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(Securities Code: 4543)

June 3, 2025

(Electronic provision of information starts on: May 29, 2025)

**To Our Shareholders:**

Hikaru Samejima  
Representative Director and Chief Executive  
Officer  
TERUMO CORPORATION  
2-44-1 Hatagaya, Shibuya-ku, Tokyo, Japan

**NOTICE OF CONVOCAION OF  
THE 110TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We are pleased to notify you that the 110th Annual General Meeting of Shareholders (this “Meeting”) of Terumo Corporation (the “Company”) will be held as described below.

In convening this Meeting, the Company has taken electronic provision measures, which provide information contained in the Reference Documents for the Annual General Meeting of Shareholders and other materials (matters subject to electronic provision measures) in electronic format, and has posted this information on Internet websites. Please access either of the following websites to review the information. Meanwhile, for this Meeting, the Company will send paper copies of the Reference Documents and related materials to all shareholders same as before regardless of whether or not they made a request for the delivery of paper documents.

- The Company website:  
[https://www.terumo.com/investors/stocks/shareholders\\_meeting](https://www.terumo.com/investors/stocks/shareholders_meeting)
- Tokyo Stock Exchange website (Listed Company Search):  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>  
Please access the website above, enter the Company’s name or securities code and click “Search,” select “Basic information” and go to “Documents for public inspection/PR information.”
- Website for general shareholders meeting materials (in Japanese):  
<https://s.srdb.jp/4543/>

If you are unable to attend the Meeting, you may exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the Annual General Meeting of Shareholders provided electronically and exercise your voting rights by 5:45 p.m. on Monday, June 23, 2025.

Any changes regarding the operation of the Meeting will be posted on the Company’s website.

**Exercise of voting rights via the Internet**

Please access the website for exercising voting rights designated by the Company, and follow the on-screen guidance. Please vote for or against each of the proposals by the voting deadline indicated above.

Voting website: <https://evote.tr.mufg.jp/>

**Exercise of voting rights by mail**

Please indicate whether you are for or against each of the proposals on the enclosed Voting Rights Exercise Form and send back the completed form to us.

1. **Date and Time:** Tuesday, June 24, 2025, at 2:00 p.m. (The reception desk opens at 1:00 p.m.)
  2. **Place:** Fuji Banquet Room, 2nd floor, Meiji Kinenkan  
2-2-23 Moto-Akasaka, Minato-ku, Tokyo
  3. **Meeting Agenda:**

**Matters to be reported:**

    1. Business Report, Consolidated Financial Statements, and Audit Reports concerning Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 110th Term (from April 1, 2024, to March 31, 2025)
    2. Non-consolidated Financial Statements for the 110th Term (from April 1, 2024, to March 31, 2025)

**Matters to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of 7 Directors (Excluding Directors Who Serve as Audit and Supervisory Committee Members)

**Proposal 3:** Election of 3 Directors Who Serve as Audit and Supervisory Committee Members

**Proposal 4:** Election of 2 Substitute Directors Who Serve as Audit and Supervisory Committee Members
  4. **Exercise of Voting Rights:** If you exercise your voting rights both in writing on the Voting Rights Exercise Form and via the Internet, only the exercise of voting rights via the Internet will be valid. In addition, if you exercise your voting rights multiple times via the Internet, only the last vote will be valid. In the event that your approval or disapproval of any proposal is not indicated on the Voting Rights Exercise Form, it shall be considered as an indication of approval.
- The following matters are not included in the paper copy delivered to shareholders who requested it in accordance with the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation. Note that the Audit and Supervisory Committee and the Accounting Auditor have audited the documents subject to audit, including the following items.
    - Business Report
 

Business Progress and Results, Issues to be Addressed, Principal Business, Principal Lenders, Employees, Principal Offices and Factories, Other Significant Matters concerning the Group's Current Situation, Status of Shares, Matters concerning Stock Acquisition Rights Issued by the Company, Company Directors, Accounting Auditor, Corporate Governance, Systems to Ensure the Appropriateness of Operations, Status of Operation of Systems to Ensure the Appropriateness of Operations, and Basic Policies Regarding the Company's Control
    - Consolidated Financial Statements and Non-consolidated Financial Statements
 

Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements, Non-consolidated Balance Sheet, Non-consolidated Statements of Income, Non-consolidated Statements of Changes in Equity, and Notes to Non-consolidated Financial Statements
    - Audit Reports
 

Audit Report concerning the Consolidated Financial Statements by the Accounting Auditor, Audit Report concerning the Non-consolidated Financial Statements by the Accounting Auditor, and the Audit Report by the Audit and Supervisory Committee
  - When attending the Meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please note that no one other than the shareholders with voting rights, such as an agent or an accompanying person, is permitted to enter the venue even if such a person brings a Voting Rights Exercise Form with him/her.
  - Any revisions to the matters subject to electronic provision measures will be posted on the websites above.
  - Please note that Directors of the Company and staff at the venue will be in light clothing at the Meeting.

The Company's website: [https://www.terumo.com/investors/stocks/shareholders\\_meeting](https://www.terumo.com/investors/stocks/shareholders_meeting)

# **Reference Documents for the Annual General Meeting of Shareholders**

## **Proposals and References**

### **Proposal 1: Appropriation of Surplus**

It is proposed that the surplus be appropriated as follows:

#### **Matters concerning year-end dividends**

The Company considers the distribution of an appropriate amount of profit to shareholders to be one of the principal responsibilities of management and pays dividends in accordance with a policy of stably and steadily increasing dividends.

Accordingly, it is proposed that a year-end dividend of 13 yen per share be paid out. As a result, the annual dividends for the year, including the interim dividend of 13 yen, will amount to 26 yen per share, an increase of 4 yen from the previous fiscal year.

#### **(1) Type of dividend property**

Cash

#### **(2) Allocation of dividend property and total amount thereof**

13 yen per ordinary share of the Company

Total amount of dividends: 19,174,369,071 yen

#### **(3) Effective date of dividends from surplus**

Wednesday, June 25, 2025

Note: The Company conducted a 2-for-1 stock split for its ordinary shares, effective April 1, 2024. The annual dividend per share is based on the shares after the stock split.

