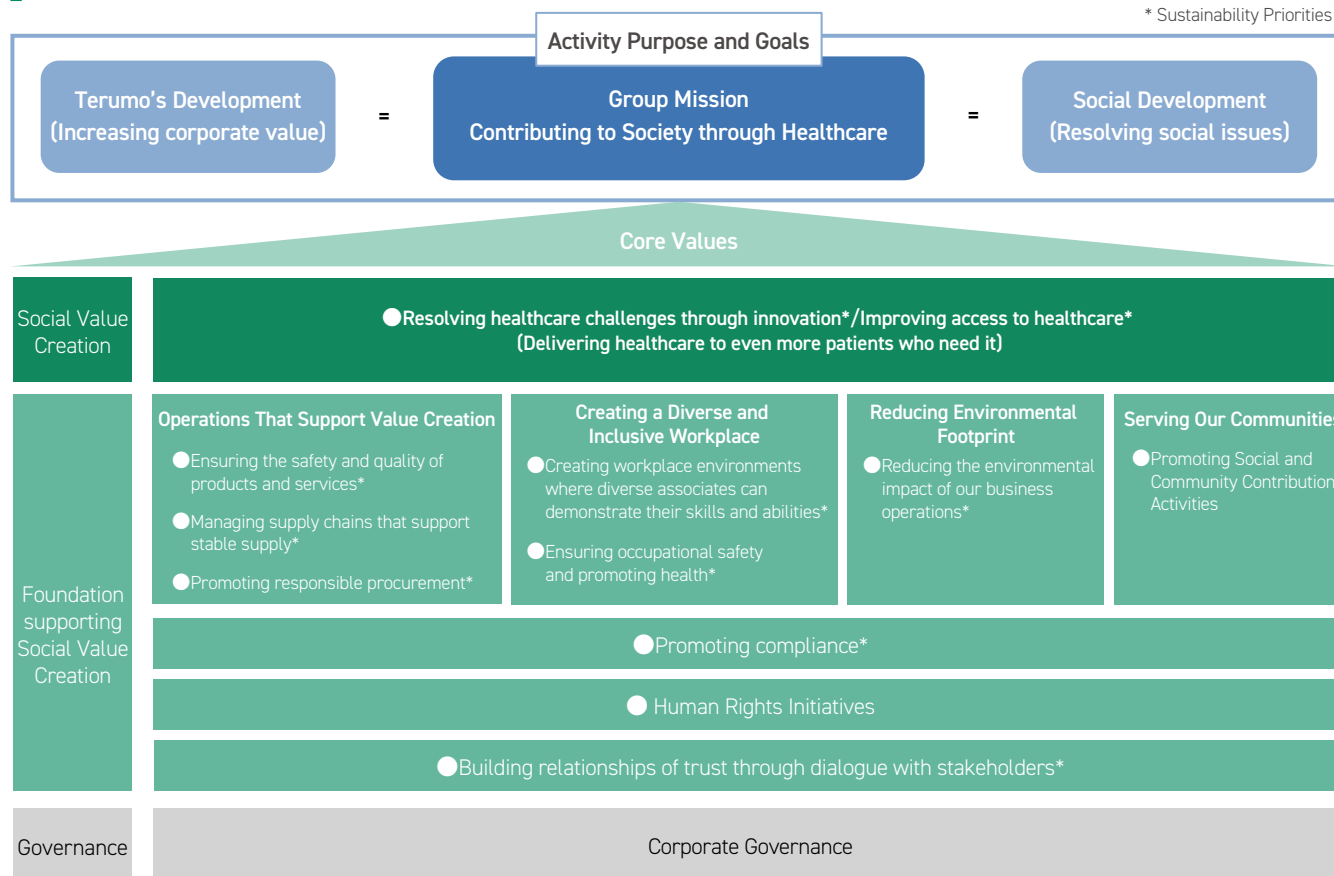


## Approach to Sustainability

Under the Group mission of “Contributing to Society through Healthcare,” and on the basis of the Core Values that Terumo associates throughout the world are expected to share, the Terumo Group strives to provide a stable supply of high-quality medical equipment and services to patients and medical settings all over the world. Turning to the environment surrounding companies, it is changing drastically, and issues related to healthcare, society, and

the global environment are becoming more diverse and complex every day. The Terumo Group determines sustainability priorities to resolve these issues, and works to realize a sustainable society and achieve the Group’s own sustainable growth, while listening carefully to the voices of various stakeholders.

