

Society

Creating an Attractive Workplace

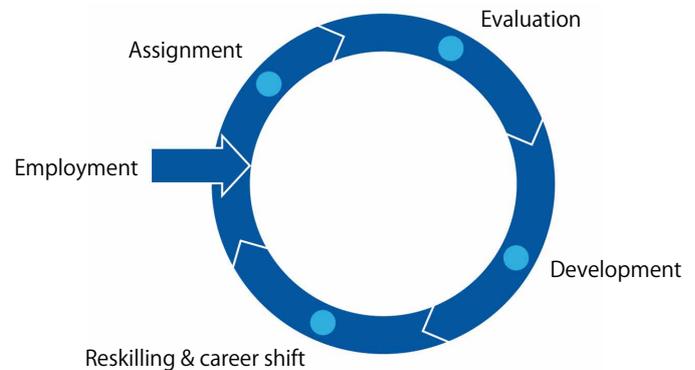
Development of Human Resources —Employee Journey—

Global HR Policy

Sysmex believes allowing every employee to develop a fulfilling career is essential to sustainably enhance its corporate value and create a highly engaged organization. An “employee journey” encompasses all stages of an employee’s career, from joining Sysmex to retiring or leaving Sysmex to find a new employer. We help diverse individuals working at Sysmex build their own careers and learn continuously and independently.

To support a self-driven career, we have a job-based personnel system in place across the Group. We

have implemented various measures in accordance with defined duties and personnel requirements. These human resource management activities follow our Global HR Policy as their fundamental principle.



► Global HR Policy

Diverse Talent Acquisition

Recognizing that innovation comes from diversity in talent, Sysmex Corporation hires people with different experiences and values. Under the slogan of “anywhere, anytime, and anyone”, we hire people throughout the year based on their personal character, regardless of nationality, race, gender, age, employment history, or disability.

Our recruitment is based on job type and position, allowing applicants to apply in accordance with their specializations or work preferences. We also monitor our efforts to hire job applicants directly from overseas universities*¹ and set hiring targets by gender*² to actively promote the recruitment of diverse individuals.

Hiring and developing human resources who support our growth strategy is an important aspect of our human capital strategy. We have been investing in human capital, maintaining a balance between the sustainable improvement of value-added productivity (28 million yen per employee in fiscal 2022) and total labor cost.

*¹ Proportion of employees with foreign citizenship, hired directly from overseas universities, among all new graduates hired: about 10% in fiscal 2022

*² Proportion of female employees among all new graduates hired: 35.9% in fiscal 2022 and 40% as a target for fiscal 2023

Assignment According to the Needs of Employees and Teams

At Sysmex Corporation, employees are assigned jobs by matching their desires with the requirements of divisions, to promote their self-driven career development.

A matching algorithm is used to determine the divisions that new recruits should be assigned to, ensuring that both the recruit’s desires and the requirements of the divisions are considered. As a foundation for self-driven career development, we have also introduced an apprentice system* whereby our employees can undertake new roles. This offers them opportunities to develop their career prospects by broadening their expertise.

These actions yielded significant results in fiscal 2022. The three-year turnover rate for new graduates was 0%, and the voluntary turnover rate was 2.7%, achieving our target of less than 3.0%.

* When there is a vacant position, a specified trial period is set for an apprentice so that the employee’s potential for both the position and the team can be determined before formal assignment.

Evaluations and Commendations to Encourage New Attempts and Recognize Achievements

At Sysmex Corporation, we have introduced an evaluation system incorporating the concept of continuous performance management (CPM) to achieve an agile response to changes in the internal and external environment in times of drastic change. This system encourages employees to take on challenges by flexibly reviewing their targets and actions in response to changes, without sticking to their original targets set at the beginning of the term, and evaluating them based on a point-addition system. Employees regularly have one-on-one meetings with their supervisors throughout the year. These meetings provide opportunities to them to discuss day-to-day operations and career development, as well as goal setting and evaluation, helping them to grow and to build trust in leadership. In our semiannual Corporate Culture Survey, we assess our employees' level of confidence in leadership to develop future leaders and improve our organizational culture.

Additionally, through our Group CEO Award, a system to recognize divisions and teams, we annually select and honor individuals and teams that contribute significantly to enhancing corporate value or addressing social issues by practicing the Sysmex Way, our Group corporate philosophy, and to share their achievements across the organization.

To motivate R&D engineers and heighten awareness of intellectual property, we have also introduced the Patent Grand Prize/Patent Prize of Distinction, the Patent Meister, and the Filing Commemoration Prize. In addition, we present the Quality Award for achievements in quality improvements.

Training Programs Tailored to Individuals

To respect diverse working styles and values, Sysmex offers a wide range of learning programs on business skills and career design that employees can voluntarily take based on their career aspirations.

