

We gather in a ship which creates hope.

For patients, healthcare workers, and society.

Our mission to 'Create Hope Through Healthcare' is the starting point and the road to a future where every one of us can live with peace of mind.

No matter how hard the challenges are, we will join hands and never give up on a hopeful future.

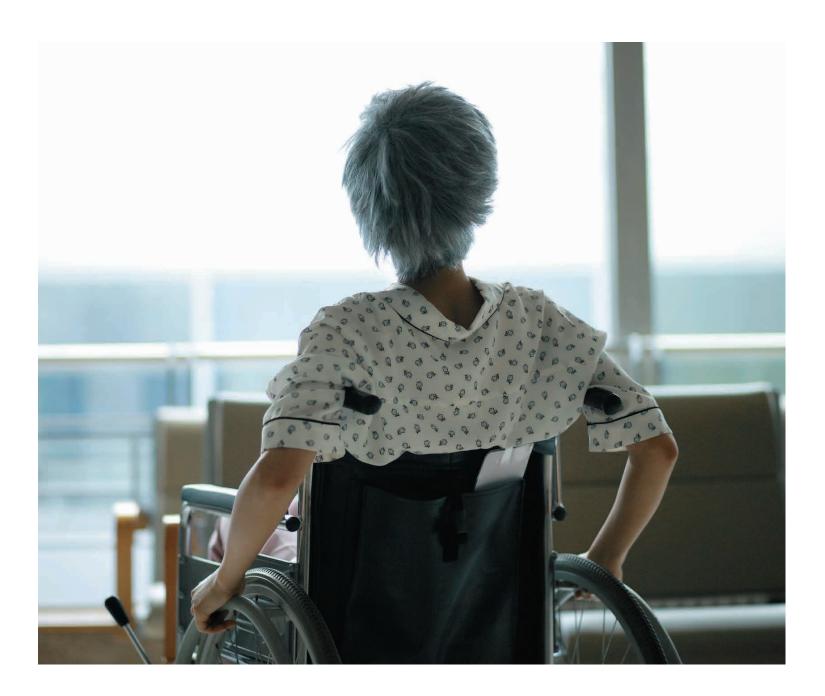


# CUC's Views on Healthcare Issues

Japan, where the population is rapidly aging, faces countless challenges including the increase in solitary deaths, the shortage of doctors and nurses, the rising cost of medical care, and even the possible collapse of the social security system. Yet, these issues have still not been dealt with sufficiently.

In developing nations, many lives have been lost due to the undeveloped medical environment, the imbalance in medical standards, and the spread of lifestyle diseases, such as type 2 diabetes.

As the CUC Group sees the frontlines struggling with these challenges, we have been working to solve these issues from every possible angle. We aim to advance the environment surrounding healthcare and achieve a future in which people around the world can enjoy happiness as a matter of course.





# Our Approach

The CUC Group mainly focuses on operational support for healthcare institutions, and operating Home Nursing and Hospice Business. During the COVID-19 pandemic we developed new businesses for governments and companies, such as immunization support and decentralized clinical trials.

We will continue to develop and provide the ideal healthcare system that society demands, and overcome the myriad of healthcare issues.

### | Business Segments

# Management Support Business for Medical Institutions

Home healthcare, hospice medical care, dialysis medical care, outpatient medical care and vaccination support.

### Home Nursing and Hospice Business

Operation of home nursing stations and hospices

Support for drug development (decentralized clinical trials) and home care patients (medical observations).

# FY2021 Highlights Period: April 2021 to March 2022 Data as of March 2022

### Patient numbers

■ Total number of patients

Number of hospice residents 692

(An increase of 122 residents from the previous year)

Number of home-based patients 14,369

(An increase of 1,737 patients from the previous year)

Number of patients receiving end-of-life care who passed away



(An increase of 677 patients from the previous year) Detailed Breakdown 783 Hospices

(An increase of 297 residents from the previous year)

Home-based patients 1.062

(An increase of 380 patients from the previous year)

Number of visits made by Sophiamedi Corp.



(An increase of 185,045 visits from the previous year)

■ Number of facilities

(An increase of 15 offices from the previous year)

### External Evaluation Awards Received

CUC Inc.

Gold award, the highest rating in the ONE CAREER Review Awards 2022 in the startup category

- Sophiamedi Corp.
- ·Received 3 awards in the LACP 2020 Vision Awards Annual Report Competition
- ·Silver Award in the ARC Awards for Annual Reports 2021
- ·First prize in KAIKA Awards 2020

### Key Figures of the CUC Group

■Total number of employees of the CUC Group

previous year)

CUC Inc. 404 CUC HOSPICE Inc. 719 Sophiamedi Corp. 1,445

(Includes contract and part-time employees)

■ Total number of new employees

the previous year)

CUC Inc. 105 CUC HOSPICE Inc. 293 Sophiamedi Corp. 496

(Excludes contract and part-time employees)

■Number of new projects launched\*



Vaccination Support Project(CUC Inc.)

Decentralized Clinical Trials Project (Sophiamedi Corp./CUC Inc.)

Health Observation Project (Sophiamedi Corp.)

\*This refers to new projects that recorded sales of 100 million ven or more in FY2021.

■ Percentage of female employees

CUC Inc. CUC HOSPICE Inc. 81.4%

Sophiamedi Corp. 69.9%

■Percentage of female managers



CUC Inc. 16.9%

CUC HOSPICE Inc. 65.0%

Sophiamedi Corp. 75.9%

### Outcomes of the COVID-19 Countermeasures Project

Operational support for vaccination sites \*Data calculation period: June 2021 to June 2022

Number of vaccinations

Approximately

1.83 million inoculations

Number of healthcare workers recruited using CUC recruitment support

More than 7,000 people in total

Number of tests performed through support for setting up large-scale PCR testing centers

Approx. 88,900

■ Number of local governments that received home healthcare support (health observation of patients recovering at home) from CUC

\*Data calculation period: July 2021 to September 2021

Number of local governments supported

ordinance-designated cities

For more information on the COVID-19 Countermeasures Project, please refer to the "Outcomes in the COVID-19 Countermeasure Project" page of this report.

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### About This Report

This report contains information about CUC's endeavors to operate its business in a sustainable and responsible way. It covers our material sustainability issues that could influence the value CUC creates for society.

<sup>\*</sup>Most data is in fiscal 2021 (Since April 2021 to March 2022), but some data may be invarious durations.





Message from Representative Director

CUC aims to create sustainable healthcare for the future in which our children will live. That is why we are called 'Change Until Change.'

Keita Hamaguchi



# CUC fundamentally rethinks the healthcare system.

Due to a rapidly aging society and depopulation, Japan faces an issue of rising burden per capita, which will lead to a huge increase in the cost of the medical system reaching 54.9 trillion yen by 2025, when the baby boomers will turn 75 years of age (\*1).

There is a serious shortage of human resources especially in the nursing care fields, with a forecast shortage of approximately 690,000 workers by 2040 (\*2). At the same time, the scarcity of ambulances may result in a future in which lives are lost that could have been saved. This indicates that there will be difficulties in fulfilling the last wishes of patients such as "I want to spend my final days in my lovely home."

The world is facing a myriad of problems: the aging population in developed countries, the increase in the number of patients with lifestyle diseases due to economic growth in developing countries, and the risk of new infectious diseases. There are many areas of the world where people have no access to proper treatment due to a lack of medical care, in terms of both quality

and quantity, and many lives are being lost at this very moment.

These healthcare issues cannot be solved by addressing the problems around us one by one. To continue to provide high-quality medical care sustainably with limited resources, we must fundamentally rethink how healthcare should be provided.

With this recognition of medical issues, I established our company, CUC in August 2014.

### Our mission is

### "Creating Hope Through Healthcare."

Our company name, CUC, stands for 'Change Until Change,' which represents our strong determination to keep addressing new issues as a company that 'Creates Hope Through Healthcare.'

