Terumo Report 2026



Group Mission

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.

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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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 first part of the Terumo Report focuses on the Terumo Group's overall management policies, its medium- to long-term growth strategies, and its initiatives for Creating Social Value (CSV) that address healthcare challenges.
The second part of the report 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

Business/financial information	Non-financial information

Terumo Report

Investor relations website
https://www.terumo.com/investors

- Financial results and presentation materials
- Information relating to the five-year growth strategy
- Terumo Corporation consolidated financial statements and notes
- Information relating to the general meeting of shareholders
- Stock information, etc.

Sustainability website
https://www.terumo.com/sustainability

- Sustainability policy, management structure, and priorities
- Highlights of sustainability initiatives
- GRI Standards Index, etc.

Corporate Governance Report
https://www.terumo.com/about/governance

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 2025, from April 1, 2025, through March 31, 2026, and includes some activities occurring before and after that period. (In this report, fiscal year 2025, which ended March 31, 2026, is referred to as "fiscal 2025," 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

CEO message



Hikaru Samejima
Chief Executive Officer of Terumo

Completing GS26, and moving into the next stage of growth

Aiming to become a truly global top-tier company by accelerating our solutions and delivering real transformation

Where we stand as we look to the next stage of growth
The final year of GS26, and a changing business environment

Terumo's five-year growth strategy, GS26, enters its final year this fiscal year. Inflation has now become entrenched across the global economy, and the environment surrounding companies is changing significantly. Structural cost increases, heightened geopolitical risk, rapid technological innovation, and intensifying global competition for talent are just some of the ways expectations placed on companies are rising. Even amid this changing environment, we have stayed focused on sustainable growth underpinned by capital efficiency and profitability, and have worked to enhance corporate value.

As a result, both revenue and operating profit reached record highs in fiscal 2025. I believe these results reflect the way we have conducted our business under our Group Mission of "Contributing to Society through Healthcare": confronting head-on the challenges facing medical settings and patients, and continually asking ourselves what our mission requires of us. I am convinced that this Group Mission, together with Our Promise established last year—our unwavering commitment to patients—provides an enduring foundation for our decisions, even in an era of intense change, and drives our sustained growth.

Going forward, we will remain grounded in these unchanging principles and prioritize the allocation of management resources, with capital efficiency in mind, to medium- to long-term growth opportunities. We are determined to deliver on GS26 in fiscal 2026, its final year.

CEO message

Looking beyond GS26
Exponential growth, and the evolution toward solutions

Terumo's journey does not end with the completion of GS26. With an eye on the next five years and beyond, we have been laying the groundwork for growth all along—through internal development and capital investment to strengthen our existing businesses, and through external investments such as new innovations and M&A aimed at accelerating growth.

And now, these efforts are steadily beginning to bear fruit. In each of our companies, for example, the strategic vision set out in GS26—From Devices to Solutions—is beginning to take shape in the form of actual products and business models.

At the Cardiac and Vascular Company, we launched the intravascular imaging system Dual Sensor System™ (DSS) this fiscal year. It integrates two technologies that were previously used separately—intravascular ultrasound (IVUS) and optical frequency domain imaging (OFDI)—into a single catheter. This makes it possible to acquire both IVUS and OFDI images in real time, contributing to greater precision in diagnosis and treatment. We hold a high share and a strong track record in Japan's intravascular imaging market. Building on this strength, we will now work to expand our business in the U.S. market, which offers significant growth potential, and aim to capture further growth opportunities.

The Medical Care Solutions Company is making powerful progress in transforming its business model. The self-administration device for an Alzheimer's disease treatment, co-developed with Eisai Co., Ltd., has opened up the possibility of turning what was previously an infusion administered over more than an hour at a medical institution into self-administration at home in under 15 seconds. Under its brand promise, "Quality time for better care," the Medical Care Solutions Company aims to deliver quality time to everyone involved in healthcare. This effort not only contributes to improving the QOL of patients and their families, but also helps ease the burden on healthcare professionals and make better use of medical resources. I believe it is a prime example of a solution that delivers both patient value and social value at once.

In addition, against the backdrop of growing global demand for blood products, the Blood and Cell Technologies Company is working to solve the structural challenges facing blood suppliers—a shortage of donors, a shortage of labor, and rising costs. At the core of this effort is the automated blood processing system Reveos. By automating the process from separating whole blood into its components through to filling dedicated bags, it contributes to reducing human error and improving productivity. This system is becoming established as critical infrastructure supporting the standardization of customers' manufacturing processes. Furthermore, through a business model built on the ongoing demand for dedicated blood bags, it is achieving both the delivery of customer value and sustained growth in earnings.

In addition to this kind of internal development, in fiscal 2025 we also carried out cross-border M&A as part of our pursuit of exponential growth.

The first was the acquisition of OrganOx, a company that provides machine perfusion systems used in organ transplantation. This deal originated in the exploration and investment activities of our corporate venture capital arm, Terumo Ventures. I regard this not simply as an expansion of our business portfolio, but as an important investment that positions us to capture future growth opportunities. By realizing synergies between OrganOx's cutting-edge technology and Terumo's existing businesses, we aim to create new treatment value while steadily strengthening the R&D foundation that underpins our medium- to long-term growth.

The second was our acquisition of a drug production plant in Leverkusen, Germany, strengthening our presence in Europe, a strategically important pharmaceutical market. Terumo Europe already plays an important role as a device development and manufacturing base. With this new site, we have established a structure that further strengthens our drug-filling capacity in Europe. This will allow us to deepen our partnerships with global pharmaceutical companies and accelerate the global growth of our drug-filling device business by providing services and solutions that go beyond product supply.

I do not believe Terumo's future growth can be achieved simply by offering excellent products. I am convinced that our competitiveness will increasingly depend on our ability to provide solutions that address the underlying challenges facing patients, healthcare professionals, and healthcare systems. We will continue taking on the challenge of creating new technologies and business models, thereby expanding treatment opportunities for patients around the world, improving the quality of healthcare, and enhancing corporate value over the medium to long term.



Management priorities for fiscal 2026
Executing the transformation that strengthens our competitiveness

At the same time, with one year remaining in GS26, we recognize that achieving its financial targets will require further improvement in both profitability and capital efficiency. The areas we need to address are wide-ranging—from standardizing operations and eliminating duplication across our expanded global organization, to thoroughly improving cost efficiency in an inflationary environment.

We will set clear priorities among these challenges and, in this final year of GS26, push forward boldly with deeper operational improvement and higher profitability. And toward achieving the targets we have set, we will see through, with

CEO message



full resolve, what management needs to do. The concrete drivers of this will be the use of generative AI and operational optimization.

First, as the core of the transformation that will further strengthen our competitiveness, we are vigorously advancing the use of generative AI. We positioned fiscal 2025 as Terumo's year one of generative AI, and put in place an environment in which every associate in Japan can use generative AI. As a result, 85% of associates in Japan are already active users.

Building on this solid foundation, this fiscal year we are accelerating our evolution into an "AI Ready" company—one that uses AI as a partner to sharpen decision-making and improve operations. Looking further ahead toward GS31, our next five-year growth strategy, we envisage becoming an "AI Native" company in which AI use is assumed from the outset, enabling us to redesign business processes and create new value.

I myself believe that AI is not simply a tool for efficiency, but a source of competitiveness that extends the capabilities of each individual associate and generates new value. While backing associates as they take on new challenges, we will deepen our use of AI still further and connect it to long-term growth.

Alongside this digital transformation, we are also accelerating operational transformation. Last year, we began working to make our global operations visible, and we now have end-to-end visibility across our supply chain—from procurement through production to delivery. This fiscal year, we have also established a Group Supply Chain Department and are working to build an efficient operating structure that thoroughly eliminates duplication and waste across the Group.
Through these efforts, we will establish the safe and stable operations needed to fulfill our responsibility to supply medical settings around the world.

Progress in sustainability management, and deepening the creation of social value
Promoting CSV based on ESG

Terumo is working to increase corporate value over the medium to long term by practicing sustainability management.

On our foundational ESG initiatives, we are steadily seeing results. On the environmental front, we are working systematically toward achieving carbon neutrality by 2040, and also met our reduction target for fiscal 2025 Scope 1 and 2 emissions. In addition, CDP—an international non-profit organization that evaluates companies' environmental disclosure and initiatives—newly selected us for its A List, its highest rating, in the Climate Change category. We also continued to earn A List ratings in Water Security and Supplier Engagement. Our comprehensive approach to environmental issues is being highly regarded internationally.

On the social side, we are participating in a project run by Japan's Ministry of Health, Labour and Welfare to promote safe catheter treatment and develop healthcare professionals in Kenya. In addition to providing hands-on guidance in PCI (percutaneous coronary intervention) to local physicians, we are also working to train the next generation of trainers, helping to build a sustainable healthcare system capable of developing its own healthcare professionals. We will continue to contribute to raising the standard of local healthcare and creating long-term social value, including through the spread of the transradial approach, which carries a lower risk of complications.

On governance, we conduct an evaluation of the effectiveness of the Board of Directors every year. Since fiscal 2024, we have carried out anonymous questionnaires and interviews covering all directors and selected Executive Officers, so as to conduct a more objective analysis. The results reaffirmed that open and lively discussion is one of our strengths, and confirmed once again that the Board is operating effectively. Going forward, we will continue to work on important themes such as further enriching discussion on medium- to long-term growth and enhancing the Board's oversight function, and will keep strengthening our governance.

Also, for Terumo, as a company engaged in healthcare, Creating Shared Value (CSV) sits at the very core of our business. Through realizing healthcare that stays close to each individual patient, we aim to achieve both the resolution of social issues and the creation of economic value.

One form this value creation takes is helping each individual patient receive the treatment best suited to them. At the Cardiac and Vascular Company, the introduction of Woven EndoBridge 17, our latest intrasaccular device for the neurovascular field, has made it possible to treat diverse and complex aneurysms that used to be difficult to address. This product's excellent handling and treatment performance are contributing to improved patient safety and better treatment outcomes.

Furthermore, the intravascular imaging system DSS mentioned earlier supports the development of optimal treatment strategies suited to each patient's condition and improves diagnostic precision. This social value—the realization of personalized healthcare—also strengthens our competitiveness in the global market and contributes directly to profitable enhancement of corporate value.

The other pillar of our value creation is enabling patients to receive medical care at home. One representative example of this is peritoneal dialysis. By allowing patients to undergo dialysis at home, including overnight while they sleep, we ease the burden of hospital visits and help patients continue living life in their own way. In addition, in the field of supportive cancer care, the automated administration device G-Lasta BodyPod is helping to reduce the physical and psychological burden on patients of returning to the hospital the day after treatment. These solutions deliver quality time to patients while also contributing to improved QOL.

CEO message

We will continue to earnestly face the healthcare challenges society calls on us to solve, and will persist in our pursuit of a balance between social and economic value. And through CSV, we will achieve sustained growth in corporate value.

Toward sustained corporate value creation Talent and culture, GS31, and the future beyond

The needs of medical settings and patients will only become more sophisticated and diverse going forward. Building on our strengths in technology development, in creating products grounded in clinical practice, and in global business development, Terumo will continue to pursue value that raises the quality of healthcare itself. As a result, we aim to become a truly global top-tier company while achieving sustained revenue growth and profit expansion. From fiscal 2026 onward, Terumo will keep innovation as our driving force, transforming the future of healthcare as we continue to aim higher.

What underpins this sustained growth is our talent and our corporate culture. However excellent a strategy we design, it is people, and people alone, who execute it and create new value. I believe that drawing out the full value of our human capital, within a safe and comfortable working environment, is the most important source that supports Terumo's sustained growth.

Terumo has always cultivated a corporate culture that faces healthcare with sincerity and keeps taking on challenges. Going forward, we will evolve this culture even further, accelerating the building of an organization in which every individual, crossing borders and organizational boundaries, can play an active, self-directed role.

As a concrete step toward this transformation, we began operating our global talent platform, ONE Connect, in May 2024. This is a mechanism that lets our diverse associates find global growth opportunities for themselves, take part in projects that cross organizational boundaries, and achieve optimal talent placement.

Since it went live, results have steadily emerged. So far, optimal global talent placement has been achieved for around 15 key positions. In addition, new participants have joined around 45 cross-organizational projects. Through these efforts, opportunities are expanding for talent with different areas of expertise and experience to learn from one another and collaborate.

I am convinced that new innovation emerges when people with diverse knowledge come together. I believe that promoting collaboration across specialties and regions, and creating an environment in which every individual can fully realize their potential, will be a source of competitiveness that supports our next stage of growth.

In this way, we will strengthen our competitiveness by expanding our businesses and creating innovation in growth markets, enhancing our organizational capabilities, and investing in talent. Through these efforts, we will build a corporate foundation befitting a truly global top-tier company. As a company trusted by our stakeholders—starting with patients, customers, associates, and shareholders and investors—we will continue working to further enhance corporate value.

And, guided by our Group Mission of "Contributing to Society through Healthcare," and with our unwavering commitment to patients at heart, we will continue forging Terumo's future together with associates around the world.



Chief Executive Officer of Terumo

Value creation process

Our Common Identity

Group Mission
Contributing to Society through Healthcare

Our Promise
Unwavering commitment to patients

Core Values

Code of Conduct

Healthcare paradigm shift that Terumo is focusing on

Changing disease patterns
- Coexisting with the rapidly increasing chronic diseases due to the global improvement in living standards and the super-aging population in developed countries
- Overcoming the deterioration of organs and bodily functions associated with aging

Changing timescale
- Improving quality of life (QOL) over the long term
- Spread of monitoring for disease prevention and prognosis status
- Personalized disease management for each patient (Patient Journey)

Changes in technology
- Increasing adoption of biopharmaceuticals, and cell and gene therapies
- Broad adoption of personalized medicine through the evolution of genomic medicine and AI

Terumo's strengths

Corporate activities

Social value creation

Cardiac and Vascular Company
- Contributing to early discharge and the reduction of complications in response to the increasing need for medical cost-effectiveness
- Full-scale expansion of the therapeutic product pipeline in growth markets

Medical Care Solutions Company
- Providing patient-focused value that covers every aspect of care, not only in hospitals but also in the home
- Accelerating global expansion as the domestic market reaches maturity
- Providing solutions for pharmaceutical companies to maximize the value provided by their drugs
- Responding to market competition from low-priced products with proposals that provide value through new solutions

Blood and Cell Technologies Company
- Responding to changes in the market, such as the commercialization of cellular therapy products and an unstable blood supply, by building a presence in cell therapy processes and by providing innovative systems and services
- Responding to competitors' actions, such as the optimization of their portfolios, by promoting a shift away from selling products toward selling solutions, developing high-value-added services, and diversifying our portfolio

R&D / M&A
- Accelerating innovation by strategically and consistently combining short-, medium-, and long-term internal R&D with M&A and startup investments

Digital transformation
- Providing comprehensive care and solutions to support the patient journey

Corporate
- Implementation of a group-wide project to improve profitability (aiming to increase profitability by at least two percentage points by FY2026)

→ Achieving optimal performance in the key areas of production, procurement, logistics, and management on a global basis

→ Optimizing global production

Foundation supporting social value creation

People strategy
- Achieving transformation and change
  Developing global leaders, strengthening organization effectiveness and efficiency, and targeting critical skills development
- Enhancing Associate Experience
  Fostering a growth mindset, cultivating a DE&I culture, nurturing associate well-being, and recognizing associates for the value they create

Total quality (ensuring quality, safety, and stable supply)
- Ensuring the quality, safety, and stable supply of products and services
- Sustainable supply chain management
- Promoting safety measures for the working environment

Reducing the burden on the environment
- Initiatives to realize carbon neutrality
- Effective use of resources

Human rights
- Promoting safety measures for the working environment
- Established Terumo Group Human Rights Policy
- Became a signatory to the United Nations Global Compact

Governance and Compliance

- Group Mission and Core Values forming foundations of governance
- Enhancing global management structure (implementation of a Group Executive Officer system)
- Group-wide code of conduct and continuous compliance education

Capital invested

Financial capital

- Stable financial situation (As of May 29, 2025)
  Rating and Investment Information, Inc. (R&I): AA-
  Standard and Poor's (S&P): A-

Manufactured capital

- Global production network: 27 sites (Japan: 7 / Outside Japan: 20)
- Overseas production ratio: 64.3%
- Capital expenditure: ¥97.1 billion
- Collaboration on production among the companies and businesses within the Terumo Group

Intellectual capital

- R&D expenses/Ratio to revenue: ¥76.9 billion/6.8%
- Global R&D network
- Provision of various types of training for healthcare professionals in multiple regions, including at Terumo Medical Pranex in Japan
- Patents held: Approx. 8,300 (incl. patents held by overseas subsidiaries)

Social and relationship capital

- Trust and brand that Terumo has built over the past 100 years with Japanese healthcare professionals and patients
- Open innovation initiatives
- Communication with stakeholders

Human capital

- The number of associates (Terumo Group): 31,185
- Ratio of non-Japanese in Group Executive Officers: 30.4%*
- Ratio of non-Japanese in global key positions: 67.0%*

* As of April 1, 2025

- Ratio of female managers (Terumo Group): 31.6%
- Ratio of female managers (Terumo Corporation): 13.2%
- Appointment of a CXO to strengthen global management infrastructure

* Unless otherwise noted, the figures on this page are for FY2025 or as of the end of FY2025.

Value creation process

Outputs

Targets of the Five-year Growth Strategy GS26

Realize revenue growth that is superior to the market average growth rate, while also enhancing profitability and aiming to shift to a new growth model to help bring about a paradigm shift in healthcare

Growth

- Revenue growth rate: High single-digit growth (5-year CAGR)

Profitability

- Operating margin: 20%+ (in 5 years)

Capital efficiency

- ROIC: 10%+ (in 5 years)
- ROE: 10%+

Cash allocation

FY2022-2026

- **Operating cash flow: ¥800–900 billion**

+ Financing

- → Capital investment: ¥430–480 billion
- → Dividend: ¥130–180 billion
- → Acquisitions, shareholder returns*, etc.

* Aiming for total payout ratio of 50% or higher

Sustainability management: CSV

- Further adoption of radial access procedure
  Ratio of radial access procedure (FY2026)
  - Coronary: 75%+
  - Peripheral: 20%+
  - Visceral: 15%+
  - Neurovascular: 15%+

Sustainability management: ESG

- CO_2 emissions (Scope 1+2)
  - FY2030: 50.4% reduction (vs. FY2018)
  - FY2040: Carbon neutrality
- No. of critical market shortages: Zero
- No. of critical findings from regulatory authorities: Zero

Medium- to Long-term Vision

From Devices to Solutions

Focus in solutions: the 3Ds

Delivery

High-value-added biological access and delivery for advanced medical care

- Aiming for a world with 100% adoption of minimally invasive treatments

Digital

Disease-based approach focused on improving long-term patient quality of life (Patient Journey)

- Aiming to raise the treatment completion rate for chronic diseases to 100% through the effective utilization of digital technology

Deviceuticals

Maximize drug effectiveness through innovative devices

- Accelerating the evolution of combination products through delivery technology innovation, with the aim of raising the share of total sales held by combination products that integrate pharmaceuticals with devices to at least 50%

Outcome

Solving problems of medical settings

- Optimization of intra-hospital infrastructures
- Building ecosystems for new therapies such as cell and gene therapies
- Evaluation systems that contribute to health economics

Developing healthcare ecosystem

- Further improvement of less-invasive treatments
- Infection control
- Data utilization for diagnostics and therapy optimization
- Optimal delivery for new drugs

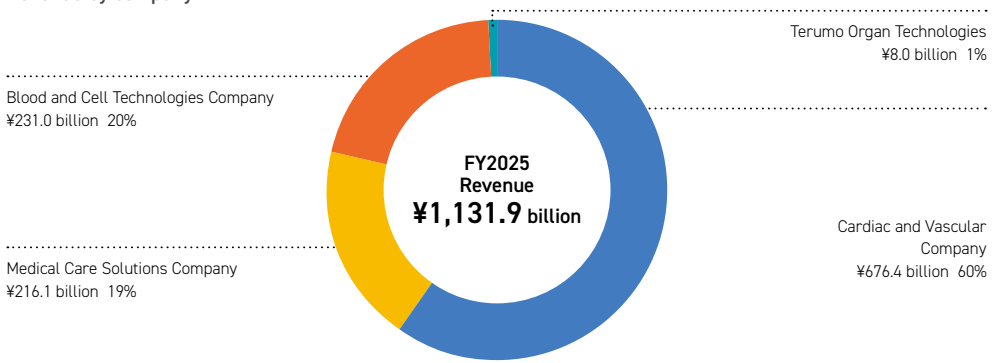
Improving patient quality of life

- Disease management:
  - Endovascular therapy for whole body
  - Diabetes, kidney diseases, cancer, etc.
  - Overcoming deterioration of body functions
- Personalized care that accompanies the patient journey

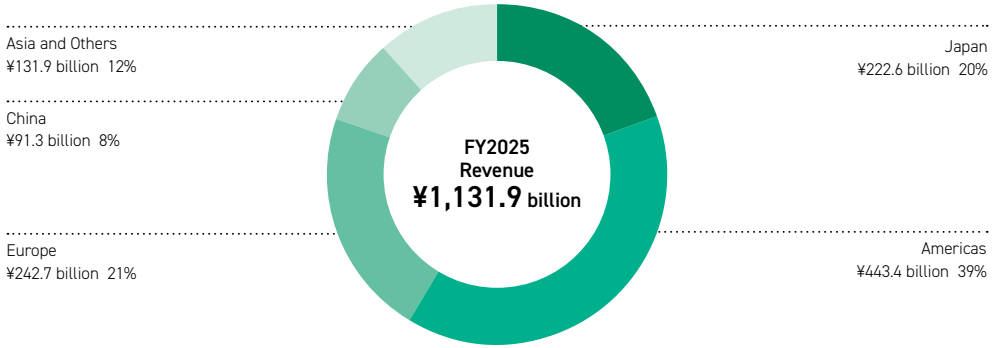
Terumo Group at a glance

Fiscal 2025 (Fiscal year ended March 31, 2026)

Revenue by company



Revenue by region



Note: Revenue composition ratios are rounded to the nearest whole number, and the total may not equal 100%.

Please visit the following pages for an overview of Terumo Corporation, including its businesses and history.

Who We Are (Company Overview) https://www.terumo.com/about/who-we-are

Business Overview https://www.terumo.com/business

History https://www.terumo.com/about/history

Revenue

¥1,131.9 billion

Operating profit/Operating margin

¥176.3 billion / 15.6%

Adjusted operating profit/ Adjusted operating margin

¥219.4 billion / 19.4%

ROIC

7.5%

ROE

9.2%

Free cash flow

-¥113.2 billion

Number of countries and regions

where Terumo Group's products are sold

160+

Number of products

52,000+

Number of consolidated subsidiaries

101

Number of R&D sites

22 (Japan 6 / Outside Japan 16)

R&D expenses/ Ratio to revenue

¥76.9 billion / 6.8%

Patents held

Approx. 8,300

Number of production sites

27 (Japan 7 / Outside Japan 20)

Number of associates (employees)

Terumo Group	31,185
Terumo Corporation	5,736

Ratio of female managers

Terumo Group	31.6%
Terumo Corporation	13.2%

CFO message



Completing GS26, and maximizing corporate value beyond it

My role as CFO: Serving as a key driver of corporate growth

For fiscal 2025, the fourth year of our five-year growth strategy, GS26, revenue grew 9% year on year to 1,131.9 billion yen, operating profit reached 176.3 billion yen, and profit for the year reached 135.9 billion yen—all record highs. Entering fiscal 2026, the final year of GS26, we continue to be exposed to rapid changes in the external environment—tariffs, geopolitical risk, inflation, currency fluctuations, and rising raw material costs. Even so, thanks to the strong growth of our existing businesses on the back of solid fundamentals, together with containment of one-time costs, stronger pricing policies, and the pursuit of operational efficiency, the entire company is moving forward as one toward achieving GS26's five-year financial targets in growth, profitability, and capital efficiency.

In addition, for our Organ Technologies business, a new business launched in fiscal 2025, we aim to grow revenue both by capitalizing on the expansion of that market—driven by a rising number of liver transplants—and by building out our customer base, while establishing a sustained, high-profitability model that lets us realize the full value of our investment.

GS26 five-year financial targets

Growth	Profitability	Capital efficiency
Revenue growth	Operating margin	ROIC
High single-digit (5-year CAGR)	20%+* (As of FY26)	10%+ (As of FY26)
	* Calculated based on operating profit before adjustments	ROE of 10% or higher

Note: Operating margin and ROIC exclude the impact of new M&A. 1 USD = 107 yen, 1 EUR = 128 yen.

Terumo has consistently delivered healthy, sustained growth, meeting changes in the healthcare environment head-on while capitalizing on the expansion of global healthcare demand. Today, with an eye on our next mid-term growth strategy and beyond, we are engaged in ongoing discussion at the management level about what our businesses and our corporate functions each need to accomplish so that Terumo can achieve a further leap forward as a truly global company and embody our Group Mission of "Contributing to Society through Healthcare."

To achieve that leap forward as a truly global company, I see my role as CFO as a key driver of corporate growth, making the fullest use of the management resources entrusted to us by our diverse stakeholders, starting with shareholders and investors. This is the principle that guides my work.

Allocating management resources appropriately

I recognize that the central challenge for a CFO is resource allocation—that is, capital allocation. Specifically, we are balancing appropriate risk-taking with sound financial discipline: prioritizing growth investment, including M&A, that leads to medium- to long-term corporate value creation, while at the same time keeping external financing at a level that allows us to maintain our current credit ratings. We are also seeking better management of working capital, including inventories, to improve the efficiency of invested capital and maximize free cash flow. And as part of our corporate value creation process, we are discussing how to grow future cash flow by making the fullest use of our capital as an integrated whole—not just financial capital, but also non-financial capital not recorded on the balance sheet, starting with intellectual property and human capital. On shareholder returns, we will continue striving for stable dividend increases.

And a theme that touches on both resource allocation and capital-efficient management is portfolio management. At Terumo, rather than treating our business portfolio as fixed, we place importance on continually reviewing it, asking ourselves whether we are the best owner of each business. On growth areas, while keeping the organic growth of our existing businesses as our core axis, we explore new business areas—as seen in our acquisition of OrganOx, which is tackling the healthcare challenge of organ transplantation—and we weigh each investment from the standpoint of whether it can deliver a medium- to long-term corporate value creation story. On areas with lower capital efficiency, meanwhile, we continue our discussions, taking into account our responsibility to supply medical products while also exploring where capital efficiency could be improved. In this way, we regard portfolio management not as a one-time exercise, but as a management process to be continually refined.

CFO message

Making our management processes more sophisticated

Allocating management resources appropriately calls for a high degree of management sophistication, and the divisions under my purview are pursuing a range of initiatives to deliver it.

First, we are working to accelerate our earnings announcements so that, from the first quarter of fiscal 2027, we can report within the 30-day window that the Tokyo Stock Exchange, where we are listed, considers desirable. Compared with our current announcement timing, this will require shortening the process by at least six business days, so we are preparing for it as a company-wide project involving not only coordination with our overseas subsidiaries but also our related internal departments. Finalizing our actual results sooner lets us analyze what happened—the gap against the prior year and against plan—and use that to anticipate what may come next and prepare our response in advance. At the same time, from fiscal 2026 we have begun compiling an 18-month sales forecast, bringing a more forward-looking management process that draws not only on analysis of past figures but also on forecast figures.

In addition, as our business expands globally, we have long been working to transform our accounting and finance operations, and are standardizing and streamlining accounting work around Global Business Service (GBS), which reports directly to the CFO. This is not simply aimed at cost reduction; it is an effort to strengthen global governance, achieve greater visibility of data, and reinforce the foundation that supports management decision-making.

I believe that making our management processes more sophisticated in this way also leads to both the frequency and quality of our engagement with capital markets, and will let us better incorporate our shareholders' and investors' perspective into our management, and make a stronger case for Terumo's corporate value creation story.

Evolving management through digital technology and AI

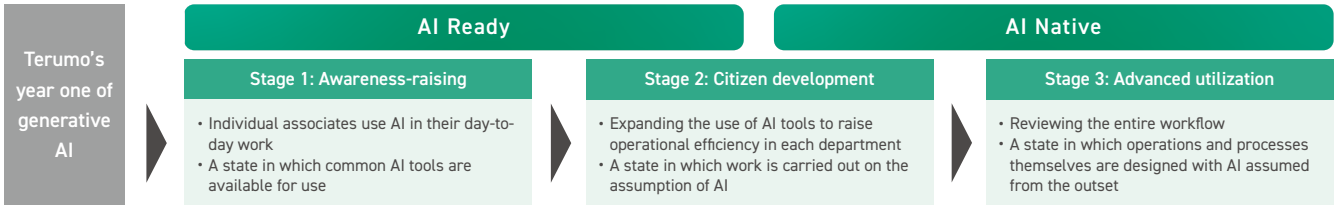
I also serve concurrently as CIO, and am driving AI-driven digital transformation. Digital technologies, generative AI foremost among them, can do far more than improve operational efficiency. They can raise the quality and speed of decision-making and substantially transform our management processes themselves. This is true well beyond accounting: we no longer regard AI adoption as an initiative confined to a handful of specialist areas, but position it as company-wide management infrastructure.

Concretely, fiscal 2025 marked the launch of Terumo's generative AI journey, focusing on raising awareness so that associates could use common AI tools in their day-to-day work, with the aim of improving individual operational efficiency. From fiscal 2026, under the banner of AI Ready, we are embedding AI more deeply into the work of each department, moving up to a stage of driving deeper operational reform. And ultimately, we aim for a state—crossing organizational boundaries—in which our operations and processes themselves are designed from the outset around AI (AI Native).

While we are moving quickly to position AI tools as management infrastructure, for individual system-related projects we are also keeping the concept of financial return in mind from the planning stage, so that we can reflect the needs of our business and corporate users without letting IT costs balloon.



As both CFO and CIO, I want to dedicate myself, through these efforts and initiatives, to Terumo's corporate growth in a way that meets the expectations of our diverse stakeholders. I will fulfill my mission so that we can hand Terumo down to the next generation as a better company.



Outline of the GS26 five-year growth strategy

GS26, our five-year growth strategy launched in FY2022, sets forth a mid- to long-term vision of evolving "From Devices to Solutions," based on a mid- to long-term perspective that considers changes in the environment surrounding healthcare. Based on this vision, we aim to maximize our corporate value by contributing to the creation of social value by providing innovative, comprehensive solutions to medical issues.

Terumo's Focus: "Paradigm shifts in healthcare"

Changes in disease structure	Changes in timeline	Changes in technology
• Rapid increase in living with chronic diseases, due to global improvement in average life span and super-aging population in developed countries • Overcoming the deterioration of organs and body functions that accompanies aging	• Improvement of long-term QOL • Prevention and prognosis monitoring • Personalized disease management (Patient Journey)	• Increasing adoption of biopharmaceuticals, cell and gene therapies • Wide adoption of personalized medicine through evolution of genomic medicine and AI

Paradigm shifts in healthcare

Healthcare is undergoing major changes. Aging societies and rising standards of living around the world have led to changes in disease structure, bringing an increase in chronic diseases. Factors including the long-term management of these chronic diseases are changing the "healthcare timeline." At the same time, the shift to biopharmaceuticals, cell and gene therapies, as well as the development of digital and AI technologies, are changing the technology supporting medicine. These are important environmental changes that Terumo must respond to over the next decade.

Vision for the next 10 years

From Devices to Solutions

Delivering solutions to 21st-century healthcare challenges

Focus in solutions: The 3Ds

01. Delivery	02. Digital	03. Deviceuticals
High-value-added biological access and delivery for advanced medical care	Disease-based approach focused on improving long-term patient QOL (Patient Journey)	Maximize drug effectiveness through innovative devices

Vision for the next 10 years: "From Devices to Solutions"

In light of this paradigm shift in the medical field, our vision for the next 10 years is "From Devices to Solutions."

Devices will remain Terumo's core products, but the development direction is changing. By shifting our focus from the product to the customer and disease, we aim to become a company that can more actively engage with the entire healthcare ecosystem, identify issues faced by customers and patients, and propose solutions. The three focus areas that will guide the direction of solutions development are as follows:

The first is Delivery. This refers to in-vivo access and delivery functions, and their supporting technologies, typified by the catheter product line that supports Radial Approach*[1], a growth-driver for the Cardiac and Vascular Company. This basic technology is our primary advantage in developing new solutions.

The second is Digital. The use of digital technology is essential to improving efficiency and optimizing and personalizing diagnosis and treatment through the use of data. One pioneering example of such solutions is the Medical Care Solutions Company working to improve safety and healthcare professionals' operational efficiency by digitizing and linking perioperative drug management, centered on infusion pumps and syringe pumps, with vital records from bedside care devices such as thermometers and blood pressure monitors.

The third is Deviceuticals. This term was coined to describe Terumo's goal of combining Devices and Pharmaceuticals, and refers to solutions that add value to the use and manufacture of drugs. Examples include the CDMO business*[2], a partnership business with pharmaceutical companies that we are currently promoting, and the plasma innovation business*[3].

*1 Vascular intervention performed via the radial artery in the wrist

*2 Contracted development and manufacturing business

*3 Details of plasma innovation business are below
https://www.terumo.com/business/blood-and-cell-technologies

Outline of the GS26 five-year growth strategy

Financial KPIs

GS26 sets the following goals for growth, profitability, and capital efficiency, which we are working to achieve.

Five-year financial targets

Growth	Profitability	Capital efficiency
Revenue growth **High single-digit** (5-year CAGR)	**Operating margin** **20%+*** (As of FY26) * Calculated based on operating profit before adjustments	**ROIC** **10%+** (As of FY26) ROE of 10% or higher

Based on the assumption that operating margin and ROIC exclude the impact of new M&A activity.
Exchange rates: USD 1 = ¥107, EUR 1 = ¥128

Growth:
We aim to achieve high single-digit revenue growth by steadily increasing sales from the growth drivers of each of the three companies within the Terumo Group. Please see below for the growth drivers for each company.
"Vision for the next 10 years" disclosed on Dec. 16, 2021 (page 11, refer to Growth Drivers in GS26)
https://www.terumo.com/system/files/document/2022-02/Presentation_211216_GS26_1_E_1.pdf

Profitability:
We aim to achieve an operating margin of 20% or higher through group-wide profit improvement measures (price revisions, cost reduction, etc.) in addition to improving the business mix by expanding sales of high-profit growth drivers.

