in the following areas:
  - I. Examination of the Global Governance System
  - II. Strengthening Discussions on Reviewing the Business Portfolio
- Review of Supervisory Functions in Line with Changes in the Executive Structure  
While discussions have been held on the nature of supervisory functions amid changes in the executive structure under the new management team, consensus has not necessarily been reached on the following key points:
  - I. Requirements for Independent Directors for Board Succession
  - II. Composition of the Board of Directors, including increasing the

- ratio of independent directors
  - III. Further delegation of authority to the executive side and criteria for matters to be proposed to the Board of Directors
  - IV. Necessity of changes in institutional design
  - V. Roles of the Chairman of the Board
- To achieve the desired state of supervisory functions, comprehensive and integrated discussions are required, rather than addressing individual issues in isolation.

Including these issues, we will take measures to address the recognized issues within the activities of the Board of Directors and committees in fiscal 2025. Additionally, we will continue to consider and implement measures to improve the governance of the Board of Directors.

Regarding the issues identified in the fiscal 2023 evaluation of the Board's effectiveness that require further consideration, the actions in fiscal 2024 and the evaluations by the third-party consulting firm are as follows:

	Issues Identified from the FY2023 Evaluation Results	Actions in FY2024	Evaluation by the Third-Party consulting firm
1	Discussions Contributing to Long-Term Corporate Value Enhancement: •Expansion of Discussions on the Company-Wide Business Portfolio. Enhancing discussions on the business portfolio and adjusting G&S26 based on changes in the business environment. •Essential Discussions on Capital Costs. Continuing essential discussions on the development of human capital and core talent.	Discussions on business portfolio management and human capital management were conducted, along with training sessions on investor perspectives and expectations etc.	•Agendas were set with a focus on business portfolio and ROE, considering capital costs, and discussions were held aimed at enhancing corporate value over the medium to long term. •As overseas sales continue to rise, further deepening of discussions is necessary regarding the direction of global business operations and the nature of supervision, which are becoming increasingly important.
2	Evolution of the Global Governance System and Understanding of the Execution Side and On-Site Realities: •Further Efficiency in Three-Axis Management (Business, Function, Region). Examination aimed at optimizing organizational structure and personnel systems. •Compliance Risk Identification and Countermeasures. Thorough identification of compliance risks and implementation of countermeasures. Globally recognizing risks, considering risk reduction measures, and aligning understanding for risk-taking that leads to growth.	Discussions were held on the current state and issues of governance in overseas subsidiaries, along with training sessions on governance trends and internal reporting.	•Efforts to improve the three-axis management (business, function, region) have made certain progress, with a clear direction being established. •Strengthening the governance of overseas subsidiaries requires ongoing efforts.
3	Reorganization of the Board of Directors under the New Management Team: •Reorganizing the supervisory functions of the Board of Directors in line with the evolution of the executive structure. •Ongoing discussions regarding the composition of the Board of Directors.	The Corporate Governance Committee primarily engages in ongoing discussions about the role of the Board of Directors under the new management team, as well as the changes and key points regarding the future composition of the Board.	•Ongoing discussions about the composition of the Board of Directors and the governance system are being conducted, primarily by the Corporate Governance Committee, to continuously consider the ideal state. •Continuing discussions on the transformation of the Board of Directors that the company aims to achieve is necessary.

## Executive compensation

Note: The section titled "Executive compensation" outlines the approach to remuneration not only for executive directors, but also for Group Executive Officers and Executive Officers who do not concurrently serve as directors. Wherever possible, executive titles are specified to clarify classification. However, the term "executives" may be used collectively to refer to executive directors, Group Executive Officers, and Executive Officers who do not concurrently serve as directors.

### Policy on executive compensation

To provide sound motivation for executive directors, Group Executive Officers and Executive Officers to enhance corporate value over the medium to long term while taking appropriate risks, their remuneration shall be determined with due consideration to an appropriate balance among fixed remuneration, performance-linked remuneration (bonuses) and restricted stock (stock options for overseas-resident officers).

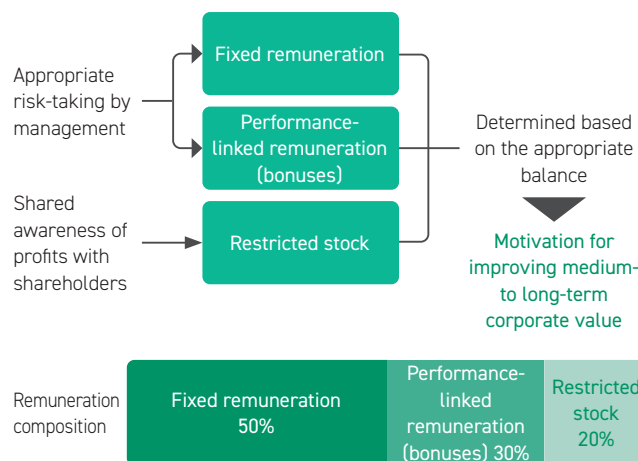
Remuneration of non-executive directors shall be composed only of fixed remuneration.

In order to attract and retain the management talent necessary to drive the Company's sustainable growth and realize its mission, the level of remuneration shall be determined by benchmarking the upper-mid range for each executive's job grade and position, based on compensation databases from external consulting firm. For foreign executives, the compensation levels are set according to the same policy, based on market data from countries in which the executives reside.

### Components of compensation and their rationale

#### Compensation structure ratio

The compensation for Group Executive Officers and Executive Officers responsible for business execution is designed with the following target ratios: 50% fixed compensation, 30% standard amount of performance-linked compensation (bonuses), and 20% restricted stock. Additionally, the higher the position, starting with the President and CEO, the higher the proportion of performance-linked compensation (bonuses) and restricted stock in the total compensation.



For higher ranked directors (Chief Executive Officer at the top), the ratios of bonuses and restricted stock to the total amount of remuneration are higher.

### Policies for targets and compensation types

#### 1. Fixed remuneration

To motivate directors, Group Executive Officers, and Executive Officers to steadily perform their professional duties according to their responsibilities, fixed remuneration is paid monthly. The amount of fixed remuneration is determined based on each executive's job grade and corresponding position. In cases where an executive responsible for business execution also serves as a director, an additional director's allowance is provided.

#### 2. Performance-linked compensation (Bonuses)

##### 1) Purpose and overview of calculation method for payment amounts

This compensation aims to strengthen motivation for sustainable growth and achieving annual performance targets. Performance evaluation indicators aligned with this purpose are adopted. These indicators include Company-wide financial performance (for all executives), financial performance of specific businesses or regions (for responsible executives), and future corporate value targets set individually by executives (nonfinancial performance for all executives). The payment amount is calculated by multiplying the standard amount for each position by the evaluation coefficient derived from these indicators.

##### 2) Company-wide financial performance indicators and variability

The indicators for Company-wide financial performance include consolidated revenue, consolidated operating profit, ROIC, and ROE, aiming to be a globally recognized company with profitability and capital efficiency. The targets for these indicators are set at the beginning of the fiscal year, with the evaluation coefficient set at 100% upon achieving the planned values. To ensure healthy motivation for performance improvement, the evaluation coefficient varies between 0% and 150% based on the achievement rate.

##### 3) Financial performance of responsible businesses or regions, Future Corporate Value Targets, and variability

The financial performance indicators for the businesses or regions individually managed by executives are based on the idea that maximizing financial indicators in their respective areas will contribute to achieving overall financial performance and enhancing corporate value. These indicators include revenue and adjusted operating profit for the areas managed by each executive. Targets are set at the beginning of the fiscal year, with the evaluation coefficient set at 100% upon achieving the planned values. To ensure healthy motivation for performance improvement, the evaluation coefficient varies between 0% and 150% based on the achievement rate.

Additionally, to realize a sustainable society and Terumo's medium- to long-term growth, non-financial evaluation indicators called "Future Corporate Value Targets" are introduced, which are individually set by each executive. These targets are derived from the ESG indicators outlined in the five-year growth strategy "GS26" starting from fiscal 2022, broken down into annual goals. The evaluation coefficient ranges from 0% to 120% based on the achievement status at the end of the fiscal year. The evaluation involves not only the evaluators in the reporting line of each executive but also the executives responsible for each indicator, who assess the performance from a professional and comprehensive perspective. The final evaluation is determined by a committee composed of executives at the group managing executive officer level and above.

## Corporate governance

### 4) Evaluation results of company-wide financial performance indicators

The results of the company-wide financial performance indicators for fiscal 2024 are shown in the table below. However, when calculating the evaluation indices for bonuses, we used the internal business plan set at the beginning of the fiscal year and the results based on the planned exchange rates, in order to exclude

the impact of exchange rate fluctuations from the evaluation. This approach was adopted as an alternative to using the figures shown in the table below, which consist of the forecast announced at the beginning of the fiscal year and the results based on the actual exchange rates. According to this calculation method, the achievement rate of company-wide financial performance indicators was 95%.

		FY2024			
		Forecast at the beginning of FY2024	Results based on the actual exchange rates	Achievement rate	Indicator weights
Company-wide financial performance indicators	Consolidated revenue	¥980.0 billion	¥1036.2 billion	105.7%	1/3
	Consolidated operating profit	¥165.0 billion	¥157.7 billion	95.6%	
	ROIC	7.6%	7.5%	98.7%	1/6
	ROE	8.9%	8.7%	97.8%	
Achievement rate of company-wide financial performance indicators				99.8%	-
Future Corporate Value Targets (set individually by executives) Target: Chairman, CEO and Directors responsible for functional departments (group senior managing executive officers, group managing executive officers)				100-104%	-

### 5) Proportion of evaluation indicators

The proportion of evaluation indicators for performance-linked compensation (bonuses) for executive directors is as follows. For Group Executive Officers and Executive Officers other than executive directors, the evaluation is based on Company-wide financial performance and future corporate value targets, with weights assigned according to their roles. For those officers responsible for specific businesses or regions, the financial performance of their respective areas is also included.