**Proposal 2: Election of 7 Directors (Excluding Directors Who Serve as Audit and Supervisory Committee Members)**

The terms of office of all of the 8 directors (excluding directors who serve as Audit and Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders.

The election of 7 directors (excluding directors who serve as Audit and Supervisory Committee Members) is proposed.

The opinion of the Audit and Supervisory Committee on the selection of directors is outlined below.

Regarding selection of directors who are not Audit and Supervisory Committee Members, the Nomination Committee deliberated on whether each candidate is suitable for the position of director based on attributes, such as knowledge, experience, achievements, and capability, and 2 outside directors who serve as Audit and Supervisory Committee Members participated in the deliberation. Based on the results of deliberation by the Nomination Committee, the Audit and Supervisory Committee discussed and concluded that each of the candidates is suitable for the position of director.

The candidates for directors (excluding directors who serve as Audit and Supervisory Committee Members) are as indicated below.

No.	Name	Attribute	Current positions and responsibilities at the Company	Number of years in office	Ratio of attendance at the Board of Directors' meetings
1	Toshiaki Takagi	Reappointed	Representative Director and Chairman of the Board	15	14/14
2	Hikaru Samejima	Reappointed	Representative Director and Chief Executive Officer	1	11/11
3	Toshihiko Osada	Reappointed	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, and Terumo Ventures	1	11/11
4	Norimasa Kunimoto	Reappointed	Director and Group Managing Executive Officer/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	2	14/14
5	Hidenori Nishi	Reappointed Outside Independent	Outside Director	5	14/14
6	Keiya Ozawa	Reappointed Outside Independent	Outside Director	4	14/14

No.	Name	Attribute	Current positions and responsibilities at the Company	Number of years in office	Ratio of attendance at the Board of Directors' meetings
7	Mari Kogiso	Reappointed Outside Independent	Outside Director	1	11/11

Notes:

- 1 The number of shares of the Company held by each candidate for director shown on the following pages is as of March 31, 2025, and includes shares held through the Terumo Director Shareholding Association.
- 2 The number of years in office denotes the number of years since each candidate assumed the office of Director of the Company until the conclusion of this Annual General Meeting of Shareholders.
- 3 Mr. Hidenori Nishi, Mr. Keiya Ozawa, and Ms. Mari Kogiso are candidates for outside directors.
- 4 The Company appointed Mr. Hidenori Nishi, Mr. Keiya Ozawa, and Ms. Mari Kogiso as independent directors/auditors as defined by the Tokyo Stock Exchange and submitted notifications of their appointment to the Exchange. If their reelection is approved, the Company intends to continue their appointment as independent directors/auditors.
- 5 In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with Mr. Hidenori Nishi, Mr. Keiya Ozawa, and Ms. Mari Kogiso to apply the statutory limit with respect to liability under Article 423, Paragraph 1 of the aforementioned law. If their reelection is approved, the Company intends to renew the liability limitation contracts with them. The maximum amount of liability under the contracts shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act.
- 6 The Company has entered into a directors and officers liability insurance contract prescribed in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers any damages that may result from directors being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. (However, those that fall under the disclaimer stipulated in the insurance contract are excluded.) The insurance premiums are fully borne by the Company. If the election of each candidate is approved as proposed, each of them will be insured under the aforementioned insurance contract.
- 7 No special interest exists between the Company and any of the candidates for director.
- 8 “Ratio of attendance at the Board of Directors’ meetings” above for Mr. Hikaru Samejima, Mr. Toshihiko Osada, and Ms. Mari Kogiso refers to the meetings they attended after they assumed their offices on June 26, 2024.
- 9 The Company has made a certain amount of scholarship donations to Jichi Medical University, where Mr. Keiya Ozawa works as a professor emeritus and visiting professor, but this bears no relevance to his responsibilities at the university. He does not participate directly in the operations of the university; therefore, we have determined that he is able to execute his professional duties properly as an outside director with independence.
- 10 Mr. Hidenori Nishi serves as an Outside Director of FUJI OIL CO., LTD., but he is scheduled to retire at the conclusion of the entity’s annual general meeting of shareholders, which will be held in June 2025.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Toshiaki Takagi (March 24, 1958)	<p>April 1981      Joined the Company</p> <p>April 2004      Factory Manager of Ashitaka Factory</p> <p>April 2008      Factory Manager of Ashitaka Factory and Suruga Factory</p> <p>June 2008      Executive Officer</p> <p>June 2009      General Manager of R&amp;D Headquarters</p> <p>June 2010      Director and Senior Executive Officer</p> <p>June 2013      Responsible for Quality Assurance Dept., Post-Market Surveillance and Vigilance Dept., and Environmental Management Dept.</p> <p>April 2015      Responsible for Terumo Call Center</p> <p>July 2015      Chief Quality Officer (CQO)</p> <p>April 2016      Director and Managing Executive Officer</p> <p>April 2017      Responsible for Production Dept. and Procurement Dept.</p> <p>April 2018      Director and Senior Managing Executive Officer, Responsible for Intellectual Property Dept. and Terumo Medical Pranex</p> <p>April 2020      Responsible for Regulatory Affairs Dept., Promotional Activities Control Dept., Clinical Development Dept., Supply Chain Management Dept., CIO Office, and IT Planning Dept.</p> <p>April 2021      Responsible for R&amp;D Promotion Dept.</p> <p>April 2022      Representative Director and Chairman of the Board (present)</p> <p>■ Reasons for selection of the candidate for director Mr. Toshiaki Takagi previously served in positions including General Manager of R&amp;D Headquarters, Chief Quality Officer (CQO) and was responsible for Production Dept. of the Company. Since April 2022, he has been serving as Representative Director and Chairman of the Board of the Company and has contributed to enhancement of corporate value. Based on his wealth of business experience and knowledge, he is appropriately overseeing the Company's management by convening and conducting meetings of the Board of Directors as the chairperson thereof and is also contributing to the enhancement of the Terumo brand through external activities. Through these roles, he is expected to continue to lead further development of the Terumo Group. Therefore, the Company proposes his reelection for the position of director.</p>	137,138