Capital efficiency:
In addition to improving profitability, we are working to improve the efficiency of invested capital through appropriate control of working capital, mainly inventories, and aim to achieve ROIC of 10% or higher (ROE of 10% or higher). For details of specific measures relating to profitability and capital efficiency, please refer to the "CFO Message" on pp. 11-12.

Commitment to sustainability management

In GS26, we aim to increase corporate value over the medium- to long-term by practicing sustainability management. To achieve this, we have established specific activity themes and key performance indicators (KPIs) related to Creating Social Value (CSV) and Environmental, Social, and Governance (ESG) criteria, and we are promoting these initiatives throughout the company.
For more details about Terumo's main sustainability activity themes, see the "Sustainability at the Terumo Group" section on p. 32; for more details about CSV/ESG activities, see the "CSV and ESG themes of GS26" section on pp. 15–17.

CSV and ESG themes of 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. 32.)

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 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 Intv. 2017;10(4)

CSV themes	1. Wider adoption of radial access procedures 2. Training 3. Personalized therapies
Monitoring items and KPIs	1. Rate of radial approach (FY2026) •Coronary: 75%+ •Peripheral: 20%+ •Visceral: 15%+ •Neurovascular: 15%+ 2. The number of medical professionals that participated in training (Terumo Interventional Systems) 3. Drive personalized therapies by promoting devices including stent grafts and intrasaccular devices to be used for more treatments
FY2025 key initiatives and results	1. Made steady progress in coronary, visceral, and neurovascular interventions (Coronary: 80%, Peripheral: 6%, Visceral: 17%, Neurovascular: 15%) 2. Nearly 40% increase in the total number of participants year on year, reaching approximately 74,000, partly due to the inclusion of data from training programs held at major conferences *Item 2 shows the fiscal year 2024 results 3. Continued to advance the use of digital technologies in collaborative programs between businesses and regions

CSV and ESG themes of 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.

CSV themes	1. Perioperative solutions 2. Outpatient chemotherapy solutions 3. Renal care solutions
Monitoring items and KPIs	1. Deliver the solutions to 1,000 medical institutions in Japan and overseas 2. Introduce the solutions to 35% of the designated cancer hospitals in Japan 3. Deliver the solutions to 20,000 patients in Japan and overseas
FY2025 key initiatives and results	1. Implemented solutions in 986 medical institutions, including 927 in Japan and 59 across eight countries overseas 2. Introduced the solution to 31% of the designated cancer hospitals in Japan. Achieved the first operation of the outpatient chemotherapy system at a hospital in Japan 3. Reached approximately 15,000 patients using the solutions in Japan and overseas. Expanded sales of "Terumo PD MyCare," an application for managing peritoneal dialysis, and continued growth in sales of neutralized peritoneal dialysis solution in China

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.

CSV themes	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	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 Flex. 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
FY2025 key initiatives and results	1. 11% growth for disposable unit sales, an indicator of patients treated using major product platforms. Promoted funding initiatives to improve healthcare access and strengthened partnerships with national and local governments including Kenya, Brazil, China, the U.S., and the U.K. 2. China: Achieved record-high unit sales of Trima Accel disposable sets and a record-high number of Spectra Optia devices installed Africa: Strengthened local execution capabilities by establishing function-specific teams with specialized expertise under dedicated leadership. Signed MoUs with three African countries (Kenya, Uganda, and Côte d'Ivoire) to position sickle cell disease as a national priority 3. 22% 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.

CSV and ESG themes of GS26

ESG themes of 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		FY2025 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 38.3%
	Ratio of renewable energy use to total electricity use	50% (FY2030)	52.8%
Effective use of resources	Water use (Per unit of revenue, compared to FY2018)	Reduce by 20% (FY2030)	Reduced by 49.1%
	Recycling rate	90% (FY2030)	91.3%
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: 0
Improve the Associate Experience	Results of the engagement survey conducted for associates	–	Please refer to the "Engagement survey" on p. 68
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: 30.4%*2 GKP: 67.0%*2
	Ratio of female managers (Terumo Corporation)	13% (FY2026)	13.2%
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, 2026

*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. 84-85.

Company-specific Strategies

Terumo brings solutions of value to medical settings through 3 companies and 9 businesses

19 Company at a glance

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23 Medical Care Solutions Company

26 Blood and Cell Technologies Company

29 Special feature | OrganOx acquisition: Beyond preservation to building the future of organ transplantation

Company at a Glance

Cardiac and Vascular Company

> P. 20



Realizing minimally invasive treatments in vascular intervention and cardiac surgery

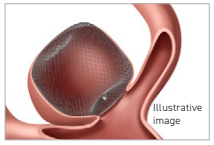
The businesses of the Cardiac and Vascular Company involve medical devices used to treat diseases of the heart, lungs, brain, and blood vessels.

The company provides interventional devices, which enable the treatment of lesions in the heart, brain, and other areas via catheter; oxygenators and heart-lung machines that sustain life in place of the heart and lungs during cardiac surgery; and surgical grafts and stent grafts that replace blood vessels damaged by disease.

Each business of the company strives to achieve better treatment efficacy and reduce the burdens of patients while improving their quality of life.



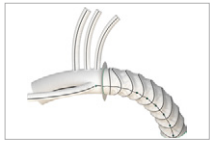
Dual Sensor System™ (DSS)



Intrasaccular device
Woven EndoBridge Device



Continuous in-line blood parameter monitoring system
CDI OneView Monitoring System



Thoracic frozen elephant trunk
Thoraflex Hybrid

Medical Care Solutions Company

> P. 23



Contributing to better patient care and transformation toward “yasashii*” medical care for everyone involved

As populations age, more patients require healthcare, and the number of patients with multiple or chronic illnesses is increasing, leading to higher healthcare expenditures.
In addition, the global spread of the COVID-19 pandemic raised awareness of the importance of infection control. Furthermore, as technology progresses, needs increase for individualized medicine tailored to each patient.

To meet the diverse and complex needs of medical settings, the Medical Care Solutions Company leverages our cultivated strengths to provide enhanced solutions that contribute to better patient care and healthcare transformation toward realizing “yasashii” healthcare for everyone involved.



Intravascular catheter for peripheral vessels
Surflo Midela



Bio-absorbable adhesion barrier
AdSpray



Prefilled syringe in auto injector/
Prefilled syringe in safety device



Detachable insulin patch pump
MEDISAFE WITH Smart

Blood and Cell Technologies Company

> P. 26



Advancing blood- and cell-based therapies and sustaining the world’s blood transfusions

The Blood and Cell Technologies Company provides products, software, and services that enable customers to collect and process blood and cells to help treat challenging diseases and conditions. Our technologies serve a range of customers, including hospital and clinicians, blood and plasma centers, processing labs and cell collection sites, researchers, and cell and gene therapy developers. Together with healthcare systems around the globe, Terumo Blood and Cell Technologies Company is unlocking the potential of blood and cells to do more for patients.



Reveos™ Automated Blood
Processing System



Spectra Optia™
Apheresis System



Quantum Flex™ Cell Expansion System



Rika Plasma Donation System™

* “Yasashii” is a Japanese term that suggests a combination of kind, caring, friendly, and thoughtful.

* Product availability is subject to regulatory approval in each country.

Company-specific Strategies

Cardiac and Vascular Company

Together with our customers, we strive to create the next standard of patient care and drive the evolution of medicine on the front lines.



Fumihisa Hirose
Group Managing Executive Officer
President, Cardiac and Vascular Company

External environment (opportunities and risks)

External environment

Opportunities	Risks
Vascular intervention*1 ・Increasing needs for same-day discharge and shorter hospital stays ・Growing demand for minimally invasive treatments due to the aging population ・Steady market growth of vascular interventions in new disease areas ・Wider adoption of vascular interventions as therapeutic options for neurovascular diseases in the treatment guidelines ・Improved device performance and clinical outcomes with stent graft ・implantation technology for aortic aneurysms	**Vascular intervention*1** ・Entrenchment of a low-price environment in China, and intensifying competition from emerging local players ・Contraction of existing markets due to the development of new treatment methods ・Intensified competition due to clinical evidence for therapies established by competitors
Surgical treatment*2 ・Steady market growth of extracorporeal life support (ECLS) system and extracorporeal membrane oxygenation (ECMO) system ・Growth in emerging markets due to advancements in medical technologies and an increase in Western-type diseases resulting from changes in lifestyle ・Spread of hybrid surgeries*3	**Surgical treatment*2** ・Slowing market growth due to the ongoing trend toward minimally invasive treatment, such as the transition from surgical treatment to vascular intervention

Strengths

- Training for healthcare professionals that goes beyond training in the proper use of our products to include training based on the actual issues in clinical settings
- Strong partnership with KOLs*4 in each region
- Product development expertise that integrates proprietary technologies with those acquired through M&As for unique, high-quality products
- Global function promoting sales and marketing, clinical development, and regulatory affairs in each region
- Production network capable of delivering a stable supply of a wide range of high-quality products worldwide

Vascular intervention*1
- Leading market share and competitiveness in vascular access products
- High recognition and strong brand presence as a company that promotes minimally invasive treatments and radial access procedures*5
- Solution capabilities leveraging our extensive range of product portfolio

Surgical treatment*2
- Leading market share and competitiveness in oxygenators and surgical grafts
- Development and production technologies that made us the world's only company capable of independently developing and mass-producing hollow fibers*6 for oxygenators
- Development and supply capabilities for essential life-saving medical products, including ECMO

Strengths of the Cardiac and Vascular Company

At the Cardiac and Vascular Company, we offer a wide range of products and solutions for vascular interventions*1 and surgical treatments*2 across global markets. Our strength in the vascular intervention field lies in our competitive position and strong brand presence, backed by our leading market share in access products, devices which establish pathways from insertion sites to lesions within the blood vessels. In the surgical treatment field, our strength is highlighted by our leading market share in oxygenators and surgical grafts, as well as our proprietary technology that positions us as the world's only company capable of independently developing and mass-producing hollow fibers for oxygenators.

In recent years, the demand for minimally invasive treatments,

*1 Vascular intervention: Terumo Interventional Systems, Terumo Neuro, and Terumo Aortic (stent grafts)
*2 Surgical treatment: Terumo Cardiovascular, and Terumo Aortic (surgical grafts)
*3 Procedures involving the implantation of a combined surgical graft and stent graft
*4 Key opinion leaders
*5 A solution where a catheter is inserted through the radial artery
*6 One of the materials used in oxygenators

Company-specific Strategies | Cardiac and Vascular Company

especially vascular interventions, has been expanding throughout the world. In developed countries, this trend is primarily driven by the need to shorten hospital stays to bring rising medical costs under control. Meanwhile, in emerging economies, the demand is influenced mainly by growing need for advanced medical technology to treat cardiovascular diseases, which are becoming increasingly prevalent as lifestyles change in these countries.

Since the launch of the angiographic catheter in 1985, the Cardiac and Vascular Company has succeeded in maintaining top global market share in access devices for vascular interventions (based on an in-house survey) through the development of high-quality products, and by providing training to promote the use of radial access procedures (vascular intervention performed via an artery in the wrist). We have subsequently entered the therapeutic field by supplying medical devices for neurovascular treatment and aortic repair that were acquired through M&A activities to global markets, while also strengthening our R&D structure across businesses, enabling us to achieve further revenue and profit growth.

Progress of GS26

With regard to the progress of our GS26 five-year growth strategy, we have achieved mid-to-high single-digit growth in revenue for four consecutive years (fiscal 2022 to fiscal 2025), if one excludes the effects of exchange rate fluctuations. This growth was primarily driven by the steady increase in the number of vascular intervention procedures worldwide. Despite challenges such as inflation, we secured profit growth through effective cost-reduction measures and pricing strategies.

As we move into the final year of GS26, we are completing the ongoing expansion of our therapeutic device portfolio in the interventional systems, neuro, and aortic businesses, and further enhancing our market presence.

As a result of promotional initiatives, such as the "Radial First" campaign, to spread awareness of the value that the radial procedure can provide, there has been a steady increase in the radial procedure adoption rate; the growth in the U.S. market is a particularly important driver for the overall increase in adoption of the radial procedure. In response to prolonged inflation, we will continue to implement our pricing policies globally. Furthermore, we are reducing costs and making operations more efficient through automation and enhanced efficiency at the Ashitaka Factory, and we are expanding production at the Costa Rica Factory. Through these initiatives, we aim to achieve our GS26 financial targets (a high-single-digit five-year CAGR in revenue and an improvement in adjusted operating margin by two percentage points); these achievements will provide the foundation for the next five-year growth strategy.

Looking beyond GS26

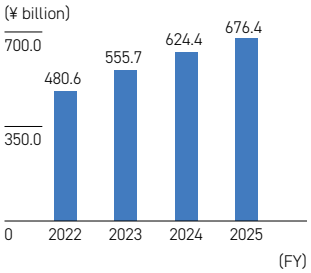
In addition to the conventional coronary intervention market, we are aiming for further growth, supported by the expansion of endovascular markets, including the peripheral, aorta, and neurovascular interventions. The growing adoption of radial access procedures in the U.S., our biggest market, is also supporting this growth. While leveraging the strengths that we have cultivated in access devices, we will be proceeding with the expansion of our therapeutic device portfolio, aiming to enhance our presence in the therapeutic sector.



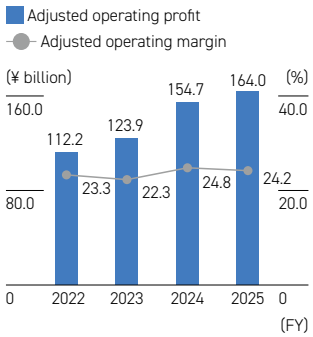
We are also continuing to promote production system optimization, automation and efficiency enhancement to strengthen the business foundations that underpin growth, striving to realize both stable supply and higher profitability.

Over the medium and long term, we will be working to create new growth opportunities, for example by expanding our business in the venous treatment segment, which continues to grow strongly, and by providing treatment support solutions that make effective use of digital technology. By creating innovative solutions that offer real value for frontline healthcare professionals, we are aiming to continue generating sustainable growth after the completion of GS26, and to contribute toward the growth of the Terumo Group as a whole.

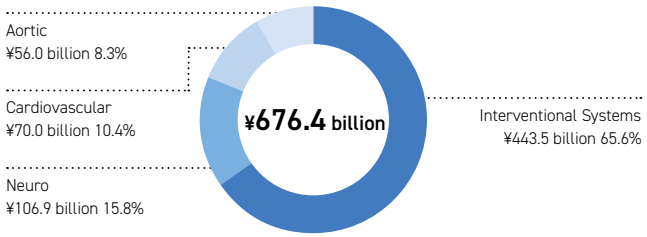
Revenue



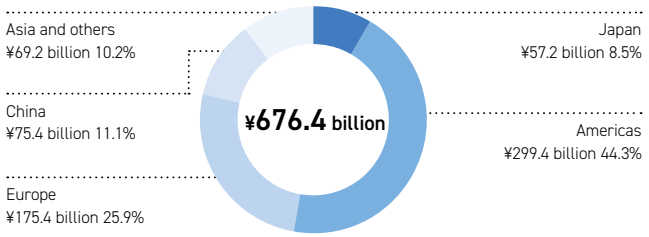
Adjusted operating profit / Adjusted operating margin



Revenue by business (FY2025)



Revenue by region (FY2025)



Note: Revenue composition ratios by business and region are rounded to the first decimal place, and the total may not equal 100%.

Company-specific Strategies | Cardiac and Vascular Company

TOPICS

Terumo's imaging strategy

Advancing technological innovation to support clinical decision-making

With interventional treatment becoming ever more advanced, intravascular imaging (which makes it possible to visualize the structure of arteries, and lesions, from within the artery itself) has come to play an important role in treatment decision-making. This is also true for percutaneous coronary intervention (PCI), which is used to treat myocardial infarction and angina pectoris, with high-definition intravascular imaging being used as a basis for monitoring lesions and deciding on treatment strategies, as well as for evaluating treatment outcomes.

Imaging is already used in over 95% of instances of PCI procedures in Japan (according to a Terumo survey), and its adoption is spreading in other countries as well. Over the last few years, with the accumulation of evidence showing that effective utilization of imaging improves treatment results, the use of imaging in PCI has received the highest-level rating—Class I recommendation, Level of Evidence A—from leading U.S. medical societies. When using treatment devices such as atherectomy systems and intravascular lithotripsy (IVL), imaging is vitally important for properly assessing calcified lesions, and demand for imaging is forecast to continue growing in the future.

Given this market environment, Terumo is working to realize a further evolution of the imaging technology that it has cultivated over the years, and is working to create new value.

An innovative solution that integrates two strengths

For over 20 years, Terumo has been developing both the technology and the market for two different modalities: intravascular ultrasound (IVUS) imaging, and optical frequency domain imaging (OFDI). IVUS makes it possible to get a clear picture of the artery as a whole, but suffers from constraints in terms of the resolution; by contrast, OFDI provides high-resolution images, but the area that can be observed is restricted. Although the two are inherently complementary, using them together in the same case has not been easy, owing to the procedural complexity and cost associated with exchanging catheters.

To solve this problem, Terumo has developed the Dual Sensor System™ (DSS). DSS is an innovative system that combines IVUS and OFDI sensors in a single catheter, making it possible to capture both types of image at the same time. In this way, the overall structure of the vessel and fine lesion detail can be assessed at the same time, supporting more precise treatment planning and decision-making.

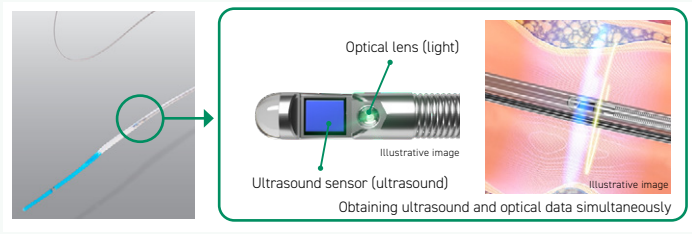


Dual Sensor System™ (DSS)

A catheter born from clinical needs

The starting point for the development of DSS was comments from frontline healthcare professionals that "OFDI is very useful, but it is not a replacement for IVUS." The idea that it might be possible to combine the strengths of the two systems was the inspiration for the launch of the DSS project.

However, some major technical hurdles needed to be overcome in order to realize this goal. Designing a catheter that was as thin as conventional imaging catheters while still being able to carry both ultrasound and optical sensors at the same time was very challenging. The development team overcame this hurdle by striving to realize the optimal structure and manufacturing process design that would maximize the performance of each modality by integrating the design and manufacturing technology that had been cultivated for IVUS and OFDI. In this way, the team succeeded in creating a highly functional catheter that retained the ease-of-use of conventional catheters.



The DualView™ catheter equipped with two sensors

Building an R&D system to support global rollout

One important aspect of the commercialization of DSS was the building of a global R&D system. Particularly with regard to the development of the control console, given the plans to roll out DSS in the U.S. market, it was decided that our facility in the U.S. would play the central role in development in order to build a production and quality control system that would conform to FDA requirements. Associates in Japan and the U.S. worked closely together throughout the development process. Prior to this, Terumo's imaging system development and production had mainly been conducted in Japan, so the process of transferring technology and Know-how to another region was not easy. However, the clear development concept for DSS and the development team's consensus regarding the value it could provide for frontline healthcare professionals helped to ensure a unified strategic direction for the project.

Recognizing the need to maintain high standards in terms of specification design, quality, compliance, and ability to realize large-volume production, by ensuring close collaboration between the R&D facilities and building a strong consensus regarding the project's goals, we were able to realize a unified development system that functioned effectively across national and organizational boundaries.

Platform development and further evolution

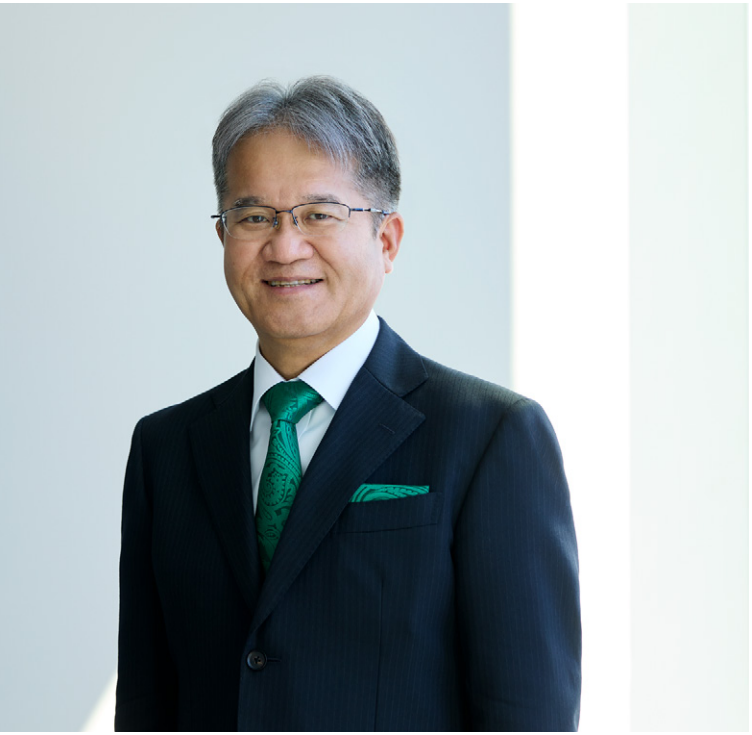
Through the development of DSS, Terumo has succeeded in establishing an imaging platform with global application that integrates the design and manufacturing technologies of both IVUS and OFDI. This foundation represents an important asset that will accelerate product development and enhance our competitiveness in the future. Looking ahead, we will be proceeding with the development of diagnostic support software that makes effective use of AI, and working to provide more advanced, more efficient support for frontline clinical decision-making.

Imaging is evolving from "technology that helps you to see" to "technology that supports decision-making." Taking DSS as a starting point, Terumo will be providing comprehensive solutions that integrate hardware and software, to contribute toward enhancing the quality of treatment in medical settings throughout the world. What we anticipate is a future in which every patient can receive treatment optimized to meet their own specific needs. Going forward, Terumo will continue to support the evolution of medicine while aligning ourselves closely with the needs of frontline healthcare professionals.

Company-specific Strategies

Medical Care Solutions Company

We provide patient-centered solutions that integrate our unique technologies, contributing to the advancement of high quality, innovative medical care.



Itaru Sakaguchi
Group Managing Executive Officer
President, Medical Care Solutions Company

External environment (opportunities and risks)

External environment	
Opportunities	**Risks**
・Expanding the scope of healthcare to home settings due to the growing elderly population and the increase in complex and chronic diseases ・Evolving healthcare needs in the post-COVID-19 era ・Increasing the value of data-driven solutions through digital transformation of healthcare environments ・Continuous advancement of drug innovations, especially the growing use of biopharmaceuticals	・Increasing downward pressure on healthcare expenditures and the prices of medical devices and pharmaceuticals in various countries ・Rising cost of goods and expenses due to inflation and FX fluctuation risks ・Intensifying competition due to the entry of companies from different industries and startups with strengths in digital technology ・Strengthening regulations and quality standards for medical devices and pharmaceuticals across different countries

Strengths

- Capability to provide products and solutions to address various challenges in medical settings and hospital management
- Capability to provide solutions that align with the patient journey, encompassing in-hospital and in-home care for chronic diseases, as well as treatments and therapies
- Capability and proven track record in the stable production and supply of high-quality medical devices and pharmaceuticals
- Drug administration solutions that enhance medical safety and efficiency
- Trust-based relationships with customers, cultivated over many years of tackling the issues facing the clinical setting
- Possessing a proven track record in developing devices that integrate drug-compatible materials, as well as designing and manufacturing combination products of medical devices and pharmaceuticals using advanced manufacturing technologies

Strengths of the Medical Care Solutions Company

The Medical Care Solutions Company has the longest history among the three companies in Terumo. Our strengths lie in our ability to develop, manufacture, and stably supply high-quality products, which we have acquired through many years of business experience and customer trust by addressing challenges in medical settings. At the core of our strengths are drug administration technologies that enhance medical safety and efficiency. Leveraging these technologies, we offer a range of products and solutions. These include an advanced infusion system with infusion and syringe pumps equipped with drug libraries and wireless communication capabilities that can be integrated with the clinical information system (CIS), insulin pumps specifically designed to improve the quality of life for people with diabetes, and comprehensive support services from initial product development to commercial manufacturing through partnerships with pharmaceutical companies. In this way, we help ensure that patients receive the medication they need safely and reliably.

We are actively providing solutions that leverage digital technologies to address various medical challenges in both the hospital and home care settings. For instance, in perioperative drug administration, we provide a solution that connects drug infusion systems to clinical information systems. This solution helps improve workflow efficiency and safety and facilitates early patient discharge, thereby contributing to better hospital management.

Company-specific Strategies | Medical Care Solutions Company

In addition, in response to the expansion of medical care into the home due to the growing elderly population and the complexity and chronicity of diseases, we offer solutions that connect in-home care and hospital care. These solutions include an application that supports self-management of chronic diseases such as chronic kidney failure and diabetes.

In the pharmaceutical business, demand for contract development and manufacturing organization (CDMO) services is increasing driven by the growing biopharmaceutical market. An important strength for us is our ability to provide an integrated contracting service that covers everything from creating medical devices that incorporate materials suited to pharmaceutical use to leveraging cutting-edge manufacturing technologies to design and produce sophisticated combination products that merge medical devices and pharmaceuticals. We have a long history of collaboration with pharmaceutical companies in Japan. Building on this experience, we are aiming to deliver the value that Terumo's one-stop CDMO services provide to global pharmaceutical companies, and in 2025 we acquired a production facility in Leverkusen, Germany. Taking this facility as the starting point, we will be securing new customers and contracts, and further accelerating our global expansion. Looking ahead, we will continue to leverage Terumo's unique technologies, adjusting to the evolving requirements of hospitals, patients, and pharmaceutical companies, and will focus on addressing the challenges faced by our customers.

Progress of GS26

Regarding the progress made with the implementation of our GS26 five-year growth strategy, we have navigated various changes in the external business environment, including the prolonged impact of COVID-19, currency fluctuations, inflation, changes in countries' tariff policies, and rising levels of geopolitical risk. Both our revenue and profits have been affected, leading us to optimize our portfolio with a focus on market growth and profitability, including discontinuing and transferring certain product lines. For our continuing product lines, we have implemented a more strategic allocation of management resources and proceeded with our pricing policies that reflect inflation in order to improve profitability.

Today, in the final year of implementation of GS26, the environment in which the healthcare sector operates is becoming increasingly challenging, as a result of the continuing growth in demand for medical services caused by the aging of the population, the constraints placed on the systems through which healthcare services are supplied, and ongoing measures to control the rise in healthcare expenditure. While continuing to respond to this changing environment, we are aiming to further enhance profitability and achieve the financial goals of GS26 by boosting sales, bringing costs down, and maintaining our pricing measures.

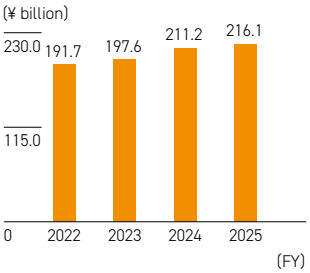


Looking beyond GS26

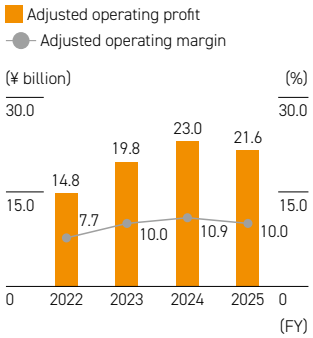
By implementing numerous changes during the five-year period of GS26, we have clarified the Medical Care Solutions Company's strengths and the direction in which it should be heading. Going forward, we will be further strengthening our provision of drug administration technology that can enhance safety and efficiency in medical settings. In addition, in our CDMO business we will be expanding our production system, both within and outside Japan, and accelerating the building of our global supply system.

In line with our brand promise of "Quality time for better care," the Medical Care Solutions Company will continue to deliver quality time to everyone involved with medical treatment after the end of the GS26 period.

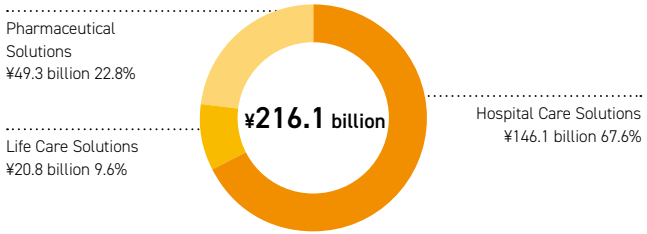
Revenue



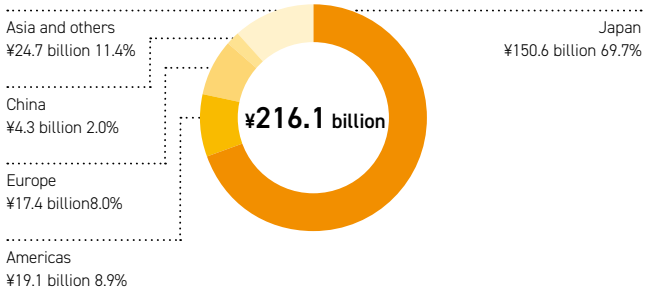
Adjusted operating profit / Adjusted operating margin



Revenue by business (FY2025)



Revenue by region (FY2025)



Note: Revenue composition ratios by business and region are rounded to the first decimal place, and the total may not equal 100%.

Company-specific Strategies | Medical Care Solutions Company

TOPICS

Comprehensive solutions combining digital technologies and medical devices for safer, more efficient cancer drug therapy

According to a survey conducted by Japan's Ministry of Health, Labour and Welfare (MHLW), cancer has for many years been the leading cause of death for people in Japan, and the number of cancer patients continues to rise steadily each year (based on research conducted by Terumo in February 2026). In recent years, there has been a growing focus on outpatient chemotherapy, in which patients can continue to receive treatment for cancer without needing to stay overnight in hospital. Against the backdrop of this rise in patient numbers and the constraints on healthcare resources, the Japanese government has been promoting policies to build out the infrastructure for outpatient chemotherapy, and its treatment under the healthcare reimbursement system has been revised in stages. In particular, as an evaluation of safety measures for the administration of anticancer drugs, the fiscal 2026 revisions to the healthcare reimbursement system introduced a new add-on payment for the use of closed system drug transfer devices (CSTDs) during administration, set at 150 reimbursement points. This represents the formal recognition, under the reimbursement system, of integrated exposure prevention measures that cover not just the drug preparation process but also the drug administration process.

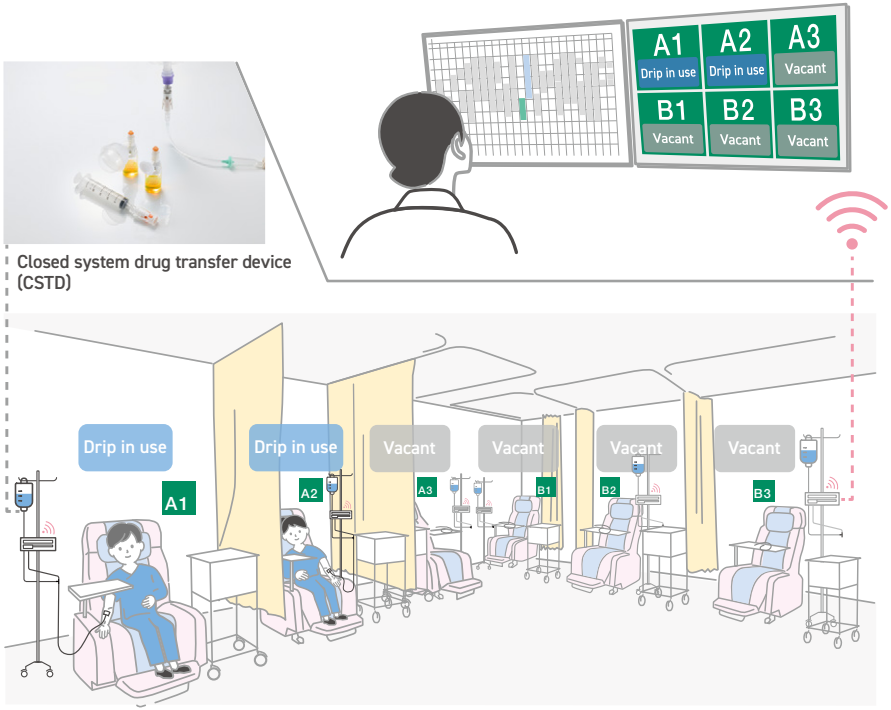
At the same time, however, the widespread adoption of outpatient chemotherapy has brought new problems for medical settings. In the process from cancer drug preparation through to drug delivery, the need for safety will be even greater than before, in terms of measures to prevent healthcare-related incidents and protect healthcare professionals from occupational exposure to cancer drugs (i.e., direct physical contact with drugs). In addition, given the background of structural issues that include the shortage of nurses and limited number of hospital beds available, it is becoming ever more important to realize the digital transformation (DX) of hospitals, so as to reduce patient waiting times and enable hospital staff to work more efficiently. In this regard, Terumo's drug therapy support system has a valuable role to play in providing support for the implementation of outpatient chemotherapy.

The current situation is that, in many hospitals, nurses record the necessary details on paper patient lists, which are then inputted into electronic medical records, and the regimen settings for the chemotherapy infusion pump are also inputted manually; this series of operations is time-consuming and labor-intensive. Also, because the individual beds/chairs in the hospital's outpatient chemotherapy area are separated from each other by curtains, the nurses need to keep going in and out to access each individual bed/chair to check the drip and the patient's condition.

Adopting Terumo's system makes it possible to link the electronic medical records with the infusion pump, allowing centralized, integrated visualization of patient records, regimen, bed/chair usage status, drug delivery progress status, etc. Based on these data, beds and chairs can be allocated more efficiently in a way that takes into account treatment time and how busy the hospital is; adoption of this system can be expected to both reduce patient waiting times and improve the bed/chair utilization rate. In addition, the pump monitoring function enables the drug delivery status of each individual patient, the pump operation status, and alerts, to be monitored in real time at the nurse station, so that patient status monitoring can be performed efficiently even in an environment that is divided up into cubicles by curtains. Furthermore, because data is automatically recorded and accumulated from the commencement of drug delivery right through to the end, these data can be utilized effectively to realize operational improvements and review treatment plans, which it can be anticipated will help to enhance safety and improve the overall quality of hospital operations.

Besides supporting hospital operations through this kind of DX, Terumo is also contributing toward improved safety in anticancer drug treatment through its devices. One example is the launch of ChemoSafe Fine, a closed system drug transfer device (CSTD) designed to reduce exposure to anticancer drugs. ChemoSafe Fine is designed to limit leakage of drugs throughout the process from preparation to administration, with the aim of helping to reduce exposure risk. Combining ease of use suited to the clinical environment with a high level of safety, it features a structure that prevents leakage without depending on operator technique, and single-action connection—supporting effective safety measures while easing the burden on frontline staff.