Roles	Weight of company-wide financial performance	Weight of individual future corporate value targets
Chairman, CEO and Directors responsible for functional departments (group senior managing executive officers, group managing executive officers)	80%	20%

### 3. Restricted stock

Restricted stock is introduced to ensure that Group Executive Officers and Executive Officers responsible for business execution share value with shareholders, fulfill their roles and responsibilities as executives, and enhance their motivation to contribute to stock price appreciation and corporate value enhancement. The transfer restriction period is set at 30 years (or until resignation from positions such as director, group executive officer, executive officer) to promote long-term value sharing with shareholders. Additionally, a clawback clause is established, requiring the return of all or part of the accumulated restricted stock without compensation in the event of misconduct or legal violations during the tenure.

#### Method of determining executive compensation

The fixed compensation for independent directors (excluding audit and supervisory committee members), and the fixed compensation, standard amounts of performance-linked compensation (bonuses), and amounts of restricted stock for internal directors (excluding audit and supervisory committee members), Group Executive

Officers and Executive Officers are deliberated by the Compensation Committee. This committee, majority of which members consist of independent directors and is chaired by an independent director, serves as an advisory body to the Board of Directors. It considers trends over multiple years using the compensation database of external consulting firm. The Board of Directors makes decisions based on the committee's deliberations. The compensation for directors who are audit and supervisory committee members is determined through discussions among the audit and supervisory committee members, referencing trends in the compensation database of external consulting firm.

The compensation for directors (excluding audit and supervisory committee members) is determined within the compensation limits resolved at the following shareholders' meetings:

- Fixed compensation, performance-linked compensation (bonuses), and stock compensation-type stock options: Up to 700 million yen per year (104th Annual General Meeting of Shareholders held on June 21, 2019, for eight directors, including three independent directors at the time of approval)
- Restricted stock: Up to 200 million yen per year (104th Annual General Meeting of Shareholders held on June 21, 2019, for five directors, excluding independent directors at the time of approval)

The compensation for directors who are audit and supervisory committee members is determined within the compensation limits resolved at the following shareholders' meeting:

- Compensation for directors who are audit and supervisory committee members: Up to 100 million yen per year (100th Annual General Meeting of Shareholders held on June 24, 2015, for three directors, including two independent directors at the time of approval)

## Corporate governance

### Remuneration to directors

Executive Role Classification	Total value of remuneration (¥ million)	Total compensation by type (¥ million)			Number of directors
		Fixed remuneration	Performance-linked remuneration (Bonuses)	Restricted stock	
Directors (excluding directors who serve as Audit and Supervisory Committee Members and independent directors)	505	236	144	124	7
Director who serves as Audit and Supervisory Committee Member (excluding independent director)	42	42	-	-	1
Independent Directors	84	84	-	-	6

Reference: Activities by the Board of Directors and Committees in recent fiscal years as part of the process for deciding remuneration of directors, Group Executive Officers, and Executive Officers

Date	Board of Directors/Committee	Activity
April 11, 2024	Remuneration Committee	Discussion on the evaluation approach for executive bonuses of FY2024
May 14, 2024	Remuneration Committee	Discussion on the management of Future Corporate Value Targets of FY2024
June 14, 2024	Remuneration Committee	Discussion on the remuneration levels of non-Japanese executives for FY2024
June 26, 2024	Board of Directors	Resolution on the bonus amounts for directors within the limit approved by the annual general meeting of shareholders
October 10, 2024	Remuneration Committee	Discussion on the remuneration level of non-Japanese executive appointed in October 2024
December 12, 2024	Remuneration Committee	Discussion on the review of executive remuneration levels for FY2025 and the direction of the medium- to long-term executive compensation framework
January 16, 2025	Remuneration Committee	Discussion on the remuneration levels of non-executive directors
February 13, 2025	Board of Directors	Resolution on executive remuneration levels of FY2025
April 10, 2025	Remuneration Committee	Discussion on the evaluation approach for executive bonuses of FY2025 and the direction of the medium- to long-term executive compensation framework
May 14, 2025	Remuneration Committee	Continuous discussion on the evaluation approach for executive bonuses of FY2025 and bonus amounts for directors within the limit approved by the annual general meeting of shareholders
June 12, 2025	Board of Directors	Resolution on the bonus amounts for directors within the limit approved by the annual general meeting of shareholders
June 12, 2025	Remuneration Committee	Discussion on the remuneration levels of non-Japanese executives for FY2025, review of FY2024 performance and FY2025 management of Future Corporate Value Targets

### Holding of shares in other companies for strategic purposes

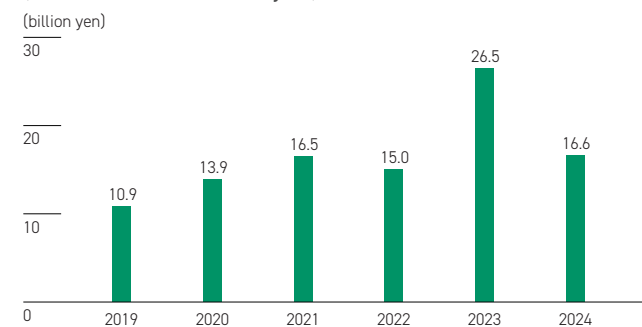
Regarding the holding of shares in other companies for strategic purposes, Terumo adopts the following approach in its Terumo Corporate Governance Guidelines.

#### 3. Securing shareholders' rights and equality

(4) Holding of shares in other companies for strategic purposes

- Terumo may hold shares of other companies with a view to creating business opportunities and/or enhancing corporate value.
- The Board of Directors shall verify the economic, strategic, and other rationale for each such holding using a medium- to long-term perspective on an annual basis. Terumo shall disclose holding securities as specified equity securities in the Annual Securities Report unless selling them.
- Terumo shall exercise its voting rights taking into consideration the impact of its voting on the corporate value of Terumo and the company in which Terumo has invested.

#### Holding of shares in other companies for strategic purposes (As of the end of each fiscal year)



Notes: 1. Figures represent total of investments in stocks for special purposes and balance of deemed securities holdings (market value).  
2. Figures exclude early stage investment in venture companies.



Terumo Corporate Governance Guidelines

<https://www.terumo.com/about/governance>

# Risk management

## Basic approach

Changes in global circumstances, the globalization of business, and other factors are causing rapid changes in the Terumo Group's business environment. At the same time, risks affecting our business activities are diversifying and growing in complexity. In response to these risks, the Terumo Group is advancing the construction of a group-wide risk management system, an effort that began in fiscal 2015.

Under this risk management system, we have established the Group Risk Management Policy and have been working on appropriate risk management based on identification and analysis of risks for the Terumo Group as a whole. Our objective in managing risks is to provide the proper environment for supporting bold yet appropriate risk-taking—for all types of risks—by management and ultimately to win stakeholder trust and enhance our corporate value. In addition, we aim to foster an organizational culture where every associate recognizes the importance of risk awareness and performs their job responsibilities accordingly. To achieve this goal, we are actively working to raise awareness and promote the importance of risk management as a corporate activity by sending messages from the CEO to all Terumo Group associates and other efforts.

## Risk management system

### Establishment of the risk management system

The Risk Management Committee has been established directly under the Board of Directors as an organization overseeing risk management across the Terumo Group. Chaired by the Chief Executive Officer, the Risk Management Committee consists of directors who also serve as Group Executive Officers or Executive Officers, representatives of relevant departments selected by the committee chair, and the company's legal counsel. The Committee meets twice a year to discuss key risks and draw up, implement, and monitor risk response measures.

Key risks are designated by assessing risks identified throughout the Terumo Group based on predefined criteria. Assessment criteria focus on two key points: 1) whether the risk will significantly impact patients and Terumo customers, and 2) whether the risk will cause serious damage to the Terumo Group's management. Risk information is gathered throughout the Terumo

Group, organized in a database, and shared with department heads and risk managers at subsidiaries. In addition, we have established a system to ensure that information is promptly communicated to management organizations through functional departments and the relevant departments of subsidiaries when a significant issue arises.

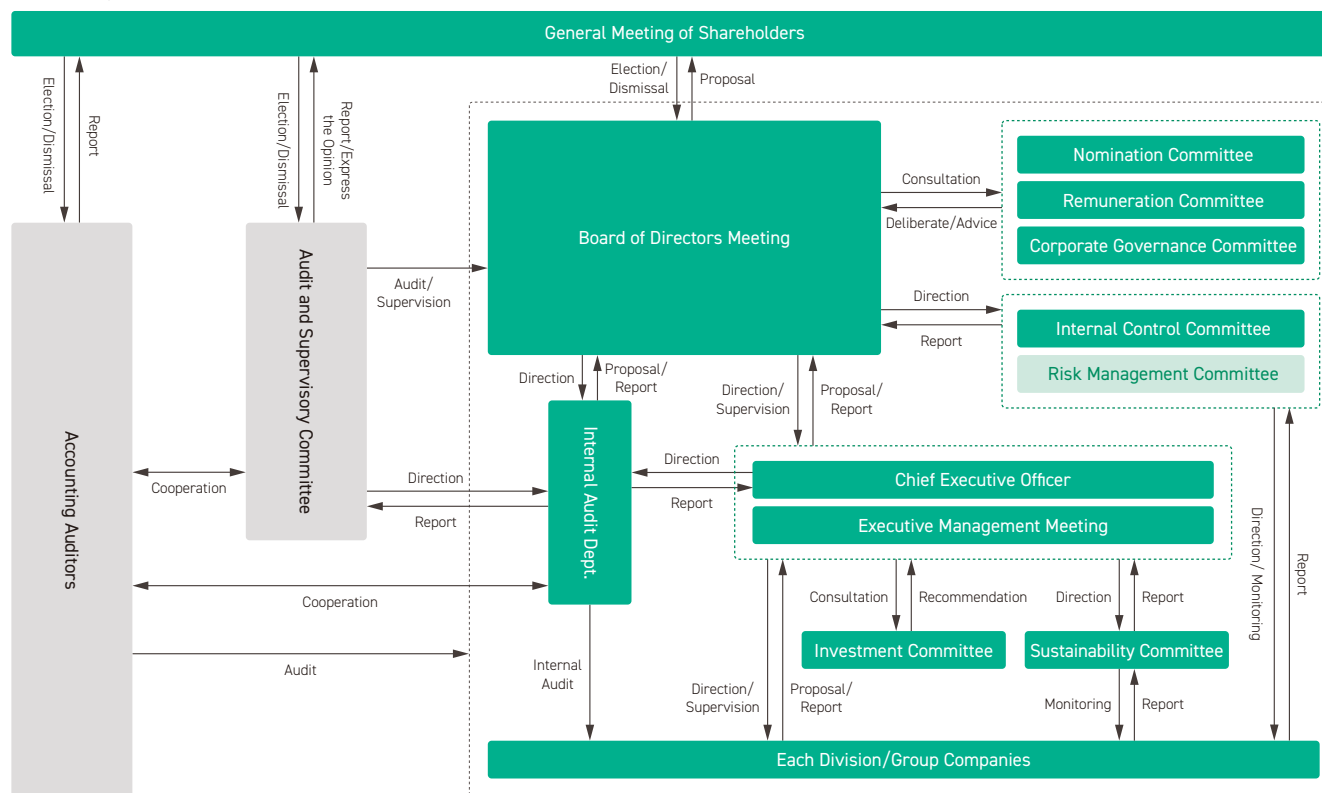
### Risk management education

Since fiscal 2016, Terumo has been including content emphasizing the importance of risk management in briefings for department heads and conducting participatory workshop training for associates. Through such initiatives, Terumo is working to enhance the level of risk sensitivity among individual managers and associates.

