



Sustainability Book  
2024



# Our Sustainability

## The Basic Policy and Promotion Framework

### The Fundamental Approach

The corporate philosophy of the CMIC Group, CMIC'S CREED, outlines its fundamental approach to sustainability. All the officers and employees of the CMIC Group are required to conduct corporate activities based on CMIC'S CREED and the associated "Mission, Vision, and Values," as stipulated in the CMIC Group Code of Conduct. In addition to strictly complying with laws and regulations, they are expected to take proactive actions toward sustainable growth, enhance medium- to long-term corporate value, and address social issues.

To implement sustainability management, the CMIC Group identifies key issues that need to be addressed in society, the environment, and governance based on CMIC'S CREED. These are incorporated into its medium- to long-term strategy, with goals and initiatives set accordingly. By implementing these initiatives through business operations, the CMIC Group aims to contribute to the sustainable development of society while ensuring its sustainable growth.

Please refer to the following for the CMIC'S CREED  
<https://en.cmicgroup.com/about-cmic/#a65a1c6403ea4dc59>

Please refer to the following for the CMIC Group's Mission, Vision, and Values.  
<https://en.cmicgroup.com/about-cmic/>

Please refer to the following for the CMIC Group's Code of Conduct.  
<https://en.cmicgroup.com/about-cmic/policies/#9775968f8718bea6e>



## Framework for Promoting Sustainability

The CMIC Group is advancing the following initiatives to build a framework for promoting sustainability.

### 1. Establish a Sustainability Committee

The CMIC Group aims to resolve social issues and enhance corporate value over the medium to long term through corporate activities based on CMIC'S CREED. To promote more effective sustainability initiatives, a Sustainability Committee has been established.

### 2. The Role of the Committee

This committee formulates overall sustainability plans for

the CMIC Group, monitors progress, and evaluates achievement levels. It also regularly reports and makes recommendations to the Board of Directors.

### 3. The Composition of the Committee

The committee is chaired by the president and COO. Its members include directors and senior management of the CMIC Group. Additionally, subcommittees on topics such as the environment, human resources, and social contributions are established within the committee to promote sustainability initiatives.

## Engagement and Development of Human Resources

### The Fundamental Approach to Human Capital

The CMIC Group has been developing its unique business model, the Pharmaceutical Value Creator (PVC), which contributes to enhancing the added value of pharmaceutical companies. While continuing to expand its existing businesses, it is also entering the next stage of development by promoting the Personal Health Value Creator (PHVC) model, which aims to maximize the health value of each individual. The company's source of revenue and value creation is personnel who are well-versed in the pharmaceutical and healthcare business. Furthermore, the company fosters its sustainable growth by strengthening and combining four key elements: creative excellence (creativity), business development excellence (business development capabilities), operational excellence (business execution capabilities), and management excellence (management capabilities).

We aim to create an environment where all employees, who will lead the next generation of the CMIC Group and serve as a source of hope for the future, can maximize their potential and grow. In an unpredictable business environment, the CMIC Group continues to drive healthcare innovation, as outlined in CMIC'S CREED. To generate new value beyond the extension of our existing businesses, we support the growth of individuals who can anticipate change and undergo continuous self-transformation. We also foster the development of individuals who, leveraging their accumulated knowledge and expertise along with their newly acquired advanced skills and cutting-edge technologies, take on challenges in uncharted territories without fear of the risks and see them through with conviction and passion.

### CMIC Group Basic Human Resources Policy

We at the CMIC Group will continue to change and take on new challenges. Not resting on our laurels, we will innovate and open up possibilities from new perspectives. We are convinced that by living in the moment, each employee will take on the challenge of creating new value.

#### 1. Creating People who aspire to self-evolve and take on challenges on their own

We support all employees who are motivated to change themselves so that they can provide new value to people and society quickly. We will provide opportunities for employees who are willing to take on challenges and to learn to transform themselves to grow.

#### 2. Respect differences and provide an environment in which people can openly face others in earnest

We will create a trusting workplace where everyone respects each other, and where everyone can face each other with sincerity. A diverse range of personnel are active in the CMIC Group. Employees with various ideas, regardless of nationality, age, gender, etc., will go beyond organizational boundaries and positions to work together to achieve their goals.

#### 3. Realization of fair evaluation and treatment

We will fairly evaluate the new values we have created and reflect it in our compensation (remuneration, promotion, demotion, assignment, etc.). We conduct fair and convincing personnel evaluations based on daily communication and feedback that align with targets. In addition, by rewarding employees adequately with appropriate treatment, each employee can feel a sense of satisfaction in their work.



Human Resources Strategies

The CMIC Group continuously strives to build an organization where individuals can contribute to society through various career paths. By integrating intellectual and human capital, we aim to generate new value in the expanding healthcare market.

To achieve this, we actively recruit highly specialized and talented people from outside the company and develop and

promote the next generation of leaders who are capable of driving innovation through new business ventures.

To reach our goals, we are advancing group-wide talent strategies centered on three key initiatives: Personal Business Value, New Work Style & Space, and Respect Each Other (Diversity & Inclusion).

Personal Business Value

To realize CMIC’S CREED, we place great importance on enhancing “Personal Business Value,” which represents the value that each employee autonomously demonstrates through their role and mission.

tailored to different organizational levels and specialized training programs that are focused on technical expertise and industry knowledge. In October 2024, we launched an IT and digital skills enhancement training project as part of our digital talent development efforts. This initiative aims to accelerate digital transformation and innovation across the CMIC Group while establishing a foundation for sustainable growth at both the company and individual level.

◎ Peer Value Feedback

As a talent evaluation method that promotes Personal Business Value, we implement “Peer Value Feedback.” Unlike traditional top-down feedback from supervisors or 360-degree feedback, this is a new real-time feedback system based on input from colleagues (peers). Regardless of their hierarchy, all employees interact as equals, exchanging feedback as a “gift,” acknowledging each other’s contributions, and providing insights for further growth. This process enables them to rediscover and reaffirm their value, which maximizes their unique strengths, accelerates their growth, and ultimately contributes to the strengthening of the business and the organization.

◆CMIC Group General Training



◎ Talent Development

The CMIC Group conducts leadership development program “the Nakamura School” across its companies, which is held at the next-generation education and international exchange hub Yuzuriha in Kobuchisawa. In addition, we offer company-specific training programs



The next-generation education and international exchange hub Yuzuriha



For the fiscal year ended September 2024, the total expenditure on education and training within the CMIC Group amounted to 287 million yen.

We have introduced a job posting system to encourage employees to proactively shape their careers and expand

their experiences. By providing employees with opportunities to take on new challenges and build their careers, we aim to empower both individuals and the organization.

## New Work Style & Space

Each employee takes on multiple roles that are beyond organizational and positional boundaries, and they work agilely on a project basis without the constraints of time or place. The company is committed to creating an environment where all employees can work in a way that suits them, anytime and anywhere, with IKIGAI. To support cross-organizational collaborations and new work styles, we are equipping employees with appropriate spaces, tools, and resources.

In the summer of 2025, we will relocate our headquarters and introduce a diverse workspace under the design concept of The CMIC Park. This space will be designed to encourage communication while allowing employees to freely choose where and how they work. We believe that allowing employees to select their workstyles will enable them to work more effectively, which will contribute to the long-term growth of the CMIC Group.