No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
2	Hikaru Samejima (May 27, 1964)	<p>April 1988      Joined Toa Nenryo Kogyo K.K. (currently ENEOS Corporation)</p> <p>February 2001      Joined Citibank, N.A.</p> <p>January 2002      Joined the Company</p> <p>June 2007      President of Terumo Interventional Systems (Global), Cardiac and Vascular Group</p> <p>April 2014      Executive Officer, Division President of Interventional Systems Division (currently Terumo Interventional Systems), Cardiac and Vascular Company</p> <p>April 2016      Senior Executive Officer</p> <p>April 2017      President of Cardiac and Vascular Company</p> <p>April 2018      Managing Executive Officer</p> <p>April 2020      President of General Hospital Company (currently Medical Care Solutions Company)</p> <p>April 2022      Group Senior Managing Executive Officer</p> <p>April 2024      Chief Executive Officer</p> <p>June 2024      Representative Director and Chief Executive Officer (present)</p> <p>■ Reasons for selection of the candidate for director Mr. Hikaru Samejima previously served in positions including President of Cardiac and Vascular Company and President of Medical Care Solutions Company. Since June 2024, he has been serving as Representative Director and Chief Executive Officer of the Company and has contributed to enhancement of corporate value. Based on his wide range of experience in business operations and his wealth of business experience and knowledge, he is leading overall global management and business operations of the Company. Furthermore, through fair and precise management oversight as a director, he is expected to continue to lead further development of the Terumo Group. Therefore, the Company proposes his reelection for the position of director.</p>	55,786

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
3	Toshihiko Osada (January 28, 1967)	<p>April 1989      Joined the Company</p> <p>January 2016    General Manager of Strategic Planning Dept.</p> <p>April 2016      Executive Officer</p> <p>April 2018      Senior Executive Officer</p> <p>April 2020      Managing Executive Officer, President of Cardiac and Vascular Company, and Division President of Interventional Systems Division (currently Terumo Interventional Systems)</p> <p>April 2022      Group Senior Managing Executive Officer</p> <p>April 2024      In charge of Innovation; R&amp;D Division (CTO Office, Innovation Center, Technology Coordination Office, and R&amp;D Administration Dept.), DX Promotion Dept., Intellectual Property Dept., Clinical Development Dept., and Terumo Medical Pranex</p> <p>June 2024      Director and Group Senior Managing Executive Officer (present)</p> <p>April 2025      In charge of Innovation; Corporate R&amp;D, Intellectual Property Dept., Clinical Development Dept., Regulatory Affairs Dept., Terumo Medical Pranex, and Terumo Ventures (present)</p> <p>■ Reasons for selection of the candidate for director Mr. Toshihiko Osada previously served in positions including General Manager of Strategic Planning Dept. and President of Cardiac and Vascular Company. He served as Director and Group Senior Managing Executive Officer of the Company since June 2024, contributing to enhancement of corporate value. Based on his wealth of business experience and knowledge, he is further promoting business operations through the facilitation of innovation worldwide. In addition, he is expected to continue to lead further development of the Terumo Group through fair and precise management oversight as a director. Therefore, the Company proposes his reelection for the position of director.</p>	39,602

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
4	Norimasa Kunimoto (July 4, 1963)	<p>April 1987      Joined the Company</p> <p>October 2011    General Manager of Secretarial Office</p> <p>April 2018      Executive Officer, General Manager of Secretarial Office</p> <p>July 2018       Executive Officer, Regional Representative, Eastern Europe, Russia, Middle East and Africa</p> <p>April 2022      Group Executive Officer, Regional Representative, Europe, Middle East and Africa</p> <p>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&amp;I Promotion Dept., Human Resources Dept., Global Human Resources Dept., and Human Resources Development Dept.), and Japan Sales Dept.</p> <p>June 2023      Director and Group Managing Executive Officer (present)</p> <p>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</p> <p>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 (present)</p> <p>■ Reasons for selection of the candidate for director Mr. Norimasa Kunimoto previously served in positions including General Manager of Secretarial Office and Regional Representative, Europe, Middle East and Africa. Since June 2023, he has been serving as Director and Group Managing Executive Officer and has contributed to enhancement of corporate value. Based on his wealth of business experience and knowledge, he is contributing to enhancing governance on a global basis and further promoting business operations. In addition, he is expected to lead further development of the Terumo Group through fair and precise management oversight as a director. Therefore, the Company proposes his reelection for the position of director.</p>	44,913

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
5	<p>Hidenori Nishi (January 6, 1951)</p> <p>&lt;Candidate for outside/independent director&gt;</p>	<p>April 1975      Joined Kagome Co., Ltd.</p> <p>June 2000      Director, Kagome Co., Ltd.</p> <p>June 2005      Director &amp; Managing Executive Officer, Kagome Co., Ltd.</p> <p>June 2008      Director &amp; Senior Managing Executive Officer, Kagome Co., Ltd.</p> <p>April 2009      President &amp; Representative Director, Kagome Co., Ltd.</p> <p>January 2014    Chairman of the Board of Directors &amp; Representative Director, Kagome Co., Ltd.</p> <p>June 2014      Outside Director, NAGASE &amp; CO., LTD.</p> <p>March 2016    Chairman of the Board of Directors, Kagome Co., Ltd.</p> <p>June 2019      Outside Director, FUJI OIL HOLDINGS INC. (currently FUJI OIL CO., LTD.) (present)</p> <p>June 2020      Outside Director of the Company (present)</p> <p>■ Reasons for selection of the candidate for outside director and an overview of expected duties, etc. Mr. Hidenori Nishi has a wealth of experience as a corporate manager and insight cultivated through many years of marketing and overseas business experience. The Company proposes his election for the position of outside director because the Company wishes him to continue to utilize his experience and insight in the management and supervision of the Company. For these reasons, the Company deems that Mr. Nishi will duly execute his duties as an outside director. If his election is approved, the Company expects to involve him in the selection of director/executive officer candidates, decisions on executive remuneration, and deliberation on matters related to corporate governance from an independent standpoint as a member of the Nomination Committee, Remuneration Committee and Corporate Governance Committee.</p>	5,096