### Crisis response

When a crisis emerges (an identified risk occurs), the Group Risk Management Policy stipulates that an internal response be organized in accordance with the crisis level. Crisis responses aim to accomplish three things: 1) protect human lives, 2) minimize damage and losses, and 3) maintain the trust of society. Should a crisis of the highest level occur, we will establish a crisis response headquarters, led by the Risk Management Committee Chair, with the relevant department heads as the second tier of leadership.

Risk management system



As of September 30, 2025

## Risk management

### Major risks and opportunities

The major risk factors that could impact the Terumo Group's operating results and financial position are as follows.

Major risk factors	Risk and opportunity content	Response
Changes in government healthcare policies	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of large-scale amendment in government healthcare policies exceeding expectations</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>■ Shortened development and approval process cycle for innovative medical device development</li> <li>■ Expanded revenue opportunities associated with increased demand for products and services with high medical cost efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Constantly analyze the government healthcare policies of the countries in which we operate in order to furnish the necessary responses through coordination between relevant internal divisions and stakeholders</li> </ul>
Stable supply-related risks	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of a dysfunctional sustainable value chain caused by issues in material procurement, quality control, compliance, EHS (environment, health, and safety) and geopolitical risk, resulting in an inability to provide a stable supply of high-quality products to medical settings</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>■ Competitive edge maintained through the continuous stable supply of products</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance quality control, compliance, environmental, and health and safety initiatives through various actions including the development of systems for collaboration with business partners (procurement policy/supplier guidelines)</li> <li>• Develop business continuity plans (BCPs)</li> <li>• Manage the credit of business partners</li> </ul>
Quality-related risks	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of delayed compliance with more rigorous legal or regulatory standards which could be newly implemented in the countries</li> <li>■ Impacts of lost social trust and business interruptions due to quality-related issues disrupting the supply of products to medical settings</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>■ Expansion of the number of countries where the Terumo Group can sell its products and services by complying with laws and regulations</li> <li>■ Competitive edge on the market maintained with high product quality</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with legal and regulatory standards and specifications pertaining to pharmaceuticals and medical devices in the countries in which products are manufactured or sold</li> <li>• Reinforce quality governance systems globally and develop and constantly improve quality control systems</li> <li>• Regularly verify compliance with relevant regulations and the status of quality control at each production site within the Terumo Group through audits conducted by the headquarters quality department</li> <li>• Ensure quality, efficacy, and safety of products under rigorous quality and production control provisions</li> </ul>
Discovery of new medical evidence	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Decline in competitiveness in cases where the efficacy of products under development cannot be proven or when new defects or side effects are discovered in treatments previously considered efficacious</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>■ Differentiation achieved by showcasing superiority over competitors' products and procedures through clinical research and other studies</li> </ul>	<ul style="list-style-type: none"> <li>• Analyze new research reports or clinical data after an initiative for product development, business alliances, or acquisitions is started, and decide whether to continue or discontinue the initiative</li> </ul>
Market price fluctuations	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Market price fluctuations pertaining to revised national healthcare systems</li> <li>■ Price fluctuations mainly in overseas markets due to large-scale bidding and other causes</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>■ Development and provision of products with higher added value</li> </ul>	<ul style="list-style-type: none"> <li>• Implement continuous cost-reduction measures</li> </ul>

## Risk management

Major risk factors	Risk and opportunity content	Response
Exchange rate fluctuations	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of exchange rate fluctuations</li> </ul>	<ul style="list-style-type: none"> <li>• Implement structural changes such as relocating production to factories outside Japan and sourcing raw materials from overseas</li> <li>• Minimize impact through flexible utilization of contracts to hedge against exchange rate volatility for trade receivables</li> </ul>
Changes in accounting policies and taxation systems	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Affected operating results and financial position when new accounting standards or taxation systems are implemented or altered</li> <li>■ Impact of additional tax burdens incurred due to difference in interpretation between tax authorities and the company</li> </ul>	<ul style="list-style-type: none"> <li>• Consider measures based on the timely information obtained and advice from experts</li> <li>• Increase opportunities to have dialogue with tax authorities</li> </ul>
Capital and business alliances, corporate acquisitions	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of the situation where a major strategy for the company, a capital or business alliance, or a corporate acquisition fails to produce the expected benefits</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>■ Developed base for growth and strengthened business fundamentals by acquiring new management resources via capital and business alliances and corporate acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>• Analyze and evaluate business potentials, mitigate projected risks, and ensure swift and efficient post-merger integration</li> </ul>
Risks pertaining to impairment losses, valuation losses, and business reorganizations	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impairment losses recorded on goodwill and tangible or intangible assets, and accrued losses incurred due to sale or liquidation of businesses in the event that the anticipated growth isn't achieved as a result of the utilization of management resources or being unable to recover assets</li> </ul>	<ul style="list-style-type: none"> <li>• Efficiently utilize management resources in each business and maximize return on investments</li> </ul>
Information security and IT system management-related risks	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Loss of social trust and business interruptions due to system outages if information is leaked or tampered with through a cyberattack or internal fraud</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen information security measures and enhance responsiveness when incidents occur</li> <li>• Establish the global information security standards and rules</li> <li>• Provide continuous training for associates</li> </ul>
Legal proceedings	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact from any major legal action by a third party such as a lawsuit for damages or an injunction against sales</li> </ul>	<ul style="list-style-type: none"> <li>• Research by Legal, Intellectual Property, and other managing divisions as well as establishment of an internal control system</li> <li>• Develop a management structure to ensure that the Board of Directors and the Audit and Supervisory Committee review situations as needed</li> </ul>
Pandemics, epidemics, and large-scale natural disasters	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impacts on business activities that are more severe than expected in the event of global pandemics and epidemics, earthquakes, hurricanes, and other natural disasters</li> </ul>	<ul style="list-style-type: none"> <li>• Establish the Group BCM Policy and implement various drills on a regular basis</li> </ul>
Risks related to the environmental, health and safety management and compliance	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of damaged social trust if the company's measures are not sufficiently functional due to sudden changes in laws of relevant countries, in regard to compliance with laws pertaining to occupational health and safety, anti-corruption, antitrust, and appropriate promotions targeting healthcare professionals as well as measures for addressing climate change and other environmental issues</li> </ul>	<ul style="list-style-type: none"> <li>• Implement management systems that conform to international standards</li> <li>• Implement continuous improvement activities and expand systems</li> <li>• Provide education for associates</li> </ul>
Economic and geopolitical risks	<p><b>Risk</b></p> <ul style="list-style-type: none"> <li>■ Impact of situations where the disruption to business activities caused by an economic downturn in countries to which the company supplies products and the resulting fall in demand, or by an unexpected change in the political situation due to terrorism, war, etc., is greater than expected</li> </ul>	<ul style="list-style-type: none"> <li>• Constantly monitor the political and economic situations of each country</li> </ul>

## Business Continuity Management (BCM) and Business Continuity Plans (BCPs)

### Basic approach

The Terumo Group provides medical devices, pharmaceuticals, and services that are directly linked to people’s lives. Accordingly, we believe that ensuring business continuity in the event of a major natural disaster or some other unforeseen situation is an important social obligation of the Terumo Group.

To fulfill this responsibility, the BCM Policy clearly stipulates the Terumo Group’s basic approach to business continuity and the related systems and response measures. Based on the following three basic policies: 1) protect our associates and their families worldwide, 2) fulfill our social responsibility. The impact on the healthcare system should be minimized whenever possible, and 3) protect our assets, we will prepare for emergencies during normal times, and strive to ensure that we can maintain or restore our business operations in the event of an incident.

### Promotion system and major initiatives

In the event of a major natural disaster or some other unforeseen situation, the Corporate Affairs Department at the head office plays a key role in promoting relevant activities throughout the Terumo Group. If a serious risk that could affect business continuity emerges, the Countermeasures Headquarters, led by the Chief Executive Officer of Terumo Corporation, will be established to swiftly initiate response activities. The Countermeasures Headquarters will determine and implement necessary measures by gathering information, including information regarding the safety of associates and their family members, damage to suppliers, and the situation in the affected areas. At the same time, the Countermeasures Headquarters will embark on efforts to provide the necessary material and human support to disaster-hit areas in a timely manner. If it becomes apparent that the Terumo Group’s supply chain or operations will be temporarily interrupted, we will strive to restore normal supply chain and operational functions as quickly as possible.

In normal times, Business Continuity Plans (BCPs) are prepared by the collaboration of personnel responsible for risk management at each factory, functional department involved with raw material

procurement or distribution, company, and subsidiary outside Japan. The BCPs aim to prevent operations from being disrupted even in emergency situations, and to ensure that operations can be quickly restored and resumed should they be disrupted. In addition, each Terumo Group business site conducts drills, such as those noted below.