## An Overview of Sustainability at the Terumo Group and Sustainability Priorities



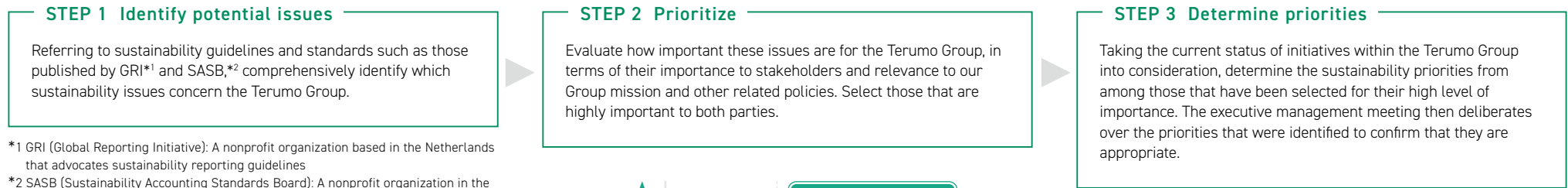
## Sustainability Priorities and Related United Nations SDGs

The Terumo Group is working to resolve social and environmental issues, including issues in healthcare, while taking the United Nations Sustainable Development Goals (SDGs) into account.

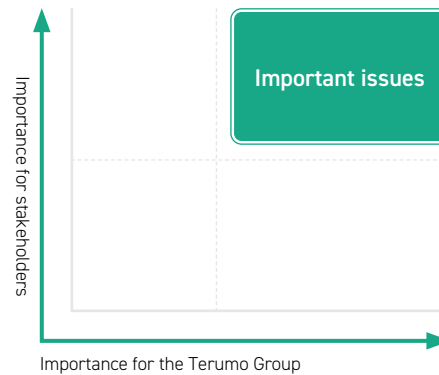


## The Process for Determining Sustainability Priorities

The Terumo Group determines priorities according to the following process:

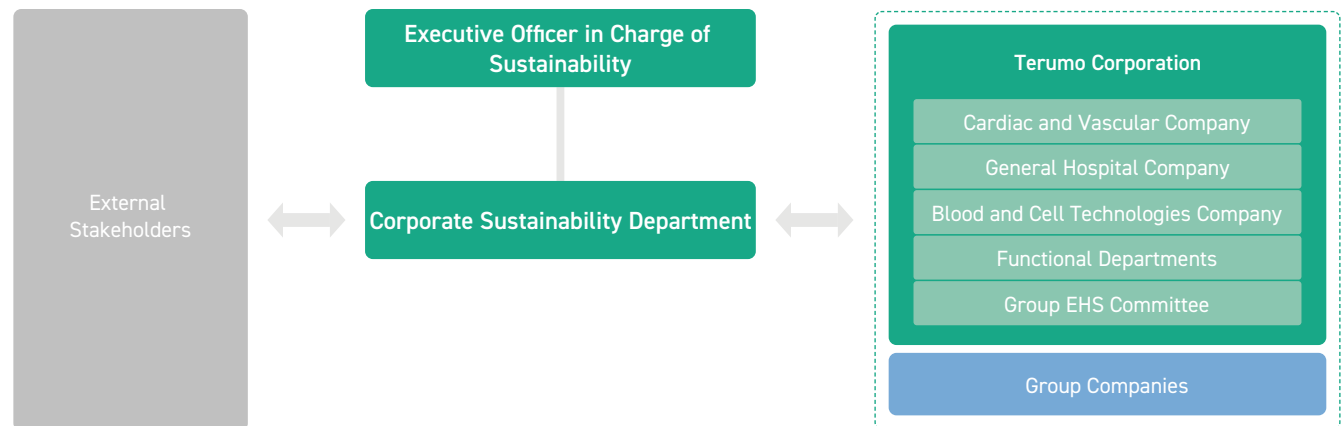


\*1 GRI (Global Reporting Initiative): A nonprofit organization based in the Netherlands that advocates sustainability reporting guidelines  
\*2 SASB (Sustainability Accounting Standards Board): A nonprofit organization in the U.S. that aims to develop and spread sustainability accounting standards