Our mission is achieved by creating a society where people in the world can live with peace of mind by pursuing patient-centered medical care. Furthermore, we will pass on such a society in a sustainable form to our children.

<sup>\*1</sup> Cabinet Secretariat, Cabinet Office, Ministry of Finance, Ministry of Health, Labor, and Welfare. Future outlook for social security looking ahead to 2040 (study material). [Internet]. 2021.

<sup>\*2</sup> Ministry of Health, Labor, and Welfare. Report on the number of nursing care workers needed based on the 8th care insurance business plan. [Internet]. 2021.



2014

2018

Keita Hamaguchi established M3 Doctor Support Inc. and launched a management support business for healthcare institutions.

2017



CUC HOSPICE

Mar 2017.

M3 Doctor Support established M3 Nurse Support Inc. (current name: CUC HOSPICE Inc.).



**#**Sophiamedi

Jan 2018.

Sophiamedi Corporation became a consolidated subsidiary.

Feb 2018.

CUC FOODS Inc. (current name) became a consolidated subsidiary. 2019

Aug 2019. M3 Doctor Support Inc. renamed to CUC Inc.

Dec 2019.

CUC

An operational support business for hospitals in Vietnam launched.



Jan 2020.

2020 Supporting business for dialysis medical institutions in Indonesia launched

Apr 2020.

COVID-19 infection prevention project (Challenge COVID-19 Project) established.



2021

Apr 2021. CUC Partners Philosophy formulated and announced.

However, implementation of our mission has never been straightforward. It is our duty to continue to address the complex and intertwined challenges of how to sustainably provide high quality healthcare to the greatest number of people within a limited time frame.

For the last 8 years we have made efforts to address medical issues in Japan and foreign nations, starting with support for home healthcare institutions.

CUC creates hope by eliminating the negative aspects and difficulties for patients, healthcare workers, and society. We aim to create win-win cycles, especially for these 3 parties.

The CUC Group was initially established in the segment of home healthcare, which is less costly than inpatient hospital care. We strongly believe the spread of home healthcare is necessary for the future of Japan, as it fulfills the wishes of patients who want to stay in their communities. However, there is a great challenge in expanding the home healthcare system due to the lack of recognition by patients and their families, the physical and psychological burden on home doctors and home nurses, management difficulties due to the revision of medical fees, and a lack of social awareness.

For this reason, we began to provide operational support to medical institutions that focus on home healthcare. Since then, we have started operating home nursing

stations and hospices, which play a significant role in home healthcare. While contributing to the establishment of systems for the provision of home healthcare in Japan, we have made them the core growth pillars of the CUC Group.

Since 2015, CUC has been actively supporting medical institutions outside home healthcare. We are expanding our support to medical institutions that are tackling social issues: private hospitals that require functional reorganization due to the changing needs of patients and society, dialysis clinics that require quality improvement, ophthalmology clinics that meet the growing demand for cataract surgery due to the aging population, pediatric clinics that support children with medical care needs, and others.

Since 2019, our support business has provided assistance to medical institutions overseas. We have expanded to Southeast Asia (Vietnam and Indonesia), aiming to eliminate healthcare disparities overseas by utilizing our medical support methods and know-how of business development cultivated in Japan.

## Combining strengths of the Group to collectively fight the COVID-19 pandemic

Since 2020, the world has dramatically changed and become more uncertain due to the spread of COVID-19. As medical institutions in various regions were affected by the spread of the infection, we, as a company involved in healthcare, developed new services for society.



For instance, Sophiamedi, a CUC Group company that provides home nursing care, launched a support program for monitoring COVID-19 patients recuperating at home in cooperation with local governments and healthcare centers nationwide in the spring of 2021.

CUC has established systems for COVID-19 positive patients to receive home nursing care, online medical care and drug distribution as soon as they are recognized as seriously ill. CUC also introduced operational support for municipalities and corporate immunization centers in May 2021. We provide comprehensive support, from the setup of immunization centers to the arrangement of the necessary supplies and human resources for vaccinations, which holds the key to the prevention of infection.

Even in Vietnam, where temporal success in infection control was achieved, the delta variant was spread, and a medical system collapse was imminent by June 2021.

We helped one of Hoang Hao Holdings' hospitals, an institution that we support in Vietnam, to convert itself into a dedicated COVID-19 hospital and supported the hospitalization of positive patients and the establishment of a laboratory. We contributed to alleviating the overstretched local healthcare system.

In November 2021, we also launched a decentralized clinical trial business, in collaboration with M3 Group companies,

for clinical trials, an indispensable step in new drug development. We have begun to accept new challenges to expand the possibilities of new drug development.

# Aiming to be a revolutionary team that continues to create a hopeful tomorrow.

Faced with the COVID-19 pandemic, I have repeatedly asked myself whether we are truly creating hope for patients, health-care workers, and society. Eventually, I concluded that the paramount consideration is to create an organizational culture which lets us realize the mission of 'Creating Hope Through Healthcare.' After several months of discussions, we have compiled the CUC Partners Philosophy, which includes a set of guidelines for action. With the CUC Partners Philosophy, we are willing to be a team of innovators who continue to create a tomorrow that is more hopeful.

To support the rapidly aging society in Japan, we will continue to spread patient-focused healthcare services across the country, including home healthcare. We will also create new medical services by combining the latest information from medical practice with technology to solve various medical issues. Starting with Vietnam and Indonesia, we will also strive to resolve medical problems arising in the world.

Representative Director, Keita Hamaguchi

# CUC Partners Mission

Creating Hope Through Healthcare.

The Way We Build Hope Through Healthcare

## CUC Partners Philosophy

CUC Partners Philosophy is a core philosophy shared with all employees of the CUC Group and healthcare workers in the medical institutions we support.

It is the foundation of our inclusive work environment and a common standard in our communication.

From here, we would like to share with you how to "Create Hope Through Healthcare" by fully aligning with the philosophy.

CUC Partners Way

01 Patients First

04 Act with Humanity

02 Make it Happen

05 One Team

03 Pursue the Ideal

CUC Partners Statement

Working toward a patient-centric healthcare system.



<sup>\*</sup>To learn more about CUC Partners Philosophy, visit our website

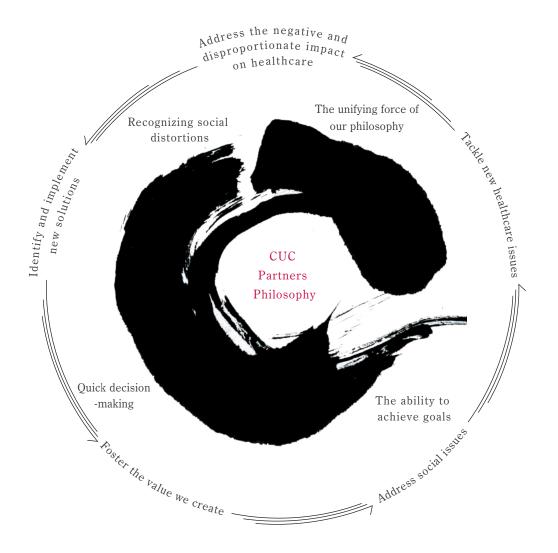


# Value Creation Process

The Value Creation Process represents the dynamics that drive the realization of our mission, "Creating Hope Through Healthcare."

With CUC Partners Philosophy as the foundation, we will rapidly create businesses that address various healthcare issues and deal with their negative effects through the powerful rotation of our four forces: the unifying force of our philosophy, recognizing social distortions, quick decision-making, and the ability to achieve goals.

## Creating Hope Through Healthcare



# Materiality and Social Engagement -identifying key sustainability issues

Five important themes that we are committed to, in order to Create Hope Through Healthcare.

