

Together for a better healthcare journey

Sustainability Management

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Sustainability Management

Corporate Strategy

Long-Term Corporate Strategy 2033

Systemex has formulated a Long-Term Corporate Strategy 2033 ending in fiscal 2033, based on the “Systemex Way,” the corporate philosophy for the Systemex Group. We aim to instill anshin, which lies at the core of our corporate philosophy, to all stakeholders in order to address diverse and complex healthcare needs and solve various social issues.

Long-Term Vision

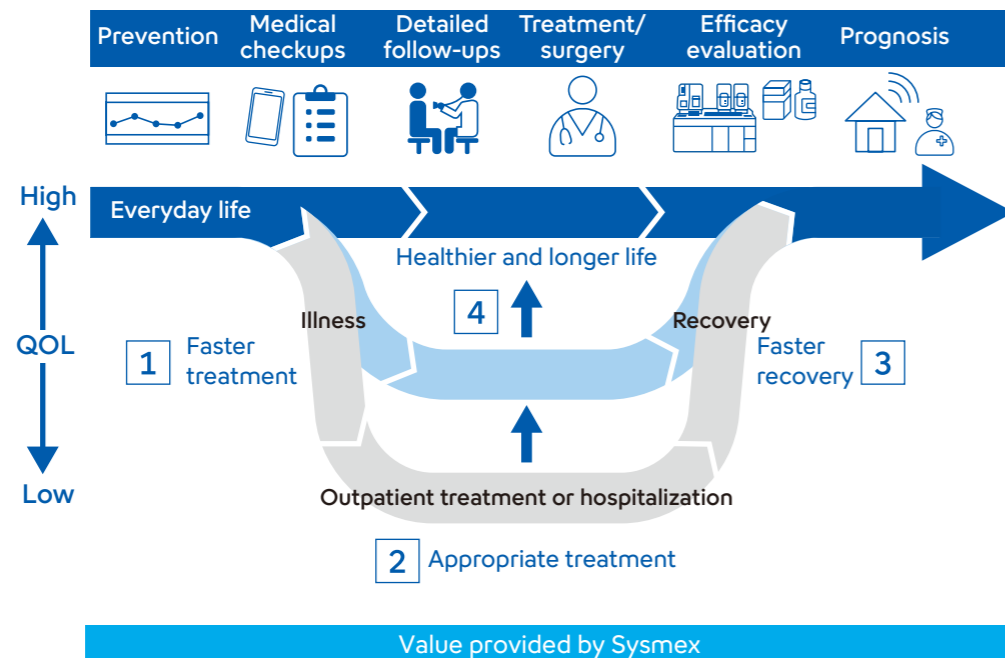
“Together for a better healthcare journey”

People universally desire to live long and healthy lives. Systemex aims to realize a society in which people can maintain lifelong health by accurately ascertaining each individual’s physical condition, allowing for the provision of treatment and services optimized for the individual.

Systemex is proposing the new concept of a “healthcare journey.” Through various collaborations, we aim to offer new value to make each individual’s healthcare journey better and grow as an essential presence in society.

Value Provided

We will help to improve the quality of life of people around the world at each stage of their healthcare journey and realize a fulfilling and healthy society by optimizing healthcare and healthcare costs.

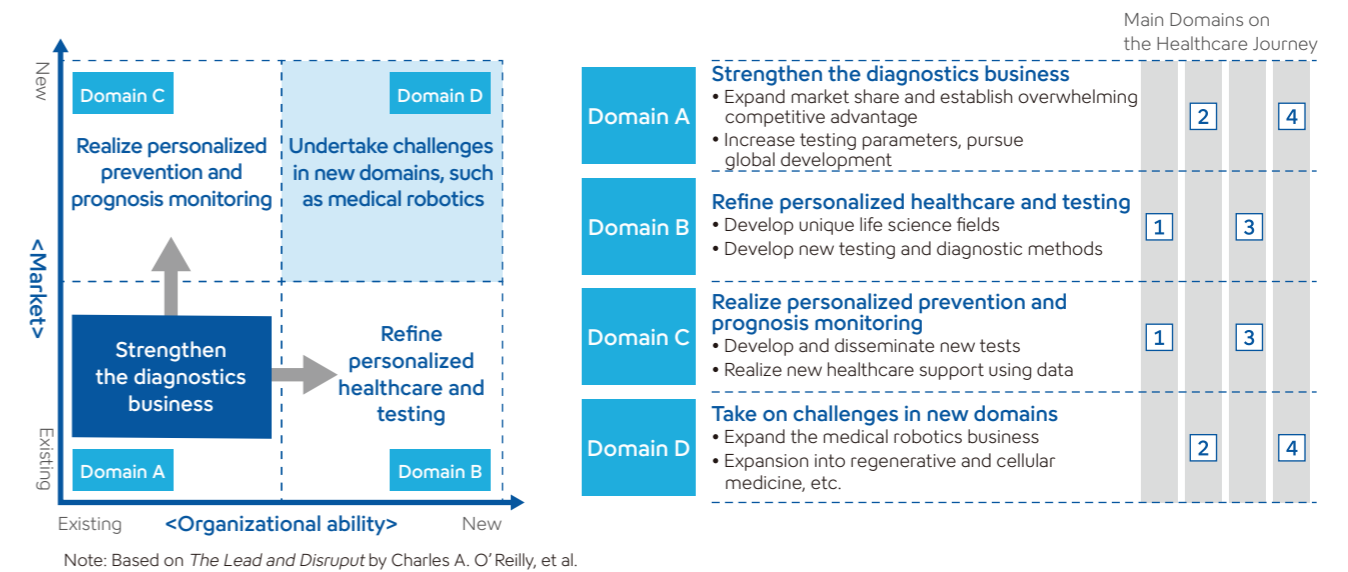


- Value provided by Systemex**
- 1 Provide tests and information to detect diseases at earlier and milder stages
 - 2 Provide tests and information that allow for more precise diagnosis and personalized treatment options when illness strikes
 - 3 Provide monitoring tests and information to facilitate faster and better recovery
 - 4 Provide tests and information to contribute to people’s longer and healthier lives