## Respect Each Other (Diversity and Inclusion)

The diversity of CMIC Group's workforce, with its various nationalities, genders, and age groups, fosters a culture of mutual respect.

By embracing diversity, we aim to build an environment where different perspectives and working styles are mutually respected, leading to productive discussions and well-informed decisions. By doing this, we strive to become a high-performing company where a diverse range of talented employees can grow with the CMIC Group.

In 2019, we established CMIC Well Co., Ltd., a special subsidiary based on the idea that disabilities are a part of a person's identity. This initiative is designed to create a workplace where people can leverage their differences and work to their full potential. In 2023, we launched RO-DE&I (Respect Each Other, Diversity, Equity & Inclusion), a cross-group committee aiming to foster a community that values diversity and psychological safety while supporting each employee as an individual. The committee actively engages in discussions and solutions through various employee-driven initiatives, including networking events, surveys, information sharing, and study sessions. By doing so, its members play a vital role as partners in helping employees live authentically.

CMIC Well Co., Ltd. <https://cmic-well.com/>

### ◎ Recruitment Activities

We actively hire new graduates and mid-career professionals to ensure a continuous supply of skilled professionals who are well-versed in the pharmaceutical and healthcare business.

Regarding our hiring of new graduates in Japan, we recruit from a wide range of academic backgrounds, including both humanities and sciences, and not just the faculties of pharmacy. We also collaborate with universities for our internship programs, which create opportunities for students to interact with employees in various roles and learn about pharmaceutical developments in a hands-on environment, for example, our partnership agreement with Ritsumeikan University. We also actively recruit

international students with extensive overseas experience and individuals with strong language skills, as they have a high potential to develop their careers in a variety of roles.

Regarding mid-career recruitment, we also accept candidates with no prior experience, including Clinical Research Associates (CRA). After joining the company, they undergo training that incorporates our technical foundation and expertise, allowing them to enhance their "Personal Business Value" while actively contributing to the company.

### ◆ Ratio of Mid-Career Hires

	2022	2023	2024
Ratio of mid-career hires	78.6%	79.4%	75.3%

\* Scope: Consolidated group companies in Japan

### ◎ Goals for Women's Advancement

Across our domestic group companies, we aim to have at least 30% of our executives be female by 2030.

Additionally, as part of our action plan formulated under the Act on the Promotion of Women's Active Engagement in Professional Life, we have set targets between 20% to 60% for the percentages of female managers at domestic group companies.

### ◎ Main Action Plans

Through the following initiatives, we aim to increase awareness and interest in career advancement while fostering a culture where individuals with the ambition and ability to take on challenges can do so.

- Talent Management Project
- Improved satisfaction through the introduction and appropriate operation of a new personnel system
- Introducing female manager role models
- Creating networks for female managers

### ◆ Business Environments in Which Female Can Easily Excel

	2022	2023	2024
Ratio of female	56.0%	58.8%	60.0%
Ratio of male	44.0%	41.2%	40.0%

\* Scope: Consolidated group companies in Japan

## ◆Percentage of Female Managers

	2022	2023	2024
Percentage of female managers	24.6%	28.3%	28.9%

\* Percentage of Management Positions Accounted for by Women

\* Scope: Consolidated group companies in Japan

	Percentage of female managers	
	2023	2024
CMIC HOLDINGS Co., Ltd.	33.8%	37.4%
CMIC Co., Ltd.	33.3%	32.2%
CMIC Pharma Science Co., Ltd.	14.8%	17.0%
CMIC Inizio Co., Ltd.	16.0%	18.8%
CMIC HealthCare Institute Co., Ltd.	25.7%	33.3%
CMIC Solutions Co., Ltd.	37.9%	38.5%

\* Percentage of Management Positions Accounted for by Women

\* Scope: Companies required to disclose this information under the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015)

	2022	2023	2024
Percentage of female executives	15.4%	17.2%	13.8%

\* Scope: Percentage of female executives, including the executive management, outside directors, and auditors

\* The 2023 figure has been revised from 18.5% to 17.2%.

## ◆Gender Pay Gap

	2022	2023	2024
All employees	71.5%	76.2%	76.7%
Regular employees	76.5%	77.6%	79.6%
Non-regular employees	53.8%	63.2%	56.5%

\* Ratio of Female Salary to Male Salary

\* Scope

2022: Companies required to disclose this information under the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015)

2023,2024: Consolidated group companies in Japan

	2024		
	All employees	Regular employees	Non-regular employees
Consolidated group companies in Japan	76.7%	79.6%	56.5%
CMIC HOLDINGS Co., Ltd.	70.2%	74.5%	53.1%
CMIC Co., Ltd.	81.2%	82.6%	66.4%
CMIC Pharma Science Co., Ltd.	72.0%	81.0%	34.0%
CMIC Inizio Co., Ltd.	85.0%	84.4%	76.3%
CMIC HealthCare Institute Co., Ltd.	77.4%	77.2%	79.3%
CMIC Solutions Co., Ltd.	63.2%	73.4%	63.2%

\* Ratio of Female Wages to Male Wages

## ◆Ratio of Male Employees Taking Childcare Leave

	2023	2024
CMIC Co., Ltd.	73.1%	78.8%

## ◆Ratio of Foreign Managers

	2022	2023	2024
Ratio of foreign managers	7.2%	4.5%	6.2%

\* Scope: Consolidated group companies

## ◆Employees with Disabilities

	2022	2023	2024
Number of employees with disabilities	94	74	93
Percentage of total employees	1.46%	1.37%	1.67%

\* Scope: Consolidated group companies in Japan

## ◆Employee Ratio by Age Group

Experience in the pharmaceutical industry varies widely, so we value highly the expertise of senior professionals with extensive experience. We have created an environment where their expertise can be utilized effectively, including hiring external senior professionals who have reached the mandatory retirement age or have retired from other positions.

(Age)	2022	2023	2024
0~14	—	—	—
15~19	0.9%	0.1%	0.0%
20~29	19.6%	18.1%	18.6%
30~39	28.0%	29.1%	29.0%
40~49	28.1%	28.6%	27.6%
50~59	18.1%	18.3%	18.7%
60~65	4.2%	4.7%	4.6%
66~	1.0%	1.2%	1.5%

\* Scope: Consolidated group companies in Japan



## Human Rights, Labor Practices, and Occupational Health and Safety

The CMIC'S CREED declares its commitment to bringing innovation to healthcare so that every individual, regardless of age, gender, or race, can live their life authentically. Based on this philosophy, we respect the human rights of all stakeholders involved in our business, including patients, healthcare professionals, employees, and contract workers.

To achieve this, we strive to create a workplace

environment that prioritizes safety and hygiene while promoting employee health. These efforts enable employees to maximize their abilities and work with a sense of fulfillment and purpose. CMIC Group employees also undergo regular training and education to acquire and internalize the ethical standards and knowledge about compliance that are required of professionals engaged in the healthcare industry.

### Human Rights

The CMIC Group's business activities are deeply connected to the human rights of various stakeholders, with its broad scope of influence extending to suppliers, sales partners, and business partners. The CMIC Group Human Rights Policy clearly states its commitment to respecting human rights as a corporation and integrating this principle into its business activities.