In line with our brand promise of "Quality time for better care," Terumo is helping to create an environment in which healthcare professionals can devote more time to patient care and work safely, while also contributing to a healthcare environment in which patients spend less time waiting and can undergo treatment with peace of mind.



Illustrative image

Company-specific Strategies

Blood and Cell Technologies Company

Unlocking Potential is our promise to customers, associates, distributors, affiliate partners, communities, and patients. Every day we are unlocking the potential of blood and cells, technology and data, and our colleagues and customers to improve patient outcomes and serve unmet medical needs.



Antoinette Gawin
Group Senior Managing Executive Officer
President, Blood and Cell Technologies Company
President and CEO, Terumo BCT Holding Corp.

External environment (opportunities and risks)

External environment	
Opportunities	**Risks**
• Heightened importance among pharmaceutical and biotechnology companies to establish scalable and repeatable manufacturing to meet the increasing need for commercialized cell and gene therapies • Increased opportunities in the therapeutic apheresis market to expand access and adopt new therapies in response to patients' unmet medical needs • Continued growth in source plasma collection • Increasing need for process efficiencies and data connectivity in response to soaring healthcare costs and donor recruitment challenges as the population ages	• Implementation of more stringent regulations increasing the importance of clinical data and quality assurance • Emergence of drugs, alternative treatments, and disruptive therapies — such as cell and gene therapies — that have the potential to compete with therapeutic apheresis • Modified customer-purchasing patterns as organizations address business continuity concerns, local manufacturing preferences, an uncertain economic environment, and sustainability goals • Increased customer concern about protecting confidentiality, integrity, and availability of information and assets from cybersecurity threats

Strengths

- Sophisticated, automated cell and blood component collection and processing solutions, and data integration systems to help deliver better procedure outcomes and drive efficiencies
- Innovation utilizing a broad product portfolio and an expansive global sales and support network
- Flexible manufacturing operations with facilities placed strategically across the globe
- Strong, long-term customer relationships fostered through services and clinical support
- Strong health economics and market access capabilities, providing more treatment options to patients across the globe
- Strong brand reputation in the blood and blood component market

Strengths of the Blood and Cell Technologies Company

At Terumo Blood and Cell Technologies, we deliver differentiated value by combining innovation, global reach, and deep healthcare expertise to expand access to blood- and cell-based therapies.

With our strengths in innovation and automation, we champion a safe, equitable, and sustainable global blood supply. In addition, we work to advance cell and gene therapies by enabling early-stage development and supporting scale-up for clinical and commercial readiness.

Our integrated solution offerings connect core technologies with advanced digital systems. Our Global Blood Solutions portfolio — centered around the Reveos™ Automated Blood Processing System, the Trima Accel™ Automated Blood Collection System, and an array of software and other IT solutions — exemplifies this approach. This ecosystem approach helps our customers improve operational efficiency through streamlined workflows, respond to dynamic demand and donor-pool variability through flexible collection and processing capabilities, and power smart blood centers with seamless data exchange and actionable data insights. And that helps to enhance outcomes for customers, donors, and patients.

With customers in more than 160 countries, we have built a resilient global manufacturing network that supports reliable

Company-specific Strategies | Blood and Cell Technologies Company

supply and delivery, even in complex environments.

We shape patient access by engaging with reimbursement frameworks and healthcare stakeholders, helping advance standards of care while expanding into regions with high unmet medical needs.

Underpinning all of this is a deep understanding of healthcare system challenges, allowing us to deliver solutions that combine technology with customer insight to address evolving needs.

Progress of GS26

Terumo Blood and Cell Technologies continues to strengthen its operations to support sustainable growth while responding to global supply chain shifts, geopolitical uncertainty, and evolving trade dynamics. These risks are managed through enhanced supply chain resilience, diversified manufacturing, and a balanced approach to tariffs, including pricing actions, localized production, and ongoing work to elevate operational efficiencies.

We have returned to growth by modernizing our infrastructure, including investments in internal systems and the transformation of our delivery network to be closer to the customers and patients we serve. This progress is further driven by expansion in the source plasma segment, blood processing automation, and continued efforts to expand patient access through deploying our full portfolio across the globe.

The Company continues to demonstrate strong business performance, supported by sustained high-single-digit revenue growth. The core business remains solid, and strategic growth areas are progressing as planned. While inflation and foreign exchange have impacted margins, we have improved profitability through pricing initiatives and transferring disposables production from the U.S. to Costa Rica and India and expanding our production in Vietnam.

The Global Blood Solutions segment continues to deliver solid performance, supported by the rollout of the Rika Plasma Donation System™ and increasing global adoption of the Reveos platform. In the Global Therapy Innovations segment, growth in therapeutic apheresis is supported by efforts to expand indications and treatment accessibility. Demand is further being driven by continued growth in the cell and gene therapy market, where customers are transitioning from manual workflows to scalable and automated manufacturing.

Looking ahead, the Company remains committed to delivering sustainable growth, driven by continued innovation, strong customer relationships, and a flexible global manufacturing network.

Looking beyond GS26

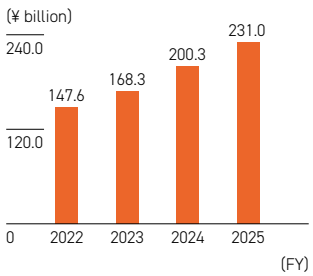
Looking beyond GS26, the Company is positioning for its next phase of growth. This is driven by business-model innovation, targeted geographic expansion, and ongoing operational and digital transformation.

Building on our strengths in understanding customer needs, the Company is expanding its offerings beyond devices to better integrate services, software, and data. Another pillar of growth comes from expanding to regions with high unmet medical needs, such as Africa and China.

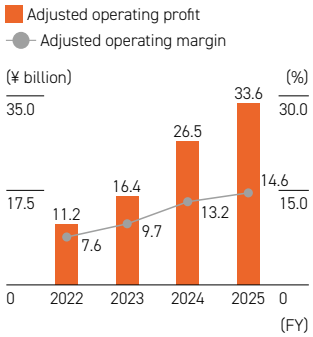
Furthermore, AI and advanced analytics are being embedded across enterprise systems to enhance speed, decision-making, and customer engagement at scale.

These initiatives support the development of integrated ecosystems and position the Company to deliver sustained long-term value.

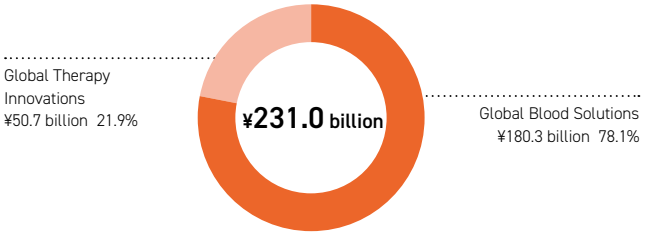
Revenue



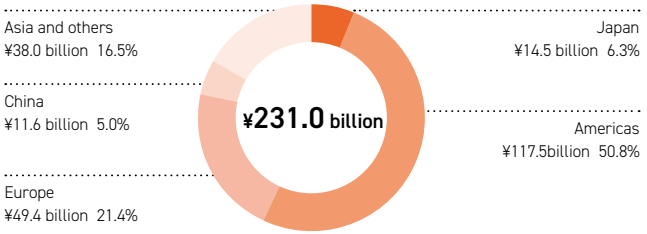
Adjusted operating profit / Adjusted operating margin



Revenue by business (FY2025)



Revenue by region (FY2025)



Note: Revenue composition ratios by business and region are rounded to the first decimal place, and the total may not equal 100%.

Company-specific Strategies | Blood and Cell Technologies Company

TOPICS

Championing the world's blood supply by advancing Reveos adoption

With patients at the center of all we do, Terumo Blood and Cell Technologies is dedicated to supporting a safe, equitable, and sustainable global blood supply. A critical part of that is having a reliable method for processing collected blood. We are proud to provide innovative technology designed to bring flexibility, quality, and efficiency to this crucial step. Our technology enables our customers around the globe to tailor, adapt, and diversify their processes to meet fluctuating demand. Ultimately, this helps ensure that blood and blood components are available when and where they are needed.

Blood as an essential medicine

The World Health Organization recognizes blood as essential medicine. Blood supports an extensive list of healthcare needs, from transfusions for surgery, massive trauma, and postpartum hemorrhage to treatments for neurological disorders, anemia, and cancer. In short, blood helps people to heal, improve their quality of life, and survive.

Both whole blood and its individual components — red blood cells, platelets, plasma, and leukocytes (white blood cells) — are vitally important. In fact, separating whole blood into those components allows a single donation to support multiple patients and needs.

For example, separated whole blood delivers:

- Red blood cells that help treat blood disorders such as sickle cell disease and thalassemia
- Platelets, which help form clots, making them crucial for supporting cancer patients and stemming bleeding from trauma or surgery
- Plasma, which is used for transfusions, plasma exchange therapy, and plasma-derived medicines that help treat or manage immune and autoimmune disorders, as well as critical injuries
- White blood cells, the body's infection fighters, which are part of cell and gene therapies for certain cancers

Barriers to an adequate global blood supply

Unfortunately, the systems that collect and prepare blood vary widely around the world. Access to safe blood is not guaranteed, and component separation is not a global standard. In fact, research shows 61% of countries do not have an adequate blood supply, and only 52% of collected blood is separated into components in low-income countries.

This is partly due to significant constraints faced by blood centers, many of whom use traditional whole blood processing. The method relies on dozens of manual steps, making it labor-intensive, time-consuming, and susceptible to variability and the risk of contamination. Combined with barriers such as a decline in donors, this can lead to blood and blood component shortages. For instance, in many areas, demand often outpaces platelet supplies. This means patients may not receive the optimal blood product they need for proper care.

Automating blood process as an opportunity

To help address many of these challenges and make the most of every unit of donated blood, we are helping the industry transition from manual blood collection and processing workflows to fully automated processes. This empowers teams to work more efficiently, produce higher quality products, improve standardization, and decrease product waste.

The Reveos™ Automated Blood Processing System separates four units of whole blood into components within a single cycle, integrating the functions of balancing, centrifugation, separation, and sealing.

Compared to manual processing methods, the automated Reveos system:

- Reduces hands-on labor up to 65% by replacing as many as 17 hands-on steps
- Reduces processing time up to 30%
- Processes 12 whole blood units up to 24 minutes faster and pools platelets up to 35 minutes faster
- Reduces total whole blood processing time by almost 60 minutes

The Reveos system also includes a disposable set to pool individual separated platelet units into a treatment-ready dose. Studies have shown that platelets collected from whole blood can be a safe and effective alternative to platelets collected from a single donor. So being able to separate and pool platelets from whole blood donations like this can help blood centers expand and stabilize their platelet supply.

Global expansion and impact

After more than a decade on the market, Reveos has been implemented in 70 countries, including key organizations such as Sanquin in the Netherlands. And its footprint continues to expand. Reveos received clearance from the U.S. Food and Drug Administration (FDA) in 2023, and implementation is underway across the country.

We have received positive feedback on operational impact from Reveos users. For example, early adopters in the U.S., including Carter BloodCare and The Blood Center in New Orleans, have reported faster processing times, improved product consistency, and increased platelet availability. These operational gains help blood centers focus resources where they matter most: on patients and donors.

The Production and Distribution Manager at The Blood Center said, "We've waited a long time for a solution like this — one that truly modernizes how we manage whole blood. What surprised us most was how quickly our team saw the value — not just in time saved, but in how much more confident we feel about the consistency of every unit. This is mission-critical, as the more efficient we are, the more lives we can save. We can get more blood and more consistent platelets to the hospitals and patients in our communities who depend on us."

The impact of expanding Reveos implementation extends well beyond individual blood centers, though, as automated blood processing can support broader national and global blood systems. Terumo Blood and Cell Technologies is proud to champion this cause not simply by innovating for efficiency, but by designing solutions that support stronger systems, better serve those who depend on them, and help advance care for more patients.





Special feature | OrganOx acquisition: Beyond preservation to building the future of organ transplantation

On October 29, 2025, Terumo completed its acquisition of OrganOx Limited, a commercial-stage organ technology company, spun out of the University of Oxford. The acquisition marks Terumo's entry into the field of organ transplantation and establishment of Terumo Organ Technologies, creating new opportunities to address significant unmet medical needs while laying the foundation for long-term growth.



OrganOx

Challenges Limiting Organ Utilization

Organ transplantation is one of the most effective treatments for end-stage organ failure, yet demand continues to far exceed supply. Although more than 170,000 organ transplants are performed each year globally, many patients remain unable to receive this life-saving treatment*1. Preservation limitations, transportation logistics, and uncertainty regarding organ viability can prevent donated organs from ultimately being transplanted.

As healthcare systems continue to seek improved transplant outcomes and maximize the use of donated organs, technologies that support more effective and efficient transplant procedures are becoming increasingly important in defining the standard of care.

*1. Global Observatory on Donation and Transplantation (GODT), 2024 Data Global Report (published 2025)

Innovating Beyond Traditional Preservation

Terumo Organ Technologies' proprietary Normothermic Machine Perfusion (NMP) platform preserves donor organs in a near-physiological state while providing real-time monitoring throughout transport and preservation. The OrganOx *metra*™ is the world's first NMP device and is currently approved in the U.S., Europe, Australia, and licensed in Canada.

Normothermic Machine Perfusion (NMP)

- Enables extended perfusion times—up to 12 hours in the U.S. and up to 24 hours in certain regions*2.
- Supports greater utilization of organs, helping expand the donor pool.
- Enables transplantation from geographically distant donors.
- Supports planned, daytime surgical procedures, and gives healthcare professionals more time for transplant decisions.
- Continuously monitors circulatory pressure, blood gases and temperature to support objective assessment of organ viability.
- Automatically controls preservation conditions to help maintain stable organ status during transportation and storage.

*2. Regulatory approved language per company brochure: https://www.organox.com/product-documentation



Organ Preservation Device "*metra*™"

Special feature | OrganOx acquisition: Beyond preservation to building the future of organ transplantation

Current State of Organ Transplantation

170,000+
Organ transplants performed annually worldwide*[1]

120,000+
Patients on the U.S. transplant waiting list*[3]

~60%
U.S. waiting list patients unable to receive a transplant*[3]

* Annual organ transplants in the U.S.: 49,000+

Challenges

Demand for transplantation far exceeds organ supply, while conventional preservation and assessment methods can limit organ utilization

- Limited preservation time
- Limited ability to assess organ viability

Strategic Rationale of the Acquisition

Value Creation Through Terumo Organ Technologies

Addressing Significant Unmet Medical Needs
Helping expand access to life-saving transplantation

Access to a High-Growth Market
Entering an established and scalable commercial platform

Creating Strategic Synergies
Combining OrganOx's innovation with Terumo's strengths

*3. L.E.K. Research and Analysis

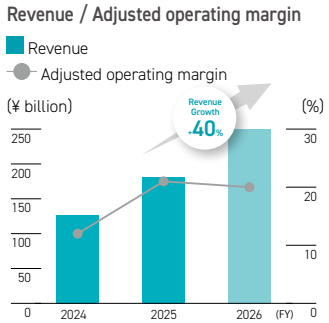
Creating Value Through Strategic Synergy

The establishment of Terumo Organ Technologies reflects Terumo's disciplined approach to portfolio expansion and long-term value creation. Built on OrganOx's technological leadership, proven commercial model, strong profitability, and a mission-driven culture, the business is well aligned with Terumo's commitment to improving patient outcomes while delivering sustainable growth.

At the core of Terumo Organ Technologies is OrganOx's innovative organ perfusion technology, which complements capabilities Terumo has developed over decades. Organ perfusion relies on technologies such as pumps, oxygenators, sensors, and fluid control systems — areas where Terumo has deep expertise and a long history of innovation.

Since joining the Terumo Group, Terumo Organ Technologies has continued to deliver strong business momentum, supported by growing demand for organ preservation solutions. Leveraging Terumo's global infrastructure, manufacturing capabilities, and clinical networks, the business is well positioned to further expand access to its technologies and accelerate the development of next-generation solutions. Beyond its established liver transplantation platform, Terumo Organ Technologies is also pursuing opportunities in kidney transplantation and other perfusion-based applications.

By combining OrganOx's innovative technology with Terumo's global strengths, Terumo Organ Technologies aims to help more donor organs reach more patients while helping shape the future of organ transplantation. The acquisition exemplifies Terumo's strategy of addressing significant unmet medical needs through strategic investment, reinforcing Terumo's position as a leading global medical technology company.



Track record of strong revenue growth and profitability of Terumo Organ Technologies

CEO Message



Naoya Iwata
CEO & President
Terumo Organ Technologies

Organ transplantation is one of the most effective treatments for patients suffering from end-stage organ failure, offering the possibility of a new lease on life. At the heart of every transplant is an extraordinary gift: the generosity and compassion of donors and their families. Our mission is to ensure that this invaluable gift is honored each and every time — to Save Lives By Making Every Donated Organ Count.

More than 170,000 organ transplants are performed globally each year, yet many patients still lose their lives while waiting for a transplant. At the same time, a significant number of donated organs are not ultimately used because conventional preservation methods may limit their viability or make it difficult to fully assess their suitability for transplant. OrganOx's NMP solution enables donor organs to be maintained in a near-physiological state. NMP is the only machine perfusion technology that permits comprehensive functional assessment of donated organs to inform objective clinical decision making. This has created new opportunities to utilize organs that may have never been considered suitable for transplantation based on subjective observation alone, including organs donated after circulatory death (DCD), significantly expanding access to transplantation.

Terumo Organ Technologies combines the pioneering innovation of OrganOx with Terumo's global strengths to help shape the future of global transplantation. Our role extends beyond providing medical technologies. We help create a solid bridge between the gift of organ donation to the patients whose lives depend on it. With this purpose at the center of everything we do, we will continue to pursue innovation and expand the possibilities of transplantation for patients around the world.

Sustainability

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Sustainability at the Terumo Group

Terumo Group Sustainability Policy

The Terumo Group 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. 15-17 for specific CSV/ESG themes and KPIs set out in our five-year growth strategy GS26 based on our sustainability priorities.)

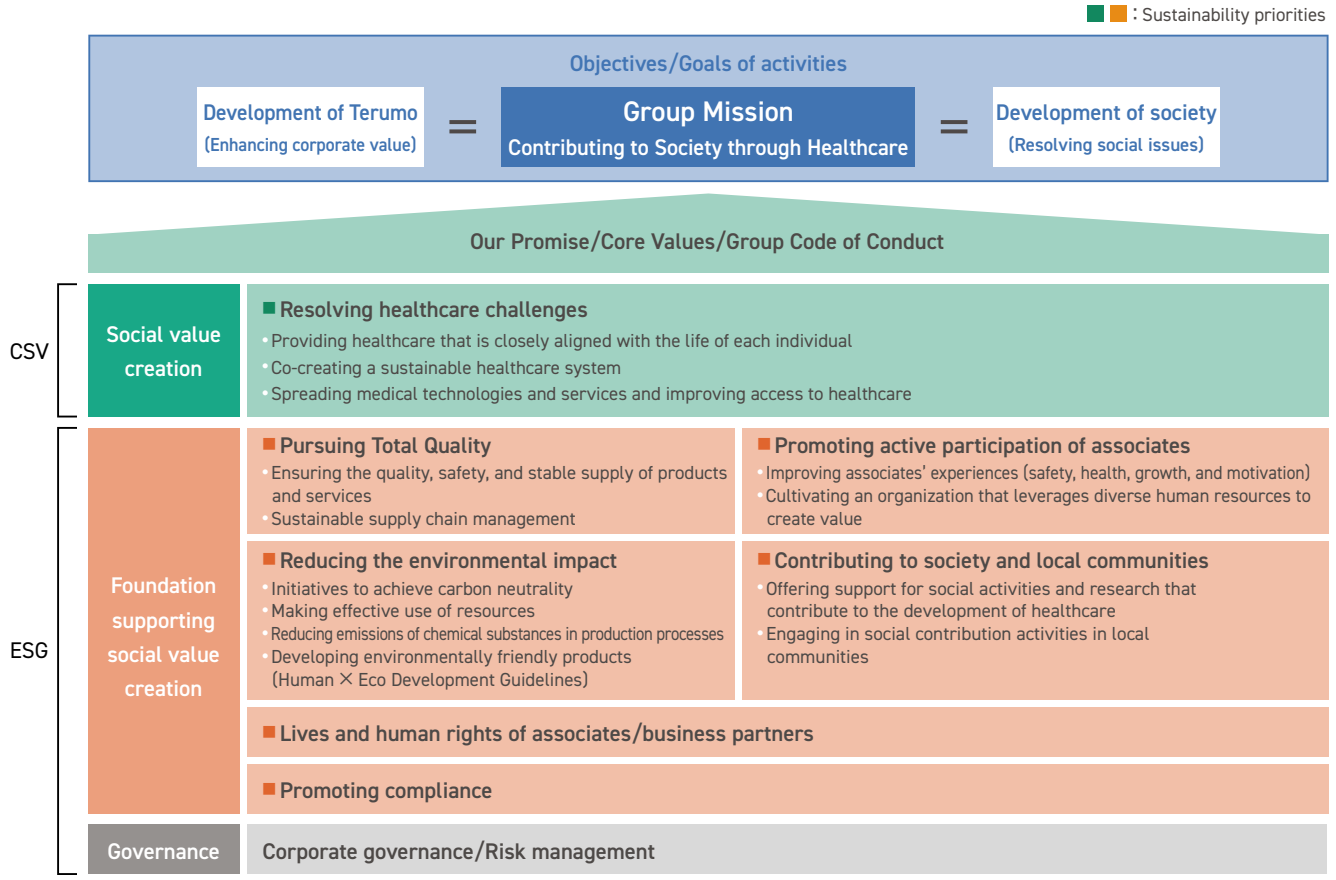
Social value creation (CSV)

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

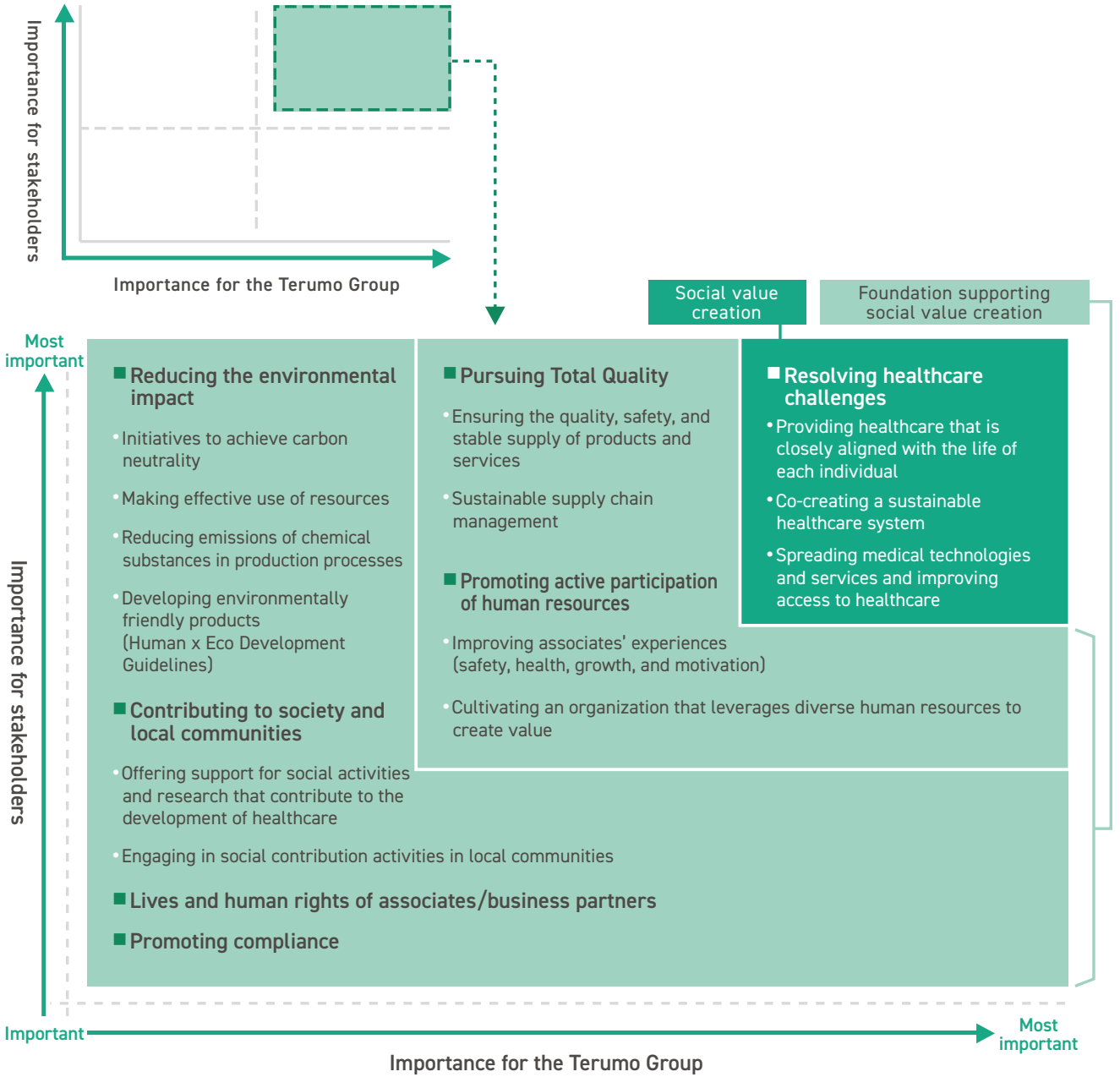
Referring to sustainability guidelines and standards such as those published by GRI and SASB, comprehensively identify which sustainability issues concern the Terumo Group.

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

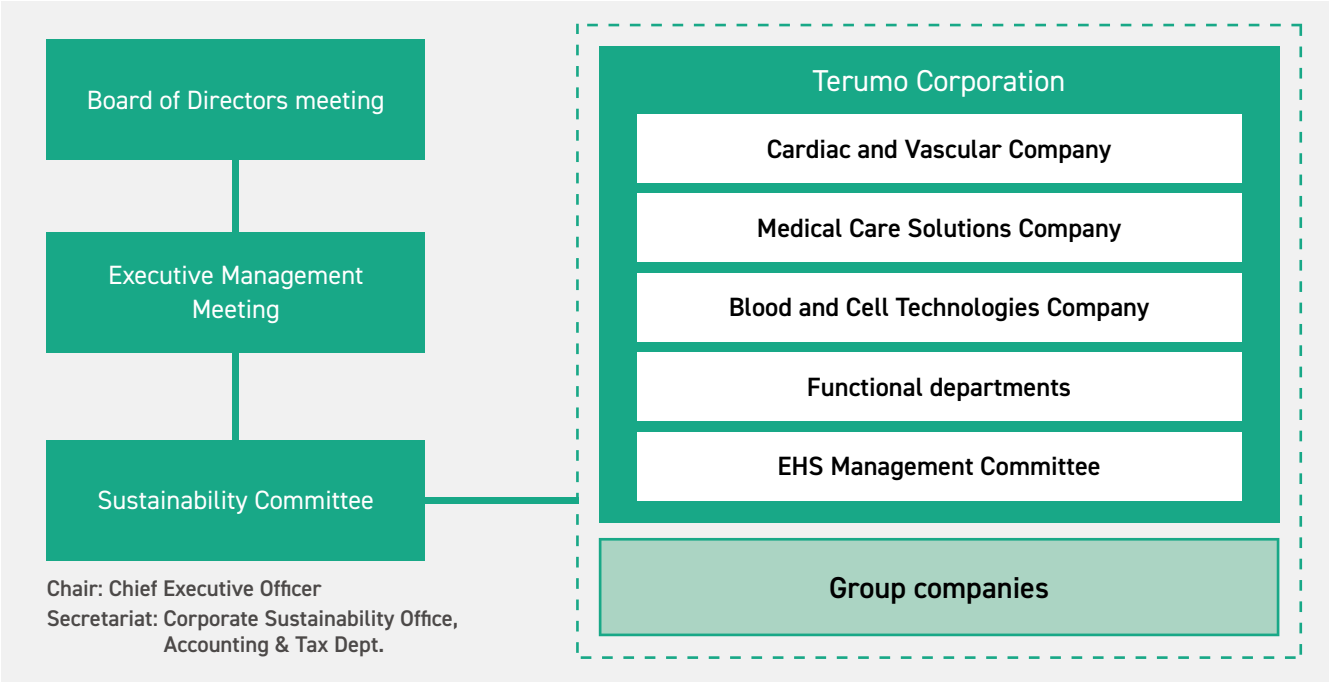
Taking into consideration the current status of initiatives within the Terumo Group, determine the sustainability priorities from among those that had been selected for their high level of importance. The Executive Management Meeting and the Board of Directors meeting then deliberates over the priorities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



Sustainability at the Terumo Group

Sustainability management

The Terumo Group 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, 2026

Sustainability at the Terumo Group

Participation in initiatives

United Nations Global Compact

In 2012, the Terumo Group became a signatory to the United Nations Global Compact. This action reflects the Terumo Group'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.

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.

Japan Climate Initiative (JCI) & GX Future Consortium

To achieve carbon neutrality, the Terumo Group participates in the Japan Climate Initiative (JCI), a network in which non-government actors such as businesses, local governments, and NGOs work together toward a decarbonized society in line with the goals of the Paris Agreement. We also participate in the GX Future Consortium, a public-private partnership framework led by the Japanese government.

Healthcare Plastics Recycling Council (HPRC)

To promote the circular use of plastic waste generated by healthcare institutions as part of a circular economy, the Terumo Group has joined the Healthcare Plastics Recycling Council (HPRC), a consortium of medical device manufacturers, packaging and material manufacturers, waste management and recycling companies, and other related organizations.

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 2026).

* 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.

2026 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 JPX Blossom Japan Index, and the FTSE JPX Blossom Japan Sector Relative Index created by FTSE Russell (as of June 2026).

Sustainability at the Terumo Group

ISS ESG Corporate Rating

Terumo has been rated "Prime" in "ISS ESG Corporate Rating" conducted by ISS STOXX, the ESG investment solutions business unit of Institutional Shareholder Services Inc. (ISS), one of the world's leading proxy advisory firms in the U.S. (as of June 2026).

S&P/JPX Carbon Efficient Index

Terumo has been selected for inclusion in the S&P/JPX Carbon Efficient Index (as of June 2026).

SOMPO Sustainability Index

Terumo has been selected for inclusion in the SOMPO Sustainability Index (as of June 2026).

Recognition by CDP

The Terumo Group has been selected for the "A List," the highest rating, in three categories of "Climate Change," "Water Security," and "Supplier Engagement" in CDP 2025. CDP is an international non-governmental organization that requires companies to disclose information on climate change, water security, and other environmental issues.

Environmental information

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50 Initiatives for biodiversity conservation

51 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

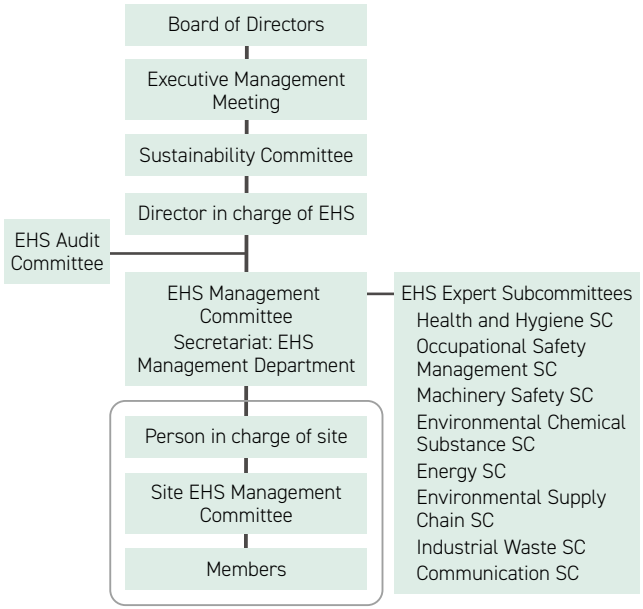
Ensuring occupational safety, promoting the health of employees, and reducing the environmental impact of business activities are important social responsibilities for companies and are crucial to sustainable growth. Acting in accordance with the Terumo Group Environment, Health and Safety (EHS) Policy, 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 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. 74-75.)

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 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 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 and R&D sites overseas, and the head office (EHS Management Department) have obtained third-party certifications of their compliance with the ISO 14001 standards. The ratio of certifications obtained is 54% on a manufacturing and R&D site basis. (For information on ISO 45001 certification, please refer to pp. 74-75.)

Company name	Site
Terumo Corporation	Head office (EHS Management Department)
	Fujinomiya Factory
	Kofu Factory
	Ashitaka Factory
Terumo Yamaguchi Corporation	–
Terumo Clinical Supply Co., Ltd.	–
Terumo Medical Corp.	Elkton Factory*1
Terumo Europe NV	Haasrode Factory*2
OrganOx Limited	–
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 Distribution Center (Southaven, Phoenix, Northeast), and Terumo Medical Canada, Inc.
*2 Including Genk Distribution Center

(As of March 31, 2026)

EHS management

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 2025, such audits were conducted at 10 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 2025, we conducted audits at 51 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 sites, 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 digital signage. 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 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 2025, there were no serious environment-related accidents or leaks.

Compliance with environmental laws and regulations

In fiscal 2025, 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. 112.)

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 2025, we recognized efforts to achieve carbon neutrality by reducing Scope 1 emissions, efforts to conserve water by improving water use efficiency, and measures to lower environmental impact through hazardous waste reduction. We also recognized initiatives with the potential to be rolled out to other sites, such as measures to reduce safety risks relating to transportation and equipment within factories.

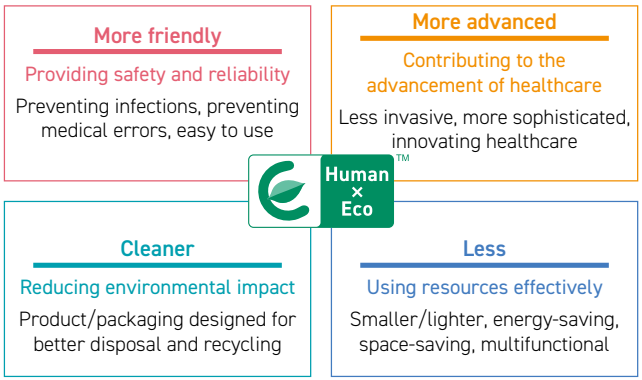
Development of environmentally friendly and safe products

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_2 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.