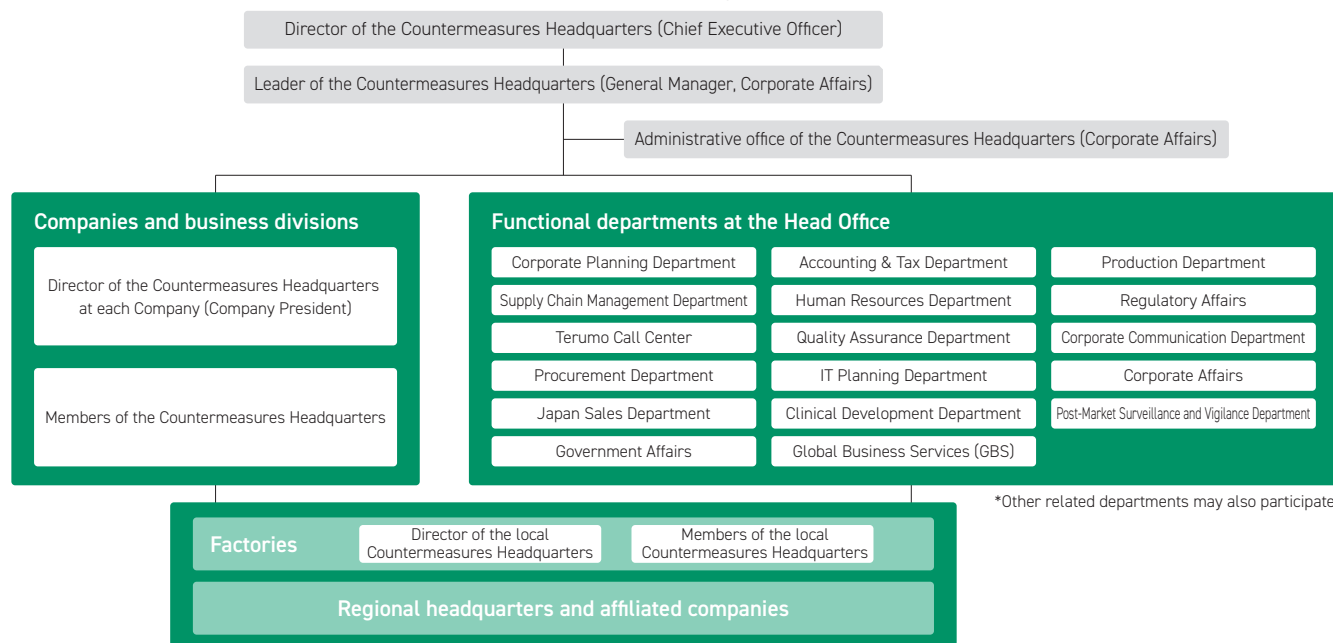
- Establishment of a disaster response headquarters following a major earthquake, confirmation of the roles of individual staff, and other BCP-related drills
- Implementation of systems for rapidly ascertaining the condition of associates and training on their use
- Comprehensive disaster response drills including firefighting, CPR, and rapid evacuation
- BCM and BCP education and training for all associates in Japan

### Infectious disease countermeasures

Terumo has been designated as a specified public institution under Japan’s Act on Special Measures for Pandemic Influenza and New Infectious Disease Preparedness and Response. Accordingly, we have developed the Business Continuity Plan as Designated Public Corporations. In addition, we have formulated a BCP that will enable us to continue operating even in the event of an outbreak of a new strain of influenza or other infectious diseases.

In addition, Terumo has prepared its infectious disease response manual to guide efforts to combat the various infectious diseases that are currently spreading around the world and to help halt the spread of such diseases. This manual lays out rules covering everything from infection prevention to the return to work of associates who have been infected in an effort to protect business operations from the impacts of infectious diseases. Terumo also monitors the status of infectious diseases around the world and issues travel precautions or restricts business travel for its associates, as conditions warrant.

An example of the structure of the Countermeasures Headquarters used in a large-scale disaster



## Information security

### Basic approach

At the Terumo Group, we have established the Group Information Security Policy as a common global standard. Through the enforcement of this policy, we appropriately protect and ensure the information security of our confidential information and the information entrusted to us by our customers and business partners from all information-related threats in our business activities. These threats include unauthorized access by outside parties, information leakage due to negligence, tampering, destruction, theft, information system failures, and natural disasters. Regarding personal information, we have developed the Privacy and Personal Information Protection Standards in Japan based on Japanese laws and regulations, including the Act on the Protection of Personal Information and the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures. We properly protect and manage all forms of personal information, including Individual Number (used for Japan's Social Security and Tax Number System), in accordance with these standards. In addition, we established the Group Privacy and Personal Information Protection Policy in April 2022 to ensure the proper handling of personal information at a certain level within the Terumo Group.

### Information security system

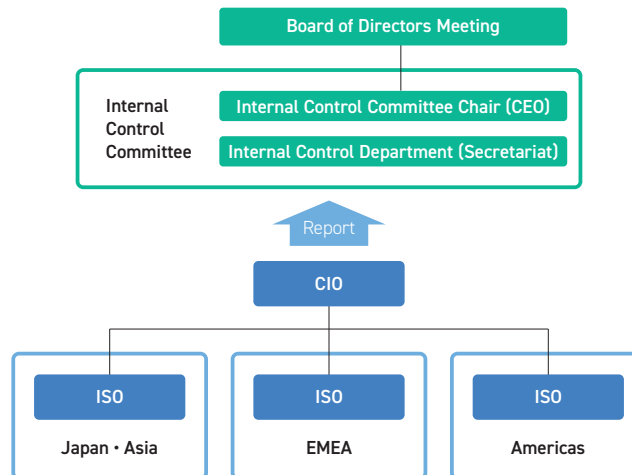
The Terumo Group has put in place an organizational structure that an Information Security Officer (ISO) is appointed for each of the following three regions: Japan and Asia, EMEA, and the Americas. ISOs are supervised by the group's Chief Information Officer (CIO). Each region's ISO takes the lead in ensuring the implementation, across business divisions, of measures to ensure compliance with the laws and regulations of individual countries in the region. The three regional ISOs meet regularly to exchange information regarding cyber-risks and discuss strategies for strengthening information security, striving to ensure consistent information protection and management across the group as a whole.

### Measures for strengthening information security

Terumo business locations throughout the world perform self-evaluations of their information security status annually, and information security training for associates is conducted on a regional basis once a year. In addition, both internal and external audits are performed to confirm the status of compliance with the Group Information Security Policy.

In response to the rise in the various information security threats that need to be addressed, including targeted attacks, unauthorized access, and leaks of personal information, as well as changes in workstyles such as the growth of remote working, we are implementing measures for strengthening information security to provide multi-layered protection that includes countermeasures for scam emails, monitoring of unauthorized transmissions, and other provisions. Furthermore, we conduct drills on targeted email attacks for our associates around the world to raise their awareness of information security.

### Global information security management organization



ISO: Information Security Officer

# Compliance

## Promoting compliance

### Basic approach

Earning the trust of society is critical for Terumo to continue to fulfill its Group Mission of “Contributing to Society through Healthcare.”

Terumo, together with all of its associates, strives to protect its reputation, which is an invaluable asset, and to further build trust with society. To achieve this, every Terumo associate must make the right decisions and do the right things. The Terumo Group Code of Conduct is a guide to help Terumo associates make the right decisions in their everyday actions.

Terumo makes every effort to ensure that all associates around the world, not only directors and officers, engage in fair business practices, abide by laws and regulations, and follow the highest ethical standards when serving all stakeholders, including the patients and healthcare professionals that use our products, and when practicing social responsibility, always keeping this Code of Conduct in mind. For this purpose, Terumo has established an environment that enables associates to better understand the importance of the Code of Conduct through means such as constantly providing training tailored to each workplace. All Terumo Group associates receive annual training on the Terumo Group Code of Conduct.



**Terumo Group Code of Conduct**

<https://www.terumo.com/about/code-of-conduct>

### Compliance system

At Terumo, the Internal Control Committee, which is responsible for enacting the Internal Control System of the Terumo Group in accordance with the Internal Control System Design Basic Policy approved by the Board of Directors, shall deliberate and make decisions regarding important policies related to compliance, and regularly report the status of these activities to the Board of Directors and Audit and Supervisory Committee.

Under the leadership of the Chief Legal Officer (CLO), we create compliance-related rules, perform training and education, and conduct monitoring to quickly discover and ascertain compliance issues through coordination with the compliance officers who are in charge of promoting compliance-related activities at each Group

company.

In the event that a significant compliance violation occurs, a response team shall be immediately organized under the supervision of the Internal Control Committee, and that team shall, in addition to handling and resolving the matter, report and make proposals to the Internal Control Committee regarding the cause and recurrence prevention measures.

### Compliance education

Terumo conducts compliance education with the aim of improving compliance awareness among all associates and ensuring understanding of and compliance with relevant laws and regulations.

### Major compliance training programs (Terumo Corporation)

Name	Scope of participation	Format	Subjects	Frequency
Terumo Group Code of Conduct training	All directors, Group Executive Officers, Executive Officers, and associates	E-learning program or group training	Training on the Terumo Group Code of Conduct	Once a year
Anti-bribery training	Directors, Group Executive Officers, Executive Officers, and some associates	E-learning program	Anti-corruption in business activities	Once a year
Training in competition law	Directors, Group Executive Officers, Executive Officers, and some associates	E-learning program	Secure fair transactions in business activities	Every two years
Training in interactions with healthcare professionals	Associates working in sales branches and in three Companies within Terumo	Branch training, e-learning program	Maintenance of appropriate relations with healthcare professionals	At least once a month
Training on whistle-blowing system	All directors, Group Executive Officers, Executive Officers, and associates	E-learning program	Training on whistle-blowing system	Once a year
Level-based training	Associates at specific levels	E-learning program or group training	Compliance education as part of training for early-career associates and management positions	At the time of promotion or onboarding
Education relating to the restriction on advertising specified by Japan’s PMD Act	All associates	E-learning program	Compliance with the restriction on advertising specified by Japan’s PMD Act	Once a year
Education relating to the Terumo Group rules for dealing with off-label use	All associates	E-learning program	Compliance with the Terumo Group rules for dealing with off-label use	Once a year
Harassment prevention training	All associates	E-learning program	Harassment awareness and prevention	Once a year

### Compliance initiatives

#### Whistle-blowing system

When we encounter any compliance issues, it is important to promptly take the appropriate measures, such as investigation, preventive action, disciplinary action, and/or recurrence prevention. With this in mind, the Terumo Group has established the Group Compliance Violations Reporting and Anti-Retaliation Policy, which encourages associates to promptly report any compliance concerns internally, while clearly stipulating that any retaliation against associates who have submitted such reports in good faith is strictly prohibited, so that associates will feel able to submit reports with peace of mind. The Policy also clearly stipulates those reports may be submitted anonymously, in countries where this is permitted by law.