#### 1. Basic Approach to Human Rights

We understand that our business activities may affect human rights and promise to respect them.

#### 2. Comply with national laws and regulations

We will comply with the human rights laws of each country and regions in which we operate.

#### 3. Human rights in the workplace

We will respect diversity, prohibit all forms of discrimination and harassment, and comply with laws and labor practices domestically and internationally.

#### 4. Training on human rights

Regular educational sessions are provided to all directors and employees. Separate training sessions for management are also provided.

#### 5. Human rights remedies

In the event of a human rights breach in connection with our business activities, we will take remedial measures by grasping the situation and taking appropriate measures.

## Labor Practices

In the CMIC Group Human Rights Policy, we pledge to support and respect the following international standards.

- International Bill of Human Rights, which stipulates the fundamental human rights of all people (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights)
- ILO Declaration on Fundamental Principles and Rights at Work (including the core labor standards of prohibition of child labor, prohibition of forced and compulsory labor, elimination of discrimination and recognition of the right to freedom of association and collective bargaining) of the International Labor Organization (ILO), which provides for fundamental rights at work
- Convention on the Rights of Workers, including Wages and Working Hours
- United Nations Declaration on the Rights of Indigenous Peoples
- United Nations Global Compact Ten Principles
- "Ethical Principles of Medical Research for Human Subjects (Declaration of Helsinki)"

## Occupational Health and Safety

Some CMIC Group companies operate production facilities, so we place particular emphasis on ensuring occupational health and safety in production-related operations.

### ◆Number of Fatalities Due to Occupational Accidents

(Unit: Cases)	2022	2023	2024
Number of fatalities	0	0	0

\* Number of reports from consolidated group companies in Japan based on the Industrial Safety and Health Act  
(Period: April of the previous year to March of the current year)

### ◆Number of Occupational Accidents

(Unit: Cases)	2022	2023	2024
Number of occupational accidents	27	16	17

\* Number of reports from consolidated group companies in Japan based on the Industrial Safety and Health Act  
(Period: April of the previous year to March of the current year)

## Health Management

The CMIC Group has declared its commitment to establishing a system that prioritizes health management.

### CMIC Group Health Declaration

***The health of employees and a sound organization are what the CMIC Group aspires to achieve.***

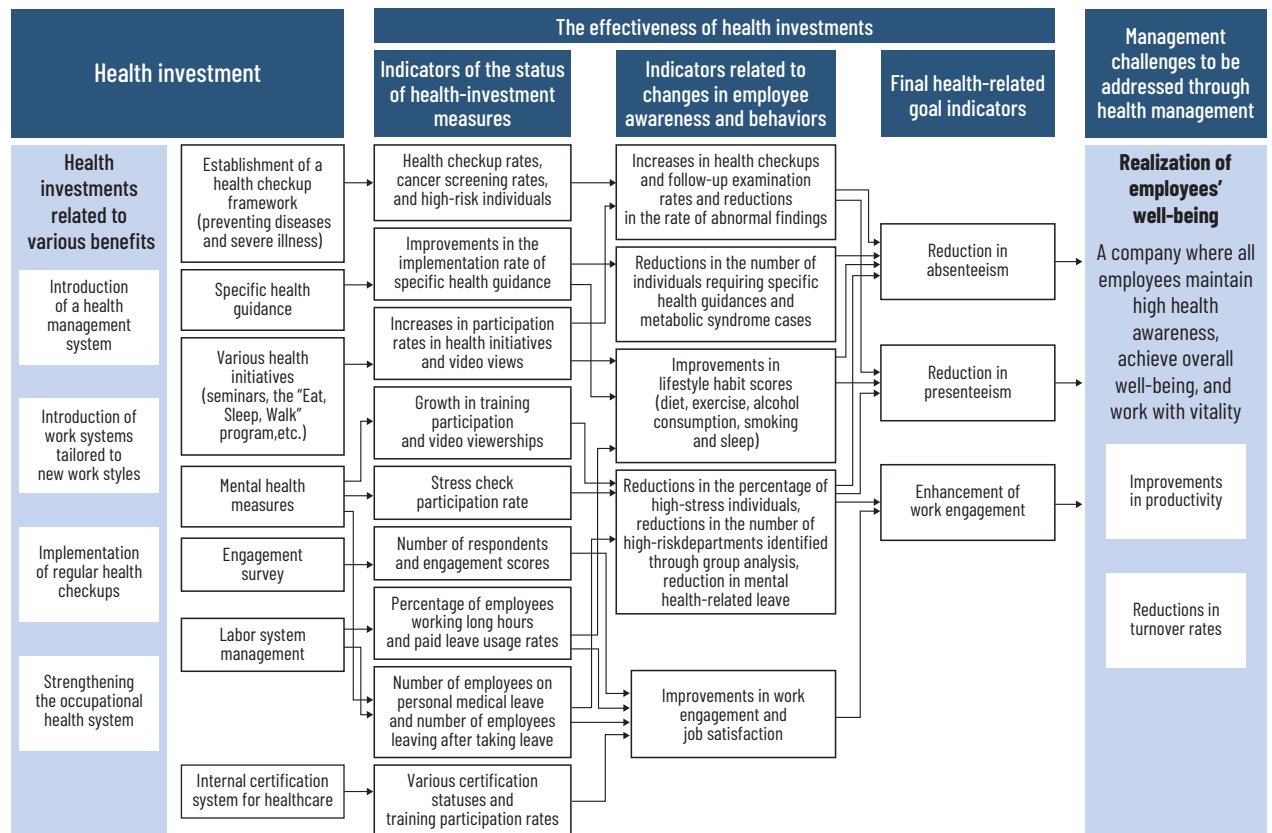
The CMIC Group, in accordance with the spirit of CMIC'S CREED, is committed to actively supporting employees and their families in leading fulfilling lives. We also strive to create a workplace where employees can find a sense of purpose and satisfaction. Furthermore, we declare our commitment to establishing systems that prioritize health management.

### CMIC Group Health Policy

- (1) By leveraging the CMIC Group's diverse expertise, we actively support each employee and their families in autonomously managing their health.
- (2) In coordination with initiatives for work style reforms and diversity promotions, we promote workplace environments where a diverse range of employees can thrive. These efforts include supporting employees and their families in maintaining and improving their health, achieving a work-life balance, and enhancing productivity.