Employees can even join some of the programs across national borders through the availability of online courses for learning from home. In fiscal 2022, all employees participated in one of these conducted training programs. The benefits include not only the growth of individual employees, but also enhanced productivity through skill improvement and exchanges between participants, which have, in turn, resulted in better mutual understanding and cross-functional networks. (Investment in training in fiscal 2022: 92,000 yen per employee.)

Our Corporate Culture Survey indicates that most of the employees support these training programs; 65% of them provided positive responses, noting that they were offered opportunities for growth through such programs. Sysmex Corporation also supports continuous learning by employees of all ages and ranks. Our "smart work" system, which is intended to facilitate diverse working styles, encourages employees to spend 15 minutes of their working hours per day on self-study. During fiscal 2022, our employees spent an average of 42.8 hours on learning.

► Promotion of Diverse Working Styles and "Smart Work"

Development of Next-Generation Leaders

Developing next-generation leaders is a crucial component of Sysmex's human capital strategy to achieve sustainable corporate value enhancement. Since the introduction of a job-based personnel system, we have conducted talent reviews to measure differences between the desired and actual roles of each position and regularly monitored the sufficiency of our talent pool and the availability of successors for senior positions.

For the candidates chosen as successors, we formulate development plans to address individual issues and offer necessary leadership development programs. Among these programs, a selective leadership program for employees with the status of "ready to be a successor" provides them with opportunities to think from a leader's perspective, facilitating their promotion to higher positions. In fiscal 2022, on-board training (for promoted employees) was attended by a total of 4,308 employees, while selective training (for candidates chosen as successors) was attended by 91 employees.

In fiscal 2023, we restarted global training, which had been suspended due to the COVID-19 pandemic, promoting our investment in the development of global leaders.

Reskilling & Career Shifts

To help employees broaden their career horizons, Sysmex supports employees' reskilling and career shifts based on their experience in current jobs or relevant fields rather than through input-driven learning.

For example, for reskilling in digitalization, we have systematized knowledge and skill sets needed for digital transformation (DX) and offer programs at different levels.

To support those who are to be reassigned at their request, our apprentice system provides a six-month trial period during which such employees can work as an apprentice so that their suitability for the position and the team can be determined before formal assignment. After the expansion of our job-based personnel system to the Group's affiliated companies, positions in different divisions or Group companies have become more easily comparable based on common grades. Matching employees' expertise with their preferred areas of work has effectively helped them not only pursue and establish their careers, but also build their second careers through reskilling efforts and work experience.

Training for Research and Development Personnel

Sysmex Corporation holds a Sysmex Innovation Forum annually to present research results and initiatives, with the aim of enhancing the skills and motivation of personnel working in research and development.

We also conduct specialized training for research and development personnel. In fiscal 2022, in order to create and stimulate innovation, some of our employees participated in external programs. This included the Japan Biodesign Fellowship Program, whose objective is to cultivate individuals who can provide solutions to issues. Involvement begins in product development from the initial stage, starting from the needs of clinical settings. We also offer the Female Participation and Advancement in Innovation Program organized by Osaka University.

We have conducted a wide range of measures for project development personnel, including programs to learn international standard project management methods and lectures by external experts intended to foster awareness of value delivery to patients.

Sysmex EMEA* Campus

For all employees in the EMEA region, Sysmex has established EMEA Campus, a training space offering various online and offline training programs. EMEA Campus plans lectures and workshops on various themes, including skills for general business and technical abilities, with the goal of developing future leaders, enhancing skills, and creating internal networks. For managers, "Ready to Lead," a customized leadership training program, was set up to help them master team management skills. Other diverse programs are available on such subjects as human resource development, coaching, and reverse mentoring to support the acquisition of skills needed for leadership.



* Europe, the Middle East, and Africa

Other Human Resource Development Programs

Company	Program/Measure	Objectives/Overview
Sysmex Corporation, Sysmex RA	"Monozukuri" Professional Training Activities	Promotes development of human resources for manufacturing as one of our production reforms. Provides training for new employees, training in skills needed to become multi-functional workers, and technical knowledge needed for <i>monozukuri</i> (manufacturing).
	DX Literacy Education	Offers DX literacy training to develop skills to effectively use AI and other emerging technologies for the purpose of developing new ways to use data, increasing operational efficiency, and implementing innovations.
Sysmex America	Sysmex University	A training program for all employees in the United States, Canada, and Latin America that combines online and offline sessions. Offers courses focusing on wide-ranging subjects, including business skills (e.g., leadership skills and project management), specialized skills, and mentoring.
	Sysmex Management Academy	Six-month training for selected personnel, including newly appointed managers. Aims to strengthen management skills by providing insight into the roles and responsibilities of Sysmex management.
Sysmex Europe	Sysmex Academy	Offers programs in which trainees acquire product-related and medical knowledge. Aims to increase trainees' specialized knowledge and develop trainers for customer training.
Sysmex Shanghai	Sysmex Shanghai University	Online training for all employees started in fiscal 2019 to support employees' professional growth.
Sysmex Asia Pacific	LinkedIn Learning	Offers around 100 online training courses using a social media platform (LinkedIn) for all employees. Designed for trainees to acquire and improve skills such as management, leadership, critical thinking, business analysis, and data analysis.
	Sysmex Academy	Offers online programs in which trainees acquire medical and product-related knowledge.