## Sustainability Management

The Corporate Sustainability Department coordinates and promotes initiatives related to corporate sustainability throughout the Group. Working together with related departments, committees, and Group companies, the Corporate Sustainability Department sets action policies and priorities related to sustainability, finds ways to disseminate them throughout the Group, and promotes specific initiatives. It also interacts with internal and external stakeholders, sharing information and engaging in discussions, in order to understand the expectations of society for the Terumo Group and reflect them in its initiatives.



## Participation in Initiatives

### United Nations Global Compact

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

#### WE SUPPORT



### Science Based Targets Initiative

The Terumo Group has received certification from the Science Based Targets initiative, an international organization, indicating that its greenhouse gas (GHG) emissions reduction targets for fiscal 2030 are based on scientific evidence. Guided by these targets, we are engaged in a concerted Group effort to address the global issue that is reducing climate change risks.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## External Recognition

<p><b>FTSE4Good Index Series</b> <b>FTSE Blossom Japan Index</b></p>	<p>Terumo has been selected as a constituent stock of the FTSE4Good Index Series and the FTSE Blossom Japan Index (as of June 2021). The FTSE4Good Index Series is an index series created by FTSE Russell, a global index provider, and consists of companies demonstrating strong environmental, social, and governance (ESG) practices. The FTSE Blossom Japan Index is an index, also created by FTSE Russell, which consists of Japanese companies demonstrating strong ESG practices.</p>	
<p><b>S&amp;P/JPX Carbon Efficient Index</b></p>	<p>Terumo has been selected for inclusion in the S&amp;P/JPX Carbon Efficient Index (as of March 2021). The S&amp;P/JPX Carbon Efficient Index is an index that takes the Tokyo Stock Price Index (TOPIX) as the eligible universe, and allocates a weighting for each component stock based on each company's disclosure of environmental information and its carbon efficiency (i.e., carbon dioxide emissions per unit of revenue).</p>	
<p><b>SOMPO Sustainability Index</b></p>	<p>Terumo has been selected for inclusion in the SOMPO Sustainability Index (as of June 2021). The SOMPO Sustainability Index is a unique index compiled by Sompo Asset Management Co., Ltd. Every year, approximately 300 companies that have outstanding environmental, social and corporate governance (ESG) initiatives are selected for inclusion in this index, which is used by Sompo Asset Management for its SOMPO Sustainable Management.</p>	
<p><b>Health &amp; Productivity Stock Selection</b></p>	<p>Terumo has been selected for inclusion in the Health &amp; Productivity Stock Selection for seven consecutive years since fiscal 2014. This stock selection, determined jointly by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange, is intended to spotlight listed companies in which management addresses employee health management from a managerial perspective and implements strategic initiatives in this area. By introducing companies that have strong appeal in this area to investors who attach great importance to improving corporate value from a long-term perspective, the aim is to encourage firms to implement health management initiatives.</p>	
<p><b>Corporate Governance of the Year</b></p>	<p>Terumo was selected as a Winner Company in the Corporate Governance of the Year 2020 awards organized by the Japan Association of Corporate Directors (JACD). These awards have been held every year since fiscal 2015, with support from Japan's Financial Services Agency (FSA) and METI, with the aim of providing encouragement for business enterprises that use corporate governance to achieve healthy growth over the mid- to long-term. Three Winner Companies are chosen from the more than 2,000 companies listed on the First Section of the Tokyo Stock Exchange (TSE).</p>	