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
6	Keiya Ozawa (February 23, 1953)  <Candidate for outside/independent director>	<p>March 1977      Graduated from School of Medicine, Faculty of Medicine, The University of Tokyo</p> <p>March 1985      Studied at the National Institutes of Health (NIH), the United States (Fogarty Fellow: until 1987)</p> <p>September 1990      Associate Professor, The Institute of Medical Science, The University of Tokyo</p> <p>November 1994      Professor, Blood Medical Research Division, Jichi Medical University</p> <p>February 1998      Senior Professor, Division of Hematology, Jichi Medical University</p> <p>April 1998      Professor, Division of Genetic Therapeutics, Center for Molecular Medicine, Jichi Medical University</p> <p>April 2014      Hospital Director, IMSUT Hospital, Director, Center for Gene and Cell Therapy, and Professor, Division of Gene Therapy Development, Advanced Clinical Research Center, The Institute of Medical Science, The University of Tokyo Visiting Professor, Division of Immuno-Gene &amp; Cell Therapy (Takara Bio), Jichi Medical University</p> <p>April 2018      Professor Emeritus and Visiting Professor, Jichi Medical University (present) Program Supervisor, Japan Agency for Medical Research and Development (present)</p> <p>June 2018      Program Officer, Japan Agency for Medical Research and Development (present)</p> <p>October 2018      Senior Advisor, Genetic Therapeutics Center, Jichi Medical University (present)</p> <p>June 2021      Outside Director of the Company (present)</p> <p>April 2023      Visiting Professor, Division of Gene &amp; Cell Therapy for Intractable Diseases, Jichi Medical University</p> <p>■ Reasons for selection of the candidate for outside director and an overview of expected duties, etc. Mr. Keiya Ozawa has expertise in gene therapy, cell therapy and research achievements in hematology. He also has abundant experience which was cultivated by being involved in the business execution of the organization as Hospital Director of IMSUT Hospital and Director of Center for Gene and Cell Therapy, The Institute of Medical Science, The University of Tokyo. The Company proposes his election for the position of outside director because the Company wishes him to continue to utilize his experience and insight in the management and supervision of the Company. For these reasons, the Company deems that Mr. Ozawa will duly execute his duties as an outside director. If his election is approved, the Company expects to involve him in the selection of director/executive officer candidates, decisions on executive remuneration, and deliberation on matters related to corporate governance from an independent standpoint as a member of each of the Nomination Committee, Remuneration Committee and Corporate Governance Committee.</p>	1,959

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
7	Mari Kogiso (November 15, 1966)  <Candidate for outside/independent director>	<p>April 1990      Joined Long-term Credit Bank of Japan</p> <p>June 1998      Joined World Bank</p> <p>June 2003      Representative, Asia, Multilateral Investment Guarantee Agency, World Bank Group</p> <p>October 2012    Founder and CEO, i-Incubate Corporation</p> <p>October 2014    Representative, Dalberg Japan</p> <p>January 2016    Head of International Business Planning, Sasakawa Peace Foundation</p> <p>July 2017      General Manager, Gender Investment and Innovation Division, Sasakawa Peace Foundation</p> <p>June 2019      General Manager, CEO Office, FAST RETAILING CO., LTD.</p> <p>January 2021    CEO, SDG Impact Japan Inc. (present)</p> <p>June 2022      Independent Audit &amp; Supervisory Board Member, Mitsubishi Corporation</p> <p>June 2024      Independent Director, Mitsubishi Corporation (present)</p> <p>June 2024      Outside Director of the Company (present)</p> <p>■ Reasons for selection of the candidate for outside director and an overview of expected duties, etc. Ms. Mari Kogiso has a wealth of experience as a corporate manager and insight cultivated through many years of experience in financial industry on a global basis as well as experience of leading initiatives on DE&amp;I and ESG, etc. The Company proposes her reelection for the position of outside director because the Company wishes her to utilize her experience and insight in the management and supervision of the Company. For these reasons, the Company deems that Ms. Kogiso will duly execute her duties as an outside director. If her election is approved, the Company expects to involve her in the selection of director/executive officer candidates, decisions on executive remuneration, and deliberation on matters related to corporate governance from an independent standpoint as a member of each of the Nomination Committee, Remuneration Committee and Corporate Governance Committee.</p>	404

### Proposal 3: Election of 3 Directors Who Serve as Audit and Supervisory Committee Members

The terms of office of all of the 3 directors who serve as Audit and Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders.

The election of 3 directors who serve as Audit and Supervisory Committee Members is proposed.

The Audit and Supervisory Committee has already given consent to the submission of this proposal.

The candidates for directors who serve as Audit and Supervisory Committee Members are as indicated below.

No.	Name	Attribute	Current positions and responsibilities at the Company	Number of years in office	Ratio of attendance at the Board of Directors' meetings	Ratio of attendance at the Audit and Supervisory Committee's meetings
1	Takanori Shibazaki	Reappointed	Director (Full-time Audit and Supervisory Committee Member)	4	14/14	12/12
2	Soichiro Uno	Reappointed Outside Independent	Outside Director (Audit and Supervisory Committee Member)	6	14/14	12/12
3	Keiko Hayashi	Newly appointed Outside Independent	—	—	—	—

#### Notes:

- 1 The number of shares of the Company held by each candidate for director shown on the following pages is as of March 31, 2025, and includes shares held through the Terumo Director Shareholding Association.
- 2 The number of years in office denotes the number of years since each candidate assumed the office of Director of the Company until the conclusion of this Annual General Meeting of Shareholders.
- 3 Mr. Soichiro Uno and Ms. Keiko Hayashi are candidates for outside directors.
- 4 The Company appointed Mr. Soichiro Uno as independent director/auditor as defined by the Tokyo Stock Exchange and submitted notification of his appointment to the Exchange. If his reelection is approved, the Company intends to continue his appointment as independent director/auditor. Furthermore, with regard to Ms. Keiko Hayashi, if her election is approved under this proposal, she will be registered as an independent director/auditor with the Exchange.
- 5 In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into contracts with Mr. Takanori Shibazaki and Mr. Soichiro Uno to apply the statutory limit with respect to liability under Article 423, Paragraph 1 of the aforementioned law. If their reelection is approved, the Company intends to renew the liability limitation contracts with them. Furthermore, with regard to Ms. Keiko Hayashi, if her election is approved under this proposal, the Company intends to enter into such a contract with her. The maximum amount of liability under the contracts shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act.
- 6 The Company has entered into a directors and officers liability insurance contract prescribed in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers any damages that may result from directors being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. (However, those that fall under the disclaimer stipulated in the insurance contract are excluded.) The insurance premiums are fully borne by the Company.  
If the election of each candidate is approved as proposed, each of them will be insured under aforementioned insurance contract.
- 7 No special interest exists between the Company and any of the candidates for director.
- 8 Mr. Soichiro Uno serves as an External Audit & Supervisory Board Member of Softbank Group Corp., but he is scheduled to retire at the conclusion of the entity's annual general meeting of shareholders, which will be held in June 2025.