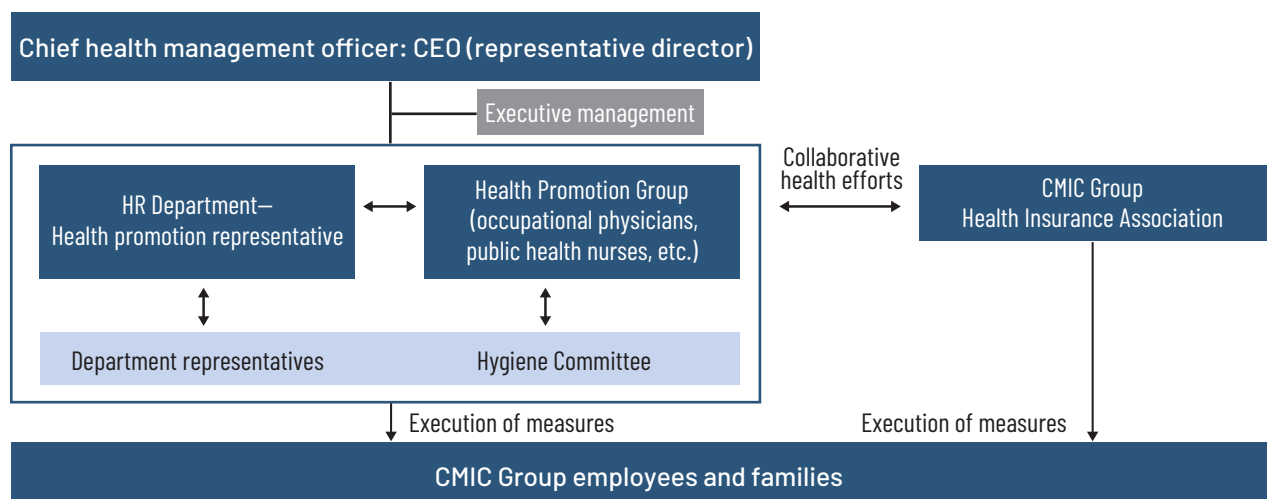
## Health Management Map

We promote health management by linking business challenges, expected outcomes, and specific health initiatives.



## Health Management Promotion Framework

The key players in health management are all of CMIC Group employees and their families. The health promotion group, in collaboration with the health insurance association and each group company, takes the lead in formulating and strongly promoting specific initiatives. The revitalization of employees and the organization contributes to the sustainable growth of the CMIC Group.





## Health Management Initiatives

In promoting health management, we have identified three key focus areas: health management, health literacy improvement, and mental health measures. For each area, we have developed an annual plan (the CMIC Group Health Challenge) based on health challenges and have implemented initiatives following a PDCA cycle, including evaluations and continuous improvements.

### ◎ Health Management

#### (Preventing Diseases and Severe illness)

From the perspective of maintaining and improving employees' health, we strive to achieve a 100% participation rate in regular health checkups. Additionally, to prevent diseases or ensure their early detection, we actively promote follow-up examinations and health guidance for employees with abnormal findings. To improve the implementation rate of specific health guidance programs, we collaborate with health insurance associations to encourage employees who need medical consultations to have them, and we provide health guidance during work hours and also provide it remotely.

Furthermore, to prevent the progression of serious illnesses, we provide examinations for eligible employees for early kidney disease diagnosis using L-FABP.

For female employees, we promote HPV testing using the self-sampling service SelCheck Papia for cervical cancer screening.

Additionally, to promptly detect infectious diseases such as COVID-19 and influenza, we distribute antigen test kits to employees and their dependents, enabling early detection of

infection and timely access to appropriate treatment.

### ◎ Health Literacy Improvement

To enable employees to proactively maintain their physical and mental health and achieve well-being, we are committed to improving health literacy. We implement various initiatives, including developing an internal promotion system, holding health seminars, organizing regular walking events, and offering health checkup sessions to enhance employees' health awareness.

Additionally, we have introduced a program, which recognizes employees who have acquired and can effectively apply healthcare-related knowledge through training. This initiative aims to educate and develop employees who will contribute to the healthcare sector.

### ◎ Mental Health Measures

To foster mental well-being in the workplace, we actively implement mental health care initiatives for employees. Our stress check program aims to maintain a participation rate of 95% or more while setting a medium-term goal of reducing the percentage of highly stressed employees to 10% or less.

After conducting stress check assessments, we provide follow-up support for high-stress employees and perform group analyses to strengthen workplace improvements that are based on data. Additionally, we continuously offer e-learning programs on mental health for all employees and line care training for leaders and managers.

## Key Indicators for Health Management Initiatives

		FY2021	FY2022	FY2023	FY2027 target
Disease prevention	Regular health checkup participation rate	98.6%	99.0%	98.9%	100%
	Percentage of employees with abnormal findings	27.0%	26.7%	27.3%	25.0%
	Implementation rates of specific health guidances	75.6%	81.3%	79.1%	85.0%
Health maintenance and promotion	Percentage of employees maintaining a healthy weight *2	66.8%	66.5%	66.2%	70.0%
	Smoking rate	14.1%	13.9%	13.6%	13.0%
	Percentage of employees with an exercise habit *3	16.4%	19.5%	19.9%	25.0%
Mental health measures	Stress check participation rate	93.7%	96.5%	96.0%	95% or more
	Percentage of high-stress employees	11.4%	10.3%	10.1%	10% or less
	Percentage of employees on medical leave due to personal illness or injury *4	0.3%	0.6%	0.7%	0.5%
Health literacy	Participants in the "Eat, Sleep, Walk" program	1,016 persons 18.3%	1,540 persons 23.7%	2,499 persons 35.3%	40.0%

\*1. Target period: April of the current year through March of the following year

\*2. BMI between 18.5 and less than 25

\*3. Individuals who exercise at least twice a week for 30 minutes or more per session

\*4. The ratio of employees on medical leave at the end of the fiscal year to the total number of full-time employees at the end of the fiscal year

## Health & Productivity Management Outstanding Organization

CMIC Group has been recognized as "Health & Productivity Management Outstanding Organization\* 2024" by Nippon Kenko Kaigi because of its diverse health management initiatives for its employees.

We will continue to promote health enhancement initiatives to realize the well-being of all employees.

\*This program is a joint initiative by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi to recognize corporations that practice outstanding health management.



### ◆Certified Health & Productivity Management Outstanding Organization

CMIC HOLDINGS Co., Ltd.

CMIC Co., Ltd.

CMIC Pharma Science Co., Ltd.

CMIC CMO Co., Ltd.

CMIC Inizio Co., Ltd.

OrphanPacific, Inc.

CMIC HealthCare Institute Co., Ltd.

CMIC Solutions Co., Ltd.

CMIC Well Co., Ltd.

## Social Contribution Activities

Based on the CMIC Group Code of Conduct, the CMIC Group engages in a wide range of social contribution activities, from group-wide initiatives to community-based efforts at factories, research facilities, branch offices, and sales offices.

### Support for Mobile Medical Services in Brazil

The CMIC Group supports annual mobile medical services that have been led by Dr. Hideyuki Emilio Moriguchi, a Japanese-Brazilian physician, for three generations, for Japanese immigrants in Brazil. Many of the Japanese immigrants who settled in southern Brazil shortly after World War II do not speak Portuguese, making it difficult for them to receive medical care at local hospitals. Among these immigrants, many eagerly await Dr. Moriguchi's consultations in Japanese.

With Brazil's economic growth, public financial support for mobile medical services has declined, increasing the financial burden on Dr. Moriguchi. In response to this, the CMIC Group has been providing its support, and since 2014, it has also conducted employee donations. We will continue to help Dr. Moriguchi fulfill his mission of

providing mobile medical visits and health checkups for Japanese immigrants in southern Brazil.



Dr. Moriguchi (far left, back row) with colleagues.



A consultation inside the mobile clinic bus.

### Disaster Relief Efforts

January 2024	Donation of COVID-19 antigen test kits to evacuation shelters following the 2024 Noto Peninsula Earthquake
May 2024	Emergency fundraising for flood relief efforts in Brazil

### CMIC Award for AIDS Researcher

On November 29, 2024, in Tokyo at the 38th Annual Meeting of the Japan Society for AIDS Research, the CMIC Award was presented to Professor Akifumi Takaori of Kyoto University's Graduate School of Medicine for his outstanding contributions to HIV-related research.