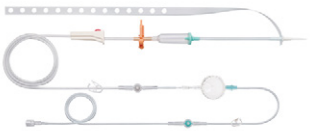


Digital thermometer

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*

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

*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 working to reduce GHG emissions by improving energy efficiency through the introduction of high-efficiency equipment and the efficient operation of facilities, as well as by utilizing renewable energy and transitioning to energy sources with lower GHG emissions.

In fiscal 2025, we reduced GHG emissions by approximately 5,100 tons by implementing 283 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. The reduction in emissions achieved in this way was equivalent to approximately 2.5% of the Terumo Group's GHG emissions in the previous fiscal year. In addition, we implemented measures to reduce Scope 1 emissions through energy transition, including the adoption of heat pumps, and through lower steam consumption.

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, the Philippines, Europe, and the Americas, purchasing renewable energy certificates in Asia, introducing solar power generation facilities for self-consumption, and utilizing on-site power purchase agreements globally. Through these efforts, we have reduced GHG emissions by approximately 141,000 tons, and the ratio of renewable energy to the total electricity used by the Terumo Group in fiscal 2025 was 52.8%. 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 38.3% in fiscal 2025 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

Initiatives to address climate change

internal price to CO_2 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.

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. Japan Business Federation (KEIDANREN) 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_2 emissions by 2050. In addition, it has revised its phase II target (target for 2030) to achieve a 46% reduction in CO_2 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

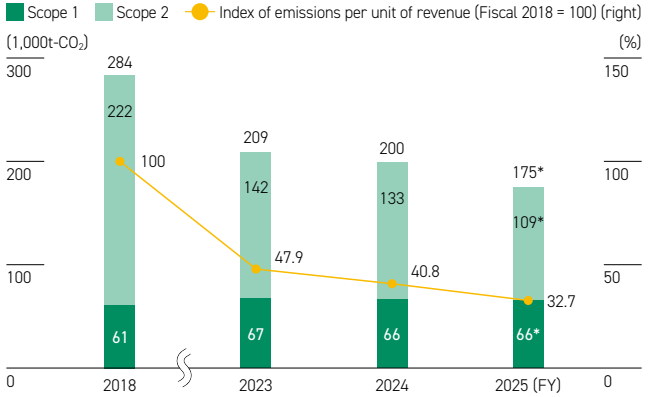
Terumo has its proprietary Human × Eco Development Guidelines, which serve as a framework for developing products that benefit both people and the environment. By following these guidelines, we aim to reduce resource use and enhance transportation efficiency by making products smaller and lighter and 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_2 emissions associated with product deliveries. We are proceeding with supplier engagement aimed at encouraging all suppliers to reduce their GHG emissions; for example, since 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. 58.)

The Terumo Group's Scope 3 GHG emissions per unit of revenue in fiscal 2025 were down 17.8% compared to fiscal 2018. The measures outlined above have received recognition, and the Terumo Group has been selected as the "Supplier Engagement Leader" in the category of "Supplier Engagement" in the survey of CDP 2025, having received the highest rating of A for the second consecutive year. For more information about CO_2 emissions, energy consumption, and renewable energy use, please refer to "Environmental Data" on pp. 110-111.

For more information about disclosure based on the TCFD Recommendations, please refer to "Response to the risks and opportunities resulting from climate change and nature (Information disclosure based on the TCFD and TNFD recommendations)" on pp. 51-52.

Initiatives to address climate change

CO_2 emissions (Scope 1 and 2)

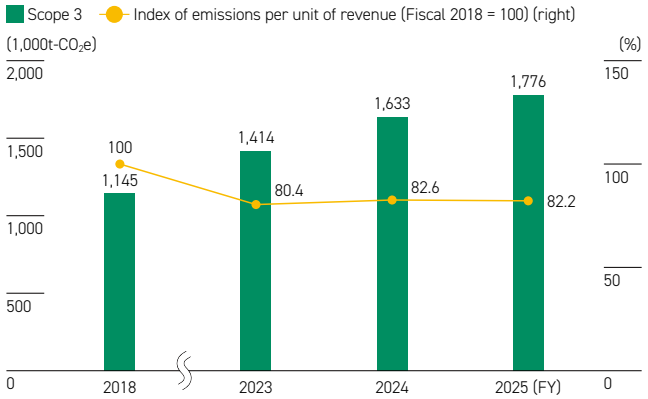


* Data assured by a third party. The actual assured value was in t-CO_2; this has been rounded off to the nearest 1,000t-CO_2.

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

Note: CO_2 emissions from electricity consumption are calculated using emission factors provided by electricity suppliers for each fiscal year and country-specific emission factors published by the IEA. To improve the accuracy of emissions calculations, certain methodologies were revised, including changing the CO_2 emission factor for natural gas consumption to the factor published in the GHG Protocol. Historical data have been recalculated accordingly.

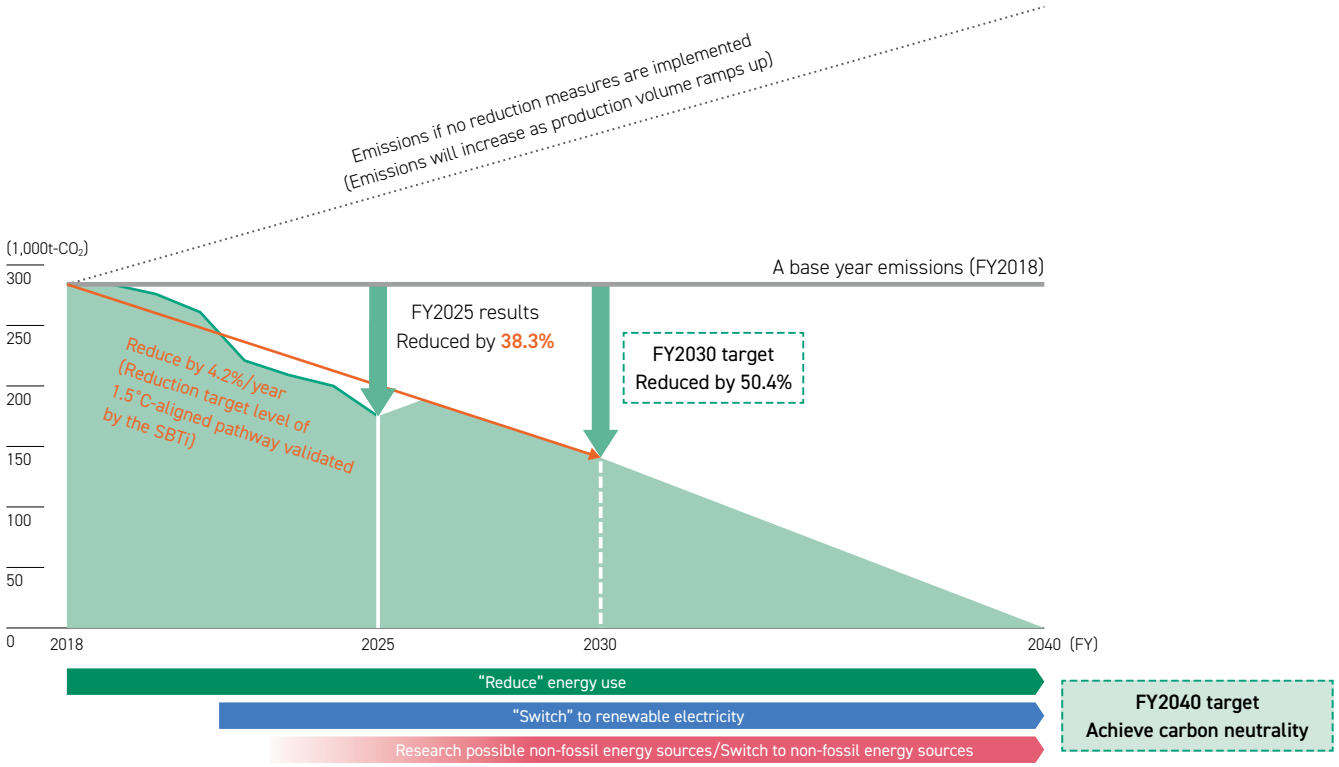
CO_2 emissions (Scope 3)



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. 2.8) compiled by the Ministry of the Environment and the Ministry of Economy, Trade and Industry. The calculation methods for category 1 and category 3 data have been updated to enhance accuracy. Historical data have been recalculated accordingly.

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



Initiatives to address climate change

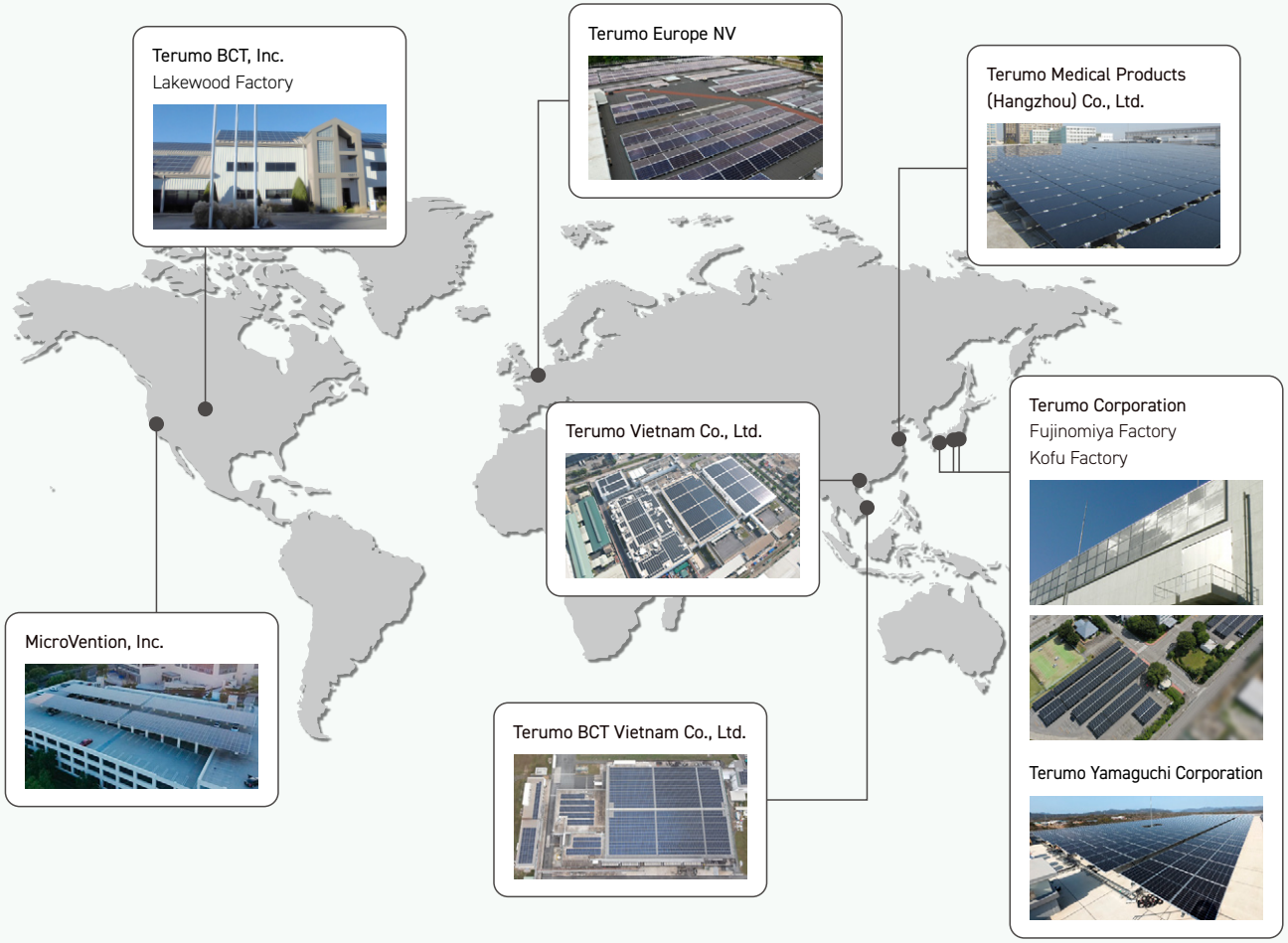
TOPICS

Utilization of renewable energy

Introduction of solar power generation equipment

Terumo is installing solar power generation facilities at sites around the world. Our solar power adoption status as of the end of fiscal 2025 is shown below. In fiscal 2026, we will continue with preparations for the adoption of solar power at additional sites.

Implementation sites: 9 sites (3 in Japan and 6 overseas)



Measures to reduce Scope 1 and 2 emissions

Reduction in Scope 1 emissions by Terumo's Ashitaka Factory

The boiler room at the Ashitaka Factory (in Shizuoka Prefecture, Japan) is a high-temperature environment of around 33°C throughout the year, and with the heatwaves that Japan has experienced in recent years, on some days the temperature in the boiler room has exceeded 40°C, creating a risk of heatstroke. To address this, the factory installed a waste heat recovery heat pump. The waste heat is used to generate cool air through heat exchange, lowering the room temperature, and the recovered heat is also reused to heat the boiler feedwater, substantially reducing gas consumption.

These initiatives were recognized with an award from the Director-General of the Kanto Bureau of Economy, Trade and Industry for excellence in energy management in fiscal 2025, and a commendation from the Governor of Shizuoka Prefecture for activities to prevent global warming.

Besides conservation measures aimed at reducing energy usage, the Terumo Group is also exploring and converting to non-fossil energy sources. Although this transition involves technical issues and constraints, we will continue working to reduce our Scope 1 emissions, including efforts to reduce wasted heat energy.



The waste heat recovery heat pump installed at the Ashitaka Factory

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 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 recycling companies, materially recycle it into plastic raw materials, organic fertilizers, and other products. Since 2025, we have achieved recycling of certain types of waste plastic that were previously difficult to recycle, through collaboration with companies capable of chemical recycling.

In fiscal 2025, the recycling rate for Terumo Group sites in Japan and manufacturing and R&D sites overseas was 91.3%. 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.

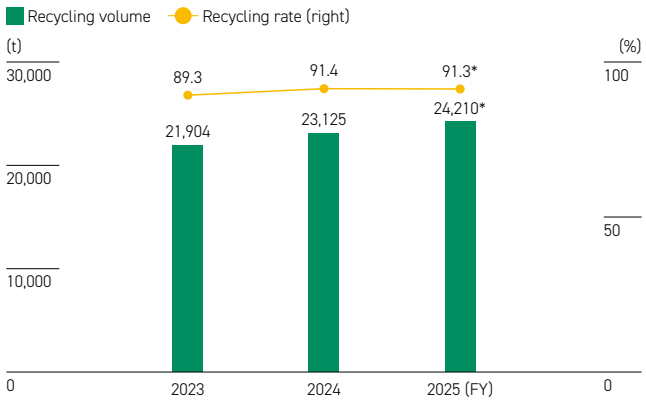
Medium-term targets (FY2023—FY2026)

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

Medium- to long-term target (FY2030)

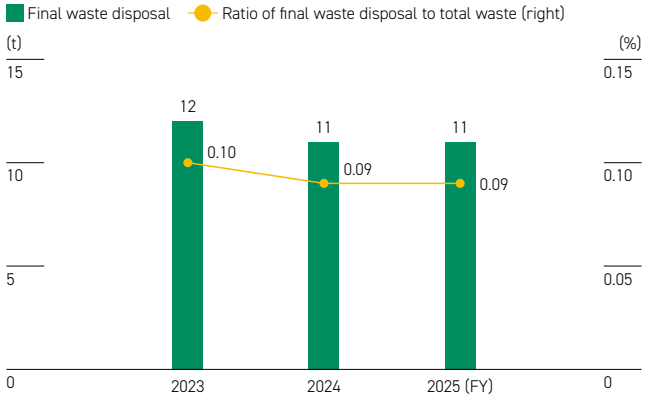
- Waste recycling rate for the Terumo Group (Terumo Group sites in Japan and manufacturing and R&D sites overseas): 90% or higher

Recycling volume and rate



* Data assured by a third party
Scope: Terumo Group sites in Japan and manufacturing and R&D sites overseas

Final waste disposal



Scope: Terumo Group 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. 40 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. Since 2025, we have achieved recycling of certain types of waste plastic that were previously difficult to recycle, through collaboration with companies capable of chemical recycling.

Regarding product-related initiatives, 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. 112.)

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 2025, Terumo Group sites in Japan outsourced a total of 293 tons of materials for recycling, which includes 25 tons of paper and 268 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 2025, among the Terumo Group 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 11.0% 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 a 4.5% reduction in water consumption per unit of revenue in fiscal 2025 compared to the previous year and a 49.1% reduction compared to fiscal 2018. The Terumo Group is committed to the efficient use of water resources and will continue to pursue these efforts.

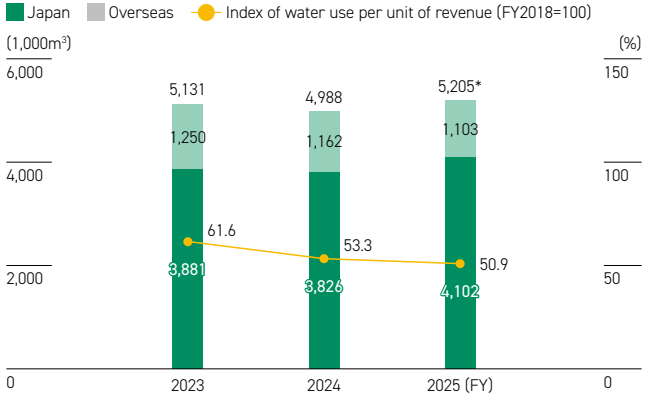
Medium-term target (FY2023—FY2026)

- Overall water use (water withdrawal) per unit of revenue for the Terumo Group (Terumo Group 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 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 sites in Japan and manufacturing and R&D sites overseas

Note: Reported figures were revised due to errors in the calculation of municipal water withdrawal volumes at certain sites. Historical data have been recalculated accordingly.

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 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 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). The disposal of all equipment containing low concentrations of PCBs has also been completed 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*1), the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH*2), the Packaging and Packaging Waste Regulation (PPWR*3), 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
*3 Regulation of the European Union concerning packaging and packaging waste

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 within the Fumoto district of Fujinomiya.



Tree planting activity (Shizuoka, Japan)

In fiscal 2025, volunteer activities involving associates and their families were canceled due to inclement weather. However, we carried out maintenance activities necessary for the healthy growth of the forest, including restoring leaning saplings and reinforcing protective netting against deer browsing.

Results of activities under Shizuoka Mirai-no-Mori Supporter Pact (FY2011—FY2025)

- Total number of participants: 2,606
- 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 2025, around 6,132 people took part in the ECO Challenge, undertaking five activities based around the theme of biodiversity, including observing nature and supporting local production for local consumption. Points were calculated based on the results of participating associates, and Terumo Tree planting activity (Shizuoka, Japan) 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 2025, Terumo Philippines and Terumo Cardiovascular Costa Rica conducted tree planting activities. Terumo Vietnam donated trash bins to neighboring schools. This initiative aims to continuously support the enhancement of environmental awareness among schools and students. Children are the generation that will shape the future of society, and raising environmental awareness contributes to the realization of a sustainable society. Many other Terumo Group sites are also advancing initiatives for nature conservation through activities such as cleanup efforts in neighboring communities and protected natural areas, as well as internal biodiversity awareness events.



Trash bins donated to schools (Hanoi, Vietnam)

Endorsement of Declaration of Biodiversity by KEIDANREN and Action Policy

Terumo has declared its support of the Declaration of Biodiversity by KEIDANREN 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 "Response to the risks and opportunities resulting from climate change and nature (Information disclosure based on the TCFD and TNFD recommendations)" on pp. 51-52.

Response 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
Governance	・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. ・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. ・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. ・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.	
Strategy	・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. ・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."	・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. ・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.
Risk management	・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. ・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.	
Indicators and targets	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). 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	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. ・Reduce water use per unit of revenue by at least 20% by FY2030 compared to FY2018 ・Achieve a recycling rate of 90% by FY2030 In addition, we have set the following target to prevent pollution of the environment, including ecosystems. ・Realize zero major environmental incidents (including air, water, and soil pollution)

Climate-related risks affecting our business activities

Risks	Risk content
Physical risks	・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 reduced labor productivity due to steady temperature rise or water shortages, and lost opportunities due to temporary disruption of operations
	・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
Transition risks	・Increased energy costs and raw material costs in the event of the introduction or raising of carbon tax
	・Replacement of equipment and accompanying increase in capital expenditure costs, resulting from the tightening up of environmental regulations such as those governing GHG emissions
	・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

Climate-related opportunities relating to our business activities

Opportunities	Opportunity content
Physical opportunities	・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
Transition opportunities	・Reduced costs due to enhancement of energy efficiency in production and in the supply chain
	・Provision of products that contribute toward enhanced efficiency in medical settings or toward reduction of GHG emissions

Response 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.

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. 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 the Terumo Group are as follows.

Region	Applicable regulations and standards
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) came into effect on February 2, 2026. Terumo completed compliance with the QMSR prior to the effective date.

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

The Terumo Group 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 110,000 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 AI-powered voice recognition 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. 56.

Quality and safety of products and services

Training of healthcare professionals

The Terumo Group 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^2 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, Safety; Stable Procurement; Promotion of Compliance; Fair Procurement; Consideration for Human Rights and 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 and major initiatives

At the Terumo Group, 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 Environment," and "7. Management Systems," and we request that they sign an acknowledgment in relation to these chapters. In fiscal 2025, we continued to obtain signed acknowledgments from new direct and indirect material suppliers.

To monitor the status of the Terumo Group supply chain as a whole more efficiently and to standardize supplier management globally, we have introduced in selected regions (including Japan, the U.S., and Europe) a new system that enables automated assessment of various categories of risks, investigation of these risks, and provision of guidance for making improvements.

When introducing this system, we stratified risks relating to human rights, the environment, and anti-corruption, based on external data. Investigations using this system have been incorporated into the standard procedures that we follow before we start doing business with a new supplier, with screening being performed based on the risk classification. Besides risk assessment through automated screening that utilizes lists of sanctions imposed by individual countries and information from the media, we send questionnaires to certain key suppliers to confirm that none of them has serious deviations or related concerns. Going forward, this system will be steadily rolled out in those Terumo Group sites where it has not yet been adopted, as we strive to further enhance and advance the supply chain risk management framework.

In the procurement of materials, we manage suppliers at our production sites in Japan and overseas based on our quality management system (QMS). 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 questionnaire

Evaluation items	Main contents	Number of questions
Governance	Code of conduct, ethics policy, anti-corruption measures, whistleblowing system	10
Social and human rights	Prohibition of child labor, forced labor, discrimination, and harassment, labor management	15
Supply chain management	Procurement policy, disclosure of non-financial information, avoidance of conflict minerals*	7
Environmental protection	Greenhouse gas reduction, effective use of resources, waste management, hazardous substance management	16
Health and safety	Safety management system, activities to prevent work-related accidents, workplace health management, evacuation drills	10
Total		58

* Scope: tin, tantalum, tungsten, gold, and cobalt
(For the content of the questions, please refer to "Measures for addressing Conflict Minerals" on p. 58.)

Procurement

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.

EHS* initiatives related to procurement

Terumo strives to mitigate EHS-related risks in the supply chain by requesting the suppliers to sign acknowledgments of the Supplier Guidelines and complete questionnaires. In fiscal 2025, 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 consolidating 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, the Terumo Group recognizes that it is 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 purchasing regulations and related bylaws, which establish rules for the prohibition of conflicts of interest, compliance with applicable laws and regulations, including the SME Transactions Act, and the execution of agreements regarding the exclusion of antisocial forces (i.e. organized crime groups) as well as the obtaining of suppliers' signatures acknowledging Terumo's Supplier Guidelines prior to supplier selection. Through these measures, we promote fair dealings with suppliers. 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.

Human resources

Basic approach

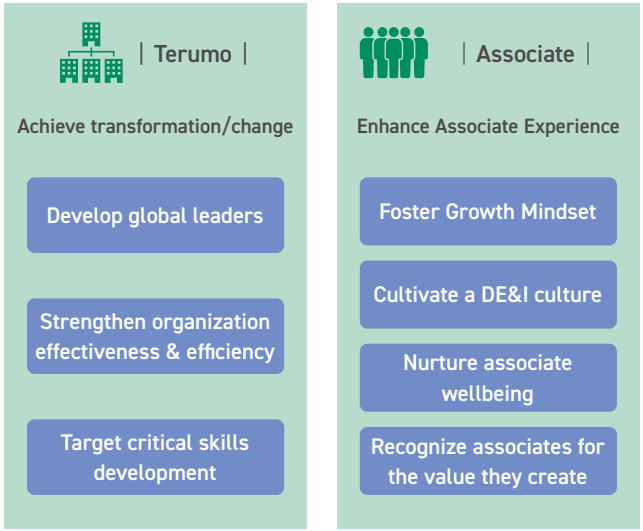
Guided by Our Promise, "Everything starts from our unwavering commitment to patients," we strive to understand and meet patients' needs as we pursue our Group Mission of "Contributing to Society through Healthcare." At the heart of this commitment are our associates. We refer to our employees as "associates," because we believe that every individual contributes to our success and grows together as part of one global team. We believe that our sustainable growth is driven by the diversity of our associates around the world, whose unique experiences, perspectives, and strengths fuel the organization. Based on this belief, we advance our people strategy in close alignment with our business strategy. By supporting associates in taking on new challenges and fostering collaboration across businesses, functions, and regions, we strengthen organizational capabilities, create value, and advance global management capabilities.

People strategy

Basic approach

As the healthcare environment continues to evolve, we recognize that a strong talent foundation is essential to executing our business strategy and achieving sustainable growth. Guided by this belief, we advance our people strategy with a focus on developing talent and creating an environment where every associate can realize their full potential and grow together with the company.

Under GS26, our five-year growth strategy, we have identified two priorities for our people strategy: driving transformation and advancing global management. To support these priorities, we continue to build the organizational capabilities required for sustainable business growth through the development of leaders with diverse backgrounds and the enhancement of our people and HR infrastructure. We are also fostering a culture rooted in Growth Mindset and Diversity, Equity and Inclusion (DE&I), helping create an environment where associates are empowered to thrive as their authentic selves. As a foundation for these efforts, we have defined the value of working at Terumo Group as Advancing healthcare with heart and established it as our Employee Value Proposition (EVP). By enabling associates to experience this value in their daily work and by promoting collaboration across businesses, functions and regions, we strengthen organizational effectiveness and support the sustainable creation of corporate value.



Governance and Structure

To advance our people strategy across the Group, we have established a global governance structure under the Chief Human Resources Officer (CHRO), bringing together HR organizations from Group companies in Japan and around the world. This framework enables alignment across the Group while supporting the agile and cross-functional execution of key people initiatives.

Progress on our people strategy and related initiatives is reported regularly to the Board of Directors. The Board recognizes human capital management as a key management foundation for long-term corporate value creation and provides oversight and guidance accordingly. To reinforce leadership accountability and commitment, human capital objectives are linked to executive performance evaluation and compensation. Specifically, "Maximizing Human Potential" is included as one of the key performance indicators within the Future Corporate Value Targets used to determine executive variable compensation, further aligning our people strategy with our business strategy.

In addition, the Risk Management Committee oversees enterprise-wide risk management activities, including the identification of key risks, implementation of mitigation measures and ongoing monitoring. Talent-related risks are managed as one of the Group's important business risks and are continuously monitored through our enterprise risk management framework, with insights reflected in people strategies and initiatives as appropriate.

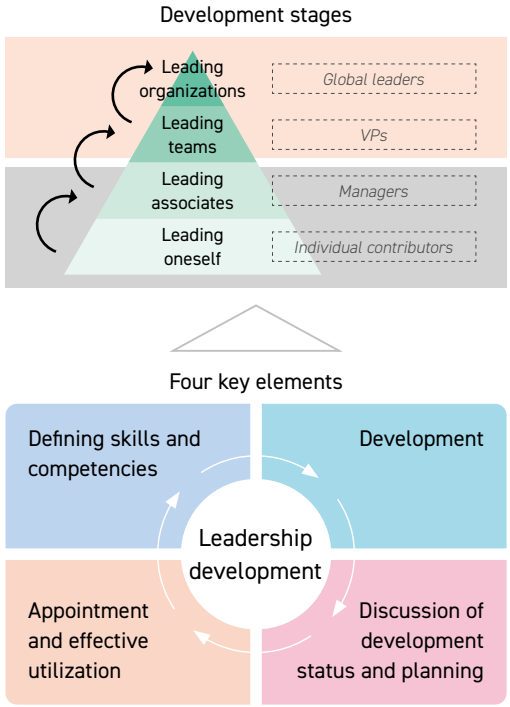
Human resources

Development of global leaders

Basic approach

With operations in more than 160 countries and regions, Terumo Group is committed to developing talent capable of leading in a global environment. To support this ambition, we have established a common global framework that connects every stage of leadership development, from defining skills and competencies to development, talent review, succession discussions and strategic deployment. This holistic approach enables us to identify, develop, and position talent effectively across the organization, while building a strong and diverse pipeline of leaders for the future.

Development stages and four key elements



Global leadership program

We offer a structured portfolio of development programs tailored to different career stages, from early-career associates to future executive leaders. Through these programs, high potential associates collaborate across countries and functions to address real business challenges, developing global perspectives, strategic thinking capabilities and leadership skills over an approximately nine-month period. Through these experiences, we cultivate leaders who can drive value creation through collaboration across the Terumo Group while building a strong pipeline of future leaders.

Succession planning

To strengthen our pipeline of future leaders, senior leaders engage in regular discussions regarding the development, deployment and long-term succession of key talent across the Terumo Group. In addition, we maintain ongoing succession planning processes for critical positions, including CEOs of Group companies, to support business continuity and sustained growth.

These discussions are conducted using common Group-wide criteria and informed by objective assessments that incorporate external perspectives. This approach helps ensure consistency and transparency while supporting the effective identification and development of future leaders.

Terumo ONE Connect

To support the right talent in the right opportunities and empower associates to take ownership of their careers, we launched Terumo ONE Connect, an AI-enabled talent marketplace, globally in fiscal year 2024.

Terumo ONE Connect connects associates' skills and experiences with career opportunities across the Group. The platform enables associates to explore positions and projects beyond organizational and geographic boundaries, while also expanding opportunities to connect with colleagues who possess diverse expertise. Based on associates' profiles, experiences and skills, AI recommends relevant opportunities, helping broaden access to meaningful career experiences.

As associates use the platform to actively shape their careers, new opportunities for mobility, project participation and collaboration are emerging across countries, regions, businesses and functions. Through Terumo ONE Connect, we are creating an environment where associates can continue to grow, contribute and thrive across the Group.

Talent development (Terumo Corporation)

Talent development/Training programs

We believe that the growth of each associate drives the growth of the company. Guided by this belief, we are advancing a range of initiatives centered on creating an environment where associates with diverse backgrounds can continue to learn and grow.

Our approach to learning and development is grounded in practical, on-the-job training (OJT), supported by a structured portfolio of training programs. We also believe that learning is most impactful when individuals identify their own development needs and take ownership of their growth. Therefore, many of our programs are designed around voluntary participation, encouraging associates to proactively pursue learning opportunities and shape their own development journey.

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

Level-based training	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), training for General Managers
Support for self-development	Management school support, access to on-demand Business Skills Learning Services, Online Business Training, E-learning, Open Applications for Project Assignments, English Conversation Training, Learning Support for English Proficiency Development, Incentives for Obtaining Digital-related Certifications
Executive Leadership development	Executive officer candidate, development training for next generation leaders, MBA sponsorship program, 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)
Development of R&D talent	Advanced Terumo Medical Academy (ATOM), Management of Technology (MOT) and Biomedical, and R&D-related cross-industry exchange and training, etc.
Development of the spirit of *Monozukuri* (product creation) for associates	Training program to learn the principles of *Gemba* (field/floor), *Genbutsu* (actual product), and *Genjitsu* (reality)

Human resources

Level-based training

We provide level-based development programs designed to equip associates with the skills required at different career stages and levels of responsibility, including new hires, associates in their second and third years with the company, mid-level associates, and managers. These programs support continuous growth while helping associates develop the skills and attributes needed to succeed in their respective roles. As both our business environment and internal systems continue to evolve, we regularly review and update our training programs to ensure they remain relevant and effective. Through these programs, associates deepen their understanding of the values that guide Terumo and the policies and programs that support them. At the same time, we encourage associates to make full use of these opportunities and develop the mindset to proactively take on new challenges. We also promote career ownership through career design e-learning modules and dedicated career development programs, empowering associates to take an active role in shaping their careers.

Support for self-development

We provide diverse learning opportunities for associates at every stage of career, from early-career professionals to experienced associates, supporting those who are committed to their own growth and development. To help associates build the skills needed for the future, we continuously enhance our learning and development programs in response to evolving needs. These opportunities include business fundamentals training, English language development programs, subsidies for language proficiency assessments, and incentives for obtaining digital-related certifications. Through these initiatives, we empower associates to continue learning and growing throughout their career.

Development of leadership/executive leaders

To systematically develop future leaders for the company and its various functions, we offer selective development programs designed to identify and cultivate high-potential talent from our mid-career and management ranks. These programs are closely aligned with our global leadership development framework and support the growth of associates with the potential to take on future leadership roles. The programs combine multiple learning opportunities in a structured manner, including the development of an enterprise-wide perspective, leadership assessments, business and management acumen, and liberal arts education. Through this multifaceted approach, we support the growth of talent capable of leading the company in the future. We also provide a range of support programs for highly motivated associates pursuing advanced qualifications, including MBAs. These include leave-of-absence arrangements for academic study, the use of previously forfeited paid leave, and, when approved by the company, access to interest-free loans to help cover tuition fees and living expenses during study leave. In addition, associates who meet certain criteria may receive financial support for a portion of their enrollment and tuition costs. Beyond the acquisition of knowledge and skills, these opportunities enable associates to broaden their perspectives through interaction with people from diverse backgrounds and experiences in different cultural environments. Through these experiences, we foster future leaders equipped with a global mindset and the ability to lead in an increasingly interconnected world.