- 9 Ms. Keiko Hayashi serves as an Outside Director (Audit and Supervisory Committee Member) of LIFENET INSURANCE COMPANY, but she is scheduled to retire at the conclusion of the entity's annual general meeting of shareholders, which will be held in June 2025.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Takanori Shibazaki (December 25, 1961)	<p>April 1986      Joined the Company</p> <p>July 2005      Factory Manager of the First Factory, Terumo Medical Products (Hangzhou) Co., Ltd.</p> <p>September 2007      Deputy General Manager of Strategic Planning Dept.</p> <p>October 2008      President and CEO, Terumo Medical Products (Hangzhou) Co., Ltd.</p> <p>April 2014      Executive Officer</p> <p>July 2014      General Manager of Supply Chain Management Dept.</p> <p>April 2016      President and CEO, Terumo (China) Holding Co., Ltd.</p> <p>April 2017      Senior Executive Officer, Regional Representative, China</p> <p>June 2021      Director (Full-time Audit and Supervisory Committee Member) (present)</p> <p>■ Reasons for selection of the candidate for director who serves as Audit and Supervisory Committee Member Mr. Takanori Shibazaki has served as General Manager of Supply Chain Management Dept. of the Company, President and CEO, Terumo (China) Holding Co., Ltd., Regional Representative, China, etc. and since June 2021, Director who serves as a Full-time Audit and Supervisory Committee Member, and contributes to the improvement of corporate value. Based on abundant work experience and knowledge as director who serves as Full-time Audit and Supervisory Committee Member, auditing and supervising global group management fairly and accurately, he is expected to continue to lead further development of the Terumo Group. Therefore, the Company proposes his reelection for the position of director who serves as Audit and Supervisory Committee Member of the Company.</p>	38,322



No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions		Number of shares of the Company held
2	Soichiro Uno (January 14, 1963)  <Candidate for outside/independent director>	<p>April 1988      Joined Nagashima &amp; Ohno (currently Nagashima, Ohno &amp; Tsunematsu), admitted to the bar in Japan</p> <p>November 1993      Passed the bar exam in the State of New York, USA</p> <p>January 1997      Partner, Nagashima &amp; Ohno (currently Nagashima, Ohno &amp; Tsunematsu) (present)</p> <p>June 2004      External Audit &amp; Supervisory Board Member, Softbank Corp. (currently Softbank Group Corp.) (present)</p> <p>June 2018      Outside Director (Audit &amp; Supervisory Committee Member), Dream Incubator Inc.</p> <p>June 2019      Outside Director (Audit and Supervisory Committee Member) of the Company (present)</p>		0
<p>■ Reasons for selection of the candidate for outside director who serves as an Audit and Supervisory Committee Member and an overview of expected duties, etc.</p> <p>Mr. Soichiro Uno has expertise and a wealth of experience as a lawyer in Japan and overseas. The Company proposes his reelection for the position of outside director because the Company wishes him to continue to utilize his experience and insight in the management and supervision of the Company. For these reasons, the Company deems that Mr. Uno will duly execute his duties as an outside director who serves as an Audit and Supervisory Committee Member. If his election is approved, the Company expects to involve him in the selection of director/executive officer candidates, decisions on executive remuneration, and deliberation on matters related to corporate governance from an independent standpoint as a member of each of the Nomination Committee, Remuneration Committee and Corporate Governance Committee.</p>				

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
3	Keiko Hayashi (August 11, 1960)  <Newly appointed> <Candidate for outside/independent director>	<p>April 1986      Joined the Tokyo Regional Taxation Bureau</p> <p>March 1994      Registered as a certified public accountant</p> <p>July 2006      Partner, Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>July 2016      Executive Board Member, The Japanese Institute of Certified Public Accountants</p> <p>November 2018      President, Tohmatsu Challenged Co., Ltd.</p> <p>October 2019      D&amp;I Committee Advisor, Deloitte Tohmatsu Group Chair of The Audit Practice Review Committee, The Japanese Institute of Certified Public Accountants</p> <p>June 2020      Outside Director (Audit &amp; Supervisory Committee member), MEIDENSHA CORPORATION (present) Outside Director, LIFENET INSURANCE COMPANY</p> <p>July 2020      Representative, Keiko Hayashi Certified Public Accountants Office (present)</p> <p>February 2021      Outside Audit &amp; Supervisory Committee Member, NIPPON FILCON CO., LTD.</p> <p>March 2021      Supervisory Director, Nippon Building Fund Inc. (present)</p> <p>June 2021      Outside Director (Audit and Supervisory Committee Member), LIFENET INSURANCE COMPANY (present)</p> <p>April 2023      Professor, Graduate School of Accountancy, Waseda University (present)</p> <p>■ Reasons for selection of the candidate for outside director who serves as an Audit and Supervisory Committee Member and an overview of expected duties, etc. Ms. Keiko Hayashi has expertise and a wealth of experience as a certified public accountant, as well as experience of leading initiatives on DE&amp;I at an audit firm. The Company proposes her election for the position of outside director because the Company wishes her to utilize her experience and insight in the management and supervision of the Company. For these reasons, the Company deems that Ms. Hayashi will duly execute her duties as an outside director who serves as an Audit and Supervisory Committee Member. If her election is approved, the Company expects to involve her in the selection of director/executive officer candidates, decisions on executive remuneration, and deliberation on matters related to corporate governance from an independent standpoint as a member of each of the Nomination Committee, Remuneration Committee and Corporate Governance Committee.</p>	0