We identify the materiality necessary to realize the management philosophy by comprehensively discussing what is important and the degree to which it is important for society, stakeholders and our company by reference to SASB and GRI and other standards. We strive to provide important environmental, social and governance information to society and stakeholders.

\*SASB Standards: Standards for the standardization of non-financial information disclosure led by the Sustainability Accounting Standards Board (SASB) in 2018.

\*GRI Standard: The international standard established by the Global Reporting Initiative (GRI). It is used to report the economic, environmental, and social impact of an organization to the public.

# Creating Hope Through Healthcare

## Environment

Environmentally Conscious Management

The global environment and medical care are inseparable, including infectious diseases and natural disasters. We aim to be an environmentally advanced company in healthcare by reducing greenhouse gas emissions, switching to renewable energy, and reducing waste emissions.

## Social

Pursuing the wellbeing of patients and healthcare workers

We will pursue an ideal future in which everyone involved in healthcare, including ourselves, can fulfill their individual wishes and live happily. We will provide optimal healthcare so that patients can live their lives as they wish, and healthcare workers can take pride in their work and feel fulfilled in their jobs.

## Social

Creation of sustainable and innovative healthcare

We would like to provide medical resources to as many people as possible in a sustainable manner. To address these complex and intertwined issues, we pursue the ideal form of healthcare and create innovative medical services by incorporating new technologies and ways of thinking, based on outside-the-box thinking.

## Social

Providing safe and reliable medical care

We aim to realize a society in which as many people as possible can live with peace of mind, and we will continue to create the following patient-centered healthcare: to provide safe and secure medical care to patients under any circumstances, and to maintain normal social activities despite new infectious diseases or natural disasters.

# Governance

Ensuring compliance

We will ensure that all directors and employees have a high sense of ethics and responsibility, comply with all rules and regulations including laws, ordinances, social norms and corporate ethics, and practice proper corporate governance to ensure that they act in a compliance-conscious manner.

## Actions on SDGs

Our mission "Creating Hope Through Healthcare" is realized through creating three hopes: hopes for patients, hopes for healthcare workers, and hopes for society. We believe that these hopes created through our efforts align with the realization of the Sustainable Development Goals (SDGs)\*.

\*Sustainable Development Goals (SDGs): International goals set forth in the "2030 Agenda for Sustainable Development" adopted at the UN Summit in September 2015.

### Hopes for Patients



The CUC Group will tirelessly carry out our mission to "promote patient-centered healthcare" in order to provide a secure environment for as many people as possible. We believe that "health and welfare for all (Goal 3)" will be realized at the end of the promotion of patient-centered healthcare, which is our goal.

The healthcare issues and inequalities we are addressing exist not only in Japan, but also throughout the world. We will enhance the borderless development of new healthcare services and human exchange (Goal 10), in order to avoid causing healthcare inequality regardless of wealth and nationality.

### Hopes for Healthcare Workers



In order to provide patient-centered healthcare, it is extremely important to develop a workplace in which all healthcare workers are proud and motivated. Since healthcare workers take action based on CUC philosophy, a positive cycle of efforts and profits will occur and enable us to invest in education and facilities and improve the healthcare delivery system (Goal 8).

We believe that respecting individual personalities realizes a meaningful working environment. We will create value through social harmony and conversation and respect each personality and roles under the CUC Partners Way "One Team" (Goal 5).

# Creating Hope Through Healthcare Hopes for **Patiants** Hopes for Hopes for Healthcare Society Workers

Partnerships Creating Hope

### Hopes for Society





Providing our services, such as management support for medical institutions, home nursing stations, and hospice services, is equivalent to building a medical infrastructure to support an aging society with a declining birthrate. We support community development through healthcare services in order to realize a society in which everyone can continue to live in their familiar communities (Goal 11).

In addition, climate change and healthcare are related in various ways, such as infectious diseases and natural disasters, and are inseparable. In terms of environmental impact, gasoline-powered vehicles are often used as a means of transportation for home healthcare, but the CUC Group promotes electric motorcycles and electric vehicles to realize a new form of healthcare provision that can coexist with environmental preservation (Goal 13).

### Partnerships Creating Hope



Partnerships with governments, companies, and organizations around the world are a driving force for hope. In fact, we strongly felt the importance of partnerships with government agencies when we set-up the COVID-19 infection control project. We would like to face up to these great challenges together with various partners who share our mission "Creating Hope Through Healthcare" (Goal 17).





# Combining the CUC Group's strengths to prevent the spread of COVID-19









| Message from the Project Manager



Takamichi Tanabe,
Director, CUC Inc.

To protect society from the threat of new viruses, CUC launched the Group's COVID-19 countermeasures business called the Challenge COVID-19 Project in April 2020. Although no one was sure of the proper solution, CUC and its partners worked together to build an infection control measurement and treatment system for COVID-19. As a result, we have been able to provide cutting-edge solutions for the infection from the first wave of the pandemic, including infection prevention and cluster measures, PCR and antigen testing, support for people recuperating at home, and operational support for vaccination sites. Going forward, we will continue to develop services to protect people's health, both in Japan and overseas, with a 'change until change' philosophy.

In April 2020, when Japan's first state of emergency was declared, we launched the "Challenge COVID-19 Project" to help prevent the spread of COVID-19. We launched this project to consider what we could do for society to protect people's lives during the pandemic as a group that supports hospitals and clinics and operates home nursing stations and hospices across the country.

The first step of this project was to support the establishment of a large-scale PCR testing laboratory in Japan. In April 2020, the domestic supply of PCR testing overall could not keep up with demand due to the rapid increase in the number of patients infected, which resulted in people who suspected that they had COVID-19 not being able to check.

To address the issue, CUC started support in the area of PCR laboratories by utilizing experience gained in operational support to numerous medical institutions. We successfully established a large-scale testing system capable of testing 1,200 cases per day, and enabled tests to be available at any time .

Subsequently, the services of the PCR testing center that CUC helped set up are now being used by private companies and municipalities in Japan.

As of June 2021, using its expertise gained from its experience in Japan, CUC had supported the establishment of a testing center in Vietnam, where the PCR testing system had collapsed in just three months. By the end of June 2020, we had carried out a

hundred thousand PCR tests and antigen tests in total.

Additionally, CUC contributed to COVID-19 countermeasures in cooperation with public medical institutions by providing human resources and donating medical equipment and medicines to local public medical institutions.

A hospital of Hoan Hao Holdings in Vietnam, which CUC supports, turned into a specialized institution for COVID-19 treatments allocating all its beds for infected patients. As a result, the hospital accepted the cumulative total of over 280 patients and made it possible to provide high-quality healthcare assistance locally which helped the medical system to recover.

# Prompt support for homecare patients in an overstretched medical system

During the third wave of the pandemic in October 2020, hospital beds nationwide began to fill up and more patients were forced to receive treatment at home. Initially, home healthcare was mainly for the young generation and for those who did not have underlying medical conditions. However, the situation gradually shifted to a phase where the elderly were also unable to be hospitalized, which created a major challenge for the local medical system. To address this issue, Sophiamedi, an industry vanguard which offers home nursing within the CUC Group, implemented support for home care patients.

Working with government agencies nationwide, we have established systems providing information on appropriate medical treatment, telemedicine by nurses, home nursing care for serious illness, and online medical care.

In addition, we have established systems providing foodstuffs necessary for fluid and calorie intake, as well as pulse oximeters, in cooperation with various corporations. We made every effort to prevent patients from becoming seriously ill or contracting infections at home, while reassuring them.





One million inoculations per day - Contribution to the large-scale vaccination system

In May 2021, as the state of emergency was extended in many areas including Tokyo, vaccination was expected to be the decisive solution for COVID-19. Then Prime Minister Suga declared the target of one million doses per day to complete the vaccination of all elderly people who wanted to get vaccinated by the end of July of the same year. The establishment of systems to facilitate the smooth administration of the vaccine became an urgent task.