HR Tech

Sysmex centrally manages human resource information for the entire Group. This personnel information is strategically used to promote DX and promote job satisfaction. To prevent leakage of critical personal information, this data is subject to access restriction in accordance with our global data management rules, in addition to being protected with the data management function of the computer systems used. This scheme ensures that we can use data securely and in a timely manner.

By offering remote working options and online training, we have created an environment in which employees can work flexibly based on their job duties and personal lifestyles. We also leverage advanced technologies for talent management, such as using matching algorithms to support autonomous career development and providing real-time feedback from employee engagement surveys.

Society

Promotion of Diversity, Equity & Inclusion

Promotion of Diversity, Equity & Inclusion

Supporting Diverse Human Resources in Pursuing Careers

Throughout the Sysmex Group, human resources are considered an important management resource for achieving sustainable growth. We strive to realize diversity, equity, and inclusion (DE&I), an approach that involves creating an inclusive working environment where a wide variety of people can comfortably work and receive equal opportunities.

Sysmex Corporation has a diversity promotion function that delivers related information and advocates diversity. We also conduct internal opinion surveys to incorporate the views of employees into the measures we implement. Measures implemented in fiscal 2022 included holding a seminar on unconscious bias, giving employees access to "FemTech" services* and other relevant programs, and organizing dialogues between external experts and the Company's chairperson.

In addition to respecting and accepting diversity, it is essential to provide equal opportunities at work. We are committed to gender equity, which is a concept aimed at eliminating inequalities between men and women, as well as fostering an understanding of sexual minorities and empowering employees with disabilities and senior employees.

* The term "FemTech" refers to technologies designed to solve health issues specific to women, as well as to products and services based on such technologies.

Stakeholder Dialogue

We organized a dialogue between Sputniko!, a person continuously active on a global level as an artist, university associate professor, and entrepreneur, and Hisashi Ietsugu, the Company's chairperson, in which they talked about diversity management.



Sputniko!: Is Sysmex prioritizing diversity in the sense of promoting open innovation and creating innovation through integration of various fields?

Ietsugu: Yes. It is important how you integrate diversity. In an age of uncertainty, integrating individuality and strengths will make faster growth possible and increase a company's competitive advantage. Integrating people with various cultures, beliefs, values, and work backgrounds is not easy. Appreciating others is extremely important and I think that this is the foundation of diversity.

[Please click here for details:](#)

HIRE Vets Medallion Award Received

Systemex America promotes the employment of veterans. In 2022, the company received a gold medallion in the HIRE Vets Medallion Award, a program related to veteran hiring that is operated by the United States Department of Labor. It recognizes companies for their commitment to recruiting, hiring, and retaining veterans.

Through employment of veterans, Systemex Americasupports long-term career development based on diverse skills.



Andy Hay, CEO of Systemex America, and George Johnson, a Navy veteran and currently Senior Specialist, Talent Acquisitions at Systemex America



Supporting Women's Career Activities

Systemex Corporation works to provide a comfortable working environment by establishing a system to support employees in pursuing their careers while raising children, among other supportive actions. This Plan targets a proportion of at least 15% female managers among all managers (10.1% in fiscal 2022), with less than 1,950 annual working hours (2,020 hours in fiscal 2022) by fiscal 2024. * We have also set targets for the percentage of next-generation female managers and the rate of childcare leave taken by male employees to address both career development and working style issues. We are determined to continue actions to empower women in the workplace.

Our initiatives in fiscal 2022 included a seminar on unconscious bias, a training program to support career motivation, and a training program to promote understanding of the empowerment of women in the workplace for newly appointed managers.

In terms of remuneration, we are working to eliminate the pay gap between male and female employees by determining their pay based on their duties and roles, under our Groupwide HR policy. At Systemex America, we conduct monitoring and external audits of employee categorization by both ethnicity and gender, to ensure that there are no unfair pay gaps related to either.

* Excluding some Group companies



Eruboshi certification is given to excellent companies based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace. Systemex received Level-3 certification, the highest grade.



Fiscal 2022 Mimosa Company certification based on the Hyogo/Kobe program to recognize companies empowering women.

▶ [Action Plan under the Act on the Promotion of Women's Active Participation \(Systemex Corporation\) \(113KB\)](#)

▶ [Act on the Promotion of Female Participation and Career Advancement in the Workplace \(Ministry of Health, Labour and Welfare\) \(Japanese\)](#)

Understanding of Sexual and Gender Minorities and Our Response

Systemex incorporates a rainbow flag in the profile images of the official social media account for each Systemex Group company during Pride Month in June to demonstrate the Groupwide understanding of, and support for, LGBTQ+ *1 people.