**(Reference) Skill Matrix of Directors after the General Meeting of Shareholders**

		Internal Directors					Independent Directors				
		Takagi	Samejima	Osada	Kunimoto	Shibazaki	Nishi	Ozawa	Kogiso	Uno	Hayashi
Director experience value	Healthcare industry experience	●	●	●	●	●		●			
	Financial experience/knowledge		●						●		●
	Sales marketing experience		●	●	●		●		●		
	Technology/development/regulatory affairs	●		●				●			
	Business responsibility experience	●	●	●	●	●	●		●		
	Experience as CEO of a listed company		●				●				
	Government/industry response	●				●	●	●	●		
	Risk management	●	●	●	●	●	●	●	●	●	●
	New business development experience		●	●			●		●		
	Experience outside Japan		●	●	●	●	●	●	●	●	
	Environment/safety/quality	●	●	●	●				●		
Director experience	Status of posts at other companies						●		●	●	●
	Timing of appointment as director	06/2010	06/2024	06/2024	06/2023	06/2021	06/2020	06/2021	06/2024	06/2019	—
Diversity	Age	67	61	58	61	63	74	72	58	62	64
	Sex	Male	Male	Male	Male	Male	Male	Male	Female	Male	Female

**Proposal 4: Election of 2 Substitute Directors Who Serve as Audit and Supervisory Committee Members**

In order to ensure that the number of incumbent directors who serve as Audit and Supervisory Committee Members does not fall short of that required by laws and regulations, the Company requests the approval of shareholders for the election of 2 substitute directors who serve as Audit and Supervisory Committee Members.

Assuming that Proposal 3 is approved as proposed, the Company requests approval for the election of Mr. Hiroaki Kosugi as a substitute for Mr. Takanori Shibazaki and Ms. Keiko Hayashi, directors who serve as Audit and Supervisory Committee Members, and Ms. Asako Shirato as a substitute for Mr. Soichiro Uno, a director who serves as an Audit and Supervisory Committee Member.

The Audit and Supervisory Committee has already given consent to the submission of this proposal.

The candidates for substitute directors who serve as Audit and Supervisory Committee Members are as indicated below.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Hiroaki Kosugi (November 14, 1961)  <Candidate for substitute outside director who serves as an Audit and Supervisory Committee Member>	<p>October 1984      Joined Tetsuzo Ota &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>April 1989        Seconded to EW (currently EY), Vancouver (Canada)</p> <p>October 1992      Assigned to auditing department after returning to Japan</p> <p>May 2000          Appointed as a Partner of Ernst &amp; Young ShinNihon LLC</p> <p>July 2010          EY Japan Oil &amp; Gas Sector Leader, Ernst &amp; Young ShinNihon LLC (present)</p> <p>July 2014          Executive Board Member and General Manager of Financial Management Division, Ernst &amp; Young ShinNihon LLC</p> <p>July 2024          Representative, Kosugi Certified Public Accountants Office (present)</p> <p>■ Reasons for selection of the candidate for substitute outside director who serves as an Audit and Supervisory Committee Member and an overview of expected duties, etc. The Company proposes election of Mr. Hiroaki Kosugi for the position of substitute outside director who serves as an Audit and Supervisory Committee Member as the Company wishes him to utilize the expertise he has gained, in the course of his lengthy career as a certified public accountant, in the management and supervision of the Company. For these reasons, the Company deems that Mr. Kosugi will duly execute his duties as an outside director who serves as an Audit and Supervisory Committee Member.</p>	0

Notes:

- 1 Mr. Hiroaki Kosugi is a candidate for substitute outside director.
- 2 If Mr. Hiroaki Kosugi assumes the office of an outside director who serves as an Audit and Supervisory Committee Member, the Company intends to appoint him as an independent director/auditor as defined by the Tokyo Stock Exchange and submit notification of his appointment to the Exchange.
- 3 If Mr. Hiroaki Kosugi assumes the office of an outside director who serves as an Audit and Supervisory Committee Member, the Company intends to conclude a contract with him to apply the statutory limit with respect to liability under Article 423, Paragraph 1 of the Companies Act, in accordance with Article 427,

Paragraph 1 of said Act. The maximum amount of liability under the contracts shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act.

- 4 The Company has entered into a directors and officers liability insurance contract prescribed in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers any damages that may result from directors being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. (However, those that fall under the disclaimer stipulated in the insurance contract are excluded.) The insurance premiums are fully borne by the Company. If Mr. Hiroaki Kosugi assumes the office of an outside director who serves as an Audit and Supervisory Committee Member, he will be insured under the aforementioned insurance contract.
- 5 No special interest exists between the Company and Mr. Hiroaki Kosugi.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
2	Asako Shirato (November 1, 1961)  <Candidate for substitute outside director who serves as an Audit and Supervisory Committee Member>	<p>April 1989      Admitted to the bar in Japan</p> <p>January 2003    Joined Ginza Daiichi Law Firm (present)</p> <p>March 2004      Appointed as mediator candidate for Arbitration and Mediation Center, Daini Tokyo Bar Association (present)</p> <p>April 2005      Admitted as appointed attorney (litigation counsel for cases in which the state is a defendant)</p> <p>March 2007      Appointed as expert surveyor of Tokyo Metropolitan Building Examination Committee (present)</p> <p>December 2007   Appointed as civil mediation commissioner, Tokyo District Court</p> <p>April 2018      Member of Study Group on Case Law Related to Public Officials, Cabinet Bureau of Personnel Affairs, Cabinet Secretariat</p> <p>April 2020      Appointed as member of Dispute Coordinating Committee, Tokyo Labour Bureau (present)</p> <p>■ Reasons for selection of the candidate for substitute outside director who serves as an Audit and Supervisory Committee Member and an overview of expected duties, etc. The Company proposes election of Ms. Asako Shirato for the position of substitute outside director who serves as an Audit and Supervisory Committee Member as the Company wishes her to utilize the legal knowledge she has gained in the course of her lengthy career as a lawyer, in the management and supervision of the Company. For these reasons, the Company deems that Ms. Shirato will duly execute her duties as an outside director who serves as an Audit and Supervisory Committee Member.</p>	0