Based on this policy, the Terumo Group has established and operates the Terumo Integrity Helpline, a group-wide whistleblowing system. Associates at all Terumo Group business sites can make reports or receive a consultation concerning violations of laws and regulations, the company's internal policies and regulations, the Terumo Group Code of Conduct, and other serious misconduct. Reporting via the Helpline can be conducted anonymously. Reports can be submitted through the Helpline not only by Terumo Group associates, but also by the directors, officers, and employees of business partners that do business with any Terumo Group company. A link to the Helpline has been posted on the Terumo website.

In Japan, besides the Terumo Integrity Helpline referred to above, Terumo has also established internal contact points, a legal advisor, and external whistle-blowing contact points operated by independent third parties, which accept reports and consultations via e-mail, mail, or telephone. In addition, a whistle-blowing system relating to the Board of Directors has been established, enabling associates to contact the Audit and Supervisory Committee.

#### Prevention of harassment

Terumo's work regulations in Japan explicitly forbid abuses of power and sexual harassment, regardless of gender orientation or gender identification (members of the LGBT community), as well as activities intended to put individual associates at a disadvantage due to reasons such as pregnancy or roles as a parent or caregiver. In addition, we have established a harassment intranet page where associates in Japan will find our Harassment Prevention Guidelines. These measures are indicative of our stance toward harassment. Associates can seek consultations regarding harassment not only from their supervisors and the Human Resources Department, but also from the company's internal hotline and the external hotline, where consultations can be kept completely anonymous. Whichever channel an associate decides to use, consultations are conducted in an appropriate manner so that the associate's privacy is well protected, confidentiality is enforced, and any retaliation against the associate seeking consultation is prohibited.

In addition, as an educational activity to prevent harassment, we conduct harassment prevention training in associates' level-based education, including training for new associates and new managers. December and January have been designated as harassment prevention reinforcement months since fiscal 2017 in Japan. During these periods, all associates receive email messages, complete surveys, and take part in e-learning programs. Managers, meanwhile, periodically attend training sessions that provide examples of harassment relevant to daily business activities. Through these initiatives, we are constantly working to raise awareness of harassment prevention.

Furthermore, a new intranet page detailing our efforts to ensure rigorous compliance was established in April 2020. On this page, associates will find information on our stance toward earnestly embracing compliance and concrete examples of compliance violations and countermeasures. This information is designed to facilitate increased understanding and risk sensitivity among associates. (For more information about the progress of harassment-related education, please refer to "Compliance education" on p. 66.)

#### Harassment Prevention Guidelines

- Sexual harassment, abuses of power, and other forms of harassment are human rights issues that violate the dignity of associates and create a toxic workplace.
- Terumo continuously conducts compliance training and asks associates for written pledges declaring their understanding of the negative impacts of harassment and the disciplinary measures that may be taken against them for engaging in harassment.
- Terumo does not tolerate any form of harassment.
- Terumo strives to increase each associate's understanding of harassment as well as their ability to address harassment issues as part of its efforts in creating a healthy organization that is not complicit in or tolerant of harassment and where all employees are respectful of one another.
- Terumo urges associates who have encountered any form of harassment to consult with their supervisor or with a human resources or general affairs representative at their workplace or to use internal hotline in cases where it is difficult to consult with someone in the regular line of reporting. Reporters of harassment issues will not suffer any retaliation and their privacy will be respected.

#### Opposition to antisocial forces

Avoiding relationships with antisocial forces is one of Terumo's corporate responsibilities. We therefore strictly refuse to become involved in any relationship with antisocial forces and do not engage in any transactions with companies, other organizations, or individuals with ties to antisocial forces. Furthermore, we work with law enforcement authorities and other agencies to combat antisocial forces.

## Compliance

### Anti-corruption

The Terumo Group expects full compliance with Japan's Unfair Competition Prevention Act, the U.S. Foreign Corrupt Practices Act, and other anti-corruption laws in the countries and regions in which the group operates in order to ensure honest and fair business practices.

All Terumo associates observe the Terumo Group Code of Conduct and the Group Anti-Corruption and Anti-Bribery Policy, which make clear our commitment to preventing corruption and engaging in fair business practices. In addition, we have established the Group Policy for Third Party Anti-Corruption and Anti-Bribery, and we require our business partners to comply with anti-corruption laws. If any associate has concerns about possible corruption, including the giving or receiving of bribes, they can report these concerns using Terumo's internal whistle-blowing system. (For more information about the internal whistle-blowing system, please refer to "Whistle-blowing system" on p. 67.)

### Prohibition of collusion and cartels

To prevent associates from becoming involved in collusion and cartels during the course of business activities, the Terumo Group has established the Group Antitrust Policy and is engaged in a Groupwide effort to maintain fair and free competition.

### Appropriate relationships with healthcare professionals

Terumo abides by the Fair Competition Code of the Japan Fair Trade Council of the Medical Devices Industry, the Promotion Code of the Japan Federation of Medical Devices Associations, and other industry regulations to ensure that it follows appropriate practices in promoting medical devices and pharmaceuticals to healthcare professionals. We have also established internal rules for this purpose.

Furthermore, the Group Ethical Interactions with Healthcare Professionals Policy was established based on the principles of the codes of ethics of reputable industry associations in the regions in which the Terumo Group operates, to guide us in maintaining appropriate relationships with healthcare professionals. (For more information about the implementation status of education on ethical interactions with healthcare professionals, please refer to "Compliance education" on p. 66.)

### Advertisements and other activities for providing product information and sales promotions

Terumo strives to conduct appropriate promotional activities. To facilitate these efforts, Terumo ensures compliance with Japan's PMD Act (the Act on Securing Quality, Efficacy and Safety of Pharmaceuticals, Medical Devices, Regenerative and Cellular Therapy Products, Gene Therapy Products, and Cosmetics) as well as other relevant laws and regulations. We also abide by various industry codes, such as those established by the Japan Federation of Medical Devices Associations (JFMDA). The relevant divisions review promotional materials prior to use to confirm their legality and the accuracy of the information they contain. In addition, in order to promote compliance with the Guidelines for Prescription Drug Marketing Information Provision released by the Ministry of Health, Labour and Welfare on September 25, 2018, we monitor the appropriateness of materials used in prescription drug marketing information provision activities and the activities themselves. We also work to ensure the appropriateness of promotional activities overseas with major Group companies playing a central role in advancing these activities in compliance with the applicable laws.

Moreover, the Group Rules for Dealing with Off-Label Use were established for global application in January 2016. These rules prohibit all advertisements and promotions soliciting off-label use of Terumo products. In addition, the Terumo (Japan) Rules for Dealing with Off-Label Use were implemented for Japan and other regional rules have been enacted to ensure compliance with the laws of the countries in which we sell our products and to guarantee appropriate promotions. (For more information about the implementation status of education relating to advertisements and other activities for providing product information and sales promotions, please refer to "Compliance education" on p. 66.)

### Transparent relationships between corporate activities and medical institutions

The supply of advanced medical devices and pharmaceuticals that meet sophisticated needs requires not only the efforts of individual companies but also cooperation with universities and other research and medical institutions at all stages of the process, ranging from research and development to production and sales. Sometimes this cooperation entails monetary compensation.

Terumo seeks to ensure transparency in such activities through adherence to high ethical standards.

In Japan, Terumo has formulated its Transparency Guidelines for the Relationships between Corporate Activities and Medical Institutions in compliance with the Clinical Trials Act and voluntary industry rules. Based on these guidelines, we disclose the status of funding to medical institutions and medical professionals.

### Basic Policy on Tax

Terumo Group’s mission is “Contributing to Society through Healthcare.” Guided by this mission, Terumo Group conducts business based on strict legal compliance and corporate ethics and aims to achieve sustainable growth, maximize long-term corporate value, and meet the expectations of its worldwide stakeholders. In conformity with its mission, Terumo Group takes the following actions in conducting tax management.

- **Compliance with Laws and Regulations**  
 Terumo Group complies with international taxation rules, such as the OECD Transfer Pricing Guidelines, and the laws of all countries in which it conducts business activities to maintain tax compliance.
- **Proper Tax Payment**  
 Terumo Group, as a responsible corporate citizen, aims to contribute to society by properly paying taxes in the countries where Terumo Group conducts business activities.
- **Transparency**  
 Terumo Group discloses tax-related information appropriately to relevant parties such as tax authorities, shareholders, and the communities of each country to ensure transparency in taxation practices in aiming to be a highly socially responsible corporation.
- **Relationship with the Tax Authorities**  
 Terumo Group constructs and maintains appropriate relationships with the tax authorities where Terumo Group conducts business activities and does not attempt to obtain unfair benefits from the tax authorities.
- **Tax Planning**  
 Terumo Group does not implement tax planning that is not in line with business substance and/or is intended to avoid taxes.
- **Corporate Value**  
 Through above tax management, Terumo Group ensures that an appropriate tax burden is borne while maximizing its corporate value.

### R&D ethics

#### Basic approach

The development of medical devices, pharmaceuticals, and other products requires us to conduct animal experiments and clinical research on human beings to evaluate the safety and efficacy of these products. In its research activities, Terumo always acts in an appropriate manner based on both an ethical and a scientific perspective. We therefore observe the principles of the Declaration of Helsinki\* and comply with Good Clinical Practices (GCP), the standards for conducting clinical trials of medical devices, pharmaceuticals, and other medical products such as regenerative medicine products as well as the pharmaceutical laws of countries in which we operate and other relevant regulations and standards. In addition, we have established the internal Research Ethics Review Committee and the Institutional Animal Care and Use Committee to ensure high ethical standards and respect for animal welfare in our R&D activities.