In fiscal 2020, Systemex Corporation established a partnership registration system, under which partners in same-sex relationships are recognized as spouses. In 2022, the Company also announced its endorsement of "Business for Marriage Equality (BME)" to support the legalization of same-sex marriage (marriage equality) in Japan. Since 2022, we have been involved in Tokyo Rainbow Pride, the biggest LGBTQ+ event in Japan.

We have an intranet site dedicated to this topic to deepen understanding among employees by disseminating information to broaden their knowledge about sexual minorities. Employees are also given access to e-learning materials and can borrow an introductory textbook to learn how to improve the working environment in the context of SOGI. Our other efforts include holding diversity roundtable discussions *2 on the theme of "LGBTQ+ and Gender."

Through these activities, in fiscal 2022 we earned the highest rating of Gold in the "PRIDE Index 2022," which evaluates companies and organizations based on their commitment to LGBTQ+ and other sexual minority issues.

* 1 General acronym whose letters refer to sexual minorities regarding orientation/gender identification (lesbian, gay, bisexual, transgender, questioning/queer; the "+" represents other diverse sexualities).

* 2 Roundtable discussions are held to exchange opinions on a wide range of topics, including work-life balance and cross-cultural understanding, as well as to provide opportunities for interdepartmental community building.



Supporting People with Disabilities

By creating a workplace in which people with various physical, intellectual, and psychological disabilities can work in keeping with their abilities, Systemex aims to foster an environment in which everyone in the Group, regardless of disability, can work and grow together enthusiastically and comfortably.

Systemex Harmony, a special subsidiary,* provides manufacturing support for our instruments and reagents, including packaging for instrument accessories and parts and the folding of reagent package inserts. This company is also responsible for packaging PCR test kits, which saw an increase in demand due to the COVID-19 pandemic. To help employees with disabilities continue to work for many years, Systemex Harmony carries out various retention initiatives, such as assigning them to work based on their individual abilities and ensuring that they can closely communicate with their instructors through regular interviews. The percentage of our employees with disabilities was 2.31% in Japan for fiscal 2022. We are committed to continuing our efforts to increase the roles of employees with disabilities by improving their working environment and fostering a better understanding of their needs within their workplaces.

Systemex Europe works with an organization that endeavors to support the independence of people with disabilities. The company subcontracts packaging work on the manufacturing line of its reagent factory in Germany to such persons.

* A subsidiary that has been certified by the director of a Public Employment Security Office for special consideration in the employment of people with disabilities. Subsidiaries with labor regulations different from those of the parent company can give more consideration to the work capabilities and labor conditions of people with disabilities in their labor regulations and workplace environment, which makes it easier to increase the employment of such workers.

Seniors in the Workforce

In March 2021, Systemex Corporation raised the retirement age from 60 to 65* following the introduction of our job-based personnel system. As we have corrected the age-related treatment gap and promoted various working styles, senior employees can now work for shorter hours and have side jobs. After retirement at 65, our employees are also entitled to work as senior contract employees until they turn 70.

We implement a Career Development Support Program as one of our efforts to assist senior employees in career development.

This program is designed to provide basic knowledge and promote understanding of the views needed for career planning. It combines e-learning, group training, and individual consultations to support participants in their autonomous career planning and specific work behavior changes.

※ Each employee can choose his/her retirement age between 60 and 65.

Diversity Education

Systemex Corporation publishes a monthly in-house magazine called the “Diversity Newsletter” to share information with employees and promote their understanding of diversity issues. In fiscal 2022, we organized diversity roundtable discussions on topics such as LGBTQ+, support for people with disabilities, health and productivity management (e.g., mental care), paternal parenting and the revision of the systems under the Act on Childcare Leave, generation-related issues (i.e., understanding Generation Z), and the working styles of seniors. Training that encourages awareness and action to address unconscious bias was also provided. With regard to childcare, we particularly emphasize programs that encourage involvement of men in parenting. Specifically, we have organized seminars where male employees spoke about the importance of paternal parenting and how to balance work and life. We have also introduced an online seminar service focused on gender-specific healthcare (including FemTech and infertility treatment). Employees can attend seminars on the topics of their choice.

Such diversity education is provided globally in line with culture and characteristics in each region. In the EMEA region, we have conducted training to prevent discrimination and facilitate cross-cultural communication, considering the local workplace characterized by employees diverse in nationality, ethnicity, and culture.

Society

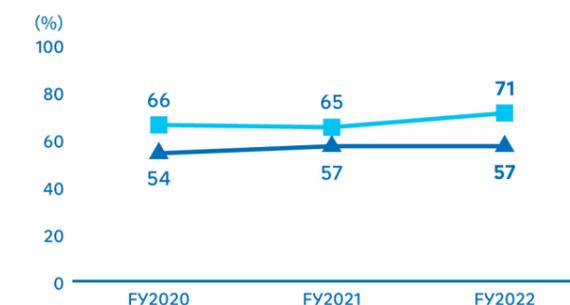
Increasing Engagement

Setting Employee Engagement as an Important Indicator of Our Corporate Strategy

Every year, Systemex conducts a Corporate Culture Survey of all employees across the Group. The survey found the Group’s engagement score for fiscal 2022 was 71%. This score is at par with those of the Fortune 500 companies, and high employee engagement is a key driver for the Group’s growth. Having set employee engagement as an important indicator in our “Long-Term Corporate Strategy 2033,” initiated in fiscal 2023, we will promote innovation and improve productivity across the Group.