Notes:

- Ms. Asako Shirato is a candidate for substitute outside director.
- If Ms. Asako Shirato assumes the office of an outside director who serves as an Audit and Supervisory Committee Member, the Company intends to appoint her as an independent director/auditor as defined by the Tokyo Stock Exchange and submit notification of her appointment to the Exchange.
- If Ms. Asako Shirato assumes the office of an outside director who serves as an Audit and Supervisory Committee Member, the Company intends to conclude a contract with her to apply the statutory limit with respect to liability under Article 423, Paragraph 1 of the Companies Act, in accordance with Article 427, Paragraph 1 of said Act. The maximum amount of liability under the contracts shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act.
- The Company has entered into a directors and officers liability insurance contract prescribed in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers any damages that may result from directors being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. (However, those that fall under the disclaimer stipulated in the insurance contract are excluded.) The insurance premiums are fully borne by the Company. If Ms. Asako Shirato assumes the office of an outside director who serves as an Audit and Supervisory Committee Member, she will be insured under the aforementioned insurance contract.
- No special interest exists between the Company and Ms. Asako Shirato.

## **Business Report**

(From April 1, 2024, to March 31, 2025)

### **1. Overview of the Group**

Of the matters comprising Overview of the Group, for Business Progress and Results, Issues to be Addressed, Principal Business, Principal Lenders, Employees, Principal Offices and Factories, and Other Significant Matters concerning the Group's Current Situation, please review the information included in "The 110th Annual General Meeting of Shareholders Other Matters Subject to the Electronic Provision Measures (Matters for Which Document Delivery is Omitted)" posted on the Company's website.

- The Company website:  
[https://www.terumo.com/investors/stocks/shareholders\\_meeting](https://www.terumo.com/investors/stocks/shareholders_meeting)

### **(1) Capital Investment**

Capital investment in the fiscal year ended March 31, 2025 amounted to 82.5 billion yen on a construction basis. Principal items are as follows:

- 1) Main facilities construction completed  
There were no main facilities for which construction was completed.
- 2) Main facilities under construction  
Terumo Corporation: New building in the Kofu Factory site for strengthening production capacity for CDMO\* and other businesses  
Terumo BCT, Inc.: Production equipment related to raw material plasma collection

\*CDMO stands for "Contract Development and Manufacturing Organization." Terumo's CDMO is a solution business that consistently supports the process from designing drug-filling devices to manufacturing them for commercial use through partnerships with pharmaceutical companies.

### **(2) Financing**

During the fiscal year ended March 31, 2025, the Company raised 70 billion yen through the issuance of straight bonds for the repayment of loans and 30 billion yen through a syndicated loan managed by Mizuho Bank, Ltd. and MUFG Bank, Ltd. In addition, to supplement working capital, the Company raises and repays funds through short-term borrowings based on overdraft agreements with its financial institutions and through the issuance of commercial paper, depending on the required funding period.

**(3) Significant Subsidiaries (as of March 31, 2025)**

Company name	Location	Capital	The Company's percentage of equity participation (%)	Principal business
Terumo Europe N.V.	Belgium	EUR 295,600 thousand	100	Manufacturing and sales of products for Cardiac and Vascular Company and Medical Care Solutions Company
Terumo Americas Holding, Inc.	United States	USD 3,870,592 thousand	100	Supervision of subsidiaries in the Americas
Terumo Medical Corporation	United States	USD 272,016 thousand	100	Manufacturing and sales of products for Cardiac and Vascular Company and Medical Care Solutions Company
MicroVention, Inc.	United States	USD 589,598 thousand	100	Manufacturing and sales of products for Cardiac and Vascular Company
Terumo BCT Holding Corporation	United States	USD 1,352,360 thousand	100	Supervision of subsidiaries under Terumo BCT Group
Terumo BCT, Inc.	United States	USD 951,863 thousand	100	Manufacturing and sales of products for Blood and Cell Technologies Company
Terumo BCT Europe N.V.	Belgium	EUR 126,319 thousand	100	Manufacturing and sales of products for Blood and Cell Technologies Company
Terumo (China) Holding Co., Ltd.	China	CNY 1,820,493 thousand	100	Supervision of subsidiaries in China
Terumo Medical (Shanghai) Co., Ltd.	China	USD 1,000 thousand	100	Sales of products for Cardiac and Vascular Company and Medical Care Solutions Company
Terumo Asia Holdings Pte. Ltd.	Singapore	SGD 30,127 thousand	100	Supervision of sales subsidiaries in Asia (other than China)

Note: The Company's percentage of equity participation includes indirect ownership by subsidiaries.



## 2. Overview of the Company

### Company Directors

#### 1) Directors (as of March 31, 2025)

Position at the Company	Name	Responsibilities and significant concurrent positions
Representative Director and Chairman of the Board	Toshiaki Takagi	
Representative Director and Chief Executive Officer	Hikaru Samejima	
Director and Group Senior Managing Executive Officer	Toshihiko Osada	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
Director and Group Managing Executive Officer	Kazunori Hirose	In charge of Global Supply Chain, Quality and EHS; Quality, Post-Market Surveillance and Vigilance Division (Quality Assurance Dept. and Post-Market Surveillance and Vigilance Dept.), Operations Division (Production Dept., Supply Chain Management Dept., and Procurement Dept.), EHS Office, and Regulatory Affairs Dept.
Director and Group Managing Executive Officer	Norimasa Kunitomo	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
Outside Director	Hidehiko Nishi	Outside Director, FUJI OIL HOLDINGS INC.
Outside Director	Keiya Ozawa	Professor Emeritus and Visiting Professor, Jichi Medical University Senior Advisor, Genetic Therapeutics Center, Jichi Medical University Program Supervisor, Japan Agency for Medical Research and Development Program Officer, Japan Agency for Medical Research and Development Visiting Professor, Division of Gene & Cell Therapy for Intractable Diseases, Jichi Medical University
Outside Director	Mari Kogiso	CEO, SDG Impact Japan Inc. Independent Director, Mitsubishi Corporation
Director (Full-time Audit and Supervisory Committee Member)	Takanori Shibasaki	

Position at the Company	Name	Responsibilities and significant concurrent positions
Outside Director (Audit and Supervisory Committee Member)	Masaichi Nakamura	Representative, Masaichi Nakamura Certified Public Accountants Office External Corporate Auditor, Sumitomo Heavy Industries, Ltd.
Outside Director (Audit and Supervisory Committee Member)	Soichiro Uno	Partner, Nagashima Ohno & Tsunematsu External Audit & Supervisory Board Member, Softbank Group Corp.