Development of R&D talent

We aim to advance R&D that combines specialized expertise with diverse knowledge and technologies to drive innovation in healthcare and contribute to the advancement of medicine. For associates in R&D roles, we offer the Advanced Terumo Medical Academy (ATOM), an in-house program designed to help development engineers build the medical knowledge required for their roles early in their careers. The program combines original e-learning content with lectures and training delivered by physicians, nurses, pharmacists, and other healthcare professionals, enabling participants to develop both foundational medical knowledge and practical clinical insight. We also provide diverse learning opportunities that strengthen collaboration and innovation, including cross-site knowledge-sharing programs, medical device research activities, and Biodesign programs, a medical device innovation methodology developed in the United States. By combining new development approaches with observation of clinical practice, associates gain broader perspectives on healthcare innovation. In addition, we actively support associates who pursue external learning opportunities. Through programs in areas such as Management of Technology (MOT), basic medical sciences, and cross-industry exchanges, associates broaden their expertise, strengthen their professional networks, and gain new perspectives beyond the company.

Development of *Monozukuri* associates

To strengthen manufacturing capabilities across our production sites, we continue to enhance our training environment and develop internal instructors.

As part of these efforts, we provide intensive training each year for new associates in manufacturing, engineering, quality assurance, and development roles. Designed to build the common skills required for production and the spirit of *monozukuri* (product creation) across the Terumo Group, the program is led by experienced associates working in the field. Training curricula are developed based on the principles of *gemba*, *genbutsu*, and *genjitsu* (going to the actual place, observing the actual product, and understanding the actual situation) and are continuously updated to reflect changes in the business environment.

We also support the development of the next generation of manufacturing talent by passing on the skills, experience, and spirit of *monozukuri* accumulated by experienced associates, including those rehired through the Terumo Expert System (TES). Through these efforts, we help preserve critical expertise while fostering future talent in manufacturing.

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

Human resources

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

Managers conduct official performance feedback discussions with associates twice a year. In addition to sharing evaluation results, these discussions help promote self-awareness and growth by providing feedback on development opportunities and future expectations.

Associates also participate in an annual career discussion to reflect on their career aspirations, development plans, and performance goals, while engaging in meaningful dialogue with their managers about their future careers. Information from these discussions is used to support individual career development, including talent mobility and job assignments.

One-on-one meetings

In addition to performance feedback discussions and annual career discussions, we have introduced regular one-on-one meetings since fiscal year 2022. Held approximately once a month, these meetings provide opportunities for managers and associates to discuss experiences gained through work, career aspirations and challenges, and progress toward individual goals and responsibilities.

By encouraging frequent and meaningful dialogue, these meetings help strengthen mutual understanding, support ongoing development, and foster the growth of associates throughout their careers.

"Career Challenge" in-house job posting program

Since 1997, we have operated an internal job posting program that enables associates to pursue new opportunities across a wide range of functions and roles. The program aims to provide motivated associates with opportunities to take on new challenges, broaden their experience, and support their continued growth.

Renamed "Career Challenge" in fiscal 2022, the program clearly defines the experience and skills required for each position. Managerial positions at the section manager level are, in principle, filled through the program with the most qualified candidate selected based on merit. In addition, fixed-term appointments for managers create opportunities for both reappointment and new appointments, helping optimize the organization through effective talent deployment.

For non-managerial associates, Career Challenge complements company-led rotational assignments, balancing organizational development needs with career ownership. Through these initiatives, we support associates in taking an active role in shaping their careers and pursuing new challenges based on their aspirations and capabilities.

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

To support the achievement of its mid- to long-term growth strategy, the Terumo Group has identified the critical skills and capabilities required for future business success and established a common Group-wide framework for them. By incorporating this framework into our strategic workforce planning processes and consistently applying it to talent acquisition and development across businesses, functions, and regions, we continue to strengthen our talent foundation and build the capabilities needed for sustainable growth.

Definition of digital talent

To accelerate business transformation and strengthen competitiveness through digital technologies, we are focused on attracting, developing, and retaining digital talent as a critical capability across the Group. We have established a common Group-wide framework defining digital talent roles and regularly identify and monitor talent against this framework. We also assess capability gaps and share priorities with global leaders to build a common understanding of development needs. Based on these insights, we take an integrated approach to strengthening digital capabilities through talent development, community building, knowledge and skill enhancement, and targeted recruitment.

Development of digital talent (Terumo Corporation)

Since 2020, we have offered the "Terumo DX College" to enhance digital literacy, support the development of digital expertise, and cultivate specialists who can solve business challenges through digital technologies. The program provides learning opportunities tailored to different skill levels and roles. In 2025, under the banner of the "First Year of Generative AI," we rolled out Microsoft Copilot across the company and expanded initiatives to promote the effective use of generative AI. These include company-wide seminars and community activities aimed at building a foundation for greater productivity and new value creation while broadening the population of associates capable of leveraging generative AI in their work. In addition, advanced training programs help associates develop the skills needed to leverage low-code tools for business process improvement and automation, supporting digital transformation across the organization.

Human resources

Growth Mindset

Basic approach

At the Terumo Group, we believe that the growth of each associate drives the growth of the company. To continue addressing evolving healthcare challenges and delivering innovative solutions, we promote a Growth Mindset culture that encourages associates to embrace challenges, learn continuously, and grow through experience. Growth Mindset is the belief that abilities and talents can be developed through effort, learning, and perseverance. To foster a Growth Mindset across the Group, we encourage three key behaviors in everyday work: experimenting, recognizing progress, and learning from others. By embedding these behaviors into everyday work, we support a culture of continuous improvement, innovation, and collaboration, enabling both our associates and our business to thrive.

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

More than 30,000 associates work across the Terumo Group, with approximately 75%* based outside Japan. We believe that the diversity of our associates, including their backgrounds, perspectives, and areas of expertise, is one of our greatest strengths. By fostering an environment where associates respect one another's differences, value diverse perspectives, and are empowered to thrive as their authentic selves, we create new value and contribute to the advancement of healthcare around the world. Guided by this belief, the Terumo Group has established a DE&I Philosophy and Guiding Principles.

* Calculated based on the number of Terumo Group associates as of March 31, 2026.

DE&I Philosophy and Guiding Principles

DE&I Philosophy

Terumo is committed to cultivating a globally diverse, equitable and inclusive culture.

DE&I Guiding Principles

At Terumo, we respect and value differences, and empower everyone to bring their authentic self to work, which leads to innovation that addresses the diverse healthcare needs of global society.
To promote Diversity, Equity and Inclusion (DE&I), we commit to the following:

- We live our Core Values and our Code of Conduct.
- We ingrain DE&I in our policies, processes and practices.
- We do not tolerate words or actions that diminish DE&I such as discrimination, violence or hate.
- We create an inclusive workplace where everyone feels respected, heard, and able to do their best work. Our focus is on fair treatment, equal opportunity through thoughtful leadership, recruitment, development, and decision-making, and building a strong sense of belonging across teams.

TERUMO DE&I

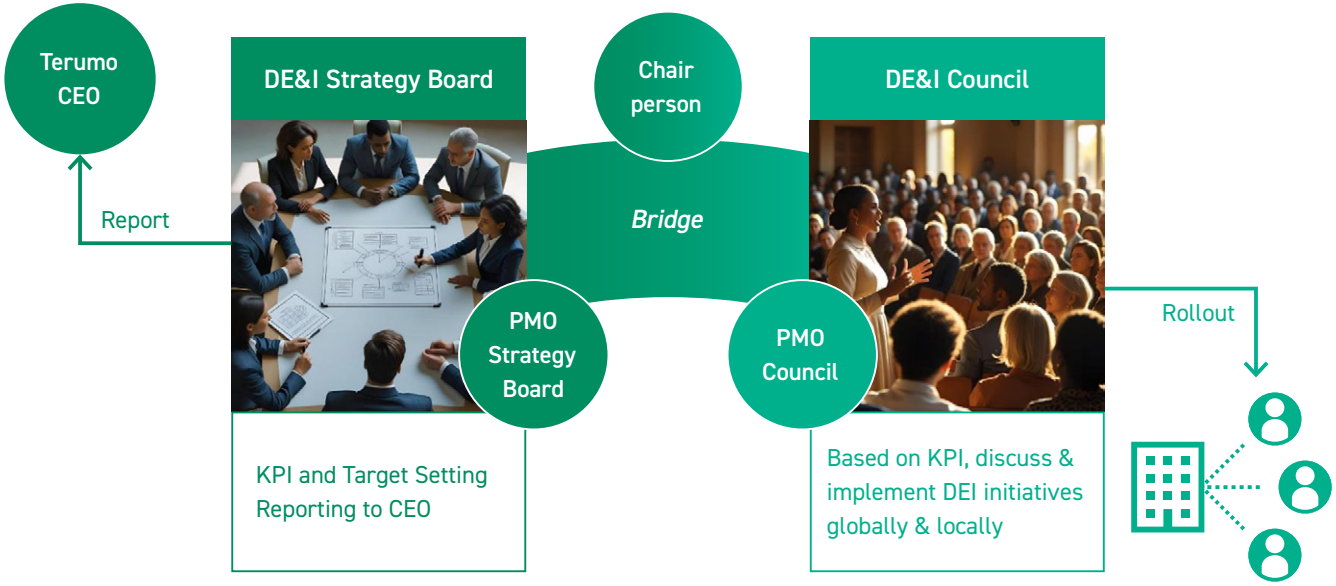
The concept of the expression
The overlapping colors of the DE&I letters in this logo symbolize our associates. This design demonstrates our commitment to respecting individual differences and providing resources tailored to each associate, empowering everyone to fully realize their potential, supporting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

Human resources

Promotion measures

To strengthen the strategic impact and effectiveness of DE&I initiatives, the Terumo Group advances DE&I through two closely connected bodies: the Global DE&I Strategy Board and the Global DE&I Council. The Global DE&I Strategy Board, established in 2025, is responsible for defining the Group's DE&I priorities, setting strategies and KPIs, and monitoring progress and outcomes. Comprising senior executives and leaders, the Board helps strengthen the connection between DE&I and business strategy. The Global DE&I Council, established in 2021, leads the implementation of DE&I initiatives across the Group. In addition to developing the DE&I Philosophy and Guiding Principle, the Council translates Group-wide strategies and KPIs into concrete actions, deploys them across regions and organizations, and provides feedback on outcomes to the Strategy Board. Progress and results are regularly reported to and discussed by the Board of Directors. Feedback from the Board is incorporated into future initiatives, creating a continuous cycle of implementation, review, and improvement.

Global DE&I Governance



DE&I KPIs and Their Relevance at the Terumo Group

1. Employee Engagement & Belonging
   <Business relevance> A strong sense of belonging drives talent retention and supports long-term organizational stability and continuity.
2. Psychological Safety
   <Business relevance> Psychological safety strengthens compliance and risk management by enabling associates to speak up without hesitation.
3. Inclusive Leadership Practice
   <Business relevance> Inclusive leadership enables better decision-making, stronger connection to diverse perspectives, and a workplace where associates can contribute to their full potential.

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. In addition to this, our Associate Resource Groups (ARGs) are active across various countries and regions. ARGs focused on topics such as gender, culture, disability, generations, and LGBTQ+ have been established across the Group. Led by the Global DE&I Council, these ARGs are connected across regions to share best practices and insights, fostering new ideas and initiatives that advance DE&I throughout the organization.



Messages from business leaders are shared using social media

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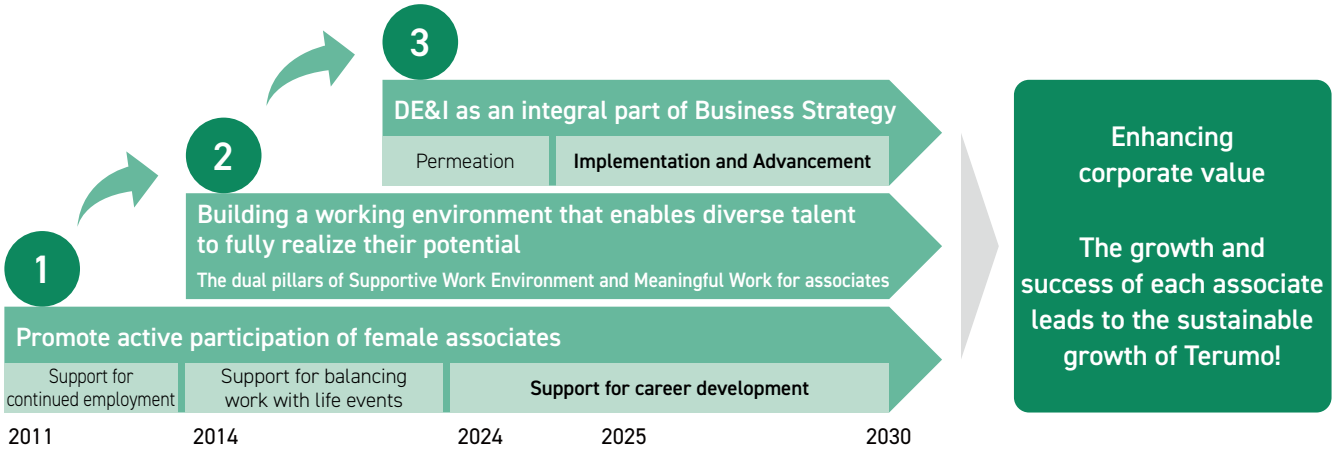
DE&I promotion (Terumo Corporation)

We are committed to creating an environment where the associates with diverse backgrounds, perspectives, and experiences can fully realize their potential and thrive as their authentic selves, while fostering an inclusive culture across the Group. Beyond raising awareness and understanding of DE&I, we implement initiatives that encourage behavioral change in everyday work. Through these efforts, we leverage diverse perspectives and capabilities in decision-making and business operations, helping strengthen our competitiveness and drive sustainable growth.

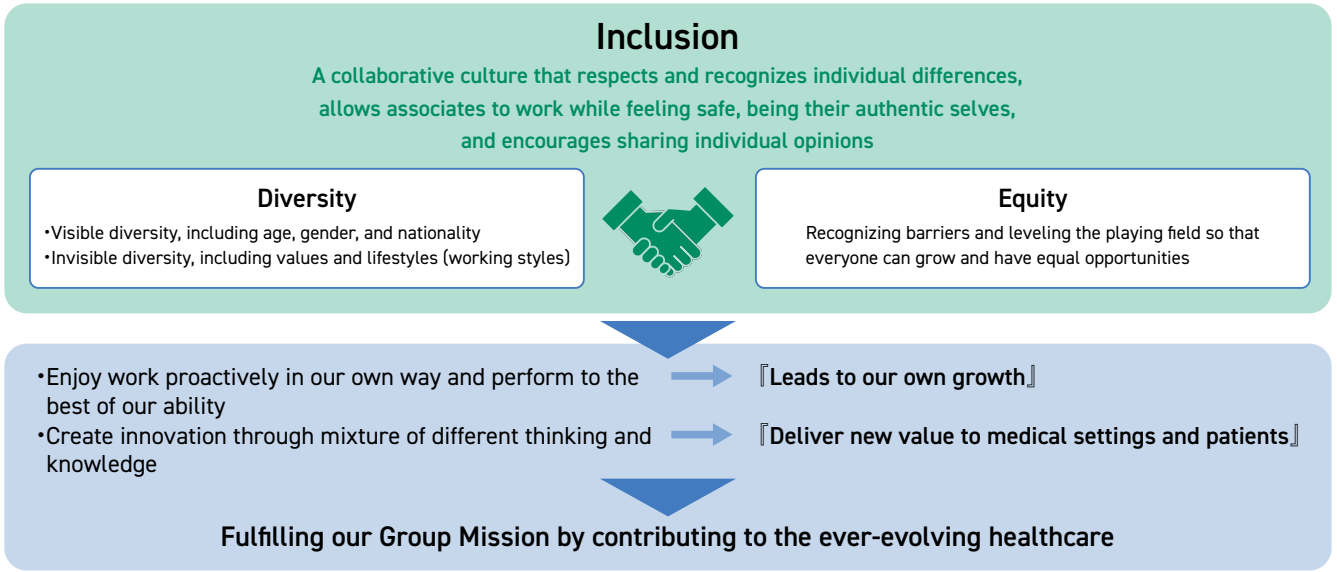
Major initiatives implemented so far

- 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)
- Offered training on inclusive leadership, unconscious bias, and fair performance evaluation to help managers create an environment where diverse associates can succeed and contribute to their full potential.
- 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

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



Human resources

Advancement of women in leadership

To achieve sustainable growth in a global business environment shaped by diverse talent and perspectives, the Terumo Group recognizes the advancement of women as one of its key DE&I priorities and has secured strong commitment from senior leadership. At Terumo Corporation, we believe that greater diversity in leadership, including an increase in women leaders, is essential to our business strategy and future value creation. Accordingly, we set a target of increasing the percentage of women in managerial positions to 13% by the end of fiscal 2026 and have strengthened our talent development and appointment processes to achieve this goal.

Our initiatives include ensuring that at least one female candidate is included in succession plans for key leadership positions and actively recruiting women for management and leadership-track roles. We have also promoted the planned development of women leaders through a combination of on-the-job and off-the-job learning opportunities, while supporting management capability and motivation through mentoring programs. As a result of these efforts, we achieved our fiscal 2026 target one year ahead of schedule, with women representing 13.2% of managers as of March 31, 2026.

We are also committed to creating an environment where all associates can thrive and realize their full potential. This includes networks for sharing information and experiences related to careers and life events, consultation services that support work-life integration, and health literacy seminars that promote understanding of women's health issues. In fiscal 2025, we introduced a new fertility treatment leave program and held a series of seminars on related conditions, symptoms, and treatments. These initiatives not only supported associates considering the use of the program but also helped raise awareness across the workplace, encouraging broader understanding and utilization of the program.

Number and ratio of female managers (Terumo Corporation)

	FY2023	FY2024	FY2025
Number	100	122	139
Ratio (%)	10.4	12.0	13.2

TOPICS (Terumo Corporation)

Women's talent development program

To support the planned development of women leaders, Terumo Corporation has continuously expanded and enhanced its women's leadership development program over the past three years. The program is built around three pillars: the development of women leaders, the creation of women's networks and communities, and the development of managers who can actively support the advancement of women. Through this structured approach, we continue to strengthen the pipeline of future women leaders. These initiatives promote both individual growth and the development of an organizational foundation that enables diverse talent to thrive and contribute to the company's success.

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





Providing menstrual products as restroom amenities

As part of our efforts to create a safe and supportive workplace, Terumo Corporation has introduced complimentary menstrual products in women's and universal restrooms at its manufacturing sites. This initiative aims to reduce concerns related to menstruation in the workplace and help associates feel supported in their daily work.

Associates have responded positively, noting that the availability of these products provides peace of mind and helps them manage unexpected situations with greater confidence. As a result, the initiative has contributed to reducing psychological burdens and fostering a more supportive work environment.



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 (Six sessions in Fiscal 2025)
- Redesigned manufacturing site uniforms from white to navy blue to help alleviate concerns about menstrual leakage and create a more comfortable working environment.

Human resources

Supporting International Associates

As our business becomes increasingly global, we are committed to creating an environment where associates of diverse nationalities and languages can thrive and contribute to their full potential. As part of these efforts, we refer to non-Japanese associates working at Terumo Corporation as International Associates (IA) and provide cross-cultural communication training for their managers. We have also strengthened support for International Associates through IA ARG (Associate Resource Group) activities, which foster networking opportunities among associates, as well as support programs related to visa application and renewal procedures. Through these initiatives, we continue to enhance an environment where International Associates can work with confidence. Going forward, we will continue to gather feedback through ARG activities and use these insights to improve our policies and workplace environment, helping every associate thrive as their authentic self and contribute to the company's success.

Continued engagement of post-retirement associates

Since 1998, Terumo Corporation has operated the Terumo Expert System (TES), a post-retirement reemployment program that enables associates to continue contributing their expertise and experience after retirement age. In addition to applying their specialized knowledge, many TES associates support the development of next generation talent through coaching and mentoring.

In April 2023, we enhanced the program by introducing a role- and performance-based compensation system and more flexible work arrangements, including three- and four-day workweek options.

We also support TES associates through a Career Advisor Program, which provides career and life-planning guidance before and after retirement. Since April 2026, associates have been able to choose consultations with either internal or external professional advisors.

In addition, a new treatment framework introduced in April 2026 supports highly specialized talent expected to lead strategically important initiatives and make significant contributions to the company.

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

We believe it is important to foster a culture where associates respect diverse backgrounds, perspectives, and identities and treat one another with dignity and respect. To support LGBTQ+ inclusion, we provide training for all associates on the prevention of harassment related to sexual orientation and gender identity, reinforcing our commitment to maintaining a workplace free from unfair treatment, as outlined in the Terumo Group Code of Conduct. Through these efforts, we continue to foster a workplace where all associates feel respected, supported, and able to contribute to their full potential.

Wellbeing

Basic approach

At the Terumo Group, we believe that a positive Associate Experience depends on associates finding meaning and purpose in their work, having an environment where they can thrive as their authentic selves, and maintaining good physical and mental health. We define the state in which these elements come together as wellbeing. To support and enhance associate wellbeing, we promote a wide range of initiatives across the Group, as well as at the country, regional, and company levels.

Employee Value Proposition (EVP)

To articulate the value and experience of working at the Terumo Group, we have defined our Employee Value Proposition (EVP) as "Advancing healthcare with heart." This EVP represents what makes the Terumo Group a unique place to work and reflects our commitment to associates worldwide.

- Grow your own way
  We believe in the power of personal growth. We encourage you to get in the driver's seat and progress the way you want to, deepening your skills throughout your career. Challenging and championing you on your unique journey.
- Get there together
  You're part of a collaborative, respectful and resilient team of associates and leaders around the world. Working together as partners to achieve more than you thought possible and provide real-world, sustainable impact for patients.
- Create to innovate
  Test, learn and share at Terumo. Supporting you to be bold, think outside the box, experiment, innovate at speed and deliver what's next for quality healthcare.

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These are the elements that make the Terumo Group a unique place to work and represent our promise to associates around the world.

EVP introduction video (Terumo Europe)
https://www.youtube.com/watch?v=zVyLMuQQh0M



Terumo Patient's Day

The Terumo Group's Mission of "Contributing to Society through Healthcare" is a key source of associates' motivation and sense of purpose at work. Since 2013, we have held Terumo Patient's Day events around the world to deepen associates' understanding of patients' needs and experiences and strengthen their engagement with our Mission. Through opportunities to experience healthcare settings firsthand and interact directly with patients, associates recognize how their work contributes to better healthcare and a better quality of life for patients.

Engagement survey

The Terumo Group views its engagement survey as a key mechanism for incorporating associates' voices into management and organizational decision-making and driving continuous transformation. A common survey is conducted every two years for all associates across the Terumo Group. Based on the results of the survey conducted in fiscal 2024, we have continued promoting proactive challenges through Growth Mindset while expanding access to the online platform Terumo ONE Connect. This has strengthened networking across the Group and enabled associates to pursue new career opportunities beyond organizational boundaries.

In addition, Terumo Corporation conducts its own engagement survey twice a year and uses the findings to enhance workplace systems and learning opportunities. For example, a side-job program was introduced in fiscal 2024, and in fiscal 2025 a new e-learning platform was launched to provide associates with greater access to self-directed learning opportunities and further embed a learning mindset across the organization. We also believe that meaningful change starts with individual actions and mindsets. In fiscal 2025, we held a dialogue event featuring the CEO, CHRO, and associates to promote a more engaging workplace. In addition to sharing leadership perspectives on growth, career ownership, and taking on new challenges, the event included live Q&A sessions that provided associates with a direct opportunity to raise questions and discuss their experiences and concerns.

Going forward, we will continue to position engagement surveys not merely as a measurement tool, but as a starting point for ongoing dialogue and organizational transformation, helping drive sustainable corporate value creation.

Well-being Initiatives (Terumo Corporation)

Workstyle reform

We support flexible and productive ways of working that focus on outcomes, enabling associates to balance their work responsibilities with their individual lifestyles while performing at their best.

Policies to facilitate flexible workstyles (Terumo Corporation)

Policy	Description
Staggered working hours	Adjustment of start and end of work day by up to two hours available according to daily work and schedule
Flexible working hours	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
Inter-work interval	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
Work-at-home Policy	Available to all associates working on remote assignments (no limit on frequency of use)
Satellite offices	Satellite offices established, mainly in the Tokyo metropolitan area, to support location-free work styles
Paid half-day Leave	Paid leave for taking a half day off in the morning or afternoon available
Hourly paid Leave	Paid leave available in hourly units
Refreshment Leave	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

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

- Streamlined production processes through the adoption of AI and other emerging technologies.
- Reduce manual workloads through the adoption of automation technologies such as robotic process automation (RPA)
- Review and streamline operations
- 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)

	FY2023	FY2024	FY2025
Ratio (%)	73.2	73.8	72.9

Support balancing work and family life

Providing flexible work arrangements that support associates through various life events, including childbirth, childcare, and caregiving.

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**	・Associates can take up to 10 days of unpaid leave, and may use up to 10 days of expired paid leave per year
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 balance work and family responsibilities, the necessity of individual meetings before and after returning from

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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

We support associates who may have concerns about balancing work and childcare by providing opportunities to connect with and learn from one another. Through networking activities where associates can share experiences and insights related to career development and life events, as well as job-specific workshops, we encourage associates to explore their own career paths and future opportunities. Feedback gathered through these activities is also shared with senior leadership, helping deepen understanding and awareness of associates' needs. These insights have contributed to the introduction of new support measures, including a babysitting subsidy program.

Encouraging male associates to take childcare leave

In fiscal 2025, 121 male associates took childcare leave, representing a take-up rate of 88.3%. Of these, 71.5% took leave for 30 days or more, exceeding our target of 50%, demonstrating steady progress in establishing a workplace culture where balancing childcare and work is a shared expectation. To further support childcare leave, we launched "Iku-kyu Ambassador," an interactive dialogue initiative featuring associates from a variety of perspectives, including childcare leave users, managers, and single associates. Through these discussions, participants shared their experiences and perspectives on both taking and supporting childcare leave. The initiative helped highlight the importance of open communication in the workplace, including how associates prepare for leave while fulfilling their responsibilities and how managers can provide meaningful support. Discussions involving single associates also encouraged participants to consider how they might balance career development and family responsibilities in the future, helping foster awareness and understanding from an early stage. By sharing the outcomes of these initiatives on the company intranet, new connections and conversations have continued beyond the events themselves. The initiatives have not only encouraged behavioral change among participating associates but have also contributed to positive cultural change across the organization.

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

	FY2023	FY2024	FY2025
Number	118	98	121
Ratio (%)	76.6	80.9	88.3

Establishment of "Chigai Chikara Network"

We support associates who are raising children with disabilities or requiring ongoing medical care by providing greater flexibility in how they work. To help associates continue their careers with confidence, we have removed time limits on reduced working hours and flexible work schedules for eligible associates. In addition, associates' voices inspired the launch of the "Chigai Chikara Network," based on the belief that those raising children who require additional care should not have to give up on their careers or personal aspirations. The network provides a supportive community where associates can share experiences, discuss challenges, and support one another while balancing work and caregiving responsibilities.

External Recognition and Certifications for DE&I

External recognition and certifications demonstrate that our DE&I initiatives create an environment where diverse associates can thrive as their authentic selves are valued by external stakeholders. These recognitions contribute to strengthening our social credibility and enhancing corporate value.

1. Awarded the highest, third-level certification under Japan's Eruboshi Certification program

Terumo Corporation has been awarded the highest, third-level certification under Japan's Eruboshi Certification program, which recognizes companies that actively promote the advancement of women in the workplace.



2. 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.



3. 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.



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4. Received the Grand Prize in the FY2025 Tokyo Metropolitan Government Awards for the Promotion of Women's Empowerment

Terumo Corporation received the Grand Prize in the Business Category of the FY2025 Tokyo Metropolitan Government Awards for the Promotion of Women's Empowerment.
The award recognizes our continued efforts to identify workplace challenges through active listening to associates and translating their feedback into effective initiatives. These practical and impactful talent management efforts were highly evaluated and contributed to this recognition.



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.

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.

Promotion of associate health improvement

The Terumo Group believes that the health and wellbeing of associates are essential to sustainable business growth. As a company dedicated to advancing healthcare, we are committed not only to supporting the health of our associates but also to creating an environment where they find value and fulfillment in working at the Terumo Group. To this end, we promote health and productivity management* initiatives globally. In 2020, we introduced a common global slogan, "Your Health, Your Happiness, Our Priority," and a global logo to reinforce our commitment to associate health and wellbeing. Through the sharing of best practices across the Group, we continue to advance these initiatives together.

* Health and Productivity Management" is a registered trademark of the Health and Productivity Management Research Association (NPO). Terumo Corporation supports the objectives of the association as a supporting member.

Message from senior management

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.

Hikaru Samejima
Chief Executive Officer of Terumo

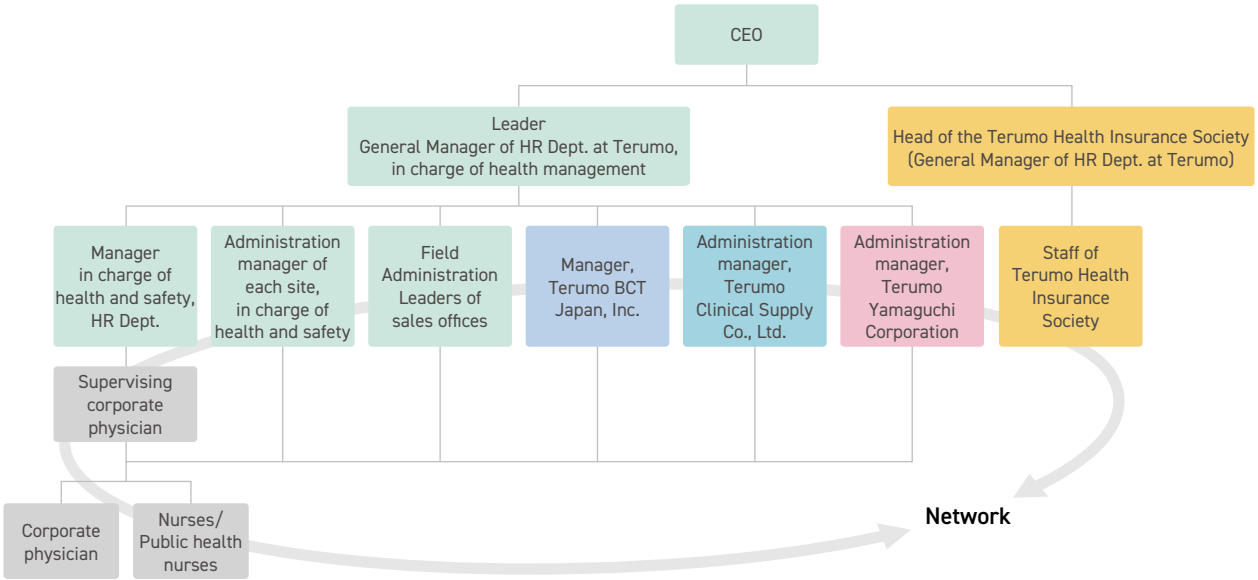
Human resources

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

We establish company-wide health and productivity management policies and annual action plans based on analyses of health examination results and medical expense data. In line with these policies and plans, we implement a variety of initiatives and evaluate their effectiveness each year using both quantitative and qualitative measures.

We also regularly gather associates' feedback and needs through internal surveys and other channels, incorporating these insights into our ongoing health and productivity management cycle of planning, implementation, evaluation, and improvement.

Key initiatives include providing health screenings to support prevention and early detection, as well as offering seminars, events, and financial assistance programs. In addition to individual health guidance for associates, we provide support that extends to their families, including subsidies and family-oriented events, helping promote the health and wellbeing of both associates and their loved ones.

Efforts on prevention, early detection, and treatment support

Prevention	Early detection	Health and treatment support
Exercise and diet	Health checkups	Health support
Company-sponsored gym memberships	Periodic health checkups	Specific health guidance
Walking campaign	Lifestyle-related disease checkups (cancer screening)	Health consultations
Diet campaign	Women's health checkups	Medical expense support and others
Financial support for vaccines	Dental checkups	Oral care
Influenza	Financial support for comprehensive neurological exams	Metabolic syndrome and diabetes prevention
Cervical cancer	Financial support for comprehensive medical exams	Workplace support for associates diagnosed with cancer
Refreshing activities	Follow-up exams	Smoking cessation
Lodging subsidies for travel	Financial support for breast cancer MRIs	
Pre-arranged rest and relaxation facilities		

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. 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 18.0% in fiscal 2025. We will continue to implement activities in this area with the

Human resources

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. We also provide initiatives that encourage younger associates to establish healthy lifestyle habits early in their careers, supporting long-term health and helping reduce future health risks.

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 (FY2025)

Prevention	・Walking campaign participants: 3,019 (held in the spring of 2025) /2,612 (held in the autumn of 2025) ・Stress check take-up rate: 84.5% (identified as high stress: 12.2%)
Early detection	・Periodic health checkup rate: 100% ・Secondary examination rate: 94.1%
Health and treatment support	・Specific health guidance rate: 54.0% (FY2024)

For more information about these initiatives, please refer to "Human resources and labor data" on p. 109.

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

Use of expired paid leave	Expired paid leave may be used a day at a time
Unpaid leave	Associates may take as many days as needed, but no more than 30 consecutive days.
Unpaid working hour reductions	Working hours may be reduced by up to 2 hours per day
Staggered working hours	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 2025. 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 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.

Human resources

Major "Kenko Keiei" selections, certifications, and awards

- Health & Productivity Stock Selection (eight times between fiscal 2014 and fiscal 2025)
- Excellent Enterprise of Health and Productivity Management (eight times between fiscal 2016 and fiscal 2025)
- Tokyo Sports Promotion Company (eleven consecutive years since fiscal 2015 to fiscal 2025)
- Sports Yell Company (nine consecutive years since fiscal 2017 to fiscal 2025)
- 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. 38.)

ISO 45001 (Occupational health and safety) certifications

Principal manufacturing sites in Japan, a certain number of manufacturing and R&D sites overseas, and the head office (EHS Management Department) have obtained third-party certifications of their compliance with the ISO 45001 international standards. The ratio of certifications obtained is 46% on a manufacturing and R&D site basis.

Company name	Site
Terumo Corporation	Head office (EHS Management Department)
	Fujinomiya Factory
	Kofu Factory
	Ashitaka Factory
Terumo Yamaguchi Corporation	–
Terumo Clinical Supply Co., Ltd.	–
Terumo Medical Corp.	Elkton Factory*1
Terumo Europe NV	Haasrode Factory*2
OrganOx Limited	–
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 Distribution Center (Southaven, Phoenix, Northeast), and Terumo Medical Canada, Inc.
*2 Including Genk Distribution Center

(As of March 31, 2026)

Human resources

Newly ISO-certified group company

Terumo Clinical Supply Co., Ltd. has established a dedicated EHS team, and has been enhancing effectiveness through the implementation of risk assessment at each stage of facilities and equipment design and prior to operation and through the establishment of review teams; by effective collaboration between labor and management, the company is cultivating a strong safety-first culture.