In June 2021, the CUC Group began to provide operational support for vaccination sites for local governments and companies. To address issues, such as long working hours for staff and the heavy burden of operating vaccination sites, we

provided comprehensive support from setting up vaccination sites to arranging necessary supplies, doctors, nurses, and operational staff.

As a result, we have supported the operation of a cumulative total of more than 150 vaccination sites for local governments and companies nationwide. Moreover, we have managed the recruitment of more than 7,000 healthcare workers and vaccinated a total of 1.83 million people (as of June 2022).

Our aim for this project was to achieve herd immunity in Japan and contribute to the normalization of socioeconomic activities. The enthusiasm of project members resulted in the project being conducted more promptly and smoothly.

# Outcomes of the COVID-19 countermeasure project

- Operational support for vaccination sites
  - Number of vaccinations:



million 3rd and 4th vaccinations: Approximately 0.7 million

■ Number of local governments supported:



\*Including prefectures and ordinance-designated cities

Number of venues supported:



• Number of healthcare workers recruited using CUC recruitment support:



| Support for people recuperating at home (health monitoring)

Supported Municipalities:
 Estimated total number of managed patients:
 Estimated number of people who

**57,500** 

received health consultations by phone:



\*Data period: July 2021 - September 2021

- Healthcare system support in Vietnam
- Number of tests performed:

Antigen tests 114,350 PCR tests 3,164

\*Data calculation period: June 2021 - May 2022

- | Support for setting up large-scale PCR testing centers
- Total number of tests performed:
- Testing capacity:
- Time required from testing to result report:





Approximately

\*Data calculation period: July 2020 - June 2022

- Companies and organizations we have supported:
- ·Japan Professional Football League
- ·Hotel Century Southern Tower
- ·Japan Volleyball League Organization
- ·Kindai University



The accompanying report 'Challenge COVID-19 Project Report 2020-2021' provides details of our COVID-19 efforts. Please use the QR code on the right to view the report.



# Our Hopes: Achievements

In order to realize our mission, 'Creating Hope Through Healthcare,' we believe it is necessary to realize 3 types of hope: hopes for patients, hopes for healthcare workers, and hopes for society. Through the corporate activities and organizational development of the CUC Group, we will accomplish quality healthcare and create hope for the future.

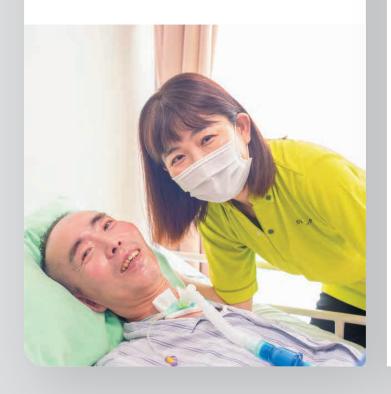
All patients should be able to receive safe and secure healthcare and enjoy their lives until the last moment.



All people working in the medical field should be able to be proud of their work and feel fulfilled.

Every single person in society should be able to receive quality healthcare without being left behind. We will achieve a society filled with pride and appreciation for our children.

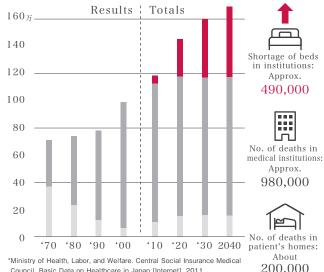
# Hopes for Patiants



## It is forecast that almost half a million people may not have access to end-of-life care in 2040.

In this unprecedented situation where the rapidly aging population will result in a high mortality rate for aged people, there will be various issues surrounding patients. While many people will want to spend their final days at home, a nursing home or other familiar and comfortable places, the majority of people will actually die in hospitals. Furthermore, national healthcare costs are soaring, and the number of hospital beds continues to decrease due to cost reductions in healthcare. As a result, it is concerning that a high number of people will pass away without being able to choose the place to spend their final days, which will lead to the increase of solitary deaths in the future.

### Statistics on the future number of deaths and places of death



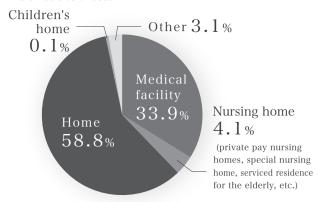
Council. Basic Data on Healthcare in Japan [Internet]. 2011

\*Estimates based on " Vital Statistics" until 2007 and " Future Population Projections" after 2008.

# Various medical services to lift patients' spirits

In light of these serious issues, home healthcare is desperately required in Japan. Home healthcare allows each patient to focus on recuperation in a familiar environment when they have difficulty in visiting a hospital. In order to respond to these medical needs, the CUC Group operates home nursing stations and hospices and reorganizes hospital and clinic beds. Our group also provides various types of operational support, aiming to build a new medical system required by local communities.

#### ■ Preferred site of death



\*Source: The Nippon Foundation. National Survey on the End of Life [Internet]. 2011

# Stories from patients and staff

STORY 01 Home Nursing Mr.H.M

I really enjoy spending time with this person.

Mr. H. M., Station Seijo

She would look up things I told her on my next visit, and we would have a lot of conversations. She is young, about the age of my grandchild, but she is trying her best to understand and be helpful to others, so I really enjoy spending time with her. Sophiamedi has been taking care of her for a long time, and I am very grateful to have good staff members. I look forward to working with her again in the future.

# A precious time to listen to his rich life experience.



Chie Sato Nurse, Sophiamedi Corp.

Mr. H has a daily routine of reading and walking, and he also continues to write about his war experiences in order to pass them on to future generations. It is hard to believe that he is 106 years old. Perhaps the secret to his vitality is the fact that he cherishes his mealtime. He has a lot of life experience, so he always has a lot of stories to share with us. I am very happy to be able to take a picture with him like this.



Sophiamedi operates home nursing stations nationwide. Nurses and therapists deliver home nursing services with the mission "To Devote Our Wisdom to Caring for Lives."













DATA

Project data in home nursing:

Number of facilities: 83

Number of visits made by Sophiamedi: 802,819

Number of home-based patients: 14,369

\*Data calculation period: April 2021 - March 2022

STORY 02 Home Nursing Ms. M.K.

Reflecting on life through home nursing.

In addition to the medical support of nursing and rehabilitation services, I think my mother enjoys talking with the staff every week. She often forgets her recent memories, but she remembers a lot of things from the past. I feel as if my mother is looking back on her life while talking with them. Thank you for your continued support.

## Understanding the values of our clients for better home nursing care.

I try to make my visits as enjoyable as possible for my clients and to understand their values by talking with them while rehabilitating them. I was particularly impressed by the photo of cherry blossoms in the bedroom, "My husband took this photo," she said, recalling those days. I would like to continue to support her in any way I can.



Mako Muramoto Occupational Therapist, Sophiamedi Corp.

\*Sophiamedi addresses patients as clients.







STORY 03 Hospice Ms. K.A.

After staying away during the COVID-19 pandemic. My family gathered again after a long absence.

My mother had Parkinson's disease and was being cared for by a hospice. As she became unable to move as much as she wanted to, her desire to go home, even for a short time, grew stronger. We thought, "If we don't fulfill her wish now, she may never have a chance to go back home again," so we asked the facility for an overnight home stay. The staff listened sincerely to our wishes and allowed her to stay at home for three days even during the time of the COVID-19 pandemic. My mother seemed very happy to gather with family, take pictures, and have a good time.

We would like our residents to be happy and realize their wishes.

Since moving into our facility, Ms. K.A. always had a wish to go home, so we planned a home stay. It became a stay without precedent, involving strict infection control measures such as PCR testing, action history, and 2 weeks of quarantining. When she returned from her home, we were glad to see her tearful but happy face. It was an opportunity for us to rethink what we can do to give the residents something to look forward to.



