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## Message from the President and CEO



We are committed to helping realize a sustainable society by resolving medical challenges.

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Shinjiro Sato

President and CEO

### A Corporate Legacy of Social Contributions

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Dr. Shibasaburo Kitasato and other physicians founded Terumo in 1921, when importation of medical thermometers ceased in the aftermath of World War I, spurring the need to manufacture the instruments domestically.

Thermometers are a household item today, but in the 1920s, when Japan was just beginning to gain awareness of health and hygiene, there was concern that supply could not answer the heightened demand for thermometers in medical settings. The Terumo company charter observed that, “Viewing citizens’ health as the cornerstone of national stability renders ours an industry of national importance (and not merely a profit-making enterprise).” The need for high-quality medical thermometers prompted the Company’s establishment and corporate goal of contributing to both citizens’ health and society. That sentiment generated Terumo’s corporate mission of “Contributing to Society through Healthcare.”

Over the years, Terumo has provided new value by grappling with healthcare issues in areas such as infection control, prevention of medical errors, the demand for minimally invasive treatments, and improvements in both medical cost efficiency and patient quality of life (QOL). The Terumo Group now conducts business in over 160 nations, expanding our concept of “society” to embrace a global perspective.

## Realization of a Sustainable Society While Achieving Sustainable Growth

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In 1996, Terumo drafted the Five Statements in support of fulfilling its corporate mission: Open Management, Enhanced Value, Safety and Reliability, Respect for Our Associates, and Corporate Citizenship. These statements guide us in advancing responsible corporate activities. Later, in 2012, we signed the United Nations Global Compact, which comprises Ten Principles in the areas of human rights, labor, the environment, and anti-corruption. Ever since, we have been contributing to the realization of a sustainable society through responsible activities as a good corporate citizen.

The expectations levied on companies to help realize a sustainable society have grown much higher. Indicators of this trend include the adoption of the Paris Agreement and the United Nations Sustainable Development Goals in 2015. This was also the year when the UN's Principles for Responsible Investment stimulated an upward trend in so-called ESG investment based on environmental, social, and governance issues. These changes inspired Terumo to determine its sustainability priorities in 2018 while simultaneously establishing the Corporate Sustainability Department to promote Groupwide activities with this regard. Based on the Five Statements, we will address our sustainability priorities, which include resolving healthcare challenges through innovation, improving access to healthcare, and reducing the environmental impact of our business operations. Through action guided by these priorities, the Terumo Group aims to contribute to the realization of a sustainable society while achieving sustainable growth.

Terumo will celebrate its centennial in 2021. In recent years, we have seen substantial progress in the field of medicine. At the same time, new challenges are emerging in medical settings around the world on a nearly daily basis. Against this backdrop, Terumo will strive to maintain the trust of society and always be viewed as a necessary company through an earnest effort to resolve medical challenges and responsible corporate activities as a global business operator. I would like to ask our stakeholders for their ongoing trust and support as we move forward on this quest.

October 2018



President and CEO