The engagement score of Systemex Corporation for fiscal 2022 was 57%. To improve the engagement of employees in Japan, who account for about 40% of the Group’s employees, we have been implementing and monitoring action plans to improve employees’ support of the corporate philosophy (69% in fiscal 2022) and their satisfaction with well-being (56% in fiscal 2022). Pulse surveys, which cover a shorter period, have also been introduced to determine the progress status of the measures undertaken and to allow rapid incorporation of the opinions of employees.

Engagement score



■ Systemex Group ▲ Systemex Corporation on a non-consolidated basis
* FY2020 and 2021 of Systemex Group: Except EMEA (Europe, the Middle East, and Africa)



* Percentage of positive responses in the FY2022 Systemex Corporate Culture Survey

► Status of Sustainability Targets

Monitoring the Effects of Human Capital Investment

Indicators of the Effects of Human Capital Investment — “Value-Added Productivity” and “Engagement”

Systemex aims to balance value-added productivity* and employee engagement. As indicators of the effects of human capital investment, we monitor value-added productivity and employee engagement scores.

The value-added productivity per employee of Systemex Corporation for fiscal 2022 reached a record high of 28 million yen, which demonstrates the effectiveness of our human capital investment. The return on human capital investment (operating profit divided by labor cost) also reached a record high of 155.7%. These achievements are attainable only when employees maintain a high level of engagement and willingly take on new challenges. Our action plans to foster an organizational culture that balances value-added productivity and employee engagement have been producing consistent outcomes.

* (Operating profit + labor cost + human capital depreciation)/working hours

Joint Achievement of Comfortable Working and Productivity Enhancement

Systemex Corporation introduced a “smart work” system to respect the diversity of individual employees, as well as to respond to the “new normal” business environment and realize productivity enhancement.

It adopts a hybrid workstyle combining onsite (office) and remote (from home, etc.) working. In addition, we promote time management to realize a good work-life balance by allowing our employees to combine flextime, staggered office hours, and “stepping out from work” according to their business duties and individual lifestyles. As a result of these efforts, the percentage of fathers taking childcare leave reached 62% in fiscal 2022, achieving the target of 60% for fiscal 2023 ahead of schedule.

▶ Introducing the “Smart Work” System (Sustainability Topics)



Encouraging Paid Leave and Ensuring Continuous Employment

Systemex Corporation uses various measures to encourage employees to take paid leave. They include the introduction of recommended dates for paid leave and a half-day paid leave system. Other measures include allowances paid under the “Cafeteria Plan”* (our welfare program) to employees who take paid leave for travel, leisure, or courses at culture centers. In addition, we have a leave of absence and re-employment program designed to offer a wide range of opportunities for employees who leave our employment due to their spouses’ overseas assignments or for other personal reasons, so that they can return to work.

* The Cafeteria Plan provides Cafeteria Points, which entitle employees to select and sign up for certain programs (e.g., parenting support, care assistance, health improvement, and certification) on their own.

Supporting a Balance between Work and Child-Rearing

Systemex Corporation has introduced several programs to provide family support, from prenatal care to child-rearing. These programs include leave for fertility treatment or morning sickness, a spouse’s childbirth, and nursing children. When childcare leave expires after an employee’s child turns two years of age, employees are entitled to reduced working hours, and a work-from-home program until the child enters junior high school. To support employees returning to work after childcare leave, we hold seminars before their return. We also send out newsletters to employees currently on childcare leave to keep them informed of work issues. Technopark, our R&D site, has an in-house daycare center called Systemex Kids Park. It is also available for temporary use when employees’ spouses work part-time, children’s guardians are sick, or an employee is arranging a funeral. Through such support, we encourage all employees who desire to return to work after childcare leave to do so.

In recognition of such initiatives, we have received a next-generation support certification logo (nicknamed “Kurumin”*) as a “company that supports child-rearing” from the Ministry of Health, Labour and Welfare.

* Based on the Act on Advancement of Measures to Support Raising Next-Generation Children, companies that formulate business plans as general business operators, meet the targets designated by such plans, and satisfy certain standards may receive Kurumin certification as companies “that support child-rearing” from the Ministry of Health, Labour and Welfare.