\* Declaration of Helsinki—Ethical Principles for Medical Research Involving Human Participants, a set of ethical guidelines for clinical research

#### Ethics in clinical research and clinical trials

In accordance with Japan’s Ethical Guidelines for Medical and Biological Research Involving Human Subjects, Terumo has established the Terumo Research Ethics Policy, which outlines fundamental principles respecting human rights and dignity in clinical research. The Terumo Research Ethics Review Committee, which includes members from outside the Terumo Group, has been formed following this policy to evaluate the social value and scientific validity of all clinical research projects prior to commencement. The status of this committee’s activities is registered and disclosed through the Ethical Review Committee Reporting System of Japan’s Ministry of Health, Labour and Welfare.

Clinical trials aimed at the acquisition of manufacturing and sales approval are conducted in accordance with the principles of the Declaration of Helsinki and in compliance with GCP put forth in the relevant countries. GCP defines all of the items for which compliance is required by the medical institutions conducting clinical trials; an investigator and staff responsible for the clinical trials, and the sponsors of the study. The Terumo Group formulates

and adheres to procedures based on GCP to ensure the quality of clinical trials and to acquire highly reliable data. Moreover, clinical trials are monitored to confirm adherence to the defined procedures and, most importantly, to ensure that the human rights, protection of personal data, and safety of trial participants are being prioritized.

#### Ethics in animal experiments

In its quest to fulfill the Group Mission of “Contributing to Society through Healthcare,” Terumo performs research and development on medical devices, pharmaceuticals, and other products and provides training to healthcare professionals on the safe use of its products in medical settings. For these reasons, certain animal experiments are unavoidable. Those animal experiments that cannot be avoided are performed appropriately with due consideration to animal welfare.

Terumo has established internal regulations on animal experiments based on relevant laws and guidelines such as the Act on Welfare and Management of Animals and the Standards relating to the Care and Keeping and Reducing Pain of Laboratory Animals. We have also formed the Institutional Animal Care and Use Committee. The committee examines protocols, confirms the conclusion of experiments, performs animal husbandry management while taking animal welfare into consideration, and provides training for staff engaged in animal experiments to ensure that we adhere to the “Three Rs” stipulated by relevant laws—Replacement (to replace animal studies with other methods), Reduction (to use fewer animals), and Refinement (to alleviate pain and distress). Moreover, the Institutional Animal Care and Use Committee carries out self-inspections to assess compliance with the relevant laws, and third-party verification and certification is received from the Association for Assessment and Accreditation of Laboratory Animal Care International or the Japan Pharmaceutical Information Center, which are international third-party organizations that accredit and assess animal care and use programs. When contracting animal experiments to third parties, Terumo also verifies that subcontractors are practicing proper compliance.

## Data section

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## Human resources and labor data

### Associate data

		Scope	FY2022	FY2023	FY2024
Number of associates by geographic area	Japan	Terumo Group	7,328	7,537	7,685
	Europe		2,408	2,473	2,440
	Americas		13,495	13,231	13,100
	Asia and others		6,976	7,350	7,464
	Total		30,207	30,591	30,689
Number of associates	Male	Terumo Corporation	4,426	4,453	4,452
	Female		1,031	1,101	1,181
	Total		5,457	5,554	5,633
Average age	Male	Terumo Corporation	43.30	41.13	41.24
	Female		37.00	36.70	36.52
	Total		40.50	40.26	40.26
Average years of service	Male	Terumo Corporation	17.7	17.1	17.0
	Female		11.4	11.2	10.9
	Total		16.3	15.9	15.7
Average salary (yen)		Terumo Corporation	7,650,863	7,554,701	7,784,646
Gender pay gap* (%)	All associates	Terumo Corporation	81.9	81.4	82.3
	Fulltime associates		82.5	81.8	82.6
	Part-time and fixed-term associates		86.0	82.9	83.2
Number of new graduate hires	Male	Terumo Corporation	143	150	128
	Female		60	90	94
	Total		203	240	222
Number of mid-career hires	Male	Terumo Corporation	95	100	96
	Female		43	46	55
	Total		138	146	151
	Mid-career hires as ratio of all regular, fulltime associates hired in that year (%)		40	38	40
Number of voluntary turnover (resigning due to personal reasons)	Male	Terumo Corporation	71	103	119
	Female		27	45	35
	Total		98	148	154
Turnover rate (%)	Male	Terumo Corporation	2.0	2.3	2.9
	Female		2.6	4.1	3.2
	Total		1.8	2.7	2.9

\* The gender pay gap calculation includes associates seconded to other companies as part of their original company but excludes those seconded to overseas group companies.

### DE&I

		Scope	FY2022	FY2023	FY2024
Number and ratio of female Group Executive Officers*1	Total number of Group Executive Officers	Terumo Group	19	24	24
	Number of female Group Executive Officers		2	3	4
	Ratio of female Group Executive Officers (%)		10.5	12.5	16.7
Ratio of female associates in global key positions (%)*1		Terumo Group	16.1	20.1	20.1
Ratio of female associates in managerial positions (%)		Terumo Group	30.8	31.3	30.8
Ratio of female associates (%)		Terumo Group	46.8	46.3	46.4
Number and ratio of female associates in managerial positions	Total number of associates in managerial positions	Terumo Corporation	942	959	1,017
	Number of female managers		90	100	122
	Ratio of female managers in managerial positions (%)		9.6	10.4	12.0
Number and ratio of female general managers (or equivalent)	Total number of general managers (or equivalent)	Terumo Corporation	219	234	248
	Number of female general managers (or equivalent)		16	21	24
	Ratio of female general managers (or equivalent) (%)		7.3	9.0	9.7
Number and ratio of female managers (or equivalent)	Total number of managers (or equivalent)	Terumo Corporation	723	725	769
	Number of female managers (or equivalent)		74	79	98
	Ratio of female managers (or equivalent) (%)		10.2	10.9	12.7
Number and ratio of female associates newly appointed to managerial positions	Total number of associates newly appointed to managerial positions	Terumo Corporation	163	55	71
	Number of female associates newly appointed to managerial positions		26	8	17
	Ratio of female associates newly appointed to managerial positions (%)		16.0	14.5	23.9
Number and ratio of female chiefs	Total number of chiefs	Terumo Corporation	1,178	1,164	1,133
	Number of female chiefs		217	220	226
	Ratio of female chiefs (%)		18.4	18.9	19.9
Ratio of female associates (%)		Terumo Corporation	18.9	19.8	21.0
Ratio of non-Japanese in Group Executive Officers (%)		Terumo Group	33.3	33.3*1	33.3*1
Ratio of non-Japanese in global key positions (%)*1		Terumo Group	54.0	61.5	59.3
Ratio of mid-career hires in Group Executive Officers (%)		Terumo Group	50.0	52.6	50.0
Ratio of mid-career hires in managerial positions (%)		Terumo Corporation	21.5	23.0	23.2
Number and ratio of retirees rehired under TES*2	Number of retirees	Terumo Corporation	175	106	106
	Number of retirees rehired under TES		136	81	88
	Ratio of retirees rehired under TES (%)		77.7	76.4	83.0
Ratio of associates with disabilities (%)		Terumo Corporation	2.26	2.41	2.47

\*1 The figures indicate the data as of April 1 of the subsequent fiscal year (e.g., the figures in the fiscal 2024 columns represent the data as of April 1, 2025).

\*2 TES: Terumo Expert System (Reemployment system for retirees)

### Work-life balance

		Scope	FY2022	FY2023	FY2024
Number of associates taking maternity and childcare leave	Associates taking maternity leave	Terumo Corporation	56	27	54
	Associates taking spousal childbirth leave		0	1	0
	Associates taking childcare leave (female)		95	31	45
	Associates taking childcare leave (male)		104	118	98
	Ratio of female associates returning to work after childcare leave (%)		100	100	100
	Ratio of male associates returning to work after childcare leave (%)		100	100	100
	Ratio of applicable male associates taking childcare leave (%)		68.8	76.6	80.9
	Average number of childcare leave days taken by applicable male associates		27.0	32.1	45.2
Number of associates taking caregiving leave	Associates taking long-term caregiving leave	Terumo Corporation	4	1	1
	Associates taking leave (caregiving/family illness)		20	13	14
Number of former associates rehired	Registered	Terumo Corporation	9	6	4
	Rehired		3	2	1
Ratio of paid vacation days taken (%)		Terumo Corporation	71.1	73.2	73.8
Average number of paid vacation days taken		Terumo Corporation	13.9	14.2	14.3
Average hours of overtime worked per month		Terumo Corporation	18.8	18.5	18.4

### Occupational health and safety

		Scope	FY2022	FY2023	FY2024
Fatal and serious work-related accidents	Fatalities	Terumo Group	0	0	0
	Serious work-related accidents		2	2	0
Accidents resulting in lost work days		Terumo Corporation	2	3	5
Frequency rate		Terumo Corporation	0.19	0.27	0.44
Severity rate		Terumo Corporation	0.001	0.001	0.012

### Promotion of “Kenko Keiei” (Health and productivity management)

#### 1. Reduction of ratio of smokers and ratio of associates diagnosed with metabolic syndrome

##### Ratio of smokers and ratio of associates diagnosed with metabolic syndrome\*

		Scope	FY2022	FY2023	FY2024
Smokers (%)	Terumo Corporation		23.3	21.8	21.0
Associates diagnosed with metabolic syndrome (%)			32.4	32.2	32.5

\* The ratio of associates diagnosed with metabolic syndrome is calculated based on the number of associates whose body metrics have surpassed the threshold for being judged to have metabolic syndrome and those who are at risk of surpassing this threshold.