Yuka Nakashima Caregiver, CUC HOSPICE Inc.

## STORY 04 Hospice Family of Mr. W.M.

## Positive atmosphere where my father keeps to be cheerful

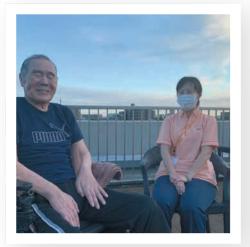
AThanks to the people at the hospice my father, who has ALS (Amyotrophic Lateral Sclerosis), is currently living in a peaceful environment. He is talkative and a little fussy, but I know that every single word, smile, and movement of the staff helps him a lot. When my mother passed away during her recuperation, the staff fulfilled my father's wish to attend her funeral. Thanks to that, my father was able to sort everything out in his mind. I am grateful to the staff for creating an environment where my father, who looked imposing but was actually a little timid, could remind himself to be cheerful.

### We never give up hope even in the face of adversity

Mr. W.M. was a very talkative person, and his daily routine was to talk with the staff and other residents while receiving tube feeding every day. However, as his disease gradually progressed, he began to have difficulty breathing and was having a hard time getting out of bed. At that time, we received news that his wife had passed away while she was recuperating. Although it was during the COVID-19 pandemic and hard to coordinate Mr W.M's trip, we collaborated with the local care Itsuko manager and his clinic to let him attend his wife's funeral. We would like to continue to support Mr. W.M. and fulfill his wishes.



Nomoto Chief nurse. CUC HOSPICE Inc.







### **DATA**

Number of facilities: 26

Total number of patients receiving end-of-life care who passed away:

■ Number of hospice residents 692

\*Data calculation period:: April 2021 - March 2022

Project data on hospices







Overview of a supported medical institutio



### Medical Corporation Keimeikai, Osu Hospital

Osu Hospital, located in Naka-ku, Nagoya City, Aichi Prefecture, provides a wide range of medical services including outpatient, inpatient, checkups, examinations, and rehabilitation. Osu Hospital aims to be a place where people feel relaxed and at ease, creating a comfortable environment that is loved by the local community.

### CUC Medical Institution Support

To become the community's preferred hospital - We supported the branding and functional reorganization of Osu Hospital.

CUC provides a variety of support to hospitals and clinics nationwide that require reorganizing of their operational functions due to changes in the needs of patients and society.

NTT West Tokai Hospital, established in 1971, closed its doors in September 2021. In October of the same year, the Keimeikai Medical Corporation succeeded the hospital, and Osu Hospital was established. CUC provided support from various perspectives, including those of patients, healthcare workers, and management support. First, we worked on branding the hospital as a totally new organization and strengthening the functions of the recovery-phase rehabilitation ward. CUC launched a branding project with the hospital staff, including doctors and nurses, and adopted a slogan of 'Be a hospital that loves the community and is loved by the community.' Furthermore, in June 2022, the recovery-phase rehabilitation ward was renovated. Through recruitment support, a team of 100 multidisciplinary staff members was established to provide medical services suited to each patient's condition and situation.

CUC is a partner that brings out the strengths of the hospital from a management support perspective.

During the year which I spent with CUC, I received a lot of advice that was different from the usual perspectives of the medical industry. I gained ideas in the area of operation, such as the way to solve issues from information scattered throughout the medical field and how to speed up the process. With CUC, I feel that I grew professionally as much as our business grew. I would like to continue to deliver high-quality healthcare to the community in cooperation with staff from CUC.



Tomokazu Miyazaki Director, Department of Rehabilitation, Osu Hospital, Medical Corporation Keimeikai

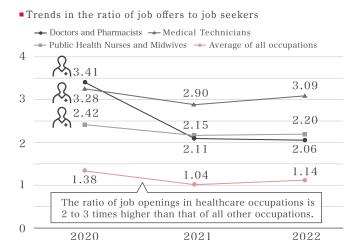
# Hopes for Healthcare Workers



## A shortage of medical workers to support local healthcare

Despite the increasing roles and expectations of healthcare workers due to the declining birthrate and aging population, the shortage of human resources in the medical field is becoming more and more serious. The shortage of workers in the healthcare industry is expected to reach approximately 1.87 million by 2030\*. Overwork has become the norm in medical institutions, and a negative spiral is occurring as the burden on healthcare workers becomes heavier, leading to high job turnover. A work style that allows healthcare workers to build long-term careers is required.

\* Persol Research Institute. Labor Market Future Estimates 2030. [Internet]. 2018.



\*1) Ministry of Health, Labor, and Welfare. General Employment Placement Situation (Employment Security Service Statistics) [Internet]. 2020, 2021, 2022

\*Effective job openings to job seekers ratio: The number of jobs available per one job seeker

# Creating a diverse and flexible work environment by reforming work styles in the medical field.

The CUC Group employs many essential workers on the frontlines of healthcare, such as nurses, therapists, caregivers, and public health nurses. Our goal is to ensure that healthcare workers who work closest to patients can continue to work in the medical field with a sense of fulfillment. To achieve this goal, we are promoting reforms in the way they work, such as improving the working environment and providing career support. We believe that bringing smiles to the faces of healthcare workers will enable them to provide better quality medical services to patients as well.



# To enable all healthcare workers to pursue the career of their dreams.

The CUC Group actively supports career development and changes in work styles so that all medical staff can continue to work with enthusiasm and fulfillment in their jobs.

CUC Group

'Dream'- An open recruitment system within the Group that allows employees to choose the career they want.

'Dream' is an open recruitment initiative within the CUC Group that allows employees to transfer to another company or business division within the CUC Group. For departments and projects that require human resources, they can request where in the company or which business department they want to work in after an interview, regardless of the approval of their superior. We provide opportunities to encourage employees to take on challenges based on their desire.



The challenge of moving from nursing to human resources which broadened the scope of my career

After working as a nurse in the emergency department of a university hospital in Tokyo, I joined Sophiamedi. After that, I gained experience at home nursing stations, including setting up a new station in Kanagawa prefecture. I gradually got interested in creating a long-lasting work environment for staff providing quality care, and decided to take advantage of Dream and expanded my career in the area of human resources. Currently, I am working on designing a training program and other projects in the HR team of CUC's Home Healthcare Division. I am grateful that I was able to broaden my career without leaving the CUC group, and I would like to work hard to create an environment where healthcare workers can continue to find fulfillment in their work.



Wakana Nakatani Human Resources Team, Home Healthcare Department,

### Sophiamedi

## Sophiamedi's Work Style Reform 'Sophiamedi WOW!'

Sophiamedi holds regular interviews with employees and listens to their requests regarding the working environment, life changes, work-life balance, and other concerns. To support them, we introduced work-life balance support measures called 'Sophiamedi WOW! (Work for Our Wonderful life!).'



### Balancing personal and professional life with paid leave in hourly increments

When I joined the company, I saw the pamphlet 'WOW!' and felt that Sophiamedi's system was very comprehensive. I use this system once every two weeks for hospital visits for my prenatal checkup and procedures at government offices. Although many companies normally require you to take a half day off, I can take a short leave of just 1-2 hours and work flexibly. I plan to take childcare leave in the future and would like to take advantage of the babysitting system and short hour working systems.



Ikumi
Hisaminato
Medical Clerk,
Sophiamedi Corp.

#### Overview of "WOW!

- · One-hour paid leave
- Babysitting assistance (half of the cost is covered)
- · Moving Assistance Program
- · Maternity Uniform
- Expanded eligibility for full time employees doing short-time working due to childcare
- · Support for marriage, childcare, and the careers of LGBTQ

For more information









### CUC Group

# Creating a positive workplace environment where employees praise each other

Since its inception, the CUC Group has valued a culture that celebrates employees who have played an active role and initiatives that embody its philosophy. We hold large-scale annual awards for the entire CUC Group, as well as events such as sharing best practices within each group company and business unit. In the CUC Group, which has a diverse range of occupations from medical care to business, these events allow employees to learn about each other's efforts and create a sense of unity. We will continue to proactively create an environment where each employee can motivate themselves and grow positively through a culture of praise.