Systemex Kids Park (Japan)



Next-generation support certification logo (Kurumin)

Stakeholder’s Voice

Having returned to work from childcare leave, I work full time while using Systemex Kids Park. I decided to use the daycare center because it has a large playground and offers a superb environment in which in-house meals are cooked. In addition, because it is located within the company premises, I can run to the center immediately in the event my child becomes ill. So, I can leave my child in the care of the center with peace of mind. And on top of that, systems to allow me to work flexibly, including the “smart work” system, as well as gain support from others around me, enable me to achieve a balance between child-rearing and work.



Saya Yamashita, Next Generation Medical Business Development Office

Encouraging Male Employees to Take Childcare Leave

Systemex Corporation implements measures to increase the number of male employees taking childcare leave. We have distributed a booklet, “Guidebook for Fathers on Childcare Leave”, and held seminars with external lecturers for male employees and their supervisors to explain the present status of childcare by men, the importance of men being involved in parenting, work-life balance, and the essentials of childcare, in addition to appropriate support by supervisors to allow male employees to take child care leave, and we have held discussions on these issues. We also held a seminar in collaboration with our labor union, Systemex Union, to raise awareness of childcare leave for male employees.



Systems to Support Work-Life Balance

Supporting Nursing Care, Corporate Citizenship Activities, and Others

Sysmex Corporation has introduced a program that allows employees who need to attend to family members in the hospital to take short-term nursing care leave and accumulated paid leave for up to 40 days in half-day increments. We also have a work-at-home system that enables employees to care for family members who require nursing care or other types of support. In addition, we have an income indemnity system for employees on nursing care leave lasting one month or longer, and a program for re-employment of those whose careers have been interrupted by nursing care. In order to promote our nursing care systems, we hold explanatory sessions on nursing care every year to explain important points when a family member requires care, and to hear the experience of the people who have used the system.

Volunteer leave and donor leave programs are also available as support systems intended to make it easier for employees to take leave for particular purposes.

Activities at Group Companies

Our Group companies also engage in various initiatives to provide a comfortable working environment.

The companies in the EMEA region^{*1} have all received the Great Place to Work^{*2} award for their excellent workplace environments and employee satisfaction. In the engagement survey, over 95% of employees of Sysmex Turkey gave positive answers to the question of whether they were “employed fairly regardless of gender, nationality, ethnicity, etc.” At Sysmex UK, all managers have completed training on well-being, so that emphasis is placed on the health of each and every employee and a positive work-life balance is ensured for all employees. Sysmex South Africa is expanding systems to support a balance between work and child-rearing. The efforts include incorporation of a maternity policy into its human resources policies and a guarantee of four months of paid maternity leave.

^{*1} Sysmex EU: Sysmex Deutschland, Sysmex Belgium, Sysmex Netherland, Sysmex Turkey, Sysmex Austria, Sysmex UK, and Sysmex France

^{*2} Rankings of companies announced by Great Place to Work (GPTW), a research institute that specializes in studies and analyses of corporate employee job satisfaction. GPTW publishes in influential media the names of companies and organizations in about 60 countries that have been judged to meet certain standards.



Employees of Sysmex Belgium and Sysmex Netherlands

Other Activities at Group Companies

Company	Initiatives
Sysmex RA	<ul style="list-style-type: none"> • Use of company-led nursery facilities • Received the next-generation support certification logo (nicknamed “<i>Kurumin</i>”[*]) as a “company that supports child-rearing” from the Ministry of Health, Labour and Welfare
Sysmex America	<ul style="list-style-type: none"> • Introduction of a flextime system and work-at-home system • Introduction of a childcare leave system exceeding statutory requirements (for both fathers and mothers) • Introduction of a family support system (parenting support, family holiday, and allowances for use of external support systems when family members become ill)
Sysmex Europe	<ul style="list-style-type: none"> • Introduction of a flextime system and work-at-home system • Provision of onsite rooms for parents and children • Introduction of a childcare leave system (for both fathers and mothers) • Childcare support system (allowances for use of external support systems)
Sysmex Shanghai	<ul style="list-style-type: none"> • Introduction of a flextime system • Introduction of various working arrangements in response to the COVID-19 pandemic
Sysmex Asia Pacific	<ul style="list-style-type: none"> • Introduction of a flextime system and work-at-home system • Childcare support system (childcare leave extension system, subsidies for medical insurance, and provision of scholarships) • Introduction of a family care leave system for nursing and child care • Medical insurance for all employees covering 37 diseases • Introduction of a welfare system for contract employees • Introduction of a volunteer leave system

Society

Promotion of Health and Occupational Safety: Wellbeing

Declaration of a Healthy Company and Materiality

Systemx Declaration of a Healthy Company

Systemx regards the promotion of a healthy company to be a management issue. Our goal is that our employees, who are the foundation for the practice of the Group's corporate philosophy, will have fulfilling lives both physically and mentally. The Systemx Declaration of a Healthy Company, drawn up in April 2020, specifies matters of critical importance regarding such aspects as occupational health and safety, as well as mental and physical health (materiality of health and productivity management). This has prompted Systemx to make continuous efforts toward employee health enhancement, create working environments where diversity is valued, and provide workplaces that make employees proud.