The CMIC Award is an academic honor presented annually by the Japan Society for AIDS Research (which has approximately 2,000 members) to a researcher who has made significant contributions to the advancement of society through exceptional and innovative achievements in HIV research. Professor Takaori is the 21st person to receive this award.

#### 【Award Recipient Information】

The 21st CMIC Award  
Kyoto University, Graduate School of Medicine  
Professor Akifumi Takaori



## Taking Part in Rare Disease Day (RDD)

Rare Disease Day (RDD) is an international campaign that tries to improve the quality of life (QOL) of patients with rare and intractable diseases through better diagnoses and treatments. It was first launched in Sweden in 2008 and is observed annually on February 28 (or February 29 in leap years). Today, it has been held in over 100 countries worldwide.

There are more than 7,000 rare diseases, but due to low awareness, diagnoses often take a long time. On average, it takes about five years to reach a diagnosis, during which patients change hospitals more than seven times. Through our support for RDD activities, we seek to enhance the understanding of rare and intractable diseases among a wider audience via RDD events and contribute to a society where patients and their supporters can live with peace of



mind.

The CMIC Group has been involved in numerous clinical trials for orphan drugs. To raise awareness of these diseases among healthcare professionals and society as a whole, as well as to bridge the gap between patients and society, employees wear RDD badges for two months in February and March each year as part of our efforts to raise awareness.

## Co-hosting the International Children's Drawing Contest

The CMIC Group co-hosts an international children's drawing contest with the Nakamura Keith Haring Collection.

Launched in 2009, this is the only drawing contest in the world authorized by the Keith Haring Foundation. Every year, prominent figures in the fields of art and fashion serve as judges. In 2024, the theme was "My Peace," and entries were received from around the world. The winning works are displayed alongside Keith Haring's artworks at the museum for one week after the award ceremony.



CEO Nakamura (fourth from the left in the back row), COO Oishi (fourth from the right in the back row), along with the award recipients and their parents



## Quality Management

The CMIC Group recognizes that high-quality work is a critical management priority that leads to customer satisfaction, builds trust with clients, and contributes to the company's profitability and sustainable growth. To ensure "appropriate quality" that meets customer needs and expectations, we take a company-wide, integrated approach

that extends beyond the final product and continuously improves business processes to enhance efficiency.

Additionally, we strengthen quality management by implementing systematic talent development through training programs on quality education and continuous improvement through the PDCA cycle.

### CMIC Group Quality Policy

Based on the CMIC Group Code of Conduct, CMIC Group Top Management has defined the following Quality Policy to demonstrate commitment to establish and implement an integrated Quality Management System. CMIC Group aims to provide continually high quality services and products to our customers in order to meet their expectations.

- Ensure our customers' needs and expectations are continually monitored
- Set our Quality Objectives
- Establish effective and efficient operating processes
- Ensure continual improvement in our processes and procedures
- Enhance competence of all employees

This quality policy is communicated to all CMIC Group employees.

## Supply Chain Management

To fulfill its corporate social responsibility, the company must build trust and collaborate not only within the organization but also with business partners. The CMIC Group promotes collaborations with business partners based on the fundamental principles of fairness, impartiality, and transparency, as outlined in the CMIC Group Basic Procurement Policy, and it is strengthening

supply chain management and working toward the realization of a sustainable society.

Additionally, we have established the CMIC Group Sustainable Procurement Code as a set of principles that all business partners providing raw materials, goods, and services to the CMIC Group are expected to adhere to.

### CMIC Group Basic Procurement Policy

We, the CMIC Group, have established the following basic policy on procurement activities, and will conduct fair, impartial and transparent procurement activities to realize the development of a sustainable society.

#### 1. Compliance and Corporate Ethics

We will comply with the laws and social norms of each country in which we operate and act on the basis of high ethical standards.

We will strictly maintain the confidentiality of information regarding our business partners which we obtain in the course of business.

#### 2. Relationship with Business Partners

We will respect our business partners as important partners, and strive to deal with them equally and in good faith, and to build and maintain mutually cooperative and trusting relationships.

We will select business partners fairly and impartially from the perspective of economic rationality, quality, delivery time, stable supplies, environment, health, safety (EHS), etc., and make the relationships with them transparent.

In addition, we will not require business partners of unreasonable profits, discounts or services for the selection of business partners and pricing decisions.

#### 3. Human Rights

We will respect the human rights of all stakeholders involved in the business activities of the CMIC Group, and conduct procurement with consideration for the work environment, safety and health.

#### 4. Environment

We will conduct procurement activities with consideration for the global environment.

#### 5. Sustainable Procurement

From the standpoint of sustainability, we aim for procurement that realizes the development of a sustainable society in cooperation with our business partners.

We will also seek the understanding of our business partners involved in the businesses of the CMIC Group in our approach to procurement activities.

### Endorsement of the PSCI Principles

CMIC Group complies with “CMIC Group Code of Conduct” “CMIC Group Basic Procurement Policy” to realize development of the sustainable society and observes “PSCI Principles” (Pharmaceutical Industry Principles for Responsible Supply Chain Management).

# Environment

## Efforts to Address Environmental Issues

The CMIC Group stipulates in the CMIC Group Code of Conduct that it will “Initiate proactively measures in building a decarbonized society, creating a recycling-oriented society, countering environmental risks, and conserving biodiversity in acknowledgement that engagement in environmental issues is an essential requirement for the existence and activities of a company. Also take environmental issues seriously and actively work on them as individuals.”

As of September 2024, the CMIC Group conducts business at 46 locations in Japan (including four plants, seven pharmaceutical development centers) and 15 locations globally (including two plants, one pharmaceutical development center).

In April 2023, CMIC CMO Group, Contract Development and Manufacturing Organization (CDMO) services, entered into a strategic business alliance agreement with Dai Nippon Printing Co., Ltd. In June of the same year, it became an equity-method affiliate from a consolidated subsidiary. Our four plants in Japan have continued to maintain ISO 14001 (the international certification standard for environmental management systems) certification, with

each plant working to reduce environmental burdens according to the location and characteristics of the products manufactured. Furthermore, as a mid-term goal for 2030, CMIC CMO Group have set a target of 59% non-fossil power consumption rate for each plant in Japan. In 2024, CMIC CMO Group introduced a solar power generation system at the Toyama Plant, and are also working to improve the resource recycling rate and reduce water consumption.

CMIC CMO Group also established an Environment, Health and Safety (EHS) Promotion Committee to continuously review, educate, and improve management systems at its four plants in Japan for the purposes of environmental conservation and employee health and safety promotion.

Furthermore, all of our pharmaceutical development centers that conduct non-clinical business are also giving consideration to the environment by taking measures to deal with toxic substances and waste. We are also working to calculate and reduce CO<sub>2</sub> emissions and industrial waste emissions not only at our plants but across the CMIC Group.