### Praise and appreciation daily to create a great workplace.

The CUC Group's culture of praise is not limited to during events. We are working to encourage communication within the company and increase motivation. We routinely share episodes and information about talented employees through internal newsletters and owned media of each group company, and employees share messages of appreciation on a daily basis.





(Left) Sophiamedi Internal Newsletters
(Right) CUC HOSPICE Internal Newsletters

CUC

Addressing issues of human resources in the medical field and creating job satisfaction for each individual



To provide quality medical services sustainably, it is essential to create an environment in which healthcare workers have enthusiasm and feel fulfilled in their jobs. For this reason, the CUC Group aims to realize the well-being of all healthcare workers. We are working to improve the working environment and job satisfaction of employees within our group and employees of supported medical institutions.

In the medical institution support business, we have created a team dedicated to solving human resource issues, and have introduced surveys of employee working conditions and employee satisfaction at the medical institutions. We support medical operations from the perspective of the organizational environment by providing feedback on the survey results to organizational management. In addition, we continue to address human resource and organizational issues in the medical field by proposing improvements to personnel systems (evaluation, compensation, etc.) and conducting individual interviews.

The smiles of healthcare workers brighten both patients and society.

Healthcare is supported by the contribution of healthcare workers. However, in many cases, healthcare workers themselves become exhausted due to chronic labor shortages and relationships in the workplace. CUC supports medical institutions in creating an environment where healthcare workers can exercise their abilities with greater peace of mind while respecting their motivation. Through the introduction of various surveys and personal interviews, we quickly detect

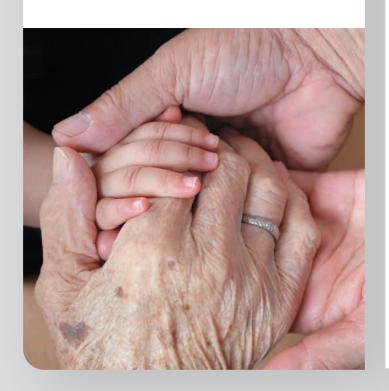
issues among healthcare workers and provide support for the improvement of the organization and working environment.

Creating a relationship where we can talk honestly with the employees of medical institutions and improve the conditions of the organization and individuals will lead to the happiness of both healthcare workers and patients. This is the reason that we value people.



Yohei Yamaguchi Home Healthcare Department, CUC Inc.

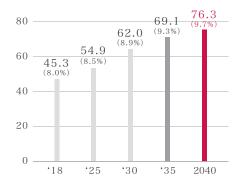
# Hopes for Society



### Home healthcare as a key to reducing the cost of social security and medical

Social security costs are drastically increasing in Japan; national healthcare costs exceeded 44 trillion yen in FY2019 and are expected to reach approximately 54.9 trillion ven by 2025. Japan is currently working to reduce the number of hospital beds and promote home healthcare to control the growing medical costs. Our goal towards society is to control medical costs by shifting those who can receive treatments at home from hospital to home healthcare. The CUC group will promote the spread of home healthlcare throughout Japan and contribute to the management of medical costs through the reorganization of hospital beds and various operational support measures for medical institutions, as well as the operation of home nursing stations and hospice services.

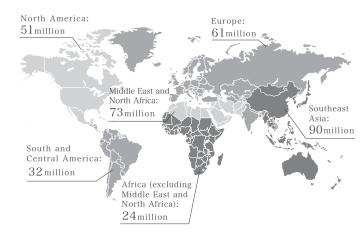
■ Trends in national healthcare expenditures in Japan



\*Figures in parentheses represent ratios to GDP

#### Addressing the world's medical issues and creating a society where everyone can live a healthy life.

The demand for quality healthcare is growing rapidly around the world, driven by the growth of emerging economies. One example of a global challenge is the growing diabetic population. The number of deaths due to diabetes reached 6.7 million in 2021, showing that approximately one person dies from diabetes every six seconds. The CUC group has launched a support project offering medical care in Vietnam and Indonesia to solve these challenges in the healthcare field. We will continue to contribute and find solutions to social issues by creating diverse businesses in various countries. Number of diabetics worldwide



\*International Diabetes Federation, IDF Diabetes Atlas 9th edition, [Internet], 2021

<sup>\*1</sup> Cabinet Secretariat, Cabinet Office, Ministry of Finance, Ministry of Health, Labor, and Welfare. Future outlook for social security looking ahead to 2040 (study material). [Internet]. 2021

CUC Management Support for Medical Institution + Sophiamedi Home Nursing

## Creating a new healthcare delivery model in communities lacking home healthcare services

The CUC Group is working to increase the number of hospitals, clinics, and home nursing stations that provide home healthcare especially in areas where home healthcare is either not available or limited. In 2019, we assisted in the opening of the Minnano Futakuchi-machi Internist Clinic in Toyama city. In addition to that, Sophiamedi, which engages in home nursing, also opened Sophiamedi Home-Visit Nursing Station Toyama as its first facility in the Hokuriku area. In Toyama city, where the population is aging and there are only a few home healthcare facilities, this station has a significant role in supporting patients living in the community. Furthermore, by opening a CUC supported clinic and a home healthcare nursing station in the same building, we have managed to strengthen the communication and collaboration of these two facilities which enables us to expand the area covered by home care services and provide more value to patients. Based on the model we established in Toyama, our group will expand its services to other areas in need of home healthcare.

\*Toyama Prefecture, Toyama Prefecture's Regional Healthcare Plan,[Internet], 2017

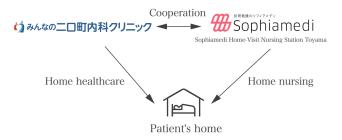
A model case of sustainable home healthcare leading to hope for the community.

The development of medical infrastructure in rural areas is an urgent issue in an aging society with a declining birth rate. This is the first initiative CUC took to support the establishment of home healthcare facilities in areas lacking them. We believe that creating a sustainable home healthcare model together with local communities will lead to the creation of hope for areas with less medical resources in Japan.



Atsuya Takahashi Home Healthcare Department, CUC Inc.

■ Model for providing home healthcare in Toyama City



#### We want to spread safe and warm home care throughout Japan

As the home health clinic and the home nursing station are located in the same building, we are able to share information closely anytime. We believe that this has led to the realization of a better model for home healthcare and the provision of high-quality services. We would like to provide home healthcare to areas throughout Japan where medical resources are limited.



Fuma Oda Sophiamedi Corp.

#### DATA

- home healthcare clinics (CUC): 11
- Number of newly opened Number of newly opened home nursing stations (Sophiamedi):

15

Period: April 2021 - March 2022





Clinical trial (conventional type): takes on average 3 to 4 hours to complete one session.

Transfer Waiting in reception Physical examination Specimen collection Make a payment Transfer Decentralized clinical trial: takes about 45 min. for one session.

Physical examination Specimen collection Reduces the burden on the patient by about 3 hours per session.

Make decentralized clinical trials the norm in the world and create more options for patients.

When we launched our decentralized clinical trial business, the environment for clinical trials and online medical care had changed dramatically due to the spread of the COVID-19 infection. Although it was difficult to coordinate the parties involved, we worked as hard as we could to support patients. I believe that the nationwide expansion of decentralized clinical trials will provide opportunities for those who have been unable to take part in clinical trials due to the burden of hospital visits, and this will provide hope for those in need of treatment for intractable diseases. I would like to continue to expand the possibilities of decentralized clinical trials and contribute to presenting new treatment options to many patients.



Kazumi
Kanagawa
Decentralized Clinical
Trial Project, CUC Inc.