These measures, together with the company's accident-free record, were highly commended, and Terumo Clinical Supply received an award of excellence from the Gifu Labor Bureau in recognition of outstanding occupational safety and health performance in fiscal 2025.

In addition, in October 2025 Terumo Clinical Supply obtained third-party certification for ISO 45001 and ISO 14001. Going forward, the company will continue to take its management standards to an even higher level in a sustained, systematic manner.



Safety-related activity

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 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. 109.)



Workshop for senior management on Safety Day

Recognition

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 associates have been named Terumo Fellows since the program was established in 2016, and as of April 2026, 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**

Under the belief that everyday dedication and contributions deserve recognition, Terumo Corporation presents the Pride in the Workplace Award annually. The award honors associates who support the organization and healthcare from behind the scenes, demonstrate expertise and craftsmanship built through years of experience, or contribute to value creation through engagement with local communities. In fiscal 2025, three associates received the award, bringing the cumulative total to 105 associates and three groups.

These initiatives not only provide recognition for individual contributions but also serve as an opportunity for associates across the company to reaffirm that our Mission of "Contributing to Society through Healthcare" is realized through the diverse contributions of associates in a wide range of roles.

Human rights

Human rights initiatives

Basic approach

Since its founding in 1921, the Terumo Group 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 supply chain 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
Compliance with labor-related laws, and prevention of harassment*1	・Conducting surveys administered to Terumo Group business sites in Japan and manufacturing sites overseas to verify the state of compliance and of measures implemented
Ensuring the quality and safety of products and services*2	・Verifying compliance and the response to laws and regulations
Initiatives targeting suppliers*3	・Asking suppliers to sign an acknowledgment of the items stipulated in the Supplier Guidelines, including "Consideration of Human Rights for Labor" ・Operating a management system for supplier risk assessment, investigation, and improvement guidance (*Initially rolled out in selected regions, including Japan, the United States, and Europe)
Compliance with ethical standards in research and development*4	・Verifying the status of reviews conducted by the Terumo Research Ethics Committee ・Verifying compliance and the response to laws and regulations relating to clinical trials
Bribery prevention and anti-corruption*5	・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. 103.
*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. 54-56.
*3 For more information about initiatives targeting suppliers, please refer to "Procurement" on pp. 57-58.
*4 For more information about the main initiatives relating to compliance with ethical standards in research and development, please refer to "Research and development ethics" on p. 105.
*5 For more information about the main initiatives relating to bribery prevention and anticorruption, please refer to "Anti-corruption" on p. 104.

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. 103.)

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

Maintaining a reliable, sustainable, and accessible blood supply remains a critical global challenge, as many communities continue to face blood shortages and increased pressures to maintain donor participation. Terumo Blood and Cell Technologies helps address this need through "From the Heart," our Group-wide blood donation awareness program. The program focuses on educating, empowering, and inspiring associates and communities around the world to donate blood and advocate for blood donations.

In fiscal year 2025 alone, From the Heart organized more than 600 local blood drives around the world, collecting more than 25,000 donations. While global in scope, the program is designed to address local needs through partnerships with community blood donation organizations. For example, in the U.S., our Lakewood site hosts regular bi-monthly blood drives on campus that make donation convenient for associates. In India, large-scale blood donation camps are organized in communities with significant need. In Japan, in conjunction with blood donation promotion initiatives under the comprehensive partnership agreement between Terumo and the Japanese Red Cross Society, associates across Terumo supported educational programs that help children learn about blood donation and its role in healthcare. Participation is entirely voluntary, yet From the Heart demonstrates how community engagement is woven into our culture across the globe.

Engaging with the community in India

The corporate social responsibility team at Terumo Penpol identifies locally relevant ways to support the communities where associates live and work. In fiscal year 2025, the team inaugurated an IoT-enabled Smart Bin installed for public use at the Thiruvananthapuram Municipal Corporation and the College of Engineering Trivandrum. The Smart Bin enables real-time monitoring of waste levels and supports the separation of recyclable and non-recyclable materials. The initiative is intended to encourage responsible waste-disposal habits and strengthen environmental awareness. The Smart Bin's LED display also features videos that promote blood donation awareness.



Installation of IoT-enabled Smart Bins

Beyond environmental initiatives, Terumo Penpol also invests in education and youth development within local communities. Together with its female empowerment ARG, the company supported Cotton Hill Girls Higher Secondary School, a neighborhood school, in establishing smart classrooms equipped with laptops and projectors. The initiative is part of Terumo Penpol's broader efforts to strengthen educational infrastructure in local communities and support students' readiness for future educational and career opportunities.



Supporting local education by equipping classrooms with laptops and projectors

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

Terumo's proposal, "Dissemination of Japanese-style safe and secure catheterization treatment technology, medical devices and educational methods in Kenya," was adopted by the Japan Institute for Health Security (JIHS) as one of the Projects for Global Growth of Medical Technologies that the JIHS implements on behalf of the Ministry of Health, Labour and Welfare (MHLW). The proposal was adopted for three consecutive years—fiscal 2023, fiscal 2024, and fiscal 2025—and Terumo implemented it as a company-led project.

The Projects for Global Growth of Medical Technologies involve sharing Japan's medical systems and medical technology knowhow with low- and middle-income countries, simultaneously promoting both enhancement of the level of medical care in the partner countries and international adoption of Japan's medical technology. In Kenya, there has been an increase in deaths from non-communicable diseases, particularly cardiovascular diseases, and the need to cultivate local medical professionals capable of treating these conditions is a major issue. With this in mind, Terumo has been working, through the Projects for Global Growth of Medical Technologies, to enable Japan's percutaneous coronary intervention (PCI) technique, and the methods for teaching it, to become widely adopted and take root in Kenya.

Terumo has provided practical training for Kenyan doctors in both Japan and Kenya, drawing on the expertise and experience of Japanese doctors together with PCI training knowhow. Through the measures implemented to date, an improvement has been seen in participating doctors' understanding of transradial PCI and

Contribution to society and local communities

their ability to put it into practice, demonstrating the effectiveness of education programs aimed at promoting widespread adoption of safe and reliable catheter-based treatment techniques. Terumo has also undertaken the cultivation of trainers who can instruct other doctors locally, providing support for establishing systems that can drive ongoing human resource development within Kenya. By standardizing the training content, putting evaluation methods in place, linking the project to the CPD*1 system for doctors in Kenya, and fostering collaboration with related parties in Kenya, Terumo is also building the foundations that will enable these training activities to continue in the future. Building on the results achieved so far, in fiscal 2026 Terumo's proposal for "Project for Advancing Cardiac Catheterization Treatment and Human Resource Development in East Africa (Kenya, Ethiopia, and Tanzania)"*2 has been adopted for the Projects for Global Growth of Medical Technologies. A collaborative partnership has been established through the signing of a memorandum of understanding with the Kenya Cardiac Society, and under this framework, besides rolling out basic training across East Africa, Terumo will also work to strengthen the ability of doctors in Kenya to handle more challenging cases. By simultaneously broadening the base of healthcare professionals receiving training across the region and strengthening the capabilities of key personnel, Terumo will promote the widespread and lasting adoption of safe and reliable PCI, thereby contributing to addressing global healthcare issues.



The fiscal 2025 project activity

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

*2 This is a fiscal 2026 Project for Global Growth of Medical Technologies. These Projects are primarily led by the JIHS, which has been commissioned to perform this role by the MHLW.

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 10 until May 16, 2026. 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. Terumo has continued to provide sponsorship for this initiative since its inception and this year marked 36 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 and remains committed to contributing to society through healthcare by supporting initiatives that foster the next generation of healthcare professionals.



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 on three core areas: subsidies supporting domestic and overseas research and development programs related to science and technology 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 2025, subsidies totaling around ¥460 million were provided to 241 initiatives.

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. The foundation also holds a symposium on the life sciences for junior high and high school students, where lectures by leading researchers and opportunities to interact with them help cultivate interest in the life sciences and in collaboration between medicine and engineering. In addition, the Science Café is held for high school students, 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.

Through these activities, the TERUMO LIFE SCIENCE FOUNDATION supports the advancement of science and technology and the development of the next generation of talent, contributing to improvements in medicine and in the health of all people.

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

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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.

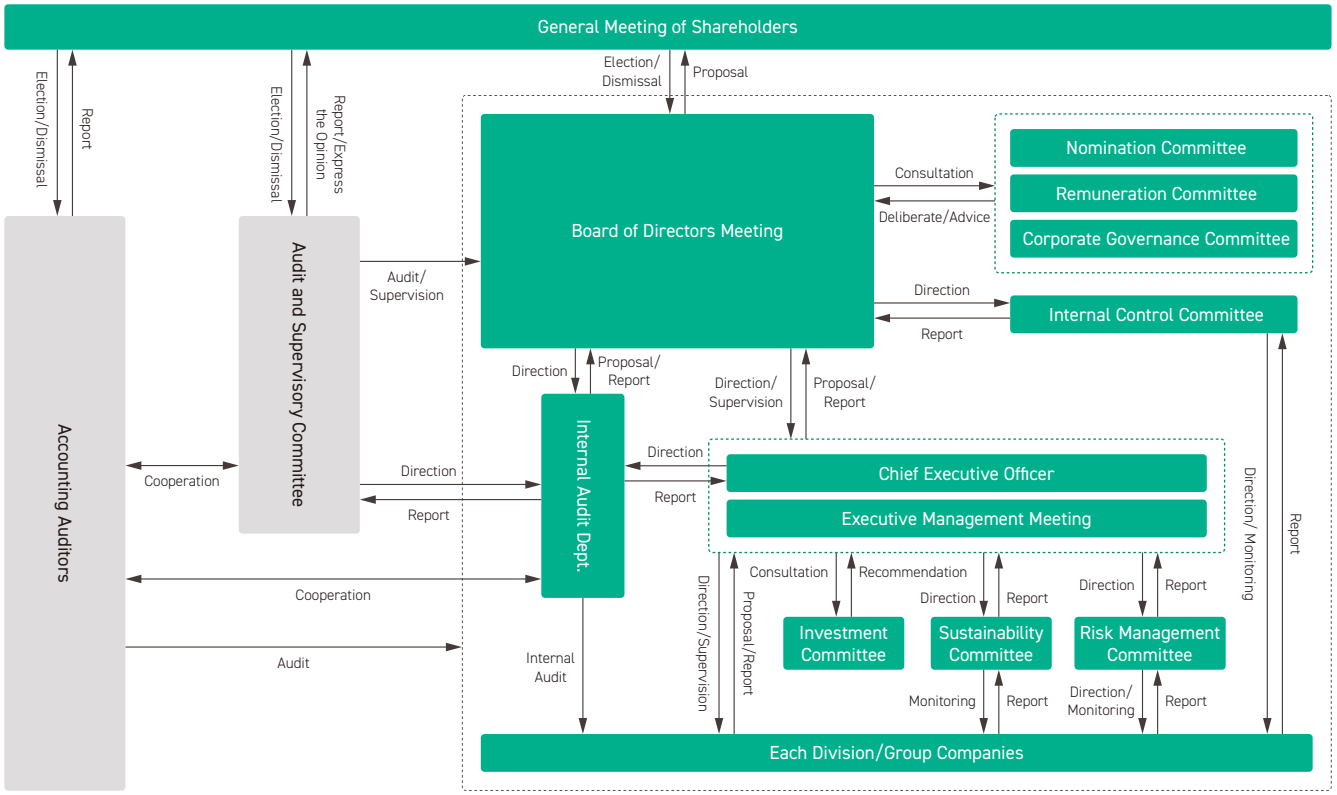
> Our Promise
> Everything starts from our unwavering commitment to patients. Listening sincerely to their needs and understanding deeply their hopes and aspirations, we boldly pursue innovative ways to help enhance the lives of patients around the world.

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, 2026

Corporate governance

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, and Internal Control 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 officers responsible for business operations and corporate functions.
- Once appointed, independent directors may take part in a training program designed to enable them to continue acquiring the 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 business days prior to the Board meeting).
- We have established an infrastructure for the timely and secure sharing of materials for the Board meeting materials, materials for various meetings and committees, and other internal information.

Corporate governance

Committees

	Role/Structure	Chairperson
Nomination Committee	・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. - 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 - Matters concerning the appointment and dismissal of directors and Group Executive Officers ・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.	Independent director
Remuneration Committee	・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. - Matters concerning the remuneration for directors, Group Executive Officers, and Executive Officers (Policy for determining remuneration amount or calculation method thereof) - 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 ・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.	Independent director
Corporate Governance Committee	・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. - Basic matters concerning Corporate Governance - Important matters concerning the establishment, design, and operation of the corporate governance system - 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 - 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 ・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.	Independent director
Internal Control Committee	・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." ・The Committee shall be comprised of directors who also serve as Group Executive Officer or Executive Officer, and persons designated by Chairperson (among executive officers and general managers from internal business divisions and corporate functions, as well as external experts and professionals). ・Audit and Supervisory Committee members may attend and speak at the meetings of the Committee.	Chief Executive Officer
Risk Management Committee	・Positioned under the Executive Management Meeting, 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. ・The Committee shall be comprised of directors who also serve as Group Executive Officer or Executive Officer, and persons designated by the Chairperson (among executive officers and general managers from internal business divisions and corporate functions, as well as external experts and professionals). ・Audit and Supervisory Committee members may attend and speak at the meetings of the Committee.	Chief Executive Officer

Membership of the Board of Directors, Audit and Supervisory Committee, and other Committees (As of July 1, 2026), and number of meetings held in fiscal 2025

		Board of Directors	Audit and Supervisory Committee	Nomination Committee	Remuneration Committee	Corporate Governance Committee
Board of Directors	**Toshiaki Takagi**	◎		○	○	○
	Hikaru Samejima	○		○	○	○
	Toshihiko Osada	○				
	Norimasa Kunimoto	○				
	Keiya Ozawa*	○		○	◎	○
	Mari Kogiso*	○		◎	○	◎
	Hitoshi Nara*	○		○	○	○
Directors (Audit and Supervisory Committee)	**Takanori Shibazaki**	○	○			
	Soichiro Uno*	○	○	○	○	○
	Keiko Hayashi*	○	◎	○	○	○
Number of meetings held in FY2025		15	14	5	6	7

◎: Chairperson ○: Member * Independent director

Corporate governance

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	Ozawa	Kogiso	Nara	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	06/2021	06/2024	06/2026	06/2019	06/2025	Average: 4.3 years*3
Diversity	Age	68	62	59	62	64	73	59	63	63	65	Average: 64 years old*4
	Sex	Male	Male	Male	Male	Male	Male	Female	Male	Male	Female	

●Has experience *1 Has experience working in a post outside Japan *2 As of July 1, 2026 *3 Number of years in position up to July 2026 *4 Average age of 63 for internal directors/Average age of 65 for independent directors

Corporate governance

Reasons for appointing independent directors and attendance at meetings

Name	Reasons for appointment	Attendance at FY2025 meetings
Keiya Ozawa	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 outside director to utilize this experience in the supervision of management at Terumo Corporation.	Board of Directors: 15/15 (100%) Nomination Committee: 5/5 (100%) Remuneration Committee: 6/6 (100%) Corporate Governance Committee: 7/7 (100%)
Mari Kogiso	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 outside director to utilize this experience in the supervision of management at Terumo Corporation.	Board of Directors: 15/15 (100%) Nomination Committee: 5/5 (100%) Remuneration Committee: 6/6 (100%) Corporate Governance Committee: 7/7 (100%)
Hitoshi Nara	Mr. Nara has extensive experience as a business executive and has led business operations both in Japan and overseas over many years. He has also played a leading role in driving global business growth and organizational management, while promoting the transformation of business models toward solution-oriented offerings. 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.	Appointed on June 26, 2026
Soichiro Uno	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: 15/15 (100%) Audit and Supervisory Committee: 14/14 (100%) Nomination Committee: 5/5 (100%) Remuneration Committee: 6/6 (100%) Corporate Governance Committee: 7/7 (100%)
Keiko Hayashi	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.	Board of Directors: 11/11 (100%) Audit and Supervisory Committee: 11/11 (100%) Nomination Committee: 4/4 (100%) Remuneration Committee: 3/3 (100%) Corporate Governance Committee: 6/6 (100%) Note: With respect to the attendance of Ms. Hayashi 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 24, 2025, are taken into account.

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 2025, 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 the related analysis are outsourced to Board Advisors Japan, Inc., 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.

Corporate governance

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 2025

- 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.
- A governance approach that emphasizes open dialogue based on a relationship of trust between oversight and execution, and that actively engages in the practice and enhancement of governance, constitutes a key strength underpinning the effectiveness of the company's Board of Directors.
  1) Proactive and open stance of management toward the Board of Directors: Management provides the Board of Directors with timely and comprehensive information and creates opportunities to seek feedback, including comments and suggestions from independent directors. The feedback obtained through such processes is taken seriously and reflected in management practices.
  2) Board culture that enables free and open discussion: Under the facilitation of the Chairperson, a board culture has been fostered in which discussions are focused on key issues and conducted in a free and open manner, while maintaining an appropriate degree of distance between oversight and execution.
  3) High level of commitment to governance by Audit and Supervisory Committee members: Both independent members of the Audit and Supervisory Committee, who provide rigorous oversight from an external perspective, and internal member, who possess a deep understanding of operational realities and enhance the effectiveness of on-site audits, demonstrate a high level of commitment to governance and contribute to improving the effectiveness of the Board of Directors.

Evaluation results (Key issues, etc.)

- Oversight and management structure
  As in the previous fiscal year, it is necessary to continue discussions on key issues relating to the oversight and management structure, including:
  - The composition and roles of the Board of Directors, particularly the need to further increase the number of members with management experience and to consider the appointment of independent directors of foreign nationality
  - The appropriate structure of the Board Chair position, including whether it should be held by an internal or external director
  - The appropriateness of transitioning to a company with a Nominating Committee, etc. structure
- Expansion of discussions on particularly important agenda items in considering the next mid- to long-term strategy
  In reviewing the next mid- to long-term strategy, it is necessary to expand discussions on especially important agenda items, including:
  - Review of the business portfolio aligned with the overall strategy
  - Strengthening and allocation of management resources, including capital policy and human capital
  - Governance of globally expanding operations, such as enhancing the transparency of business activities and clarifying organizational structures and authorities

Including these issues, we will take measures to address the recognized issues within the activities of the Board of Directors and committees in fiscal 2026. 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 2024 evaluation of the Board's effectiveness that require further consideration, the actions in fiscal 2025 and the evaluations by the third-party consulting firm are as follows:

	Issues Identified from the 2024 Evaluation Results	Actions in FY2025	Evaluation by the Third-Party consulting firm
1	Expansion of discussions on key agenda items that contribute to mid- to long-term growth ・Examination of the appropriate structure of the global governance framework ・Strengthening discussions on the review of the business portfolio	The following discussions have been continuously conducted at meetings of the Board of Directors: ・Global governance and internal controls ・The next mid- to long-term strategy and discussions on the review of the business	・With respect to the increasingly important governance and oversight of global business operations, further clarification and strengthening of policies are required. ・In conjunction with the next mid- to long-term strategy, discussions on the business portfolio have been conducted by management, and the overall direction has been shared with the Board of Directors.
2	While discussions have been conducted regarding the appropriate form of the oversight function amid changes in the approach and operations of management under the new executive structure, consensus has not yet been fully reached on the following key issues in particular: 1. Requirements for independent directors with a view to board succession 2. Board composition, including an increase in the proportion of independent directors 3. Further delegation of authority to management and the criteria for matters to be submitted to the Board of Directors 4. The appropriateness of changes to the organizational structure 5. The appropriate role and structure of the Chair of the Board In working toward the desirable state of the oversight function, comprehensive and integrated discussions are required, rather than ad hoc responses to individual issues.	Centered on the Corporate Governance Committee, multiple rounds of exchanges of views and discussions were held between management and independent directors to address the issues identified based on the FY2024 evaluation results.	・At the Corporate Governance Committee, open discussions have been held on multiple occasions. ・However, consensus has not yet been reached on the key issues, and continued, focused deliberations are required.

Corporate governance

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 executives responsible for business execution 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).

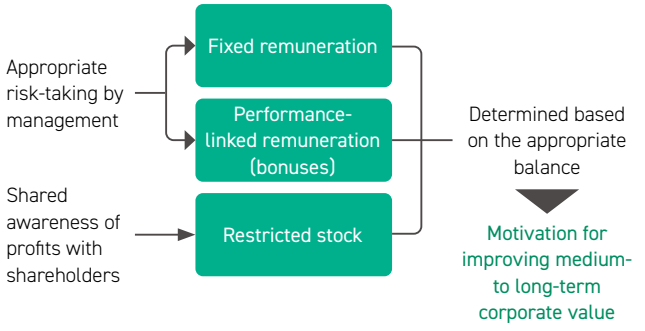
Remuneration of non-executive directors shall be composed only of fixed remuneration.

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 referencing the upper-middle range of the market 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, adjusted operating profit, and operating cash flow 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.

4) Evaluation results of company-wide financial performance indicators

The results of the company-wide financial performance indicators

Corporate governance

for fiscal 2025 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 and other external factors 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 for remuneration evaluation was 101.4%.

		FY2025			
		Initial forecast for the above fiscal year	Results based on the actual exchange rates	Achievement rate/ Variance rate	Indicator weights
Company-wide financial performance indicators	**Consolidated revenue**	¥1,050.0 billion	¥1,131.9 billion	107.8%	40%
	Consolidated operating profit	¥194.0 billion	¥176.3 billion	90.9%	
	ROIC	8.8%	7.5%	-1.3	10%
	ROE	10.1%	9.2%	-0.9	
Achievement rate of company-wide financial performance indicators				94.0%	–
Future Corporate Value Targets (set individually by executives) **Target:** **Chairman and CEO (average of the evaluation results of all executive officers)** **Directors responsible for functional departments (group senior managing executive officers, group managing executive officers)**				102.8% 96.0~112.5%	–

* The achievement rates shown in the table are based on actual exchange rates and differ in their calculation basis from the achievement rates based on planned exchange rates used for the evaluation of performance-linked compensation (bonuses).

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 Remuneration Committee. The Remuneration Committee, a majority of whose members are independent directors and which 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)	490	229	143	117	5
Director who serves as Audit and Supervisory Committee Member (excluding independent director)	49	49	–	–	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 10, 2025	Remuneration Committee	Deliberation on the evaluation approach for executive bonuses for FY2025, and on the overall direction of the executive remuneration framework over the mid- to long-term
May 14, 2025	Remuneration Committee	Continued deliberation on the evaluation approach for executive bonuses for FY2025, and deliberation on the 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	Deliberation on the remuneration levels for non-Japanese executives for FY2025, and review of FY2024 performance in relation to Future Corporate Value Targets and management in relation to these Targets in FY2025
June 24, 2025	Board of Directors	Report on executive remuneration levels for FY2025
September 11, 2025	Remuneration Committee	Deliberation on the overall direction of the executive remuneration framework over the mid- to long-term
December 11, 2025	Remuneration Committee	Deliberation on the remuneration levels for non-Japanese executives for FY2025, and deliberation on the adjustment of executive remuneration levels for FY2026
February 13, 2026	Board of Directors	Resolution on executive remuneration levels for FY2026
February 13, 2026	Remuneration Committee	Deliberation on the remuneration levels for non-Japanese executives for FY2026
April 9, 2026	Remuneration Committee	Deliberation on the evaluation approach for executive bonuses for FY2026
May 15, 2026	Remuneration Committee	Deliberation on the bonus amounts for directors within the limit approved by the annual general meeting of shareholders
June 12, 2026	Board of Directors	Resolution on the bonus amounts for directors within the limit approved by the annual general meeting of shareholders
June 12, 2026	Remuneration Committee	Deliberation on the remuneration levels for non-Japanese executives for FY2026; review of FY2025 performance in relation to Future Corporate Value Targets and management in relation to these Targets in FY2026; and deliberation on the overall direction of the executive remuneration framework over the mid- to long-term

Holding of shares in other companies for strategic purposes

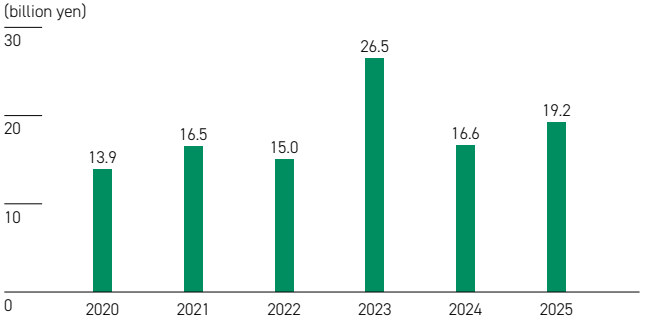
Regarding the holding of shares in other companies for strategic purposes, Terumo adopts the following approach in its Terumo Corporate Governance Guidelines.

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: Investments in stocks for specific purposes and deemed security holdings (market value), excluding early-stage investments.

Terumo Corporate Governance Guidelines
https://www.terumo.com/about/governance

Message from Independent Directors



Building on trust, evolving group governance

Soichiro Uno
Independent Director (Audit and Supervisory Committee Member)
Lawyer

Looking back from your appointment in 2019 to today, how do you see the evolution of Terumo's corporate governance?

My first impression was that Terumo was an extremely earnest and sincere company. A culture that values trust between people and takes a long-term view is one of Terumo's great strengths. However, when I first started following how the company was run as an independent director, the globalization of the business was advancing, and, in particular, as overseas subsidiaries acquired through M&A grew more prominent, it seemed to me that there were challenges around how much visibility the head office should have into the group as a whole, and how it should be involved.

Over the past few years, Terumo's governance has evolved considerably. One major change has been the introduction of the Group Executive Officer system. This has put in place a structure in which leaders in Japan and overseas participate more deeply in management while making decisions within their own areas of responsibility. In addition, through the advancement of global talent management and the promotion of talent exchange across regions and businesses, the foundation for making talent visible and deploying it effectively across the group has also been steadily strengthened.

Terumo's strength lies in a culture where associates stay engaged with the organization over the long term and carry out their work while building mutual trust. At the same time, when that strength leads to operations that depend on specific individuals, or to ambiguity in the division of responsibilities, it becomes a challenge for global management. This is especially true from the perspective of management talent overseas, for whom it is extremely important that it be clear who decides and who is accountable. I believe that the key to advancing governance going forward will be to clarify authority and responsibility while making the most of this culture built on trust.

What do you see as the right approach to group governance?

In thinking about Terumo's governance, an important theme is how to achieve decision-making that optimizes the group as a whole across the axes of business, function, and region. In the past, there were times when too much emphasis on the interests of individual businesses or companies made it difficult to fully share a perspective focused on maximizing the interests of the group as a whole. With overseas subsidiaries, a great deal used to be left to the subsidiaries themselves. That approach had certain benefits for local operations, but there was room for improvement in the mechanisms for the head office to maintain visibility into the group's overall situation and stay appropriately involved.

What matters in group governance is having clear decision-making mechanisms for normal times, and building a structure that allows for rapid information-sharing and response in a crisis. On important issues, the head office and management need to take the lead in making decisions that go beyond the boundaries of individual businesses or companies. In that sense, I feel that in recent years Terumo has developed a growing awareness of the need to make decisions from a "One Terumo" perspective. At the boards of subsidiaries too, a structure is taking shape in which head-office and regional talent participate, stay informed, and engage appropriately. This has brought about a shift toward providing the oversight the group needs while still respecting local autonomy. As for the framework for sharing information and responding across the group globally when problems arise, I do think there are still some aspects that are not yet sufficient, but it has certainly improved over the past few years, and I believe this, too, is moving in the right direction.

In addition, in areas such as global HR, finance and accounting, and systems management, mechanisms for information-sharing and shared services are being steadily put in place. These efforts are not simply about efficiency; they are an important piece of infrastructure for making the group's overall situation visible and for making management decisions on a common foundation. Going forward, I would like to see further evolution in areas such as legal, compliance, and internal controls as well.

With a view to enhancing corporate value over the medium to long term, how have discussions on M&A and business portfolio management evolved?

On business portfolio management, I feel that Terumo's discussions have advanced considerably compared with before. In the past, there was also an element of considering an acquisition whenever a good company and an opportunity happened to come along. In recent years, however, strategic discussions are held on a regular

Message from Independent Directors

basis about the areas in which the group as a whole can leverage its strengths, and which business areas it should aim to grow into next. I think it represents major progress that potential acquisition targets and technologies are now increasingly considered within this strategic framework.

In M&A, what matters is whether the target company sits in a strategically meaningful area, what synergies it has with Terumo's existing strengths, and whether the acquisition price is reasonable. In the acquisition of OrganOx, while organ transplantation is a field where market size and public awareness in Japan are not as high as in Europe and the United States, a key issue was how Terumo could leverage the compatibility with its existing products and technologies, the market's growth potential, and OrganOx's competitive advantage. Rather than simply "buying a good company," it is important to judge whether it is an area in which Terumo is uniquely positioned to enhance value.

The success or failure of an M&A deal is judged by the results it delivers after the acquisition. In particular, companies with higher growth potential and stronger competitive advantage tend to command higher acquisition prices, so price alone cannot be the basis for judgment. What matters is whether the market will continue to grow, whether the target company can maintain and expand its competitive advantage, and whether Terumo's strengths can be used to raise its value. In that sense, I believe the Board of Directors, while respecting management's judgment, plays a role in improving the precision of decision-making by asking questions and seeking confirmation from a variety of angles.

At the same time, portfolio management is not only about growth investment. It is also important to identify, and decide how to run, businesses that face challenges to their medium- to long-term growth or profitability. For a medical device manufacturer, improving profitability and capital efficiency while fulfilling its social responsibility is not easy. There are areas that cannot be judged on profitability alone, but that is no reason to put off the issues; we need to face them squarely. I believe that addressing these issues—including aging facilities and safety concerns—in a planned way and on a clear timeline, and channeling the necessary capital and talent toward growth areas, will lead to the sustained enhancement of corporate value.

What are your thoughts on what the Board's supervisory function should look like going forward?

How to evolve the Board's supervisory function is a perennial theme for any company. At Terumo too, discussion continues at the Board of Directors and the Corporate Governance Committee. What matters is not which governance structure is adopted as a matter of form, but whether the Board can actually function as a forum that raises the quality of management.

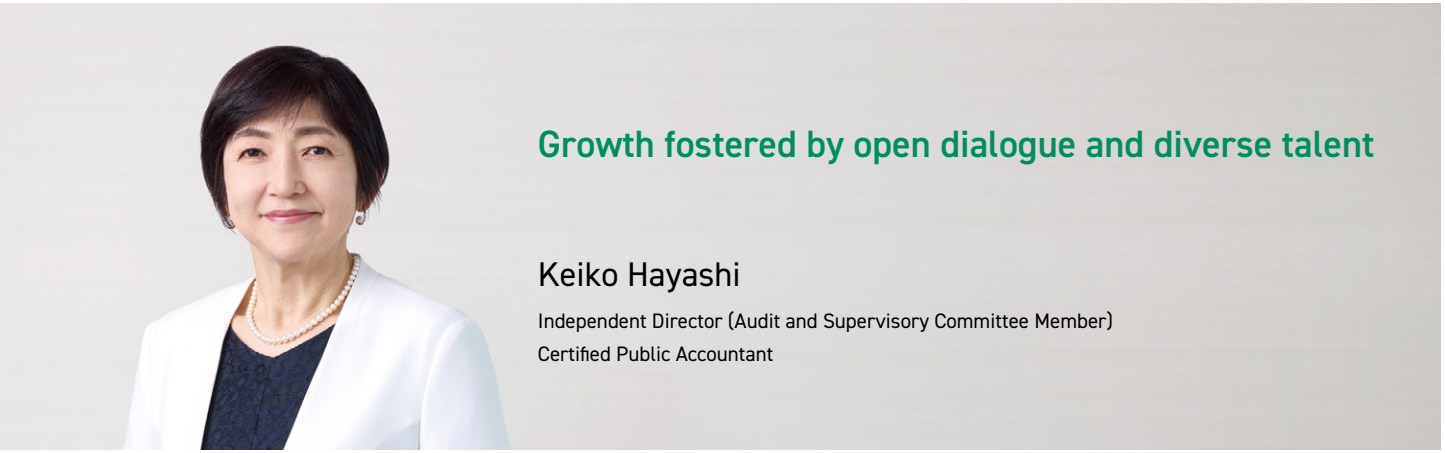
I believe the current level of delegation of authority at Terumo is broadly appropriate. As a Company with an Audit and Supervisory Committee, greater delegation of authority would formally be possible, but I think there is considerable value in discussing important decisions at the Board. When independent directors ask questions from a variety of angles and request additional information, this can surface points that management alone might overlook, raising the quality of decision-making. It can also be expected that, through involvement in important decisions, independent directors gain a deeper understanding of the company's business and the state of related industries, which in turn raises the quality of decision-making and oversight. At Terumo today, the matters that come before the Board are mainly ones of high importance, and I see the balance between the volume and quality of discussion as broadly appropriate.

What is good about Terumo's Board is that it is an environment in which independent directors find it easy to voice their opinions, and management and the secretariat take those opinions seriously. It is important to understand in advance what will be discussed and what concerns independent directors have, and to reflect this in how the agenda is set and information is provided. At Terumo, the secretariat provides thorough information and supports independent directors in developing a deep understanding of the company, including through site visits. I feel that this kind of operation forms the foundation for raising the effectiveness of the Board.

Looking ahead, in order for Terumo to keep growing globally, discussion will also be needed on where and how global management functions should be positioned, given the importance of overseas operations including the United States. There is no single fixed answer, but it is important for management and the Board to share the same concerns and to keep discussing what the future should look like. Since I took up my post, Terumo has steadily evolved in many respects, including management and governance. As an independent director, I intend to take part in these discussions constructively while maintaining constructive independence, and to contribute to the sustained enhancement of Terumo's corporate value.



Message from Independent Directors



Growth fostered by open dialogue and diverse talent

Keiko Hayashi
Independent Director (Audit and Supervisory Committee Member)
Certified Public Accountant

Looking back on your first year in the role, what is your impression of Terumo?

What I feel most strongly is that Terumo has a culture of open, active discussion that has taken root. Through my participation in meetings of the Board of Directors and the Audit and Supervisory Committee, I sense an atmosphere in which people can speak candidly about opposing views or concerns, regardless of whether they come from inside or outside the company. I think this is connected to the fact that diverse talent, including mid-career hires, plays an active role within the company, and to the accumulated experience of operating globally and working with colleagues of many nationalities. Personally, I see the way a culture of open discussion is deeply embedded as something distinctly characteristic of Terumo.