We also conduct wellbeing research in our annual engagement survey. More than 80% of employees* have given positive answers to the questions about "a safe workplace" for two consecutive years.

* Target: Systemx Corporation

Materiality of Health and Productivity Management:



► Systemx Declaration of a Healthy Company

Our Efforts towards Health Enhancement

Efforts towards Employees' Health Enhancement

Systemx Corporation provides regular medical checkups for its employees, together with complete physical examinations and health screenings for female-specific cancers. It also encourages each employee who has received thorough examination results to undergo a secondary examination when necessary. If an employee needs to receive long-term medical examinations and/or treatment, we make work-at-home arrangements for them among our efforts to help them continue to work. Moreover, in addition to mandatory semi-annual medical checkups, we provide our own biannual checkups that include tests for hepatitis B and C for employees engaging in work involving infectious substances. This is to ensure early detection and treatment of illnesses.

Systemx is registered as a partner company in the Ministry of Health, Labour and Welfare's "Cancer Screening Corporate Action" and "Know about Hepatitis Project." We have also signed the "Agreement to Promote an Increase in the Rate of Cancer Screening" with Hyogo Prefecture. These are some of our activities to educate employees about diseases and increase the rate of employees taking medical checkups.

As a measure against passive smoking, Systemx removed smoking areas at business offices retained by its Group companies in Japan. We also provide allowances to cover services for quitting tobacco use and attendance at smoking-cessation seminars.*

* Employees can apply for allowances that cover medical consultation or health-related seminars from the "Cafeteria Plan" welfare program.

► Cancer Screening Corporate Action (Japanese)

► Learn about Hepatitis Project (Japanese)



Efforts to Ensure Employees' Mental Health

Systemx Corporation performs "Kokoro no Health Checks" annually to confirm employees' mental health and uncover any harassment-related situations. We track results over time and strive to make workplace improvements. We also provide channels for health consultation with industrial physicians and public health nurses, together with an Employee Assistance Program (EAP) for mental health, to ensure that external professionals are available to our employees when they need help.

In fiscal 2022, we had industrial physicians conduct several seminars on mental health issues to raise employee awareness of the need for self-care. In addition, we have provided management training on improving organizational psychological safety for employees in managerial positions.

Systemx CNA concluded a service agreement with an external specialized institution, effective from 2021, as part of its mental health care initiative. In fiscal 2022, it offered a counseling service for employees with poor mental health and a reinstatement support service for employees on temporary leave. We conducted seminars on self-care, anger management, women's active participation, and other topics.

Efforts towards Employees' Active and Healthy Lives

Systemx Corporation has welfare facilities to encourage employees to stay healthy. These include sports grounds, tennis courts, and a gymnasium with fitness equipment on the premises of our Solution Center, which provides customer service and support. It also holds events and seminars to raise employee awareness of physical health maintenance, offers a "Cafeteria Plan" welfare program including health promotion schemes such as sports facility use allowances, and provides healthy menu options at employee cafeterias. At some offices without cafeterias, healthy canteen services, where dishes made with additive-free domestic ingredients are sold, have been launched with the aim of refreshing employees and improving their eating habits. Moreover, we have organized initiatives such as walking events and consultation services for specific forms of health guidance during working hours, in collaboration with our corporate health insurance society.



Tennis courts, gymnasium (Solution Center)

Recognition as a Company that Excels in Health and Productivity Management

Systemx Corporation undertakes various initiatives for health and productivity management, and we have an established framework for our activities that encompasses Group companies in Japan. These efforts have received positive responses, and in March 2023 we were recognized for the seventh time by the Ministry of Economy, Trade and Industry as a "company that excels in health and productivity management."



Activities at Other Group Companies

Systemex Group companies also engage in various initiatives to promote employee health.

Our Group company, HITADO, has created an in-house fitness center to provide various fitness programs for all employees, such as yoga and Pilates. It also provides COVID-19 self-tests at any time free of charge at an in-house test center.



In-house fitness center (HITADO)

Company	Initiatives
Systemex America	<ul style="list-style-type: none"> • Installation of an in-house fitness room and provision of sports programs such as yoga and weight training • Provision of fitness and health allowances • Subsidies for health checkups and influenza vaccination costs
Systemex Brazil	<ul style="list-style-type: none"> • Registration as a member company of a sports gyms that company employees can use
Systemex Europe	<ul style="list-style-type: none"> • Installation of an in-house fitness room • Provision of health management programs with sports and nutrition management professionals as instructors, online sports programs including yoga, bike lease programs, and health check-ups • Provision of stress management training • Provision of counseling services for mental and social care from external experts • Provision of free lunches and fruit at the in-house cafeteria
Systemex Shanghai	<ul style="list-style-type: none"> • Introduction of equipment to reduce CO₂ and PM2.5 in the office
Systemex Asia Pacific	<ul style="list-style-type: none"> • Provision of sports programs, including yoga, and health checkups • Placement of indoor plants in the office • Provision of free fruit at the in-house cafeteria