### ◆ISO14001-Certified Business Sites

Company name	Business site	Certifying body	Certification number
CMIC CMO Co., Ltd.	Shizuoka Plant*	KHK-ISO Center	01ER・157
	Toyama Plant	JSA-SOL	JSAE056
	Ashikaga Plant	KHK-ISO Center	01ER・140
	Nishine Plant	KHK-ISO Center	20ER・1103

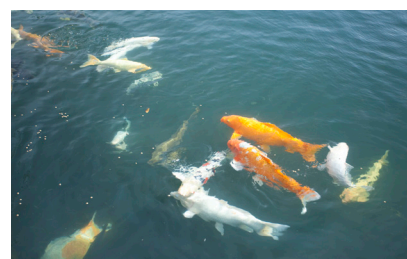
\*Shizuoka Plant scope of registration: Includes CMIC Bio Co., Ltd.



Solar power generation system  
(Toyama Plant)



LNG satellite facility and small boiler facility



Carp swimming in the final drainage pond

## Efforts to Address Climate Change

We are aiming for the sustainable development of society and sustainable corporate growth. Based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) — Governance, Strategy, Risk Management, and Metrics and Targets — we are working to respond to climate change and to devise ways to improve both the quality and quantity of our information disclosure.

### Governance

We have established a Sustainability Committee, which is chaired by the president and COO. It is responsible for monitoring progress, evaluating achievement levels, and formulating the overall plans for sustainability initiatives.

The results are regularly reported to the Board of Directors, which oversees and supervises the committee's sustainability efforts.

### Strategy

We conduct scenario analysis to assess the financial impacts of different climate-related scenarios (global temperature rises of 1.5°C and 4°C) and evaluate the extent to which climate-related risks and opportunities may affect our business. The results of this analysis are summarized in the table below. Notably, no significant risks were

identified that would critically impact our group businesses. Our scenario analysis considers the potential impacts on the CMIC Group in 2030 and 2050 and references information from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

	Category	Subcategory	Details
Risk	Transition risks	Policies and regulations	Increased costs due to the introduction of carbon taxes
			Increased costs due to stricter environmental regulations
		Technology	Increased costs associated with investments in energy transitions, such as renewable energy infrastructure
		Market	Increased costs due to rising energy prices, etc.
		Reputation	Declines in corporate value due to delays in climate change measures
	Physical risks	Acute risks	Increased costs related to relocating the offices and the logistics centers to mitigate natural disaster risks
		Chronic risks	Increased energy costs from using air conditioners more because of rising temperatures
Opportunities	Products and services		Increased business opportunities from the growing risk of climate change-related infectious diseases and illnesses

	Category	Subcategory	Our policies in response
Risk	Transition risks	Policies and regulations	Promoting the use of decarbonized and low-carbon energy sources
			Responding appropriately to changing environmental regulations
		Technology	Exploring all available options to reduce fossil fuel dependency
		Market	Responding appropriately to external environmental trends
		Reputation	Setting CO <sub>2</sub> reduction targets and addressing them as business strategies
	Physical risks	Acute risks	Strengthening business continuity plans
		Chronic risks	Continuously considering the promotion of decarbonized and low-carbon energy use



## Risk Management

The CMIC Group conducts scenario analyses that identify climate-related risks and opportunities to assess the potential impacts of climate change on its businesses. The risks and opportunities that are identified are reviewed collaboratively by the Sustainability Committee and the Risk Management Committee and are then reported to the Board of Directors.

## Metrics and Targets

CO<sub>2</sub> emission data is presented as follows. While ascertaining the situation over time and identifying those areas in need of improvement, we will give consideration to our CO<sub>2</sub> reduction targets, advance the formulation of measures to achieve our goals, and proceed to determine their effects.

### ◆CO<sub>2</sub> Emissions Trends

Environmental data	2022	2023	2024
SCOPE 1 (thousand tons CO <sub>2</sub> )	14	1	1
SCOPE 2 (thousand tons CO <sub>2</sub> )	29	7	7
Total SCOPE 1 and 2 (thousand tons CO <sub>2</sub> )	44	8	8

\*Scope:

The fiscal years ended September 2022 and September 2023 : Consolidated group companies in Japan

Since CMIC CMO Group became an equity-method affiliate in the fiscal year ended September 30, 2023, it has been excluded from the calculation of emissions starting from the beginning of that fiscal year.

The fiscal year ended September 2024 : In addition to the consolidated group companies in Japan, CMIC, INC. in the U.S. is calculated.

SCOPE 1: Direct greenhouse gas emissions from business operations

SCOPE 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies

# Governance

## Corporate Governance

### Basic approach to corporate governance

As a company that supports people's lives, we hold ethics and scientific integrity as core principles, and we recognize that ensuring sound management, transparency, compliance, and fairness for our stakeholders, including our customers, is fundamental to corporate governance.

Based on this fundamental approach, we strive, as a holding company, to enhance corporate value by ensuring efficient and timely decision-making and business execution, clarifying management responsibilities, ensuring compliance, and strengthening risk management.

### Corporate governance structure and internal control systems (as of December 11, 2024)

#### ● Board of Directors

The Board of Directors makes decisions regarding the overall management of the group. It examines, discusses, and decides on or approves important matters, such as management plans and budgets, while also overseeing the execution of operations by group companies.

#### ● Audit & Supervisory Board Member

Member of the Audit & Supervisory Board attend Board of Directors meetings and other important meetings to express their opinions, and systematically and rigorously audit the performance of directors.

#### ● Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been established as an advisory body to the Board of Directors to strengthen corporate governance by enhancing the fairness and transparency of procedures related to nominating candidates for director and auditor positions, appointing or dismissing the representative director and executive management, and determining compensation for directors, auditors, and executive management. The committee is chaired by a member selected from the Advisory Board and consists of three members.

#### ● Advisory Board

To enhance sound management, fairness, and transparency, and contribute more effectively to society and our customers, the Advisory Board is composed of four external experts who provide advice on overall

management and critical management issues.

#### ● Group Strategy Meeting (GSM)

The Group Strategy Meeting deciding on the group's business strategies, as well as discussing both overall and individual strategies. Chaired by the CEO, it is composed of senior management, including executive management. Additional members may be selected depending on the agenda. Meetings are held quarterly.

#### ● Senior Management Meeting (SMM)

The Senior Management Meeting is established to make decisions on major issues, and to deliberate on and approve resolutions of the Board of Directors and other important matters. Chaired by the CEO, it is composed of executive management and other members involved in executing business. Additional members may be selected depending on the agenda. In principle, it meets on a monthly basis.

#### ● Sustainability Committee

Chaired by the COO, the Sustainability Committee is established to promote more effective sustainability initiatives. It is responsible for drafting overall plans, monitoring progress, and evaluating achievements.

#### ● Compliance Committee

Chaired by the COO, the Compliance Committee reviews and decides on compliance-related policies, measures, awareness programs, and training plans.

### ● Risk Management Committee

The Risk Management Committee identifies and evaluates operational risks across the group to ensure the continuation of business activities, and it implements measures to address them.