#### 2. Early diagnosis and treatment of cancer to enable associates to return to the workplace

##### Cancer screening rates

		Scope	FY2022	FY2023	FY2024
Stomach (%)	Terumo Corporation		95.0	95.8	93.8
Colon (%)			90.0	91.4	91.3
Upper abdomen (%)			93.6	95.4	93.6
Lung (sputum) (%)			40.7	46.6	46.4
PSA (%)			93.6	95.6	86.9
Breast (%)			63.3	70.2	86.6
Cervix (%)			62.9	62.1	68.0

#### 3. Women's health

##### Breast cancer and cervical cancer screening rates

		Scope	FY2022	FY2023	FY2024
Breast (%)	Terumo Corporation		63.3	70.2	86.6
Cervix (%)			62.9	62.1	68.0

## Environmental data

### CO<sub>2</sub> emissions (Scope 1+2)

		FY2018	FY2022	FY2023	FY2024
Japan (t-CO <sub>2</sub> )	Scope 1	42,084	43,080	42,313	41,261
	Scope 2	110,203	46,910	50,329	44,155
	Total	152,287	89,990	92,643	85,416
Overseas (t-CO <sub>2</sub> )	Scope 1	18,614	24,069	21,809	21,232
	Scope 2	110,477	106,277	91,579	89,189
	Total	129,091	130,346	113,388	110,421
Total (t-CO <sub>2</sub> )	Scope 1	60,698	67,148*	64,123*	62,493*
	Scope 2	220,680	153,187*	141,908*	133,344*
	Total	281,378	220,335*	206,031*	195,837*
Increase/decrease compared to FY2018 (%)		-	-21.7	-26.8	-30.4
Index of emissions per unit of revenue (FY2018=100)		100	57.2	47.6	40.3

\* Data assured by a third party

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

Note: CO<sub>2</sub> emissions are calculated by using the CO<sub>2</sub> emission factors for electricity for each fiscal year provided by power companies.

### FY2024 CO<sub>2</sub> emissions (Scope 3)

(t-CO<sub>2</sub>e)

		Emissions volume	Method of calculation
Category 1	Purchased goods and services	797,734	For the Terumo Group in Japan, emissions volume is calculated by multiplying purchasing costs by the emission intensity as based on the inter-industry input-output table. For the Terumo Group overseas, emissions volume is calculated based on the amount of revenue.
Category 2	Capital goods	216,576*	Calculated by multiplying emission intensities per capital goods price by the total value of fixed assets (excluding land, buildings under construction, and intangible fixed assets other than software) acquired in that fiscal year.
Category 3	Fuel- and energy-related activities (not included in Scope 1 or 2)	60,354*	Calculated by multiplying the amounts of purchased fuel, electric power, and heat by their respective emission intensities. Transmission and distribution loss is included when calculating purchased electric power.
Category 4	Upstream transportation and distribution	106,161	Calculated by multiplying logistics costs for each transportation mode, and handling and storage costs, by the respective emission intensity.
Category 5	Waste generated in operations	2,553	Multiplying amounts of waste generated by the emission intensity for each category of waste
Category 6	Business travel	4,001	Multiplying the number of employees by emission intensity per employee
Category 7	Employee commuting	9,347	Multiplying the number of employees by emission intensity per category of work or area classification
Category 8	Upstream leased assets	0	Emissions associated with leased company vehicles and leased office buildings are included under Scope 1 and 2
Category 9	Downstream transportation and distribution	4,573	Multiplying product weight by emission intensities using a standard transportation and distance model
Category 10	Processing of sold products	0	Intra-group processing is included under Scope 1 and 2
Category 11	Use of sold products	10,668	Calculated by multiplying the lifetime electricity consumption of principal medical engineering products (pumps) by the emission intensity.
Category 12	End-of-life treatment of sold products	170,231	For the Terumo Group in Japan, emissions volume is calculated by multiplying weight of shipped products by emission intensity for waste processing. For the Terumo Group overseas, emissions volume is calculated based on the amount of revenue.
Category 13	Downstream leased assets	0	Emissions associated with products leased to customers are included under "Use of sold products"
Category 14	Franchise	0	Not applicable as facilities classed as franchise operations are not owned
Category 15	Investments	0	Not applicable as no emissions were generated through investments
Total		1,382,198	

\* Data assured by a third party

Scope: Terumo Group

Note: The figures above are calculated based on the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.7) compiled by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.

## Environmental data

### CO<sub>2</sub> emissions (Scope 3)

	FY2022	FY2023	FY2024
<b>Index of emissions per unit of revenue (FY2018 = 100)</b>	88.7	80.3	69.7

Scope: Terumo Group

Note: The figures above are calculated based on the Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.7) compiled by the Ministry of the Environment and the Ministry of Economy, Trade and Industry. The calculation method for certain data has been updated to enhance accuracy. Consequently, historical data has also been adjusted to align with this new calculation method.

### Energy consumption

Fuel type	FY2022	FY2023	FY2024
Gas (MWh)	318,358	319,551	312,145
LPG (MWh)	19,044	19,632	19,042
Heavy oil (MWh)	9,017	8,733	8,735
Diesel oil (MWh)	1,619	2,156	2,356
Gasoline (MWh)	12,157	10,990	8,813
Heating oil (MWh)	1	0	0.2
Electricity (MWh)	520,938	522,581	517,065
Steam (MWh)	32,448	28,946	23,095
Steam [excluding steam for industrial use], hot water, and cold water (MWh)	1,509	1,242	1,252
Cold water (MWh)	171	151	244
Hot water (MWh)	0	0	3
<b>Total (MWh)</b>	<b>915,262*</b>	<b>913,984*</b>	<b>892,748*</b>
<b>Index of consumption per unit of revenue (FY2018 = 100)</b>	<b>82.0</b>	<b>73.0</b>	<b>63.4</b>

\* Data assured by a third party

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

### Renewable energy use

	FY2022	FY2023	FY2024
<b>Renewable energy use (MWh)</b>	167,463* <sup>1</sup>	195,894* <sup>1</sup>	192,517* <sup>1</sup>
<b>Ratio of renewable energy use (%)<sup>*2</sup></b>	32.1* <sup>1</sup>	37.5* <sup>1</sup>	37.2* <sup>1</sup>

\*<sup>1</sup> Data assured by a third party

\*<sup>2</sup> The ratio of renewable energy use to total electricity use

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

### Total waste volume and recycling rate

	FY2022	FY2023	FY2024	
<b>Japan</b>	Total waste (t)	11,759	11,727	11,778
	Hazardous waste (t)*	1,433	1,419	1,267
	Volume recycled (t)	11,569	11,487	11,568
	Recycling rate (%)	98.4	98.0	98.2
<b>Overseas</b>	Total waste (t)	12,365	12,811	13,533
	Hazardous waste (t)	1,387	1,732	1,664
	Volume recycled (t)	10,231	10,417	11,557
	Recycling rate (%)	82.7	81.3	85.4
<b>Total</b>	Total waste (t)	24,124	24,538	25,311
	Hazardous waste (t)	2,819	3,151	2,931
	Volume recycled (t)	21,800	21,904	23,125
	Recycling rate (%)	90.4	89.3	91.4

\*The volume of specially controlled industrial waste as prescribed by Japan's Waste Management and Public Cleansing Act.

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

## Environmental data

### Final waste disposal

	FY2022	FY2023	FY2024
Total waste (t)	11,759	11,727	11,778
Final waste disposal (t)	14	12	11
Ratio of final waste disposal to total waste (%)	0.12	0.10	0.09

Scope: Terumo Group business sites in Japan

### Collection and recycling of small rechargeable batteries

	FY2022	FY2023	FY2024
Nickel-cadmium batteries (kg)	1,327	869	804
Nickel-metal hydride batteries (kg)	2,494	2,437	2,896
Lithium-ion batteries (kg)	1,716	1,947	2,849
Sealed lead-acid batteries (kg)	228	291	337

Scope: Terumo Corporation business sites in Japan

### Water use (water withdrawal) volume

	FY2022	FY2023	FY2024
Japan (1,000m <sup>3</sup> )	3,738	3,881	3,826
Overseas (1,000m <sup>3</sup> )	1,425	1,250	1,158
Total (1,000m <sup>3</sup> )	5,162	5,131	4,984*
Index of water use per unit of revenue (FY2018 = 100)	69.5	61.5	53.1

\* Data assured by a third party. The actual assured value was in m<sup>3</sup>; this has been rounded off to the nearest 1,000m<sup>3</sup>.

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

### Water discharge volume

	FY2022	FY2023	FY2024
Japan (1,000m <sup>3</sup> )	2,836	2,946	2,930
Overseas (1,000m <sup>3</sup> )	1,195	1,051	943
Total (1,000m <sup>3</sup> )	4,031	3,996	3,873

Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

### Calculated fluorocarbon leakage amount

	FY2022	FY2023	FY2024
Emissions (t-CO <sub>2</sub> e)	365.3	326.4	899.4

Scope: Terumo Group business sites in Japan

### Major violations of environmental laws and regulations (air and water pollution, etc.)

	FY2022	FY2023	FY2024
Total amount of fines (billion yen)	0	0	0
Total number of penalties other than fines	0	0	0

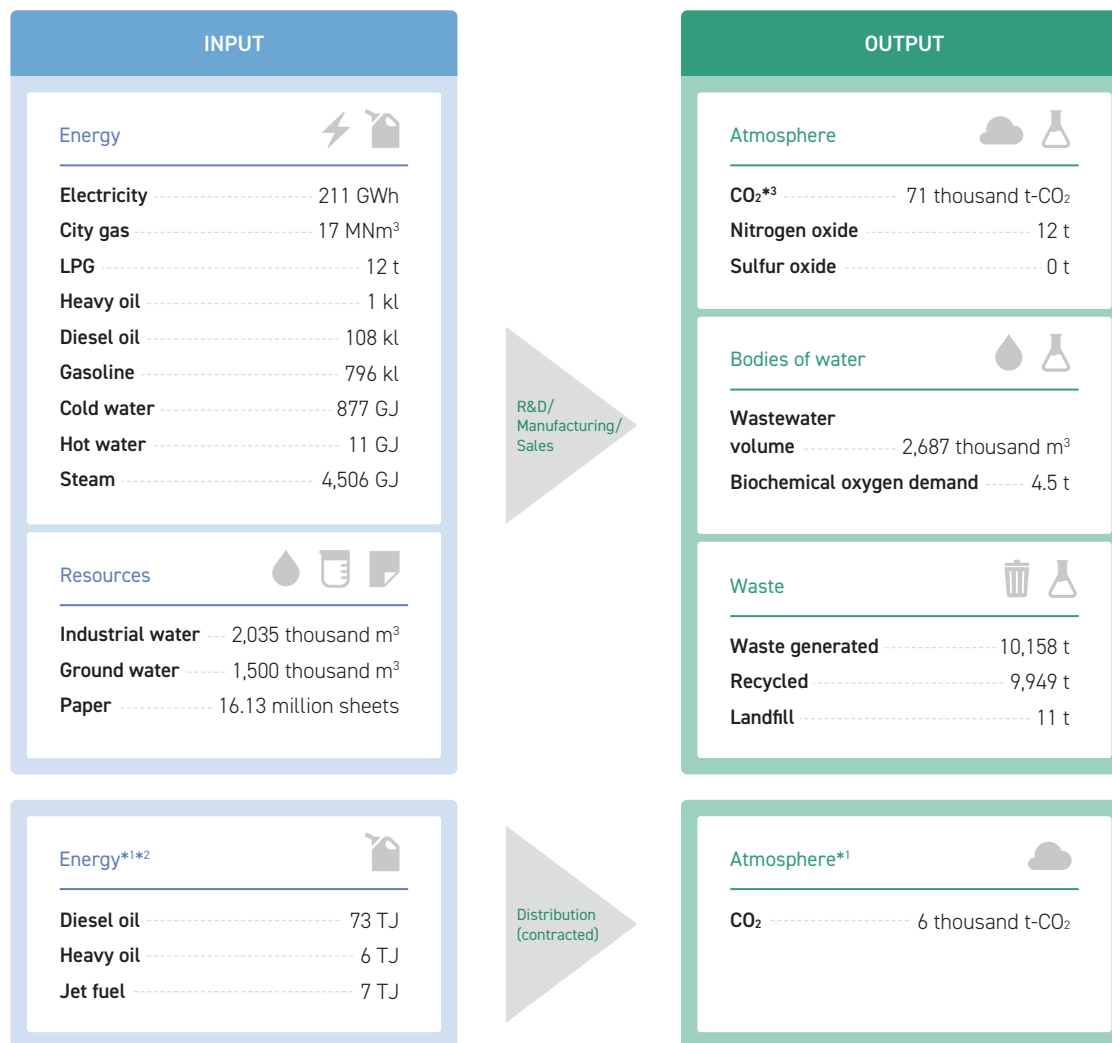
Scope: Terumo Group business sites in Japan and manufacturing and R&D sites overseas

