

CSV and ESG themes of the GS26

At Terumo, we position the creation of social value (CSV) by contributing to advancing healthcare and enhancing patients' quality of life, which is Terumo's purpose, 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. 29.)

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.

Amit P Amin et al. JACC Cardiovascular Interventions, Amin AP, et al. J Am Coll Cardiol Intv. 2017 Feb, 10 (4)

CSV themes	<ol style="list-style-type: none"> Wider adoption of radial access procedures Training Personalized therapies
Monitoring items and KPIs	<ol style="list-style-type: none"> Rate of radial approach (FY2026) <ul style="list-style-type: none"> Coronary: 75%+ Peripheral: 20%+ Visceral: 15%+ Neurovascular : 15%+ The number of medical professionals that participated in training (TIS Division) Drive personalized therapies by promoting stent grafts, radioactive microspheres, and intrasaccular devices to be used for more treatments
FY2023 initiatives and results	<ol style="list-style-type: none"> Made steady progress in coronary and neurovascular interventions (Coronary: 73%, Peripheral: 5%, Visceral: 9%, Neurovascular: 8%) Returned face-to-face training to the pre-COVID-19 pandemic level (80%-90% of all training across all regions) <ul style="list-style-type: none"> Increased the number of training sessions by 30% compared to the previous year, while the number of participants decreased by just over 20% as a result of a higher proportion of face-to-face training (The number of participants: approx. 62,000.)* *FY2022 results Promoted personalized therapies in both digital and non-digital fields

CSV and ESG themes of the GS26

Medical Care Solutions Company

We are committed to creating unique solutions that provide more quality time for all people involved in healthcare, as our brand promise. 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.

CSV themes	<ol style="list-style-type: none"> 1. Perioperative solutions 2. Outpatient chemotherapy solutions 3. Renal care solutions
Monitoring items and KPIs	<ol style="list-style-type: none"> 1. Deliver the solutions to 1,000 medical institutions in Japan and overseas 2. Introduce the solutions to 20% of the designated cancer hospitals in Japan 3. Introduce the solutions to 20,000 patients in Japan and overseas
FY2023 initiatives and results	<ol style="list-style-type: none"> 1. Implemented perioperative and bedside care solutions in 668 medical institutions across the world <ul style="list-style-type: none"> • Made our smart infusion system compatible with the syringe pump control software for assisting total intravenous anesthesia, which was developed and sold by Nihon Koden in Japan Expanded introduction of our pump monitoring system in the markets outside of Japan (FY2023: Myanmar and Malaysia) 2. Introduced closed system drug transfer devices to over 30% of the designated cancer hospitals in Japan and submitted budget requests to several medical institutions for the introduction of outpatient chemotherapy system in Japan 3. Launched "Terumo PD MyCare," the application for managing peritoneal dialysis <ul style="list-style-type: none"> Completed the clinical trial for new peritoneal dialysate Started selling neutralized peritoneal dialysate in China, bringing the total number of patients using this product globally to approximately 9,200

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 performances across the blood and cell handling infrastructure, from blood processing to cell expansion in cell therapy manufacturing.

CSV themes	<ol style="list-style-type: none"> 1. Expand the impact of innovation by increasing the number of patients treated 2. Bring lifesaving technology to previously unreachable patients 3. Enhance efficiencies in the infrastructure of healthcare delivery
Monitoring items and KPIs	<ol style="list-style-type: none"> 1. Status of reimbursement obtained and disposable unit sales of major product platforms*: Double-digit annual growth of disposable unit sales <ul style="list-style-type: none"> *Whole blood bags and disposable sets for Reveos, TACSI, Trima Accel, Spectra Optia, Finia, and Quantum 2. Sales amount in China and Africa: Increased sales amount 3. Total number of whole blood automation devices installed: Increased the total number of devices installed
FY2023 initiatives and results	<ol style="list-style-type: none"> 1. Obtained three major reimbursements in the US and China <ul style="list-style-type: none"> 9% growth for disposable unit sales, an indicator of patients treated for major product platforms 2. China: <ul style="list-style-type: none"> • 9% sales growth • Advanced partnerships in hepatology and cell therapy markets. • Obtained reimbursement for cell collections and plasma exchange in multiple provinces. Africa: <ul style="list-style-type: none"> • 26% sales growth • Consensus amongst key opinion leaders in Ivory Coast, Kenya, and Uganda on approach for sickle cell disease solution • First adoption of whole blood automation devices in Zambia • Record 18 Spectra Optia implemented for cell transplants and red cell exchange 3. 12% sales growth of whole blood automation devices

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		KPI*1	FY2023 results*1
Achieve carbon neutrality	CO ₂ emissions (Scope 1 and 2, compared to FY2018)	Reduce by 50.4% (FY2030) Achieve carbon neutrality (FY2040)	Reduced by 26.8%
	Ratio of renewable energy use to total electricity use	50% (FY2030)	37.5%
Effective use of resources	Water use (Per unit of revenue, compared to FY2018)	Reduce by 20% (FY2030)	Reduced by 38.5%
	Recycling rate	90% (FY2030)	89.3%
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	0
	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: 2*2
Improve the Associate Experience	Results of the engagement survey conducted for associates	-	Please refer to the "Engagement survey" on P. 63.
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%*3 GKP: 61.5%*3
	Ratio of female managers (Terumo Corporation)	13% (FY2026)	10.4%
Effectiveness of the Board of Directors	Evaluation of the effectiveness of the Board of Directors (Terumo Corporation)	Conduct annually	Conducted*4
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 Japan: 0 / Outside Japan: 2

*3 As of April 1, 2024

*4 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. 79-80.