Framework and Promotion of Occupational Health and Safety

Framework for Promoting Occupational Health and Safety

Systemex promotes occupational health and safety management in accordance with its Regulations on Safety and Health, which were formulated under the responsibility of members of the Management Board, a senior executive officer, and a senior managing director. A Central Health and Safety Committee* was established for Group companies in Japan. The committee aims to reinforce and enhance Group companies' occupational health and safety systems. To this end, the committee formulates policies and targets, ascertains the status of occupational health at individual business sites, and considers measures for improvement. It will further clarify the roles of its industrial physicians and nurses and work closer with employees to engage in health promotion, disease prevention, and health education activities. We have also set targets for lost-time injury frequency rates and lost workday rates as sustainability targets, and we report on the status of these initiatives to the Managing Board semiannually.

* The Central Health and Safety Committee consists of members including the HR & General Affairs divisions, chairpersons of the Health and Safety Committees of various business offices, persons recommended by the Systemex Union, and industrial physicians and health nurses.

Lost-Time Injuries Frequency Rate/Lost Work Day Rate



● Average frequency among all industrial sectors in Japan¹
 ▲ Lost-time injuries frequency rate² ■ Lost work day rate²

Note: Lost-time injuries frequency rate: number of employee deaths or injuries resulting from work-related accidents per million hours actually worked
 Lost work day rate: number of days absent from work due to work-related injuries per 1,000 hours actually worked

1 Source: "Survey on Industrial Accidents," Ministry of Health, Labour and Welfare
 2 Target: Group companies in Japan

► Status of Sustainability Targets

Initiatives for Occupational Health and Safety

Health and Safety Committee meetings are held regularly at each Systemex business office, and preemptive measures are taken from both short- and long-term perspectives based on a risk management concept, which includes eliminating risks identified through walk-around checks. In addition, the Central Health and Safety Committee, which monitors Systemex Group companies in Japan, introduces measures and targets for health and safety and health management of domestic Group companies, monitors their progress, and deliberates on a variety of items ranging from measures against workplace risks and overwork to measures to ensure the safe handling of chemicals used in research. In the event of an industrial accident, the Health and Safety Committee of the relevant business office will deliberate on the causes of, and countermeasures against, the accident and report these to the Central Health and Safety Committee, which will share the reported contents within the entire Group with the objective of preventing a recurrence of the accident.

In addition, employees are given safety training on emergency and evacuation measures to be taken in the event of an accident or an employee suddenly falling ill, on handling potentially dangerous machinery and raw materials, and safe driving. We hold comprehensive fire drills based on hypothetical large-scale disaster scenarios, and conduct training on the use of automated external defibrillators (AEDs). We also offer courses to train citizen emergency medical technicians on a regular basis. We hold initial-response drills in the event of a disaster, which involve quickly confirming and ensuring employee safety and sharing information on the damage status at business offices. Systemex also conducts labor compliance training, seminars by industrial physicians on the importance of taking secondary medical checkup and the aftereffects of COVID-19 infections, and seminars by external experts on women's health.

Group companies also promote occupational health and safety management by carrying out workplace patrols and surveys, risk assessments, training for emergency situations in accordance with the laws and regulations of specific regions and in accordance with the characteristics of each facility. Systemex Brazil has acquired ISO 45001 certification, the international standard for Occupational Health and Safety management systems.

Preventing Overwork

To prevent overwork, we focus on reducing long working hours, which can impair physical and mental health. In addition to complying with relevant laws and regulations, we have established internal standards that are more rigorous than the guidelines issued by the Ministry of Health, Labour and Welfare. When an employee exceeds the specified limits set in accordance with internal standards, we communicate this fact to their superior and ask the employee to submit a self-check form so that improvements can be made to their work situation. Employees are also offered opportunities to see industrial physicians when necessary. As for managing working hours, we log employees' hours with an IC card that they use to enter and leave the office, and with the times at which they start and shut down their computers. Time management training by external lecturers for executives, and e-learning programs for employees, are continuously conducted to enhance understanding of the need for improvement regarding overwork.

The average total annual working hours per person for fiscal 2022 was 2,020 hours,^{*1} a decrease of 10 hours from the previous fiscal year. Proactive recruiting activities have allowed progress in solving the shortage of personnel against a backdrop of increased initiatives for technological innovation and business structure transformation. The introduction of a value-added rate labor productivity index^{*2} prompted a change to a more efficient way of working and has caused the reduction in actual work hours. The number of paid leave days taken has also increased.

Systemex will continue to proceed with appropriate personnel allocation through the strengthening of recruiting activities, proactively educate employees, and carry out awareness-raising activities in alliance with the Systemex Union, with the aim of reducing working hours.

*1 Full-time employees in Group companies in Japan

*2 (Operating profit + labor cost + depreciation)/working hours