I Sophiamedi + CUC Support Projects for Drug Development Decentralized clinical trials reduce the burden on patients and accelerate the speed of new drug development.

Bringing change to the current situation where 95% of rare diseases have no treatment options.

There are more than 7,000 rare diseases in the world. Despite the high demand for treatment, 95% of these rare diseases still have no cure due to the small number of patients. Clinical trials to confirm the efficacy and safety of new drugs are an essential part of the drug development process for these diseases. In Japan, as clinical trials are less common compared to other countries and the approval process is stricter, it normally takes more than 10 years to develop a new drug. To address these issues, CUC has been working on clinical trials at home since 2020. Decentralized clinical trials is a new system that allows patients to participate in clinical trials while staying in their own houses. Current home nursing care and online medical care will reduce the number of hospital visits, as opposed to conventional clinical trials, which require regular hospital visits and long hours of restraint. By reducing the burden on clinical trial patients, this will help accelerate the development of new drugs.

CUC will develop the medical environment necessary for clinical trials, including recruiting doctors and nurses for each case and building systems at medical institutions. We contribute to the smooth promotion of clinical trial projects by connecting pharmaceutical companies engaged in drug discovery with medical institutions supporting clinical trials.











| CUC Management Support for Medical Institution

Providing Japan's affordable and high quality medical care to Vietnam's growing middle class Vietnam's healthcare system, which has experienced remarkable economic growth, is largely divided between high-end private hospitals for the high income group and public hospitals run by the state and provinces. As a result, there is a lack of medical care for the growing middle class. In public hospitals, due to a lack of medical resources, inpatient beds are always fully occupied resulting in patients having to wait in corridors until beds become available, outpatient waiting times are more than half a day, and it is difficult to say that they are comfortable places for patients to receive medical care.

In the future there is expected to be a significant increase in the demand for affordable, high-quality medical services for the middle class. Hoan Hao Holdings, a medical group in southern Vietnam that CUC supports in its operations, is a private medical corporation that is categorized as a clinic providing an affordable service for the people of the region instead of public hospitals. While taking into consideration its characteristics and strengths, we are supporting its transformation into a hospital with greater strengths, taking into account future trends in the market environment.

For the future of Vietnam, we will help the transformation of medical institutions so that quality and affordable medical care is available.

In Vietnam, although the number of diabetes patients is increasing, more than half of those with the disease (nearly 2 million people) are not receiving appropriate treatment due to the lack of knowledge among patients and their families and a shortage of medical resources. The same situation applies for other lifestyle-related diseases, and we expect this to become a major social issue in the near future. Our mission is to contribute to the realization of a better society in Vietnam by reducing the future negative effects of the disease from the perspective of the aging population. We will proactively establish a local medical system and provide quality medical care to as many patients as possible. In addition to the development of medical institutions, we also plan to exchange personnel with medical institutions in Japan in order to improve the quality of medical care. In the long term, based on our experience in solving healthcare issues throughout Vietnam, we aim to expand our business to other cities in Asia.



Mamoru Tanabe
Executive Director,
Change Until Change Vietnam Co., Ltd.



### ESG Policy and Governance Structure

The CUC Group aims to realize its mission through sustainable increase of enterprise value. We believe that the CUC Group will be able to achieve sustainable growth and improvement of its medium- to long-term corporate value in a self-sustaining manner by establishing a functional corporate governance structure.

In FY2020, we shifted to a company with an audit and supervisory committee and introduced an executive officer system to strengthen the supervisory function of the board of directors. In the current fiscal year, we appointed new executive directors and representative directors of major subsidiaries as executive officers of CUC to strengthen cooperation among the projects in the CUC Group. The CUC Group as a whole aims to implement transparent, sound, fair, and efficient management, and will constantly strengthen its system.



Tomomi
Oketani
Director, CUC Inc.

CUC believes that its business activities significantly contribute to society, solving healthcare issues around the world. However, in order to make these activities sustainable initiatives, it is important to reflect on our own activities from an ESG perspective and create hope for a wide range of stakeholders. We have set the following materialities: 'Environmentally conscious management', 'Pursuing the wellbeing of patients and healthcare workers', 'Creation of sustainable and innovative healthcare', 'Providing safe and reliable medical care', and 'Ensuring compliance.' By being an industry pioneer, we will continuously provide value to the world.



Jun Hashimoto Corporate Officer, CUC Inc.

#### Environmental Data

Greenhouse Gas (GHG) Emissions*1	FY Mar.2022
Scope 1 (t-CO <sub>2</sub> ) (Direct emissions from combustion, etc.)	0
Scope 2 (t-CO <sub>2</sub> ) (Indirect emissions from purchased electricity)*2	19.5

<sup>\*1</sup> Data on a non-consolidated basis (head office) for the fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022). Includes lighting, ventilation units, and dedicated power outlets

Electricity consumption (kwh)\*3

FY Mar. 2022

40,220

<sup>\*2</sup> Calculated on a market basis. Note that emissions on a location basis are 17.4 (t-CO<sub>2</sub>). (FY Mar.2022)

<sup>\*3</sup> Data on a non-consolidated basis (head office) for the fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022). Including lighting, ventilation units, and dedicated power outlets

## People Data and Scorecard

Human Resource Data (As of March, 2022)		CUC Inc.		Sophiamedi Corp.		CUC HOSPICE Inc.		
	Total		374		1,324		585	
	Male		225	60.2%	398	30.1%	109	18.6%
	Female		149	39.8%	926	69.9%	476	81.4%
		Total	74		91		61	
Number and percentage of employees	Management position	Male	63	85.1%	29	31.9%	22	36.1%
		Female	11	14.9%	62	68.1%	39	63.9%
	Non- management position	Total	300		1,233		524	
		Male	162	54.0%	369	29.9%	87	16.6%
		Female	138	46.0%	864	70.1%	437	83.4%
Number and percentage of employees (temporary employees)	Total		30		121		134	
	Male		6	20.0%	16	13.2%	17	12.7%
	Female		24	80.0%	105	86.8%	117	87.3%

			CUC Inc.		Sophiamedi Corp.		CUC HOSPICE Inc.	
	Total		36.5		36.6		43.7	
Average age of employees	Male		38.4		36.2		38.8	
	Female		34.2		36.7		44.8	
		Total	104		360		82	
	Under 30's	Male	45	43.3%	87	24.2%	18	22.0%
		Female	59	56.7%	273	75.8%	64	78.0%
		Total	141		544		139	
	30's	Male	91	64.5%	197	36.2%	49	35.3%
		Female	50	35.5%	347	63.8%	90	64.7%
Number and percentage	40's	Total	90		301		161	
of employees by age group(Male/female		Male	60	66.7%	93	30.9%	27	16.8%
ratio to the total)		Female	30	33.3%	208	69.1%	134	83,2%
	50's	Total	36		106		173	
		Male	27	75.0%	20	18.9%	15	8.7%
		Female	9	25.0%	86	81.1%	158	91.3%
	Over 60's	Total	3		13		30	
		Male	2	66.7%	1	7.7%	0	0%
		Female	1	33.3%	12	92.3%	30	100.0%

			CUC Inc.		Sophiamedi Corp.		CUC HOSPICE Inc.	
	Total		15.4%		14.4%		24.6%	
Retirement rate (full-time employees only)	Male		17.7%		11.2%		20.0%	
	Female		11.3%		15.9%		25.6%	
		Total	15		2		0	
	New graduates	Male	5	33.3%	0	0%	0	
Number and percentage	Ü	Female	10	66.7%	2	100.0%	0	
of new hires — (full-time employees only)	Mid-career Hires	Total	90		494		293	
		Male	59	65.6%	127	25.7%	59	20.1%
		Female	31	34.4%	367	74.3%	234	79.9%
Average annual total hours	Average annual total hours worked per employee		2,048		2,075		1,	993
Percentage of working hou	Percentage of working hours previous year*4		97.9%		101.0%		97.8%	
Average monthly overtime	Average monthly overtime hours		26		17		6	
Average percentage of paid leave taken		61.8%		62.7%		57.3%		
Use rate	Male		14.0%		25.0%		33.0%	
of childcare leave	Female		100.0%		100.0%		100.0%	
Return-to-work rate	Male		100.0%		100.0%		100.0%	
after childcare leave	Female		100	.0%	100.0%		100.0%	