I have also been struck by how strongly Terumo's associates take pride in the Group Mission, "Contributing to Society through Healthcare." I see, at every turn, an attitude of engaging with work sincerely and pursuing it thoroughly through repeated improvement. The commitment to quality in particular is strong; when I visited a factory, for instance, I saw a determination to maintain exacting standards consistently, even in matters that might ordinarily be taken for granted. As a company involved in healthcare, Terumo has a mindset of safeguarding quality that is rooted throughout the organization, and I see this as the foundation that underpins its competitiveness.

How do you assess the current state of the Terumo Group's governance and the challenges it faces?

I think highly of the fact that both the supervisory side and the executive side bring a strong commitment to governance. In particular, I see an attitude of engaging in careful, repeated discussion of important management themes. For instance, when reviewing the business portfolio or R&D themes, the company takes the time to examine these deeply, bearing in mind both the corporate perspective and the perspective of each business, and the content is properly reported to the Board. I find it very reassuring that, through this kind of discussion, the Board and the executive side are able to build a certain shared understanding before moving on to discuss the next growth strategy.

I also think that the way CEO Hikaru Samejima carefully communicates his own thinking and policies, and works to share information and understanding both inside and outside the company, is one of the foundations that supports an open and transparent organizational culture. It is precisely because each individual associate understands the direction management is taking that they are able to hold their own views and take part in discussion. In the sense that healthy discussion can only arise once information has been shared, I believe management's posture of communicating openly is a foundation that supports Terumo's governance and organizational culture.

However, Terumo operates globally through a complex structure in which business, function, and regional axes overlap, and I recognize it as a challenge that the flow of information and the boundaries of decision-making responsibility are not always entirely clear. From the front line through executive management to the Board, I believe there is further room for improvement in whether necessary information is being shared in a timely and appropriate way. There are cases where information that should properly be captured and shared through everyday operations and reporting comes to light only through the supervisory function. For both the executive and supervisory sides to make swift, accurate decisions, I think it is necessary to have a mechanism that reliably surfaces important information, and to make that flow clearer. I also think it is important for this kind of awareness to take root across the group as a whole.

Terumo has expanded its business through growth-oriented initiatives, including M&A. To continue growing, it must further strengthen the risk-management foundations that support that growth, including internal audit and internal controls across the group as a whole. Particularly as a company involved in healthcare, the impact of any problem would be extremely significant, and I believe that for sustained growth it is essential to identify risk before it materializes and to have a structure in place that can respond appropriately.

At the same time, when developing rules and business processes globally, simply making them stricter is not the answer. It is important that people on the front line understand the purpose and benefits of the rules and can apply them effectively in practice. Precisely because of Terumo's earnestness, care must be taken to avoid creating rules that are overly complex or difficult to follow and instead to strike the right balance with practical effectiveness. I believe that achieving a high standard on both growth and risk management at the same time in this way is an important management theme for Terumo's next stage.

Message from Independent Directors

How do you evaluate the Terumo Group's DE&I?

I recognize DE&I as extremely important from the standpoint of enhancing corporate value as well. When people with diverse knowledge, experience, and backgrounds are empowered to contribute, it broadens the scope of discussion and allows risks and opportunities to be viewed from more angles. At the Board of Directors and the Executive Management Meeting as well, a homogeneous set of viewpoints alone makes it difficult to carry out adequate monitoring and risk management, so I feel its significance is extremely great for raising the quality of discussion itself.

Creating an environment in which diverse talent can put their abilities to use is also important for raising associates' motivation. When capable people remain unable to fully demonstrate their abilities within the organization and end up going unrecognized, that is a major loss both for the individual and for the company. DE&I expands opportunities for people at work to develop their abilities and take on challenges with a positive outlook, while at the same time leading to improvements in the company's organizational strength and competitiveness.

In advancing DE&I, I also believe that setting numerical targets has value. Of course, the ideal, ultimately, is for a culture that respects diversity to become so much the norm that numerical targets are no longer necessary. Until that point is reached, however, having a target is in some respects what first prompts an organization to think seriously about an issue and take action. As for indicators such as the ratio of female managers, I do not think this is a matter of finishing once a certain target has been achieved; rather, I think it is a theme to keep working on continuously, aiming for further progress, from the standpoint of whether the level is sufficient when viewed across the whole global organization, and whether diverse talent is truly being put to full use.

At Terumo, DE&I initiatives are being driven energetically by individual leaders, but going forward I hope to see mechanisms put in place that allow them to be advanced sustainably at an organizational level.

What do you hope for from Terumo going forward?

For Terumo to continue to evolve into a truly global top-tier company, it is important that diverse talent can contribute to their full potential with a high level of motivation, and that their knowledge and abilities are properly put to use in the organization's decision-making. Each associate needs to understand the direction management is taking; front-line voices and issues must reach management appropriately; and messages from management must, in turn, reach the organization as a whole. Realizing a mechanism in which information flows in both directions, and in a timely way, in this manner will, I believe, be an important pillar in advancing governance reform.

I understand my role as an independent director to be one of respecting the strengths Terumo has, while raising the questions needed from an outside perspective and helping to make discussions about growth more effective. Terumo takes seriously the views of stakeholders, including institutional investors, and even where an issue does not have an immediate answer, it has a stance of facing it head-on and working to translate that engagement into meaningful reform. I would like to support that stance and help push forward the changes that are needed, and in doing so, contribute to Terumo becoming a company that is even more trusted and continues to grow sustainably.



Leadership team

(As of July 1, 2026)

Directors



Toshiaki Takagi

Chairman of the Board

April	1981	Joined Terumo Corporation
April	2004	Factory Manager of Ashitaka Factory
April	2008	Factory Manager of Ashitaka Factory and Suruga Factory
June	2008	Executive Officer
June	2009	General Manager of R&D Headquarters
June	2010	Director and Senior Executive Officer
June	2013	Responsible for Quality Assurance Dept., Post-Market Surveillance and Vigilance Dept., and Environmental Management Dept.
April	2015	Responsible for Terumo Call Center
July	2015	Chief Quality Officer (CQO)
April	2016	Director and Managing Executive Officer
April	2017	Responsible for Production Dept. and Procurement Dept.
April	2018	Director and Senior Managing Executive Officer Responsible for Intellectual Property Dept. and Terumo Medical Pranex
April	2020	Responsible for Regulatory Affairs Dept., Promotional Activities Control Dept., Clinical Development Dept., Supply Chain Management Dept., CIO Office, and IT Planning Dept.
April	2021	Responsible for R&D Promotion Dept.
April	2022	Representative Director and Chairman of the Board (present)



Hikaru Samejima

Chief Executive Officer

April	1988	Joined Toa Nenryo Kogyo K.K. (currently ENEOS Corporation)
February	2001	Joined Citibank, N.A.
January	2002	Joined Terumo Corporation
June	2007	President, Terumo Interventional Systems (Global), Cardiac and Vascular Group
April	2014	Executive Officer, Division President of Interventional Systems Division (currently Terumo Interventional Systems), Cardiac and Vascular Company
April	2016	Senior Executive Officer
April	2017	President, Cardiac and Vascular Company
April	2018	Managing Executive Officer
April	2020	President, General Hospital Company (currently Medical Care Solutions Company)
April	2022	Group Senior Managing Executive Officer
April	2024	Chief Executive Officer
June	2024	Representative Director and Chief Executive Officer (present)



Toshihiko Osada

Director and Group Senior Managing Executive Officer

In charge of Innovation;
Corporate R&D Intellectual Property Dept., Clinical Development Dept., Regulatory Affairs Dept., Terumo Medical Pranex, Terumo Ventures

April	1989	Joined Terumo Corporation
January	2016	General Manager of Strategic Planning Dept.
April	2016	Executive Officer
April	2018	Senior Executive Officer
April	2020	Managing Executive Officer, President of Cardiac and Vascular Company, and Division President of Interventional Systems Division (currently Terumo Interventional Systems)
April	2022	Group Senior Managing Executive Officer
April	2024	In charge of Innovation; R&D Division (CTO Office, Innovation Center, Technology Coordination Office, and R&D Administration Dept.), DX Promotion Dept., Intellectual Property Dept., Clinical Development Dept., and Terumo Medical Pranex
June	2024	Director and Group Senior Managing Executive Officer (present)
April	2025	In charge of Innovation; Corporate R&D, Intellectual Property Dept., Clinical Development Dept., Regulatory Affairs Dept., Terumo Medical Pranex, and Terumo Ventures
April	2026	In charge of Innovation; Corporate R&D, Intellectual Property Dept., Clinical Development Dept., Regulatory Affairs Dept., Terumo Medical Pranex, and Terumo Ventures (present)



Norimasa Kunimoto

Director and Group Managing Executive Officer

In charge of Corporate Value Promotion;
General Affairs and External Relations Dept., Legal Compliance Dept., Corporate Communication Dept., Japan Sales Dept., Terumo Call Center, EHS Management Dept.

April	1987	Joined Terumo Corporation
October	2011	General Manager of Secretarial Office
April	2018	Executive Officer, General Manager of Secretarial Office
July	2018	Executive Officer, Regional Representative, Eastern Europe, Russia, Middle East and Africa
April	2022	Group Executive Officer, Regional Representative, Europe, Middle East and Africa
April	2023	Group Managing Executive Officer, Corporate Value Promotion Division (Corporate Communication Dept., Investor Relations Dept., Strategic Branding Dept., Corporate Sustainability Dept., and Design Planning Dept.), Human Resources Division (DE&I Promotion Dept., Human Resources Dept., Global Human Resources Dept., and Human Resources Development Dept.), and Japan Sales Dept.
June	2023	Director and Group Managing Executive Officer (present)
April	2024	In charge of Corporate Value Promotion; Corporate Affairs Dept., Legal and Compliance Division (CLO Office, Legal Dept., and Compliance Dept.), Corporate Communication Division (Corporate Communication Dept., Investor Relations Dept., Strategic Branding Dept., Corporate Sustainability Dept., and Design Planning Dept.), Japan Sales Dept., and Terumo Call Center
April	2025	In charge of Corporate Value Promotion; Corporate Affairs Dept., Legal and Compliance Division (CLO Office, Legal Dept., and Compliance Dept.), Corporate Communication Division (Corporate Communication Dept., Investor Relations Dept., Strategic Branding Dept., Corporate Sustainability Dept., and Design Planning Dept.), Japan Sales Dept., Terumo Call Center, and EHS Office
April	2026	In charge of Corporate Value Promotion; General Affairs and External Relations Dept., Legal Compliance Dept., Corporate Communication Dept., Japan Sales Dept., Terumo Call Center, and EHS Management Dept. (present)

Leadership team



Keiya Ozawa, M.D., Ph.D.

Independent Director

Professor Emeritus,
Visiting Professor of
Jichi Medical University

March	1977	Graduated from School of Medicine, Faculty of Medicine, The University of Tokyo
March	1985	Studied at the National Institutes of Health (NIH), the United States (Fogarty Fellow: until 1987)
September	1990	Associate Professor, The Institute of Medical Science, The University of Tokyo
November	1994	Professor, Blood Medical Research Division, Jichi Medical University
February	1998	Senior Professor, Division of Hematology, Jichi Medical University
April	1998	Professor, Division of Genetic Therapeutics, Center for Molecular Medicine, Jichi Medical University
April	2014	Hospital Director, IMSUT Hospital and Director, Center for Gene and Cell Therapy, The Institute of Medical Science, The University of Tokyo Visiting Professor, Division of Immuno-Gene & Cell Therapy (Takara Bio), Jichi Medical University
April	2018	Professor Emeritus and Visiting Professor, Jichi Medical University (present) Program Supervisor, Japan Agency for Medical Research and Development (present)
June	2018	Program Officer, Japan Agency for Medical Research and Development (present)
October	2018	Senior Advisor, Genetic Therapeutics Center, Jichi Medical University (present)
June	2021	Independent Director, Terumo Corporation (present)
April	2023	Visiting Professor, Division of Gene & Cell Therapy for Intractable Diseases, Jichi Medical University
February	2026	Director, Foundation for Medical Science Research Promotion (present)



Mari Kogiso

Independent Director

Founder and CEO,
SDG Impact Japan Inc.

April	1990	Joined Long-term Credit Bank of Japan
June	1998	Joined World Bank
June	2003	Representative, Asia, Multilateral Investment Guarantee Agency, World Bank Group
October	2012	Founder and CEO, i-Incubate Corporation
October	2014	Representative, Dalberg Japan
January	2016	Head of International Business Planning, Sasakawa Peace Foundation
July	2017	General Manager, Gender Investment and Innovation Division, Sasakawa Peace Foundation
June	2019	General Manager, CEO Office, FAST RETAILING CO., LTD.
January	2021	CEO, SDG Impact Japan Inc. (present)
June	2022	Independent Audit & Supervisory Board Member, Mitsubishi Corporation
June	2024	Independent Director, Mitsubishi Corporation (present) Independent Director, Terumo Corporation (present)



Hitoshi Nara

Independent Director

Director, Executive Chairperson,
Representative Executive Officer,
Yokogawa Electric Corporation

April	1985	Joined Yokogawa Hokushin Electric Corp. (currently Yokogawa Electric Corporation)
October	2001	Deputy Managing Director, Yokogawa Engineering Asia Pte. Ltd.
October	2003	Managing Director, Yokogawa (Thailand) Ltd.
January	2007	Head of Sales Div. I, Industrial Solutions Business Headquarters, Yokogawa Electric Corporation
April	2010	Senior Vice President, Head of Industrial Solutions Business Headquarters, Yokogawa Electric Corporation
June	2011	Director and Senior Vice President, Head of Industrial Solutions Business Headquarters, Yokogawa Electric Corporation
April	2012	Director and Senior Vice President, Head of Industrial Solutions Service Business Headquarters, Yokogawa Electric Corporation
April	2013	Director, Yokogawa Electric Corporation President, Yokogawa Solution Service Corporation
April	2017	Director and Executive Vice President, Chief Executive for Japan and Korea, Yokogawa Electric Corporation President, Yokogawa Solution Service
April	2018	Director and Executive Vice President, Head of Life Innovation Business Headquarters, Yokogawa Electric Corporation
April	2019	President and Chief Executive Officer, Yokogawa Electric Corporation
June	2024	Director, President & CEO, Representative Executive Officer, Yokogawa Electric Corporation
April	2025	Director, Executive Chairperson, Representative Executive Officer, Yokogawa Electric Corporation (present)
June	2026	Independent Director, Terumo Corporation (present)

Directors (Audit and Supervisory Committee Members)



Takanori Shibazaki

Director
(Full-time Audit and Supervisory Committee Member)

April	1986	Joined Terumo Corporation
July	2005	Factory Manager of the First Factory, Terumo Medical Products (Hangzhou) Co., Ltd.
September	2007	Deputy General Manager of Strategic Planning Dept.
October	2008	President and CEO, Terumo Medical Products (Hangzhou) Co., Ltd.
April	2014	Executive Officer
July	2014	General Manager of Supply Chain Management Dept.
April	2016	President and CEO, Terumo (China) Holding Co., Ltd.
April	2017	Senior Executive Officer, Regional Representative, China
June	2021	Director (Full-time Audit and Supervisory Committee Member) (present)



Soichiro Uno

Independent Director
(Audit and Supervisory Committee Member)

Lawyer

April	1988	Joined Nagashima & Ohno (currently Nagashima, Ohno & Tsunematsu) admitted to the bar in Japan
November	1993	Passed the bar exam in the State of New York, USA
January	1997	Partner, Nagashima & Ohno (currently Nagashima, Ohno & Tsunematsu) (present)
June	2004	Audit External & Supervisory Board Member, SoftBank Corp. (currently SoftBank Group Corp.) (present)
June	2018	Outside Director (Audit & Supervisory Committee Member), Dream Incubator Inc.
June	2019	Independent Director (Audit and Supervisory Committee Member), Terumo Corporation (present)



Keiko Hayashi

Independent Director
(Audit and Supervisory Committee Member)

Certified Public Accountant

April	1986	Joined Tokyo Regional Taxation Bureau
March	1994	Registered as a Certified Public Accountant
July	2006	Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
July	2016	Executive Board Member, The Japanese Institute of Certified Public Accountants
November	2018	President, Tohmatsu Challenged Co., Ltd.
October	2019	D&I Committee Advisor, Deloitte Tohmatsu Group Chair, The Audit Practice Review Committee, The Japanese Institute of Certified Public Accountants
June	2020	Outside Director (Audit & Supervisory Committee member), MEIDENSHA CORPORATION (retired in June 2026), Outside Director, LIFENET INSURANCE COMPANY
July	2020	Representative, Keiko Hayashi Certified Public Accountants Office (present)
February	2021	Outside Audit & Supervisory Committee Member, NIPPON FILCON CO., LTD.
March	2021	Supervisory Director, Nippon Building Fund Inc. (present)
June	2021	Outside Director (Audit and Supervisory Committee Member), LIFENET INSURANCE COMPANY
April	2023	Professor, Faculty of Commerce Graduate School of Accountancy, Waseda University (present)
June	2025	Independent Director (Audit and Supervisory Committee Member), Terumo Corporation (present)
June	2026	Outside Director (Audit and Supervisory Committee Member), JAFCO Group Co., Ltd. (present)

Leadership team

Group Managing Executive Officers (GMEO)

Toshiaki Takagi
Chairman of the Board

Hikaru Samejima
Chief Executive Officer

Toshihiko Osada
Group Senior Managing Executive Officer
In charge of Innovation; Corporate R&D, Intellectual Property Dept., Clinical Development Dept., Regulatory Affairs Dept., Terumo Medical Pranex, Terumo Ventures

Antoinette Gawin
Group Senior Managing Executive Officer
Company President, Blood and Cell Technologies Company
President and CEO, Terumo BCT Holding Corp.

Fumihisa Hirose
Group Managing Executive Officer
Company President, Cardiac and Vascular Company

Norimasa Kunimoto
Group Managing Executive Officer
In charge of Corporate Value Promotion; General Affairs and External Relations Dept., Legal Compliance Dept., Corporate Communication Dept., Japan Sales Dept., Terumo Call Center, EHS Management Dept.

Itaru Sakaguchi
Group Managing Executive Officer
Company President, Medical Care Solutions Company

Hiroshi Yagi
Group Managing Executive Officer
In charge of Group Supply Chain; Group Supply Chain Dept., Quality Assurance Dept., Group Quality Assurance Dept., Post-Market Surveillance and Vigilance Dept.,
President, Terumo Yamaguchi Corp.

Group Executive Officers (GEO)

Ghada Farah
Group Executive Officer
President, Terumo Interventional Systems, Cardiac and Vascular Company

Robert DeRyke
Group Executive Officer
President, Terumo Cardiovascular, Cardiac and Vascular Company
President and CEO, Terumo Cardiovascular Systems Corp.

Carsten Schroeder
Group Executive Officer
President, Terumo Neuro, Cardiac and Vascular Company
President and CEO, MicroVention, Inc.

James Rushworth
Group Executive Officer
President, Terumo Aortic, Cardiac and Vascular Company
President and Chief Operating Officer (COO), Terumo Medical Corp.
President and CEO, Bolton Medical Inc.
CEO, Vascutek, Ltd.

Noritsugu Fujita
Group Executive Officer
President, Pharmaceutical Solutions, Medical Care Solutions Company

Satoshi Kawajiri
Group Executive Officer
President, Hospital Care Solutions, Medical Care Solutions Company

Chris Williams
Group Executive Officer
Chief Operating Officer (COO), Blood and Cell Technologies Company

Cindy Ng
Group Executive Officer
Chief Commercial Officer (CCO), Blood and Cell Technologies Company

Takuya Hosogai
Group Executive Officer
Regional Representative, Europe, Middle East and Africa
President and CEO, Terumo Europe N.V.

Katsuyuki Honda
Group Executive Officer
Regional Representative, Americas
President and CEO, Terumo Americas Holding, Inc.
Chairman and CEO, Terumo Medical Corp.

Toshiyuki Akaike
Group Executive Officer
Regional Representative, Asia Pacific and India
Chairman and Managing Director, Terumo Asia Holdings Pte., Ltd.

Masanobu Yano
Group Executive Officer
Regional Representative, China
President and CEO, Terumo (China) Holdings Co., Ltd.

Jin Hagimoto
Group Executive Officer
Chief Financial Officer (CFO)
Chief Information Officer (CIO)
Corporate Planning Dept., Accounting & Tax Dept., IT Planning Dept., Global Business Services (GBS)

Tomoko Adachi
Group Executive Officer
Chief Human Resources Officer (CHRO)
Human Resources Dept.,
Group People Strategy Dept.

Kenichi Hata
Group Executive Officer
General Manager, Strategic Planning Dept.

Executive Officers (EO)

Miho Mizuguchi
Executive Officer
Chief Legal Officer (CLO)
General Manager, Legal Compliance Dept.

Jin Nishizaki
Executive Officer
General Manager, Japan Sales Dept.
Terumo Call Center

Shinji Omori Ph.D.
Executive Officer
Chief Technology Officer (CTO)
Corporate R&D
General Manager, R&D Center

Jun Yamashita
Executive Officer
Chief Quality Officer (CQO)
Quality Assurance Dept., Group Quality Assurance Dept., Post-Market Surveillance and Vigilance Dept.

Yasuhiro Ikoma
Executive Officer
Chief Commercial Officer (CCO),
Terumo Interventional Systems, Cardiac and Vascular Company

Sakae Sasaki
Executive Officer
General Manager, Risk Management Dept.

Sei Dobashi
Executive Officer
Chief Operations Officer (COO),
Medical Care Solutions Company

Tomoyuki Iida
Executive Officer
General Manager, Ashitaka Factory, Cardiac and Vascular Company

Tadahiro Yoshiba
Executive Officer
Chief Operations Officer (COO),
Terumo Interventional Systems,
Cardiac and Vascular Company

Dialogue with shareholders and investors

Policy for Dialogue with Shareholders and Other Investors

1. Appointment of a member of management or a director to be responsible for supervising overall dialogue with shareholders

By way of a resolution of the Board of Directors, Terumo shall appoint an officer who will be responsible for supervising and facilitating overall dialogue with shareholders in order to maintain the consistency and uniformity of the information disclosed.

2. Measures to ensure positive cooperation between internal departments with the aim of supporting dialogue

Terumo shall strive to develop and enhance its in-house systems for the prompt, accurate, and fair disclosure of information. In particular, the Disclosure Subcommittee, acting under the supervision of the Internal Control Committee, will endeavor to provide consistent and uniform disclosure of any corporate information with a potentially significant impact on management. Such disclosure shall be made in strict compliance with all relevant laws and regulations. The Disclosure Subcommittee shall evaluate and examine matters of disclosure. The Disclosure Subcommittee shall be comprised of the department heads (including their designees) of the Corporate Planning Dept., the Corporate Communication Dept., the Strategic Planning Dept., the General Affairs and External Relations Dept., the Risk Management Dept., and the Legal & Compliance Dept. In addition, regular meetings will be held with business and disclosing divisions to enhance the contents and improve the accuracy of information disclosed.

3. Enhancement of measures to promote opportunities for dialogue aside from individual meetings

To deepen understanding of Terumo, business strategy briefings and plant tours may be organized for institutional investors, and facility tours are organized for shareholders. Terumo will also participate in conferences for institutional investors held in Japan and other parts of the world, as well as briefings for individual investors organized by securities companies, to enhance dialogue. In addition, Terumo will make other materials, including its financial results briefings, available on its website to provide such information in a timely and appropriate manner to as many shareholders and other investors as possible.

4. Measures for appropriate and effective feedback

Evaluations and opinions acquired through meetings with shareholders, other investors, and analysts are compiled periodically and shared with the management team. In addition, the Chief Executive Officer or officer supervising dialogue with the shareholders shall report to the Board of Directors on their visits to overseas institutional investors to ensure that the management team has the opportunity to gain an understanding of how the company is evaluated in the capital markets.

5. Measures to control insider information when engaging in dialogue

As a general rule, the Chief Executive Officer, the officer supervising dialogue, and the department head and staff of the disclosing division will conduct dialogue with investors. In case of a dialogue led by officers other than those listed in the preceding sentence, either the officer supervising dialogue or the department head or staff of the disclosing division will attend such meeting. By having multiple participants engage in the dialogue, the company will work to prevent unauthorized or inappropriate disclosure of information.

Terumo observes a silent period to prevent the leakage of any material information about the company's financial performance and to ensure fairness. In principle, the silent period shall begin four (4) weeks prior to the date of the expected announcement of the company's financial performance and conclude on the date when both the final announcement of financial statements of a fiscal year or the quarterly announcements take place. During this period, Terumo refrains from commenting on its financial performance or answering questions in relation to such performance.

The Policy for Dialogue with Shareholders and Other Investors has been formulated as part of Terumo's IR Policy. For the full text of the IR Policy, please visit:
https://www.terumo.com/investors/management/ir_policy

Initiatives

The activities implemented in fiscal 2025 are outlined below.

Target	Activities implemented in fiscal 2025 Items in bold indicate activities in which the Chief Executive Officer or Group Executive Officers participated
Shareholders	**・General meeting of shareholders** **・Corporate presentations for shareholders (in Osaka and Nagoya)** ・Terumo Medical Pranex tours
Securities analysts and/or institutional investors	**・Quarterly earnings briefings** **・Small meetings for securities analysts and/or institutional investors** **・One-on-one interviews (online or face-to-face)** **・Participation in conferences organized by securities firms** **・Participation in small meetings organized by securities firms** **・Overseas IR activities (online or face-to-face)**

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 Executive Management Meeting 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, and persons designated by the Chairperson (among executive officers and general managers from internal business divisions and corporate functions, as well as external experts and professionals). The Committee meets four times 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.

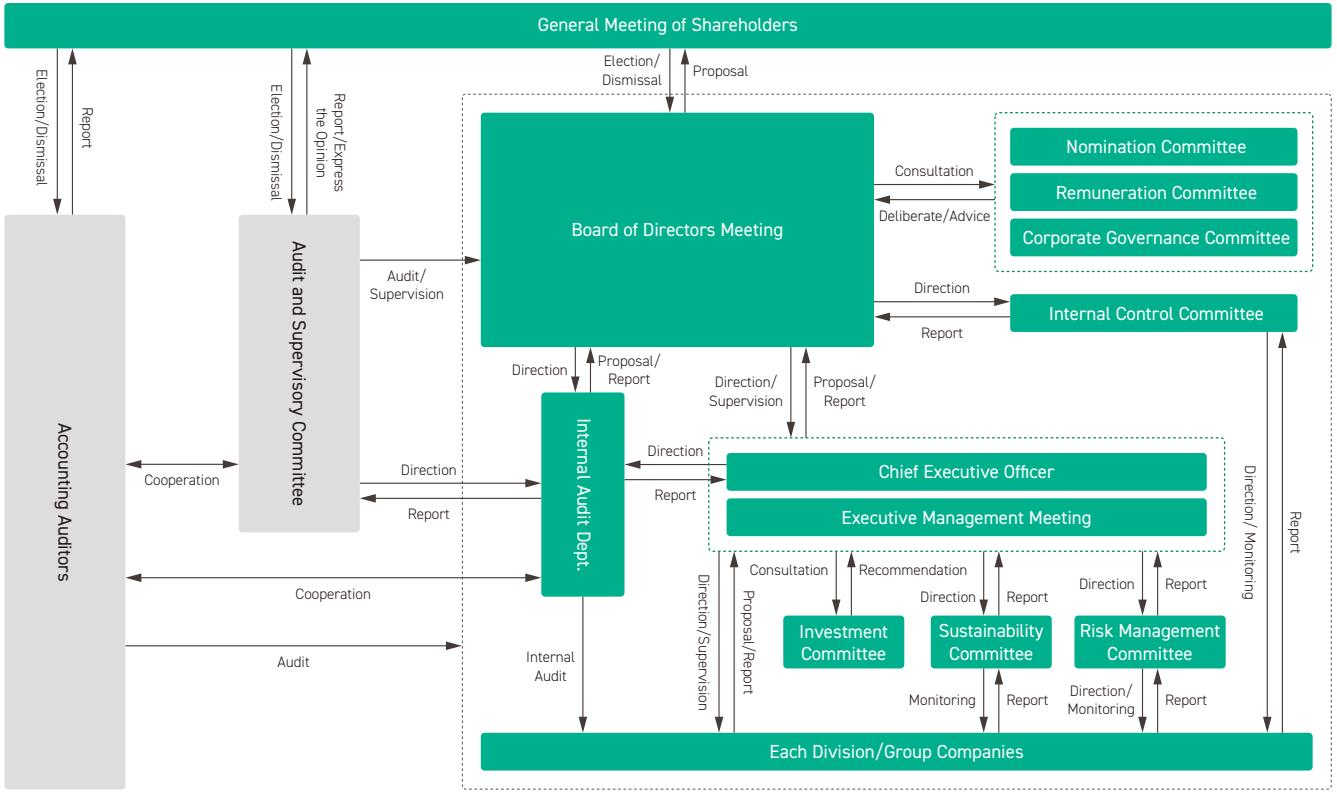
Risk management education

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, 2026

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	**Risk** ■ Impact of large-scale amendment in government healthcare policies exceeding expectations **Opportunity** ■ Shortened development and approval process cycle for innovative medical device development ■ Expanded revenue opportunities associated with increased demand for products and services with high medical cost efficiency	・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
Stable supply-related risks	**Risk** ■ 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 **Opportunity** ■ Competitive edge maintained through the continuous stable supply of products	・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) ・Develop business continuity plans (BCPs) ・Manage the credit of business partners
Quality-related risks	**Risk** ■ Impact of delayed compliance with more rigorous legal or regulatory standards which could be newly implemented in the countries ■ Impacts of lost social trust and business interruptions due to quality-related issues disrupting the supply of products to medical settings **Opportunity** ■ Expansion of the number of countries where the Terumo Group can sell its products and services by complying with laws and regulations ■ Competitive edge on the market maintained with high product quality	・Comply with legal and regulatory standards and specifications pertaining to pharmaceuticals and medical devices in the countries in which products are manufactured or sold ・Reinforce quality governance systems globally and develop and constantly improve quality control systems ・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 ・Ensure quality, efficacy, and safety of products under rigorous quality and production control provisions
Discovery of new medical evidence	**Risk** ■ 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 **Opportunity** ■ Differentiation achieved by showcasing superiority over competitors' products and procedures through clinical research and other studies	・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
Market price fluctuations	**Risk** ■ Market price fluctuations pertaining to revised national healthcare systems ■ Price fluctuations mainly in overseas markets due to large-scale bidding and other causes **Opportunity** ■ Development and provision of products with higher added value	・Implement continuous cost-reduction measures

Risk management

Major risk factors	Risk and opportunity content	Response
Exchange rate fluctuations	Risk ■ Impact of exchange rate fluctuations	・Implement structural changes such as relocating production to factories outside Japan, sourcing raw materials from overseas, and promoting local procurement ・Minimize impact through flexible utilization of contracts to hedge against exchange rate volatility for trade receivables
Changes in accounting policies and taxation systems	Risk ■ Affected operating results and financial position when new accounting standards or taxation systems are implemented or altered ■ Impact of additional tax burdens incurred due to difference in interpretation between tax authorities and the company	・Consider measures based on the timely information obtained and advice from experts ・Increase opportunities to have dialogue with tax authorities
Capital and business alliances, corporate acquisitions	Risk ■ 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 Opportunity ■ Developed base for growth and strengthened business fundamentals by acquiring new management resources via capital and business alliances and corporate acquisitions	・Analyze and evaluate business potentials, mitigate projected risks, and ensure swift and efficient post-merger integration
Risks pertaining to impairment losses, valuation losses, and business reorganizations	Risk ■ 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	・Efficiently utilize management resources in each business and maximize return on investments
Information security and IT system management-related risks	Risk ■ Loss of social trust and business interruptions due to system outages if information is leaked or tampered with through a cyberattack or internal fraud	・Strengthen information security measures and enhance responsiveness when incidents occur ・Establish the global information security standards and rules ・Provide continuous training for associates
Legal proceedings	Risk ■ Impact from any major legal action by a third party such as a lawsuit for damages or an injunction against sales	・Research by Legal, Intellectual Property, and other managing divisions as well as establishment of an internal control system ・Develop a management structure to ensure that the Board of Directors and the Audit and Supervisory Committee review situations as needed
Pandemics, epidemics, and large-scale natural disasters	Risk ■ Impacts on business activities that are more severe than expected in the event of global pandemics and epidemics, earthquakes, hurricanes, and other natural disasters	・Establish the Group BCM Policy ・Develop Business Continuity Plans (BCPs) and verify and review their effectiveness through drills
Risks related to the environmental, health and safety management and compliance	Risk ■ 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	・Implement management systems that conform to international standards ・Implement continuous improvement activities and expand systems ・Provide education for associates
Economic and geopolitical risks	Risk ■ 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	・Constantly monitor the political and economic situations of each country ・Establish a framework to prepare for emergencies and ensure business continuity and recovery

Risk management

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 General Affairs & External Relations 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.

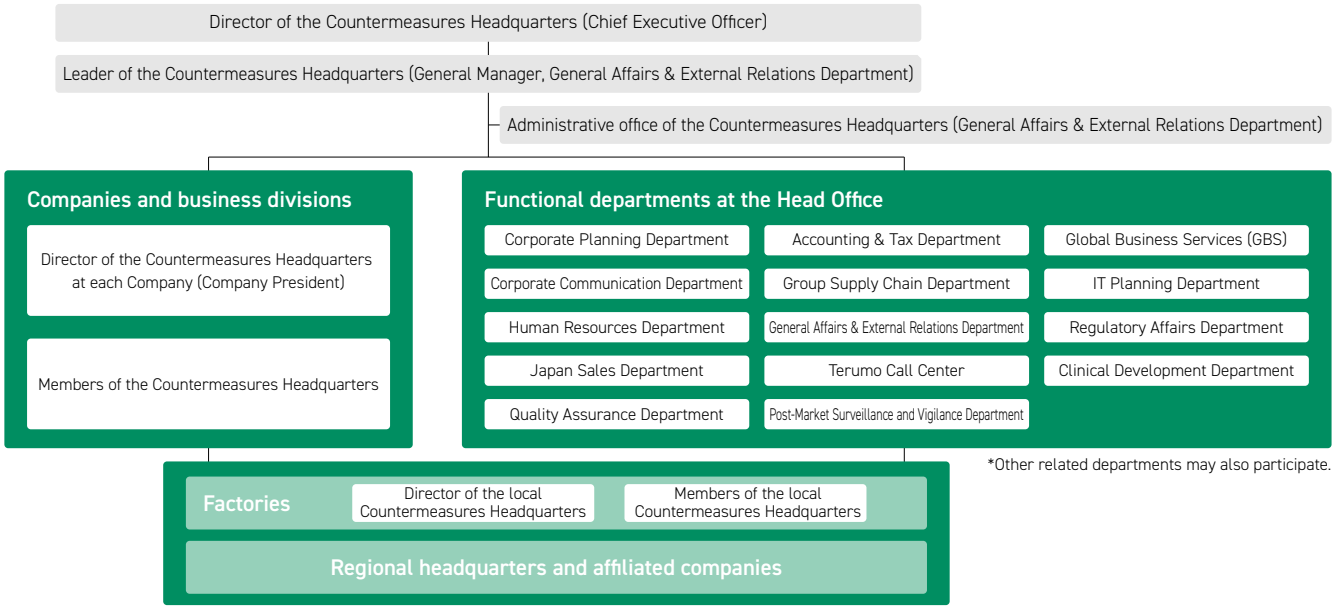
- Establishment of a disaster response headquarters following a major earthquake, confirmation of the roles of individual staff, and other BCP-related drills
- Implementation of systems for rapidly ascertaining the condition of associates and training on their use
- Comprehensive disaster response drills 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. To fulfill its social responsibility as a specified public institution by ensuring a stable supply of medical devices and pharmaceuticals in the event of an outbreak of pandemic influenza or other new infectious diseases, we have developed the Business Continuity Plan for Pandemic Influenza and Other New 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



Risk management

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 APAC, 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.