## Environmental data

### FY2024 site data (Manufacturing and R&D sites)

Region	Site	Location	CO <sub>2</sub> emissions [Scope 1+2] (t-CO <sub>2</sub> )	Water use (1,000m <sup>3</sup> )	Total waste emissions (t)	Recycled amount (t)
Japan	Fujinomiya Factory	Shizuoka, Japan	27,308	1,930	3,322	3,322
	Ashitaka Factory	Shizuoka, Japan	13,997	461	2,880	2,816
	Kofu Factory	Yamanashi, Japan	22,871	1,063	3,619	3,495
	ME Center	Shizuoka, Japan	245	2	71	71
	R&D Center (Shonan Center)	Kanagawa, Japan	3,733	73	233	211
	Terumo Clinical Supply Co., Ltd.	Gifu, Japan	532	4	37	37
	Terumo Yamaguchi Corporation	Yamaguchi, Japan	13,505	287	1,572	1,572
Americas	Terumo Medical Corp. (Elkton Factory)	Maryland, USA	7,922	45	465	373
	Terumo Cardiovascular Systems Corp. (Elkton Factory)	Maryland, USA	4,918	22	413	317
	Terumo Cardiovascular Systems Corp. (Ann Arbor Factory)	Michigan, USA	2,372	0.2	26	12
	MicroVention, Inc.	California, USA	1,775	23	550	336
	Terumo BCT, Inc. (Lakewood Factory)	Colorado, USA	9,401	57	680	280
	Terumo BCT, Inc. (Littleton Factory)	Colorado, USA	4,286	14	923	698
	Bolton Medical, Inc.	Florida, USA	541	3	412	271
	Terumo Puerto Rico LLC	Commonwealth of Puerto Rico	1,041	2	94	56
	MicroVention Costa Rica, S.r.l.	San Jose, Costa Rica	159	38	786	779
	TFB Manufacturing S.r.l. (Terumo BCT Costa Rica Factory)	Cartago, Costa Rica	44	19	992	992
	Terumo Cardiovascular Costa Rica LLC, S.r.l.	Cartago, Costa Rica	19	9	308	261
	Kalila Medical, Inc.	California, USA	93	1	44	22
	Europe	Terumo Europe NV	Leuven, Belgium	2,828	24	970
Vascutek Ltd.		Glasgow, UK	939	28	204	204
Terumo BCT, Ltd.		Larne, UK	2,651	77	739	722
Asia	Terumo Medical Products (Hangzhou) Co., Ltd.	Zhejiang, China	24,623	196	1,257	1,223
	Terumo (Philippines) Corp.	Laguna, Philippines	23,532	233	1,447	1,287
	Terumo Penpol Pvt. Ltd.	Kerala, India	12,160	39	1,032	849
	Terumo Vietnam Co., Ltd.	Hanoi, Vietnam	3,716	227	897	875
	Terumo BCT Vietnam Co., Ltd.	Dong Nai, Vietnam	5,626	89	1,276	1,013
	Essen Technology (Beijing) Co., Ltd.	Beijing, China	1,775	10	18	18

Material flow



Scope: Terumo Corporation business sites in Japan

\*1 The volume of energy use and CO<sub>2</sub> emissions to the atmosphere associated with distribution indicates the volume resulting from distribution in Japan.

\*2 The volume of energy use associated with distribution is calculated using the ton-kilometer method in accordance with Japan's Act on the Rational Use of Energy.

\*3 The CO<sub>2</sub> emissions factors for electricity are the fiscal 2024 factors provided by power companies.

## INDEPENDENT ASSURANCE STATEMENT

To: Terumo Corporation



Bureau Veritas Japan Co., Ltd. (Bureau Veritas) has been engaged by Terumo Corporation (Terumo) to provide limited assurance over sustainability information selected by Terumo. This Assurance Statement applies to the related information included within the scope of work described below.

### Selected information

The scope of our work was limited to assurance over the following information included within Terumo Report 2025 for the period of April 1, 2024 through March 31, 2025 (the 'Selected Information'):

- 1) The following environmental data through business operations of Terumo Group's 43 sites within Japan (six factories, three R&D bases, two headquarters offices, 27 sales offices, one facility for simulated medical experience and four subsidiary offices) and 21 sites outside Japan (20 factories and one R&D base)
  - Scope 1 emissions (CO<sub>2</sub> from energy use)
  - Scope 2 emissions (market-based)
  - Total of Scope 1 emissions (CO<sub>2</sub> from energy use) and Scope 2 emissions (market-based)
  - Scope 3 emissions (Category 3)
  - Energy consumption
  - Renewable energy use
  - Ratio of renewable energy use to total electricity use
  - City water use
  - Well water use
  - Rainwater use
  - Total water withdrawal
- 2) The Terumo Group (Terumo Corporation and 99 consolidated subsidiaries)
  - Scope 3 emissions (Category 2)

### Reporting criteria

The Selected Information needs to be read and understood together with the internal reporting criteria defined by Terumo.

### Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Any other information which is not listed as the 'Selected Information'.

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

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### Responsibilities

This preparation and presentation of the Selected Information are the sole responsibility of the management of Terumo.

Bureau Veritas was not involved in the drafting of the Selected Information or of the Reporting Criteria.

Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Directors of Terumo.

### Assessment Standard

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Effective for assurance reports dated on or after December 15, 2015) issued by the International Auditing and Assurance Standards Board.

For the greenhouse gas emissions data, we undertook verification in accordance with the requirements of ISO14064-3 (2019): Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

### Summary of work performed

As part of our independent verification, our work included:

1. Conducting interviews with relevant personnel of Terumo;
2. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;
3. Reviewing documentary evidence provided by Terumo;
4. Reviewing Terumo systems for quantitative data aggregation and analysis;
5. Verification of sample of data back to source by carrying out four physical site visits selected on a risk based bases at the following locations:
  - [Site visit]
    - Terumo Corporation Head Office
    - Terumo Corporation Kofu Factory
    - Terumo Corporation ME Center
    - Terumo BCT Vietnam Co., Ltd
6. Reperforming a selection of aggregation calculations of the Selected Information;
7. Comparing the Selected Information to the prior year amounts taking into consideration changes in business activities, acquisitions and disposals.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been

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performed.

**Verified greenhouse gas emissions**

We performed our verification work on greenhouse gas emissions data in accordance with the requirements of ISO 14064-3(2019).

Verified data in greenhouse gas assertion made by Terumo are as follows.

	Greenhouse gas emissions [t-CO <sub>2</sub> e]	Boundary
Scope 1 (CO <sub>2</sub> from energy use)	62,493	Greenhouse gas emissions from fuel, and electricity, steam-chilled/hot water through business operations of Terumo Group's 43 sites within Japan (six factories, three R&D bases, two headquarters offices, 27 sales offices, one facility for simulated medical experience and four offices) and 21 sites outside Japan (20 factories and one R&D base) for the period of April 1, 2024 through March 31, 2025
Scope 2 (market-based)	133,344	
Scope 3 Category 2	216,576	The total amount of fixed assets acquired by the Terumo Group (Terumo Corporation and 99 consolidated subsidiaries) excluding land, construction in progress, and intangible fixed assets other than software for the period of April 1 2024 through March 31, 2025
Scope 3 Category 3	60,354	Upstream emissions from purchased fuel, and electricity, steam-chilled/hot water for business operations of Terumo Group's 43 sites within Japan (six factories, three R&D bases, two headquarters offices, 27 sales offices, one facility for simulated medical experience and four subsidiary offices) and 21 sites outside Japan (20 factories and one R&D base) for the period of April 1, 2024 through March 31, 2025

**Conclusion**

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria;
- It is our opinion that Terumo has established appropriate systems for the collection, aggregation and analysis of quantitative data within the scope of our work.

**Statement of Independence, Integrity and Competence**

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates Quality Management System which complies with the requirements of globally recognized quality management standard, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we

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consider to be equivalent to ISQM 1 & 2<sup>1</sup>.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>2</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behavior and high ethical standards in their day-to-day business activities. We consider this to be equivalent to the requirements of the IESBA code<sup>3</sup>.

Bureau Veritas Japan Co., Ltd.  
4-6-2 Minatomirai, Nishi-ku, Yokohama, Japan  
October 2, 2025

<sup>1</sup> International Standard on Quality Management 1 & 2  
<sup>2</sup> International Federation of Inspection Agencies - Compliance Code - Third Edition  
<sup>3</sup> Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants

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