Notes:

- 1 No special interest exists between the Company and the aforementioned corporations where Outside Directors Mr. Hidenori Nishi, Mr. Keiya Ozawa, Ms. Mari Kogiso, Mr. Masaichi Nakamura, and Mr. Soichiro Uno concurrently hold positions.
- 2 The Company has submitted notifications to the Tokyo Stock Exchange of the appointment of Outside Directors Mr. Hidenori Nishi, Mr. Keiya Ozawa, Ms. Mari Kogiso, Mr. Masaichi Nakamura, and Mr. Soichiro Uno as independent directors/auditors as defined by the Tokyo Stock Exchange.
- 3 Outside Director Mr. Masaichi Nakamura is a certified public accountant and has considerable financial and accounting knowledge.
- 4 FUJI OIL HOLDINGS INC. changed its trade name to FUJI OIL CO., LTD. effective April 1, 2025.
- 5 Outside Director Mr. Soichiro Uno retired from Outside Director (Audit & Supervisory Committee Member) of Dream Incubator Inc. effective June 17, 2024.

## 2) Policies for Determining the Content of Remuneration to Directors, Etc.

To date, at the Board of Directors meetings, the Company has been resolving and deliberating on matters equivalent to the decision policy regarding the content of individual remuneration to directors, and stipulates them in the Terumo Corporate Governance Guidelines, which are disclosed externally.

In addition, with regard to the individual remuneration, etc. of directors for the current fiscal year, the Board of Directors has verified that the method of determining the content of remuneration, etc. and the content of the determined remuneration, etc. are aligned with the decision policy. It has also confirmed that the report from the Remuneration Committee has been respected, and is therefore of the opinion that it is in line with said decision policy.

The details of the decision policy and composition regarding the content of individual remuneration to directors are as follows.

To provide sound motivation for executive directors to enhance corporate value over the medium to long term while taking appropriate risks, remuneration of executive directors shall be determined with due consideration to an appropriate balance among fixed remuneration, performance-linked remuneration (bonuses), and restricted stock. Remuneration of non-executive directors shall be composed only of fixed remuneration. In order to attract and retain the management talent necessary to drive the Company's sustainable growth and realize its mission, the level of remuneration shall be determined by benchmarking the upper-mid range for each executive's job grade and position, based on compensation databases from external consulting firm.

The formula for calculating performance-linked remuneration (bonuses) for directors in Fiscal 2024, along with an overview of each performance evaluation indicator, their respective ranges of variation, and the reasons for their selection, are as follows.

[Formula]

Bonuses payable = standard bonus amount set for each position × (degree of accomplishment of company-wide performance factors × weight % + degree of accomplishment of targets for the individual × weight %)

Indicator	Overview	Range of variation
Company-wide performance	Consolidated revenue, consolidated operating profit, ROIC and ROE	Assessed within a coefficient range of 0% to 150% based on degree of accomplishment

Target for the individual	Major initiatives to be taken to achieve 5-Year Growth Strategy “GS26” and non-financial indicators that contribute to improving medium- to long-term corporate value (Future Corporate Value Targets)	Assessed within a coefficient range of 0% to 120% based on degree of accomplishment
Reasons for selection of the above indicators: To appropriately assess and reflect in remuneration the contributions made toward the Company’s sustainable growth and achievement of performance targets in each fiscal year, as well as contributions to capital efficiency and the enhancement of corporate value over the medium to long term		

	Weight of company-wide performance	Weight of target for the individual
Chairman/CEO and Directors responsible for functional divisions (Group senior managing executive officer/Group managing executive officer)	80%	20%

(Millions of yen)

	Beginning-of-period forecast	Result
Revenue	980,000	1,036,200
Operating profit	165,000	157,700
ROIC	7.6%	7.5%
ROE	8.9%	8.7%

### 3) Remuneration to Directors

Category	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (Millions of yen)			Number of eligible directors (Persons)
		Basic remuneration	Performance-linked remuneration, etc. (bonuses)	Non-monetary remuneration, etc. (restricted stock)	
Directors (excluding Audit and Supervisory Committee Members) (of which outside directors)	555 (50)	286 (50)	144 (-)	124 (-)	11 (4)
Directors who serve as Audit and Supervisory Committee Members (of which outside directors)	75 (33)	75 (33)	-	-	3 (2)
Total (of which outside directors)	631 (84)	362 (84)	144 (-)	124 (-)	14 (6)

Notes:

- The above includes 3 directors who retired at the conclusion of the 109th Annual General Meeting of Shareholders of the Company held on June 26, 2024.
- The remuneration frames of directors (excluding Audit and Supervisory Committee Members) of the Company were resolved at the following General Meeting of Shareholders as below.
  - Fixed remuneration, Performance-linked bonuses and Stock options as stock-based remuneration:  
Within 700 million yen per year (at the 104th Annual General Meeting of Shareholders held on June 21, 2019; applicable to 8 directors, of whom 3 were outside directors, at the time of approval)
  - Restricted stock:  
Within 200 million yen per year (at the 104th Annual General Meeting of Shareholders held on June 21, 2019; applicable to 5 directors excluding outside directors at the time of approval)
- The remuneration frame of directors who serve as Audit and Supervisory Committee Members of the Company was resolved at the following General Meeting of Shareholders as below.  
The remuneration to directors who serve as Audit and Supervisory Committee Members:

Within 100 million yen per year (at the 100th Annual General Meeting of Shareholders held on June 24, 2015; applicable to 3 directors, of whom 2 were outside directors, at the time of approval)

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**Remarks**

Amounts and numbers of shares stated in this business report are rounded down to the nearest unit, while basic earnings per share, amounts indicated in billions of yen, and percentage figures are rounded to the nearest unit. Therefore, percentages may not sum to 100%.