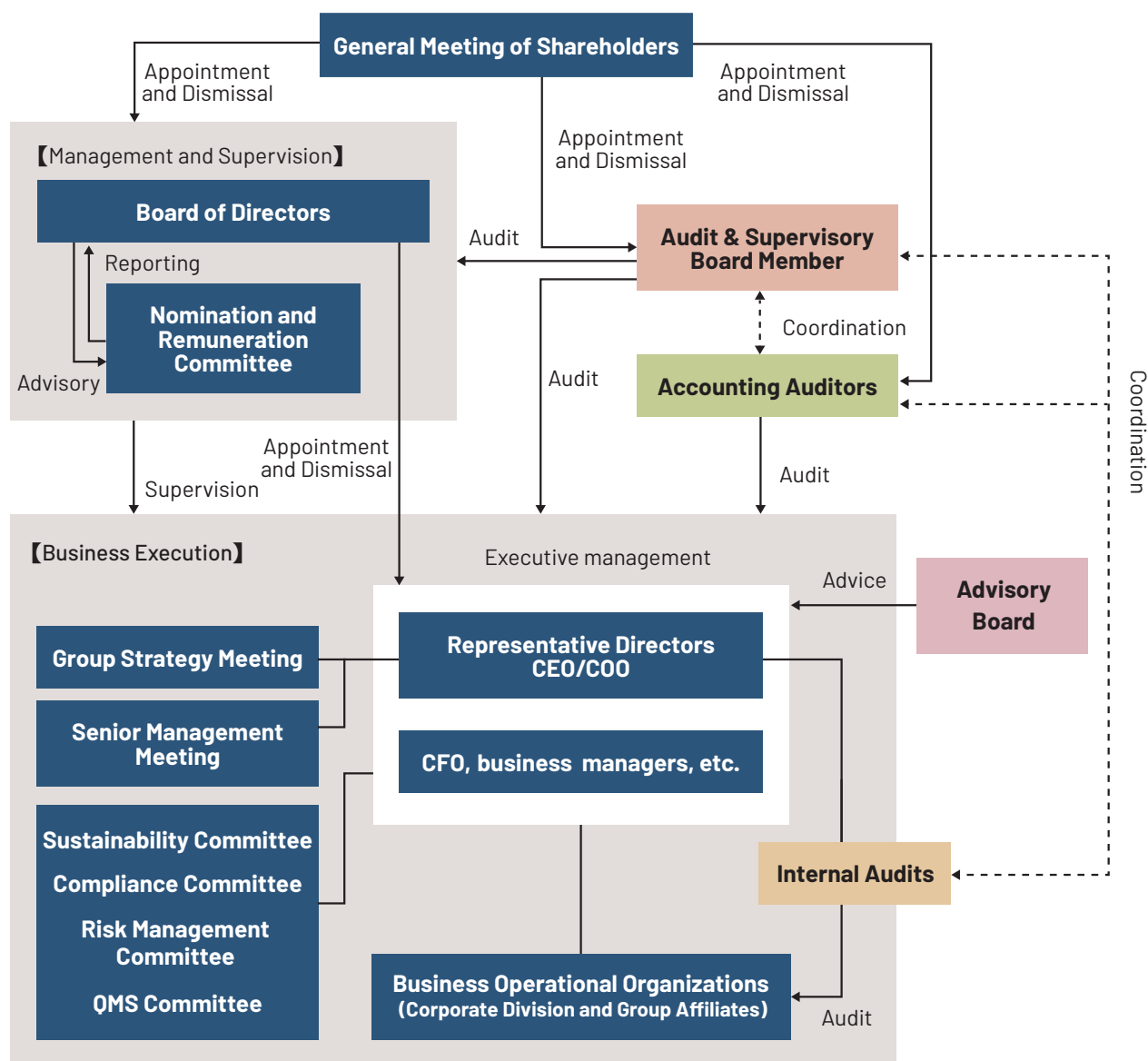
### ● QMS Committee

The QMS Committee establishes service procedures that

maintain or improve quality and comply with the relevant laws, regulations, notifications, guidelines, and ICH guidelines.

### ● Internal Audits

Internal audits are conducted across all operations to ensure legal compliance, sound business execution, and improved operational efficiency within the group.



## Appointment of Directors and Officers

Our company has a fundamental policy for nominating candidates for director, auditor, and executive management positions that requires them to demonstrate a strong commitment to legal compliance and have exceptional

character and outstanding insight.

Additionally, executive management candidates must meet the criteria outlined in our Executive Management Regulations.

- ◎ Candidates for director and executive management positions are evaluated comprehensively based on their extensive knowledge and experience in our group's business domains and their foresight, insight, leadership, decision-making ability, and execution skills, etc.
- ◎ Candidates for the auditor role are comprehensively assessed on their knowledge and experience of our group's business domains, their expertise in finance and accounting, and their objective judgment, etc.

## Group Governance System

As a holding company, we allocate necessary management resources to group companies from the perspective of group-wide optimization, and we oversee their operations and establish systems that ensure proper business conduct. Specifically, we define management standards for group companies, and we have established the Regulations on Affiliated Companies of the CMIC Group to enhance their management efficiency. Based on these regulations, we conclude a "Management Agreement" with each group company.

Group companies regularly report to us on the progress of their businesses, financial conditions, and other important matters specified in the Management Agreement to facilitate information sharing. When undertaking significant decisions, they are required to report and consult with our designated departments in advance and obtain the necessary approval. We also dispatch directors to group companies to enhance governance across the entire CMIC Group.



## Compliance

In line with the CMIC Group Code of Conduct, the CMIC Group promotes the thorough implementation and internalization of company rules, fosters a corporate culture that upholds compliance, and strengthens compliance awareness. We are enhancing initiatives to ensure that all officers and employees properly understand and consistently practice these principles in their daily responsibilities.

### Code of Conduct Formulation, Measures for Education and Dissemination

Executive and employees of the CMIC Group are required to act with integrity and follow the CMIC Group Code of Conduct, which is overseen by the group compliance officer, who is appointed by the Board of Directors.

As part of our efforts to reinforce compliance awareness,

we have developed the compliance handbook CMIC WAY, which is made available to all CMIC Group officers and employees via the intranet. And we conduct regular compliance training sessions for executive and employees.

### Compliance Training

Through regular education and training, CMIC Group employees are striving to acquire and instill the ethics and compliance knowledge required as professionals engaged in the healthcare industry.

#### ◆ Completion Rates for Each Training Program

	2022	2023	2024
Compliance	97.7%	98.8%	98.0%
Privacy protection	97.5%	98.9%	98.0%
Quality management	97.3%	98.5%	97.7%
Management of Conflict of Interest/Anti-Bribery and Corruption	96.9%	97.8%	97.3%
Information security	96.6%	97.3%	96.9%
Harassment prevention	95.9%	95.6%	95.5%

## Internal Reporting System

To ensure the early detection, response, and prevention of compliance issues, the CMIC Group has established the CMIC Group Internal Reporting Hotline, which is available internally and externally. This system allows CMIC Group executive and employees to report or consult on compliance concerns and workplace issues. Reports and consultations received are investigated and addressed objectively and fairly by the Internal Reporting Hotline and its administrative office to ensure fast resolutions and prevent recurrences.

The internal audit department monitors compliance adherence within the company and across group companies.

### ◆ Internal Reporting Hotline/Number and Type of Reports

(Unit: Cases)	2022	2023	2024
General workplace environment	3	1	11
Harassment-related cases	34	16	19
Other	20	43	24
Total	57	60	54

### ◆ Type and Number of Disciplinary Actions

(Unit: Cases)	2022	2023	2024
Dismissal	1	0	0
Other than dismissal	8	8	3

## Risk Management

The CMIC Group has established the CMIC Group Risk Management Regulations from a risk management and crisis response perspective. Under these regulations, the group risk & crisis management officer, who is appointed by the Board of Directors, oversees risk management and crisis management and promotes cross-group risk management in business operations.