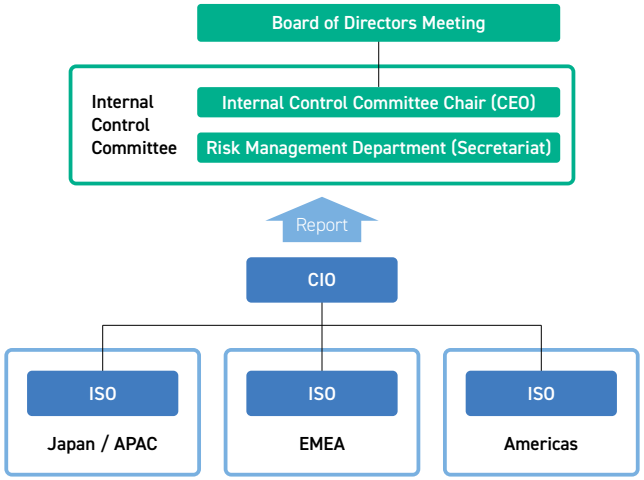
Measures for strengthening information security

At Terumo, internal and external audits and self-assessment are performed to realize ongoing confirmation of the status of compliance with the Group Information Security Policy. In recent years, cyberattacks have become more sophisticated, more widespread, and faster through the use of AI, and as a result the overall level of threat that companies face has become much greater. In response to this situation, we are implementing unified global security measures and building monitoring systems to reduce the risk of cyberattack.

To minimize the negative impact on our business operations in the event that a cyberattack does occur, we have put in place appropriate response processes, and we implement regular training and drills, with the aim of strengthening the resilience of the organization as a whole.

In addition, by conducting drills for our associates on how to respond to targeted email attacks, we are promoting increased awareness of information security at the individual level, thereby continuously addressing human-related risks.

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/group-identity

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 group 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 Corporation 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 certain associates	E-learning program	Anti-corruption in business activities	Once a year
Training in competition law	All directors, Group Executive Officers, Executive Officers, and associates	E-learning program or group training	Secure fair transactions in business activities	Once a year
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, etc.	At the time of onboarding, etc.
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	Certain 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

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 workplace bullying and sexual harassment, as well as activities intended to put individual associates at a disadvantage because of pregnancy, childcare or caregiving responsibilities, sexual orientation, gender identity, or other such reasons. In addition, we have established a harassment information page on our intranet 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 compliance training that includes harassment prevention 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 messages, are provided with practical examples that can be applied to daily work, and participate in e-learning programs.

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. 102.)

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-corporation 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. 103.)

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. 102.)

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. 102.)

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.

Compliance

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.

Research and development ethics

Basic approach

The development of medical devices, pharmaceuticals, and other products requires us to conduct animal experiments and clinical research involving human participants to evaluate the safety and efficacy of these products. In conducting research, Terumo strives to ensure that research is conducted appropriately from both ethical and scientific perspectives. We therefore observe the principles of the Declaration of Helsinki* and comply with Good Clinical Practice (GCP), the standards for conducting clinical trials of medical devices, pharmaceuticals, and other products, as well as applicable regulatory requirements in each country 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 give due consideration to ethical issues and respect for animal welfare in our R&D activities.

* The Declaration of Helsinki, formally titled "Ethical Principles for Medical Research Involving Human Participants," sets out ethical principles for medical research involving human participants.

Ethics in clinical research and clinical trials

When conducting medical research involving human participants (clinical research), Terumo follows Japan's Ethical Guidelines for Medical and Biological Research Involving Human Subjects and has established the Terumo Research Ethics Policy, which establishes respect for individual dignity and human rights as fundamental principles for clinical research. The Terumo Research Ethics Review Committee, which includes external members, has been established in accordance with 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.

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Ten-year financial summary

Terumo Corporation and consolidated subsidiaries
Years ended March 31

(Millions of yen)

	FY2016 (Ended March 2017)	FY2017*2 (Ended March 2018)	FY2018*2 (Ended March 2019)	FY2019 (Ended March 2010)	FY2020 (Ended March 2021)	FY2021 (Ended March 2022)	FY2022 (Ended March 2023)	FY2023 (Ended March 2024)	FY2024 (Ended March 2025)	FY2025 (Ended March 2026)
	JGAAP	IFRS								
Results of Operations and Cash Flow*1										
Net sales/Revenue	514,164	587,775	599,481	628,897	613,842	703,303	820,209	921,863	1,036,171	**1,131,877**
Adjusted operating profit*3	–	124,929	122,128	124,998	115,927	134,441	138,025	156,785	203,445	**219,369**
Operating profit	76,578	108,552	106,637	110,611	98,386	115,960	117,332	140,096	157,668	**176,320**
Income before income taxes/Profit before tax	74,981	106,630	102,709	106,466	97,060	114,501	116,137	140,829	154,574	**178,252**
Profit attributable to owners of parent/Profit for the year attributable to owners of the parent	54,225	91,295	79,470	85,211	77,268	88,813	89,325	106,374	116,978	**135,914**
Net cash provided by (used in) operating activities	80,862	114,562	93,571	117,479	121,485	141,467	117,536	146,330	210,802	**230,852**
Net cash provided by (used in) investing activities	(181,433)	(44,105)	(74,792)	(84,714)	(85,317)	(78,454)	(59,121)	(81,472)	(82,481)	**(344,102)**
Free cash flow	(100,571)	70,457	18,778	32,764	36,168	63,013	58,414	64,857	128,321	**(113,249)**
Net cash provided by (used in) financing activities	60,937	(4,132)	(67,540)	14,010	(7,436)	(70,879)	(86,559)	(62,079)	(108,766)	**155,503**
Research and development expenses	33,747	41,342	47,681	50,618	49,096	51,837	61,583	69,060	74,224	**76,876**
Capital expenditure	39,091	45,685	60,845	89,510	77,208	69,230	75,774	78,426	82,484	**97,108**
Depreciation and amortization*4	45,400	42,035	44,035	52,358*6	53,932*6	58,882	70,238	76,745	85,449	**95,379**
Per Share Indicators*1										
EPS (Yen)*5	37.54	64.78	54.35	56.98	51.16	58.72	59.50	71.50	79.01	**92.14**
Dividends per share (Yen)	42.00	50.00	54.00	28.00	29.00	34.00	40.00	44.00	26.00	**30.00**
BPS (Yen)*5	347.42	388.97	469.80	501.68	566.57	669.23	746.07	893.80	927.85	**1,074.18**
Financial Position (at year-end)*1										
Current assets	349,183	411,042	398,722	460,607	523,966	558,713	611,396	722,116	723,496	**861,040**
Current liabilities	248,389	179,013	142,912	211,845	211,366	177,721	218,001	379,152	240,965	**540,731**
Total assets	1,021,405	1,081,045	1,120,790	1,241,355	1,351,192	1,473,693	1,602,225	1,831,402	1,828,393	**2,312,234**
Net assets/Total equity	489,554	550,435	698,113	754,883	856,662	1,012,313	1,111,063	1,327,090	1,368,535	**1,584,509**
Capital stock/Share capital	38,716	38,716	38,716	38,716	38,716	38,716	38,716	38,716	38,716	**38,716**
Management Indicators*1										
ROE	10.8%	17.5%	12.7%	11.7%	9.6%	9.5%	8.4%	8.7%	8.7%	**9.2%**
ROA	5.6%	8.7%	7.2%	7.2%	6.0%	6.3%	5.8%	6.2%	6.4%	**6.6%**
Shareholders' equity ratio/Ratio of equity attributable to owners of the parent to total assets	47.9%	50.9%	62.3%	60.8%	63.4%	68.7%	69.3%	72.5%	74.8%	**68.5%**
Shares issued and outstanding at year-end (thousands)*5	1,407,916	1,414,777	1,485,805	1,504,568	1,512,025	1,512,652	1,489,215	1,484,766	1,474,951	**1,480,559**
Employees at year-end	22,441	23,319	25,378	26,438	26,482	28,294	30,207	30,591	30,689	**31,185**

*1 Items separated by a " / " refer to items under "JGAAP/IFRS."
*2 A provisional accounting treatment, for the integration of businesses acquired in fiscal 2017 was finalized in fiscal 2018, and which is reflected on certain figures for fiscal 2017 under IFRS.
*3 Adjusted operating profit is operating profit excluding amortization of acquired intangible assets and other non-recurring profit or loss. The Terumo Group uses adjusted operating profit as a performance indicator.
*4 Depreciation and amortization under JGAAP up to fiscal 2016 includes amortization of goodwill.
*5 A 2-for-1 stock split was carried out for Terumo common shares effective on April 1, 2019 and April 1, 2024. The figures for EPS, BPS, and shares issued and outstanding at year-end are reflected as if the aforementioned stock split had been carried out at the beginning of fiscal 2015. Shares issued and outstanding at year-end do not include treasury shares.
*6 Figures for fiscal 2019 and beyond include depreciation amounts associated with the application of IFRS 16 Leases.

Human resources and labor data

Associate data

		Scope	FY2023	FY2024	FY2025
Number of associates by geographic area	Japan	Terumo Group	7,537	7,685	7,850
	Europe		2,473	2,440	2,713
	Americas		13,231	13,100	12,990
	Asia and others		7,350	7,464	7,632
	Total		30,591	30,689	31,185
Number of associates	Male	Terumo Corporation	4,453	4,452	4,493
	Female		1,101	1,181	1,243
	Total		5,554	5,633	5,736
Average age	Male	Terumo Corporation	41.13	41.24	41.29
	Female		36.70	36.52	36.47
	Total		40.26	40.26	40.25
Average years of service	Male	Terumo Corporation	17.1	17.0	16.9
	Female		11.2	10.9	10.8
	Total		15.9	15.7	15.6
Average salary (yen)		Terumo Corporation	7,554,701	7,784,646	8,216,621
Gender pay gap* (%)	All associates	Terumo Corporation	81.4	82.3	83.4
	Fulltime associates		81.8	82.6	84.2
	Part-time and fixed-term associates		82.9	83.2	81.8
Number of new graduate hires	Male	Terumo Corporation	150	128	134
	Female		90	94	80
	Total		240	222	214
Number of mid-career hires	Male	Terumo Corporation	100	96	113
	Female		46	55	47
	Total		146	151	160
	Mid-career hires as ratio of all regular, fulltime associates hired in that year (%)		38	40	43
Number of voluntary turnover (resigning due to personal reasons)	Male	Terumo Corporation	103	119	99
	Female		45	35	35
	Total		148	154	134
Turnover rate (%)	Male	Terumo Corporation	2.3	2.9	2.4
	Female		4.1	3.2	3.1
	Total		2.7	2.9	2.5

* 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	FY2023	FY2024	FY2025
Number and ratio of female Group Executive Officers*1	Total number of Group Executive Officers	Terumo Group	24	24	23
	Number of female Group Executive Officers		3	4	4
	Ratio of female Group Executive Officers (%)		12.5	16.7	17.4
Ratio of female associates in global key positions (%)*1		Terumo Group	20.1	20.1	24.1
Ratio of female associates in managerial positions (%)			31.3	30.8	31.6
Ratio of female associates (%)			46.3	46.4	46.6
Number and ratio of female associates in managerial positions	Total number of associates in managerial positions	Terumo Corporation	959	1,017	1,052
	Number of female managers		100	122	139
	Ratio of female managers in managerial positions (%)		10.4	12.0	13.2
Number and ratio of female general managers (or equivalent)	Total number of general managers (or equivalent)	Terumo Corporation	234	248	262
	Number of female general managers (or equivalent)		21	24	26
	Ratio of female general managers (or equivalent) (%)		9.0	9.7	9.9
Number and ratio of female managers (or equivalent)	Total number of managers (or equivalent)	Terumo Corporation	725	769	790
	Number of female managers (or equivalent)		79	98	113
	Ratio of female managers (or equivalent) (%)		10.9	12.7	14.3
Number and ratio of female associates newly appointed to managerial positions	Total number of associates newly appointed to managerial positions	Terumo Corporation	55	71	94
	Number of female associates newly appointed to managerial positions		8	17	24
	Ratio of female associates newly appointed to managerial positions (%)		14.5	23.9	25.5
Number and ratio of female chiefs	Total number of chiefs	Terumo Corporation	1,164	1,133	1,165
	Number of female chiefs		220	226	226
	Ratio of female chiefs (%)		18.9	19.9	19.4
Ratio of female associates (%)		Terumo Corporation	19.8	21.0	21.7
Ratio of non-Japanese in Group Executive Officers (%)		Terumo Group	33.3	33.3	30.4
Ratio of non-Japanese in global key positions (%)*1			61.5	59.3	67.0
Ratio of mid-career hires in Group Executive Officers (%)		Terumo Group	52.6	50.0	47.8
Ratio of mid-career hires in managerial positions (%)		Terumo Corporation	23.0	23.2	23.3
Number and ratio of retirees rehired under TES*2	Number of retirees	Terumo Corporation	106	106	92
	Number of retirees rehired under TES		81	88	69
	Ratio of retirees rehired under TES (%)		76.4	83.0	75.0
Ratio of associates with disabilities (%)		Terumo Corporation	2.41	2.47	2.39*3

*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)
*3 The figure for FY25 includes Terumo Human Create Co., Ltd. (an affiliated company) and Terumo Partners Co., Ltd. (a special subsidiary for employing persons with disabilities).

Human resources and labor data

Work-life balance

		Scope	FY2023	FY2024	FY2025
Number of associates taking maternity and childcare leave	Associates taking maternity leave	Terumo Corporation	27	54	45
	Associates taking spousal childbirth leave		1	0	1
	Associates taking childcare leave (female)		31	45	48
	Associates taking childcare leave (male)		118	98	121
	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 (%)		76.6	80.9	88.3
	Average number of childcare leave days taken by applicable male associates		32.1	45.2	55.2
Number of associates taking caregiving leave	Associates taking long-term caregiving leave	Terumo Corporation	1	1	3
	Associates taking leave (caregiving/family illness)		13	14	13
Number of former associates rehired	Registered	Terumo Corporation	6	4	8
	Rehired		2	1	0
Ratio of paid vacation days taken (%)		Terumo Corporation	73.2	73.8	72.9
Average number of paid vacation days taken		Terumo Corporation	14.2	14.3	14.1
Average hours of overtime worked per month		Terumo Corporation	18.5	18.4	20.0

Occupational health and safety

		Scope	FY2023	FY2024	FY2025
Fatal and serious work-related accidents	Fatalities	Terumo Group	0	0	0
	Serious work-related accidents		2	0	0
Accidents resulting in lost work days		Terumo Corporation	3	5	2
Frequency rate		Terumo Corporation	0.27	0.44	0.17
Severity rate		Terumo Corporation	0.001	0.012	0.001

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	FY2023	FY2024	FY2025
Smokers (%)	Terumo Corporation	21.8	21.0	18.2
Associates diagnosed with metabolic syndrome (%)		32.2	32.5	22.7

* 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	FY2023	FY2024	FY2025
Stomach (%)	Terumo Corporation	95.8	93.8	95.0
Colon (%)		91.4	91.3	92.2
Upper abdomen (%)		95.4	93.6	95.4
Lung (sputum) (%)		46.6	46.4	46.5
PSA (%)		95.6	86.9	93.4
Breast (%)		70.2	86.6	85.2
Cervix (%)		62.1	68.0	64.9

3. Women’s health

Breast cancer and cervical cancer screening rates

	Scope	FY2023	FY2024	FY2025
Breast (%)	Terumo Corporation	70.2	86.6	85.2
Cervix (%)		62.1	68.0	64.9

Environmental data

CO_2 emissions (Scope 1+2)

		FY2018	FY2023	FY2024	FY2025
Japan (t-CO_2)	Scope 1	42,084	42,313	41,261	44,608
	Scope 2	110,203	50,329	44,155	54,807
	Total	152,287	92,643	85,416	99,414
Overseas (t-CO_2)	Scope 1	18,614	21,809	21,232	21,614
	Scope 2	110,477	91,579	89,189	53,998
	Total	129,091	113,388	110,421	75,612
Total (t-CO_2)	Scope 1	60,698	64,123*	62,493*	66,222*
	Scope 2	220,680	141,908*	133,344*	108,805*
	Total	281,378	206,031*	195,837*	175,027*
Increase/decrease compared to FY2018 (%)		–	-26.8	-30.4	-38.3
Index of emissions per unit of revenue (FY2018=100)		100	47.6	40.3	32.7

* Data assured by a third party

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

Note: CO_2 emissions from electricity consumption are calculated using emission factors provided by electricity suppliers for each fiscal year and country-specific emission factors published by the IEA. To improve the accuracy of emissions calculations, certain methodologies were revised, including changing the CO_2 emission factor for natural gas consumption to the factor published in the GHG Protocol. Historical data have been recalculated accordingly.

FY2025 CO_2 emissions (Scope 3)

(t-CO_2e)

		Emissions volume	Method of calculation
Category 1	Purchased goods and services	1,136,833	For the Terumo Group in Japan, emissions volume is calculated by multiplying purchasing costs or purchased weight by supplier-specific emission factors, IDEA emission factors, or emission factors 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	286,661*	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)	56,722*	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	99,873	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	2,792	Multiplying amounts of waste generated by the emission intensity for each category of waste.
Category 6	Business travel	4,066	Multiplying the number of employees by emission intensity per employee.
Category 7	Employee commuting	9,248	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	4,627	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	10,762	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	164,186	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		1,775,770	

* 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. 2.8) compiled by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.

Environmental data

CO_2 emissions (Scope 3)

	FY2023	FY2024	FY2025
Index of emissions per unit of revenue (FY2018 = 100)	80.4	82.6	82.2

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. 2.8) compiled by the Ministry of the Environment and the Ministry of Economy, Trade and Industry. The calculation methods for category 1 and category 3 data have been updated to enhance accuracy. Historical data have been recalculated accordingly.

Energy consumption

Fuel type	FY2023	FY2024	FY2025
Gas (MWh)	319,551	312,145	328,934
LPG (MWh)	19,632	19,042	17,621
Heavy oil (MWh)	8,733	8,735	8,087
Diesel oil (MWh)	2,156	2,356	2,669
Gasoline (MWh)	10,990	8,813	8,472
Heating oil (MWh)	0	0.2	0.1
Electricity (MWh)	522,581	517,065	539,839
Steam (MWh)	28,946	23,095	22,810
Steam [excluding steam for industrial use], hot water, and cold water (MWh)	1,242	1,252	911
Cold water (MWh)	151	244	60
Hot water (MWh)	0	3	0
Electricity, hot water, and cold water (MWh)*2	0	0	1,945
Total (MWh)	913,984	892,748	931,348*1
Index of consumption per unit of revenue (FY2018 = 100)	73.0	63.4	59.9

*1 Data assured by a third party
*2 Energy for air conditioning in leased offices (electricity, hot water, and cold water)
Scope: Terumo Group sites in Japan and manufacturing and R&D sites overseas
Note: To improve the accuracy of emissions calculations, certain methodologies were revised, including changes to the method for calculating the calorific value of gas. Historical data have been recalculated accordingly.

Renewable energy use

	FY2023	FY2024	FY2025
Renewable energy use (MWh)	195,894*1	192,517*1	284,889*1
Ratio of renewable energy use (%)*2	37.5*1	37.2*1	52.8*1

*1 Data assured by a third party
*2 The ratio of renewable energy use to total electricity use
Scope: Terumo Group sites in Japan and manufacturing and R&D sites overseas

Calculated fluorocarbon leakage amount

	FY2023	FY2024	FY2025
Emissions (t-CO_2e)	326.4	899.4	720.3

Scope: Terumo Group sites in Japan

Total waste volume and recycling rate

		FY2023	FY2024	FY2025
Japan	Total waste (t)	11,727	11,778	12,431
	Hazardous waste (t)*2	1,419	1,267	1,320
	Volume recycled (t)	11,487	11,568	12,152
	Recycling rate (%)	98.0	98.2	97.8%
Overseas	Total waste (t)	12,811	13,533	14,093
	Hazardous waste (t)	1,732	1,664	2,073
	Volume recycled (t)	10,417	11,557	12,058
	Recycling rate (%)	81.3	85.4	85.6
Total	Total waste (t)	24,538	25,311	26,524*1
	Hazardous waste (t)	3,151	2,931	3,393
	Volume recycled (t)	21,904	23,125	24,210*1
	Recycling rate (%)	89.3	91.4	91.3*1

*1 Data assured by a third party
*2 The volume of specially controlled industrial waste as prescribed by Japan's Waste Management and Public Cleansing Act.
Scope: Terumo Group sites in Japan and manufacturing and R&D sites overseas
Note: To improve the accuracy of emissions calculations, the conversion factor for converting hazardous waste volume into weight was revised. Historical data have been recalculated accordingly.

Environmental data

Final waste disposal

	FY2023	FY2024	FY2025
Total waste (t)	11,727	11,778	12,431
Final waste disposal (t)	12	11	11
Ratio of final waste disposal to total waste (%)	0.10	0.09	0.09

Scope: Terumo Group sites in Japan

Collection and recycling of small rechargeable batteries

	FY2023	FY2024	FY2025
Nickel-cadmium batteries (kg)	869	804	483
Nickel-metal hydride batteries (kg)	2,437	2,896	1,733
Lithium-ion batteries (kg)	1,947	2,849	2,695
Sealed lead-acid batteries (kg)	291	337	191

Scope: Terumo Corporation sites in Japan

Water use (water withdrawal) volume

		FY2023	FY2024	FY2025
Japan (1,000m³)		3,881	3,826	4,102
Overseas (1,000m³)		1,250	1,162	1,103
Water withdrawal (1,000m³)	**Municipal water**	3,564	3,446	3,556*
	Groundwater	1,567	1,542	1,649*
	Rainwater	0.4	0.6	0.1*
	Total	5,131	4,988	5,205*
Index of water use per unit of revenue (FY2018 = 100)		61.6	53.3	50.9

* 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 sites in Japan and manufacturing and R&D sites overseas
Note: Reported figures were revised due to errors in the calculation of municipal water withdrawal volumes at certain sites. Historical data have been recalculated accordingly.

Water discharge volume

		FY2023	FY2024	FY2025
Japan (1,000m³)		2,946	2,930	2,840
Overseas (1,000m³)		1,051	955	940
Water discharge (1,000m³)	**Rivers**	2,803	2,786	2,703
	Sea	0	0	0
	Sewerage systems	1,172	1,074	1,054
	Groundwater	22	25	23
	Total	3,996	3,885	3,780

Scope: Terumo Group sites in Japan and manufacturing and R&D sites overseas
Note: Reported figures were revised due to errors in the calculation of water discharge volumes at certain sites. Historical data have been recalculated accordingly.

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

	FY2023	FY2024	FY2025
Total amount of fines (billion yen)	0	0	0
Total number of penalties other than fines	0	0	0

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

Environmental data

FY2025 site data (Manufacturing and R&D sites)

Region	Site	Location	CO_2 emissions [Scope 1+2] (t-CO_2)	Water use (1,000m³)	Total waste emissions (t)	Recycled amount (t)
Japan	Fujinomiya Factory	Shizuoka, Japan	31,230	1,964	3,436	3,436
	Ashitaka Factory	Shizuoka, Japan	15,876	485	2,987	2,985
	Kofu Factory	Yamanashi, Japan	30,611	1,251	4,029	3,779
	ME Center	Shizuoka, Japan	203	2	72	72
	R&D Center (Shonan Center)	Kanagawa, Japan	4,082	72	207	182
	Terumo Clinical Supply Co., Ltd.	Gifu, Japan	536	4	28	28
	Terumo Yamaguchi Corporation	Yamaguchi, Japan	13,488	317	1,618	1,618
Americas	Terumo Medical Corp. (Elkton Factory)	Maryland, USA	8,429	42	509	401
	Terumo Cardiovascular Systems Corp. (Elkton Factory)	Maryland, USA	4,810	20	451	324
	Terumo Cardiovascular Systems Corp. (Ann Arbor Factory)	Michigan, USA	2,854	6	17	10
	Terumo Medical Corp. (TBAIL)	California, USA	84	1	55	33
	MicroVention, Inc.	California, USA	1,805	22	422	270
	Terumo BCT, Inc. (Lakewood Factory)	Colorado, USA	7,734	54	559	213
	Terumo BCT, Inc. (Littleton Factory)	Colorado, USA	3,757	16	1,425	1,205
	Bolton Medical, Inc.	Florida, USA	492	3	353	237
	Terumo Puerto Rico LLC	Commonwealth of Puerto Rico	1,556	3	80	40
	MicroVention Costa Rica, S.r.l.	San Jose, Costa Rica	931	32	769	766
	TFB Manufacturing S.r.l. (Terumo BCT Costa Rica Factory)	Cartago, Costa Rica	277	19	847	846
	Terumo Cardiovascular Costa Rica LLC, S.r.l.	Cartago, Costa Rica	155	8	378	333
	OrganOx Inc.	New Jersey, USA	21	0.1	0.5	0
Europe	Terumo Europe NV	Leuven, Belgium	3,003	41	790	790
	Vascutek Ltd.	Glasgow, UK	811	26	352	192
	Terumo BCT, Ltd.	Larne, UK	2,086	61	723	714
	OrganOx Limited	Oxford, UK	0	0.2	3	2
	Terumo Pharmaceutical Services GmbH	Leverkusen, Germany	564	4	15	15
Asia	Terumo Medical Products (Hangzhou) Co., Ltd.	Zhejiang, China	17,124	221	1,216	1,216
	Terumo (Philippines) Corp.	Laguna, Philippines	1,681	178	1,772	1,498
	Terumo Penpol Pvt. Ltd.	Kerala, India	10,454	35	933	795
	Terumo Vietnam Co., Ltd.	Hanoi, Vietnam	3,441	208	1,112	1,084
	Terumo BCT Vietnam Co., Ltd.	Dong Nai, Vietnam	1,928	90	1,298	1,057
	Essen Technology (Beijing) Co., Ltd.	Beijing, China	1,616	9	16	16

Environmental data

Material flow

INPUT

Energy

Electricity	223 GWh
City gas	18 Mm³
LPG	12 t
Heavy oil	1 kl
Diesel oil	78 kl
Gasoline	787 kl
Cold water	217 GJ
Steam [excluding steam for industrial use], hot water, and cold water	3,280 GJ
Electricity, hot water, and cold water *1	7,000 GJ

Resources

Municipal water	2,164 thousand m³
Groundwater	1,617 thousand m³
Paper	16.22 million sheets

R&D/ Manufacturing/ Sales

OUTPUT

Atmosphere

CO_2*4	85 thousand t-CO_2
Nitrogen oxide	13 t
Sulfur oxide	0 t

Bodies of water

Wastewater volume	2,573 thousand m³
Biochemical oxygen demand	4.1 t

Waste

Waste generated	10,775 t
Recycled	10,496 t
Landfill	11 t

Energy*2*3

Diesel oil	79 TJ
Heavy oil	6 TJ
Jet fuel	7 TJ

Distribution (contracted)

Atmosphere*2

CO_2	6 thousand t-CO_2

Scope: Terumo Corporation sites in Japan

*1 Energy for air conditioning in leased offices (electricity, hot water, and cold water)

*2 The volume of energy use and CO_2 emissions to the atmosphere associated with distribution indicates the volume resulting from distribution in Japan.

*3 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.

*4 The CO_2 emissions factors for electricity are the fiscal 2025 factors provided by power companies.

Independent assurance statement

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 2026 for the period of April 1, 2025 through March 31, 2026 (the 'Selected Information'):

1) The following environmental data through business operations of Terumo Group's 45 sites within Japan (six factories, three R&D bases, three headquarters offices, 27 sales offices, one facility for simulated medical experience and five subsidiary offices) and 24 sites outside Japan (21 factories and three R&D bases)
   - Scope 1 emissions (CO_2 from energy use)
   - Scope 2 emissions (market-based)
   - Total of Scope 1 emissions (CO_2 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 withdrawal
   - Groundwater withdrawal
   - Rainwater withdrawal
   - Total water withdrawal
   - Total waste volume
   - Recycling volume
   - Recycling rate
2) The Terumo Group (Terumo Corporation and 101 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'.

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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.

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 Fujinomiya Factory
   - Terumo Corporation Shonan Center
   - Terumo Medical Corp. (Elkton Factory)
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

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Independent assurance statement

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 performed.

Verified greenhouse gas emissions
We performed our verification work on greenhouse gas emissions data in accordance with the requirements of ISO14064-3(2019).
Verified data in greenhouse gas assertion made by Terumo are as follows.

	Greenhouse gas emissions [t-CO_2e]	Boundary
Scope 1 (CO_2 from energy use)	66,222	Greenhouse gas emissions from fuel, and electricity, steam・chilled/hot water through business operations of Terumo Group's 45 sites within Japan (six factories, three R&D bases, three headquarters offices, 27 sales offices, one facility for simulated medical experience and five subsidiary offices) and 24 sites outside Japan (21 factories and three R&D bases) for the period of April 1, 2025 through March 31, 2026
Scope 2 (market-based)	108,805	
Scope 3 Category 2	286,661	The total amount of fixed assets acquired by the Terumo Group (Terumo Corporation and 101 consolidated subsidiaries) excluding land, construction in progress, and intangible fixed assets other than software for the period of April 1, 2025 through March 31, 2026
Scope 3 Category 3	56,722	Upstream emissions from purchased fuel, and electricity, steam・chilled/hot water for business operations of Terumo Group's 45 sites within Japan (six factories, three R&D bases, three headquarters offices, 27 sales offices, one facility for simulated medical experience and five subsidiary offices) and 24 sites outside Japan (21 factories and three R&D bases) for the period of April 1, 2025 through March 31, 2026

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,

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professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2[1].
Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)[2], 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[3].

Bureau Veritas Japan Co., Ltd.
4-6-2 Minatomirai, Nishi-ku, Yokohama, Japan
September 11, 2026

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

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Corporate information

Corporate information (As of March 31, 2026)

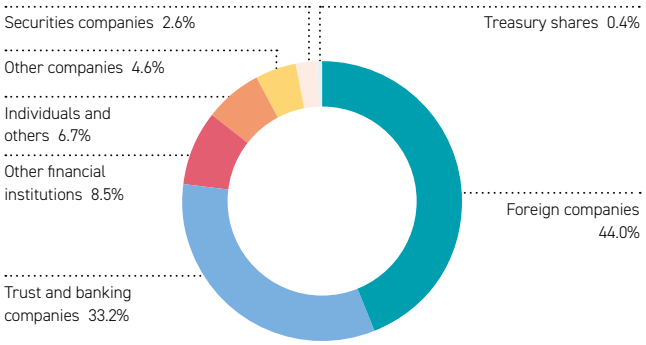
Company name	Terumo Corporation
Founded	September 17, 1921
Tokyo Office*1	Toranomon Hills Station Tower 28F, 2-6-1 Toranomon, Minato-ku, Tokyo, 105-5528, Japan
Head office	2-44-1 Hatagaya, Shibuya-ku, Tokyo 151-0072, Japan
Share capital	¥38.7 billion
Employees	Consolidated: 31,185 Non-Consolidated: 5,736
Fiscal year	From April 1 to March 31

Stock information (As of March 31, 2026)

Security code	4543
Stock exchange listing	Prime Section of the Tokyo Stock Exchange
Number of shares authorized	5,900,000,000
Number of shares issued	1,480,559,680
Number of shareholders	74,483
Trading unit	100

*1 We relocated our Tokyo office to Toranomon in July 2025.

Composition of issued shares by type of shareholder



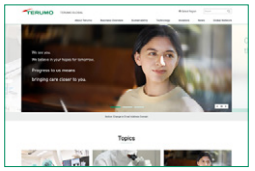
Major shareholders (Top 10 shareholders)*2

Shareholders	Number of shares held (thousands)	Percentage of total shares issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	328,609	22.3
Custody Bank of Japan, Ltd. (Trust Account)	140,223	9.5
The Dai-ichi Life Insurance Company, Limited	51,827	3.5
STATE STREET BANK AND TRUST COMPANY 505223	45,819	3.1
Meiji Yasuda Life Insurance Company	44,494	3.0
STATE STREET BANK AND TRUST COMPANY 505103	29,466	2.0
TERUMO LIFE SCIENCE FOUNDATION	29,440	2.0
STATE STREET BANK AND TRUST COMPANY 505001	27,404	1.9
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	23,430	1.6
THE CHASE MANHATTAN BANK,N.A. LONDONSECS LENDING OMNIBUS ACCOUNT	22,563	1.5

*2 Treasury shares (5,476,639 shares) are excluded from the calculation of the percentage of shares held.
*3 Of the number of shares held by The Dai-ichi Life Insurance Company, Limited, 12,000 thousand shares are shares concerning retirement benefit trust contributed by The Dai-ichi Life Insurance Company.

Terumo's corporate website/Official SNS

Terumo's corporate website provides information on the company and its businesses, the latest financial information, news releases, and other information.



Terumo Global website
https://www.terumo.com



Investor relations website
https://www.terumo.com/investors



Sustainability website
https://www.terumo.com/sustainability

Terumo Corporation Official X (in Japanese)
@terumo_jp
https://x.com/terumo_jp

Terumo Group official LinkedIn
https://www.linkedin.com/company/terumo-global/

TERUMO CORPORATION

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