Where the Nihon Chouzai Group is going

How Nihon Chouzai Group Will Create the Future

A foundation to support value creation

Contents

Management Assets of the Nihon Chouzai Group

22

23

Contents

| 01 | Where Nihon Chouzai has been Our reason for existing today | CEO Message | | 01 |
|----|---|--|---|----|
| | | Contents, Editorial Policy | | 05 |
| | | Group Philosophy | | 06 |
| | | The Value We Have Created | | 08 |
| | | Strengths Cultivated over More Than Four Decades | | 09 |
| | | At a Glance | | 10 |
| | | Business Overview | | 11 |
| 02 | Where the Nihon Chouzai Group is going The future we want to create | Long-Term Vision | The Kind of Group We Want to Become | 13 |
| | | | Roadmap to Achievement | 14 |
| | | | Anticipated Operating Environment, Risks and Opportunities | 15 |
| | | | Evolving Management Toward Realization | 16 |
| | | | Strategies for Realization | 17 |
| | | | Roadmap of Formulation | 19 |
| | | | Next-Generation Core Members Look ahead to the Future | 20 |

|)3 | How Nihon Chouzai Group Will Create the Future Our Strategy | Management Assets of the Ninon Chouzal Group | | 20 |
|----|--|--|--|----|
| | | Financial Strategy | | 24 |
| | | Human Capital Strategy | Reinforcing Human Capital | 26 |
| | | | Ensuring Diversity and Building a Sustainable Organization | 27 |
| | | | Boosting Employee Fulfillment and Satisfaction | 29 |
| | | | Cultivating an Environment that Facilitates Work | 31 |
| | | Stakeholder Engagement | | 32 |
| | | Business Overview | Dispensing Pharmacy Business | 33 |
| | | | Information Provision and Consulting Business | 43 |
| | | | Pharmaceutical Manufacturing and Sales Business | 46 |
| | | | Medical Professional Staffing and Placement Business | 51 |
|)4 | A foundation to support value creation Corporate Governance | Sustainability | Material Issue | 56 |
| | | | Sustainability Management | 57 |
| | | | Special Feature: Initiatives to Contribute to a Carbon Neutral, Circular Economy | 59 |
| | | Corporate Governance | Governance to Support Value Creation | 61 |
| | | | Roundtable Discussion with Outside Directors | 65 |
| | | | Board of Directors | 68 |
| | | Company Profile | | 70 |
| | | Data Section | 11-Year Summary of Financial and Non-Financial Data | 71 |
| | | | External Evaluations and Participation in External Organizations | 72 |

Value Creation Process

On the Publication of Integrated Report 2024

As a healthcare group that gives people the closest possible support, the Nihon Chouzai Group is working to enhance corporate value over the longer term by creating social and economic value through its business activities.

The integrated report outlines our management policies, business strategies, and the story of our longer-term creation of corporate value. We publish the report to serve as an engagement tool for deepening communication with shareholders, investors, and other stakeholders.

Integrated Report 2024 places our new long-term vision, announced in September this year, at the center of our story. It discusses the hopes and aspirations of management and employees that have been incorporated into our vision for 2035 as well as the path and strategies we will pursue to achieve the vision. Our hope is that this report will help our stakeholders gain a better understanding of changes in our management approach and the new value Nihon Chouzai is creating.

Reporting period

The reporting period is FY2023 (April 2023March 2024), with references to periods prior to FY2023 and FY2024 included as necessary.

Note on Forward-Looking Statements

Integrated Report 2024 contains forward-looking statements about the plans, strategies, and performance of the Nihon Chouzai Group. These statements are based on management's judgments derived from currently available information. Please note that actual business performance is subject to various risks and uncertainties and results may differ significantly from the statements.

Factors that can affect the outlook include economic conditions surrounding the various business areas, the status of revisions to relevant laws and regulations, the status of revisions to medical fees, and the status of product development. However, factors that can affect business performance are not limited to these.

05