<sup>\*4</sup> Percentage compared to the average total hours worked in the previous year

#### Corporate Governance

Organizational structure	Company with Audit and Supervisory Committee	
Chairman of the Board	Keita Hamaguchi	
	Number of board members	6 ( including 3 Audit & Supervisory Board Members)
Dimenter	Percentage of female directors	16.0%
Director	Percentage of outside directors	33.0%
	Term of office	1 year
Audit and Supervisory Committee Member	Percentage of outside directors	66.0%
	Term of office	2 years

*As	of	July	1,	2022
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### Policy on Corporate Governance

The CUC Group believes that in order to realize its mission through sustainable activity which enhances all aspects of the business, it is necessary to implement transparent, sound, fair, and efficient management and to execute operations with appropriate supervisory functions. To achieve this, we have established a corporate governance structure and made it functional.

#### Outline of the corporate governance system and reasons for its adoption

Our company has adopted a Company with Audit and Supervisory Committee system from the viewpoint of further enhancement of corporate governance. We believe that the current system is the best for our company, which ensures speedy decision-making and management oversight by separating management decision-making and business execution from the monitoring function. In addition, CUC has adopted a system that emphasizes decision-making by meeting structure so that supervisory control in decision-making functions effectively. The Company's Board of Directors consists of three directors and three audit committee members, and is chaired by the representative director. The Board of Directors meet regularly once a month, and extraordinary meetings are held as necessary. The Board of Directors make decisions on matters stipulated by

Board of Directors Meetings for FYE	Number of meetings	12			
	Director attendance rate	100.0%			
March 2022	Audit committee member attendance rate	100.0%			
Audit and Supervisory Committee Meetings for	Number of meetings	14			
FYE March 2022	Attendance rate	100.0%			
Number of Corporate Off	Number of Corporate Officers				
Accounting Auditor	PricewaterhouseCoopers Aarata LLC				

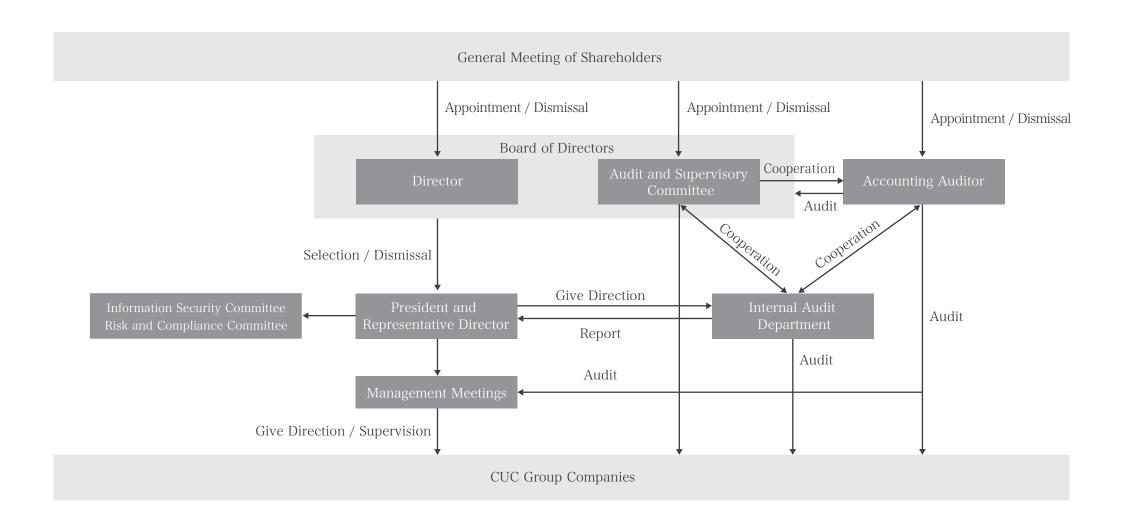
law and the Articles of Incorporation, as well as on important business operations in accordance with regulations, and monitor the status of business execution by each director.

The Company's Audit and Supervisory Committee consists of three members. They hold regular meetings once a month and extraordinary meetings as necessary. The Audit and Supervisory Committee exchanges information and opinions with the internal audit staff and the accounting auditor as needed, and also works closely with them by holding regular three-party meetings to improve the audit function.

The Company has introduced an executive officer system, and a management meeting is held weekly with the Executive Director, the Chairperson of the Audit and Supervisory Committee, and the Corporate Officer. The Representative Director serves as the chairperson, and the general managers of each department attend the meeting as observers as necessary to ensure prompt decision-making in line with business conditions.

Two employees are in charge of internal audits, and they work on the legality of business execution and appropriateness of operations, including risk management in accordance with codes of practices and ethics.

#### Governance Framework



## Board of Directors and Corporate Officers



Representative Director
Keita Hamaguchi
Founder and Representative
Director, CUC Inc.



Takamichi Tanabe

Joined CUC Inc. in 2015.

Overseeing the domestic and international medical institution support business.

Director



Tomomi Oketani

Joined CUC Inc. in 2015.

Overseeing the CUC Group's administrative functions.



Director (Audit Committee Member)
Hirohumi Oba
Executive Officer, M3, Inc.



Director (Audit Committee Member)
Yuki Mitsuhara
Representative of Keep Moms
Smiling (NPO).



Director (Audit Committee Member)

Ryoichi Yonemura

Former Auditor,

Kirin Company, Limited.



Jun Hashimoto

Joined CUC Inc. in 2021.

Overseeing financial and investment strategy, human resources strategy, and public relations strategy as the

head of the Corporate Strategy

Corporate Officer

Department.



Aya Ito

Joined Sophiamedi Corp. in 2019.

Appointed as the Representative

Director of Sophiamedi in February
2022.

Corporate Officer



Masaaki Inoue

Appointed as the
Representative Director of CUC
HOSPICE Inc. in July 2022.

#### Company Information

## 

Company Name CUC Inc.	Group Companies
-----------------------	-----------------

Established August 8, 2014 CUC i-DATA Inc.

CUC FOODS Inc.

CUC HOSPICE Inc.

Representative Director Keita Hamaguchi CUC PROPERTIES Inc.

Capital JPY 2,126 Million (Including Capital Reserve)

Medical Pilot Inc.

Key Shareholders M3, Inc. (Parent Co.), Development Bank of Japan Inc. Sophiamedi Corp.

Main Business Support Business for Medical Institutions,

Healthcare Consulting Business,

Visiting Nurse Business and Hospice Business

Address 2F Nomura Fudosan Higashi-Nihonbashi,

1-1-7 Higashi-Nihonbashi, Chuo-ku, Tokyo 103-0004

Tsurumi-ekimae Contact Co., Ltd

Toseki Research & Development Co., Ltd.

Wakakusa Contact Co. Ltd.

CHANGE UNTIL CHANGE HEALTHCARE COMPANY LIMITED

CHANGE UNTIL CHANGE MEDICAL SERVICES COMPANY LIMITED

CHANGE UNTIL CHANGE MANAGEMENT SERVICES JOINT STOCK COMPANY

CHANGE UNTIL CHANGE VIETNAM COMPANY LIMITED

CUC SINGAPORE PTE.LTD.

GRHAMEDS CUC HEALTHCARE,PT

## CUC Group Sustainability Report 2022

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1-1-7 Higashi-Nihonbashi, Chuo-ku,
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https://www.cuc-jpn.com/en/