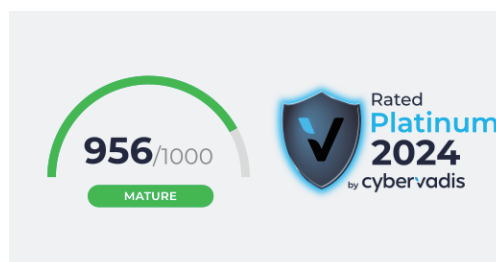
Risk management and incident management involve consolidating, analyzing, and investigating information at

the company and group company levels to ensure rapid dissemination of information and appropriate responses. Critical cases are taken to the group risk & crisis management officer, who then directs the necessary actions.

In the event of a management crisis due to disasters or other emergencies, a Group Emergency Response Headquarters will be established to handle the situation.

### Topic CMIC Achieves CyberVadis' Platinum Medal

In June 2024, CMIC Solutions Co., Ltd. , which provides the common ICT platform for the CMIC Group and oversees cyber security measures, has been awarded the highest rating of "Platinum" in a cyber security survey conducted by CyberVadis, a French international evaluation organization for supply chains.



# Non-financial Information Data

## ◆CMIC Holdings Co., Ltd. and Consolidated Subsidiaries—Fiscal years ended September 30

	2020/9	2021/9	2022/9	2023/9	2024/9
Non-financial data					
Consolidated employees	5,464	5,569	5,651	4,684	4,847
(Average number of temporary employees not included in the above)	(1,581)	(1,772)	(1,995)	(1,903)	(1,558)
Gender ratio *1)					
Female (%)	55.4	55.3	56.0	58.8	60.0
Male (%)	44.6	44.7	44.0	41.2	40.0
Percentage of female executives (%) *2)		8.3	15.4	17.2	13.8
Percentage of female managers (%)					
Consolidated group companies in Japan	27.9	24.5	24.6	28.3	28.9
CMIC HOLDINGS Co., Ltd.				33.8	37.4
CMIC Co., Ltd.				33.3	32.2
CMIC Pharma Science Co., Ltd.				14.8	17.0
CMIC Inizio Co., Ltd.				16.0	18.8
CMIC HealthCare Institute Co., Ltd.				25.7	33.3
CMIC Solutions Co., Ltd.				37.9	38.5
Gender pay gap (%) *3)					
Consolidated group companies in Japan *4)					
All employees			71.5	76.2	76.7
Regular employees			76.5	77.6	79.6
Non-regular employees			53.8	63.2	56.5
CMIC HOLDINGS Co., Ltd.					
All employees				75.2	70.2
Regular employees				75.9	74.5
Non-regular employees				54.1	53.1
CMIC Co., Ltd.					
All employees				80.2	81.2
Regular employees				81.3	82.6
Non-regular employees				74.9	66.4
CMIC Pharma Science Co., Ltd.					
All employees				74.2	72.0
Regular employees				80.7	81.0
Non-regular employees				42.1	34.0
CMIC Inizio Co., Ltd.					
All employees				81.5	85.0
Regular employees				77.1	84.4
Non-regular employees				92.2	76.3
CMIC HealthCare Institute Co., Ltd.					
All employees				71.3	77.4
Regular employees				72.9	77.2
Non-regular employees				60.2	79.3
CMIC Solutions Co., Ltd.					
All employees				59.2	63.2
Regular employees				71.4	73.4
Non-regular employees				62.8	63.2
Ratio of male employees taking childcare leave					
CMIC Co., Ltd.				73.1	78.8

	2020/9	2021/9	2022/9	2023/9	2024/9
Non-financial data					
Ratio of mid-career hires (%) *5)	75.3	75.4	78.6	79.4	75.3
Ratio of foreign managers		8.3	7.2	4.5	6.2
Employees with disabilities *1)					
Number of employees with disabilities	88	88	94	74	93
Percentage of total employees (%)	1.45	1.41	1.46	1.37	1.67
Employee ratio by age group (%) *1)					
(Age) 0 - 14	-	-	-	-	-
15 - 19	1.1	1.0	0.9	0.1	0.0
20 - 29	20.8	20.4	19.6	18.1	18.6
30 - 39	30.9	28.7	28.0	29.1	29.0
40 - 49	28.4	28.3	28.1	28.6	27.6
50 - 59	14.1	16.2	18.1	18.3	18.7
60 - 65	3.8	4.2	4.2	4.7	4.6
66 -	1.0	1.1	1.0	1.2	1.5
CO <sub>2</sub> emissions *6), *8)					
SCOPE 1(thousand tons CO <sub>2</sub> )	12	13	14	1	1
SCOPE 2(thousand tons CO <sub>2</sub> )	30	29	29	7	7
Total SCOPE 1 and 2(thousand tons CO <sub>2</sub> )	43	42	44	8	8
Industrial waste emissions *7), *8)					
Measured by weight (t)	876	1,073	947	14	112
Measured by volume (KL)	152	163	153	165	2
Number of internal reports	23	56	57	60	54
General workplace environment	3	4	3	1	11
Harassment-related cases	6	29	34	16	19
Other	14	23	20	43	24
Disciplinary Action					
Dismissal	0	0	1	0	0
Other than dismissal	10	6	8	8	3
Occupational Health and Safety *9)					
Number of fatalities due to occupational accidents	0	0	0	0	0
Number of occupational accidents	27	14	27	16	17
Training completion rate (%)					
Compliance	99.4	96.0	97.7	98.8	98.0
Privacy protection	99.4	96.1	97.5	98.9	98.0
Quality management	99.4	96.3	97.3	98.5	97.7
Management of Conflict of Interest/Anti-Bribery and Corruption	99.4	96.5	96.9	97.8	97.3
Information security	99.4	98.6	96.6	97.3	96.9
Harassment prevention	99.4	98.5	95.9	95.6	95.5

\*1) Consolidated group companies in Japan

\*2) Percentage of female executives, including the executive management, external directors, and auditors  
The 2023 figure has been revised from 18.5% to 17.2%.

\*3) Ratio of female salary to male salary

\*4) 2022: Companies required to disclose this information under the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015)  
2023, 2024: Consolidated group companies in Japan

\*5) Consolidated group companies in Japan  
The target period for the fiscal year ended September 2020 is from April 2019 to March 2020.

\*6) The fiscal years ended September 2022 and September 2023: Consolidated group companies in Japan  
The fiscal year ended September 2024 : In addition to the consolidated group companies in Japan, CMIC, INC. in the U.S. is calculated.  
SCOPE1 : Direct greenhouse gas emissions from business operations

SCOPE2 : Indirect emissions from the use of electricity, heat, and steam supplied by other companies

\*7) The fiscal years ended September 2020 to September 2023: Factories and research facilities in Japan  
The fiscal year ended September 2024: Factories and research facilities

\*8) Since the CMIC CMO Group became an equity-method affiliate in the fiscal year ended September 30, 2023, it has been excluded from emission calculations from the beginning of the fiscal year ended September 30, 2023.

\*9) Number of reports from consolidated group companies in Japan based on the Industrial Safety and Health Act  
(Period: April of the previous year to March of the current year)



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