Business Domain

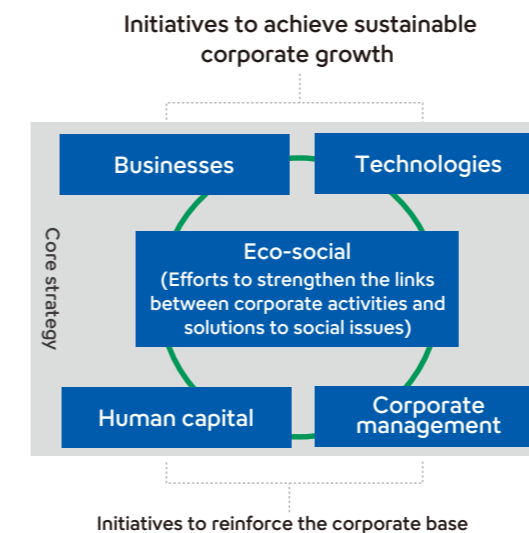
Expand our business domain by strengthening existing businesses and creating new businesses

Moving from “diagnostics (healthcare testing)” to the “healthcare journey”



Strategy and Targets

To reach our objectives, we will promote a core strategy consisting of five elements, in our aim to a ¥1 trillion company.



Financial targets

- Growth
Net sales: **¥1.0 trillion or more**
- Profitability
Operating margin: **20% or more**

Sustainability targets

- Achieve zero product losses
Percentage of unused waste: **0.1% or less**
- Switch to recycled and environmentally conscious materials
Rate of use in containers and packaging materials : **20% or more**

► Mid-Term Management Plan (Fiscal Years Ending March 31, 2024 to 2026)

Sustainability Management

Story of Value Creation

Our long-term vision: Together for a better healthcare journey

Input

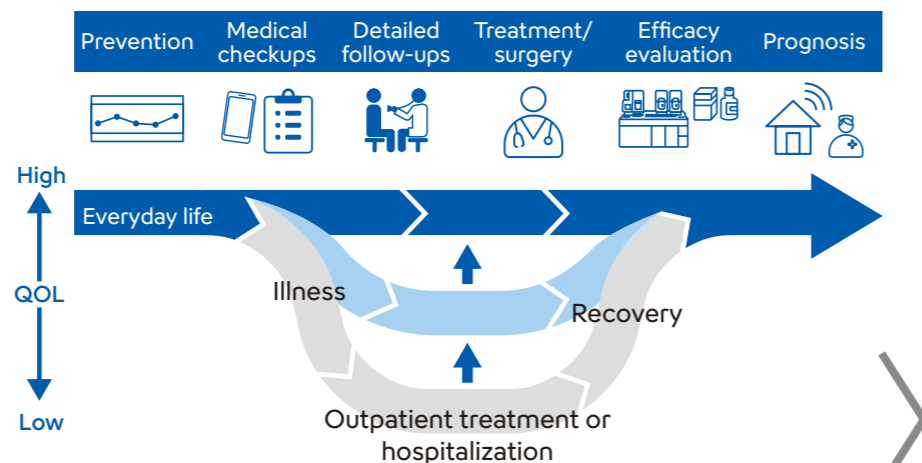
(Management Resources)

-  **Diverse Human Resources**
(Human Capital)
-  **R&D Capabilities Intellectual Property**
(Intellectual Capital)
-  **Production Structure**
(Manufactured Capital)
-  **Global Sales and Service Structure**
(Social and Relationship Capital)
-  **Stable Financial Foundation**
(Financial Capital)
-  **Environmental Resources**
(Natural Capital)
-  **Brand Strength**
(Brand Capital)

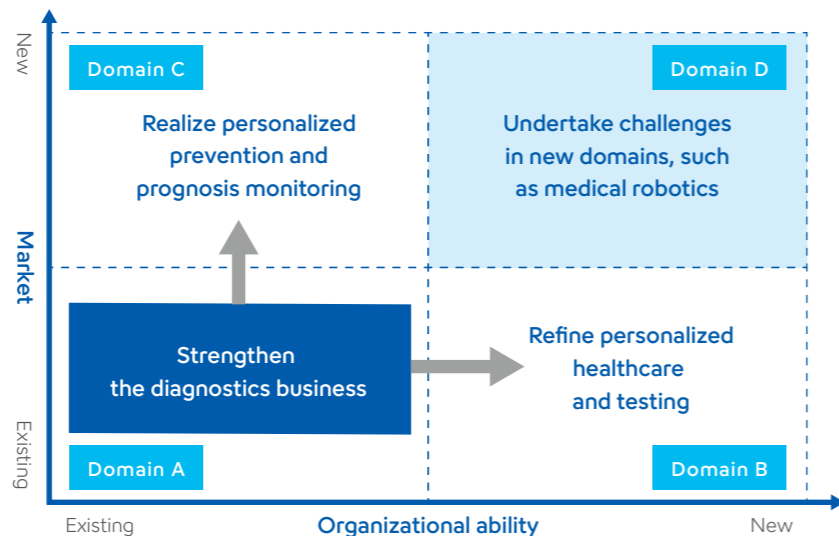
Business Domains

Domain Expansion From "IVD" to "Healthcare Journey"

In response to the increasing diversification of healthcare needs in recent years, we will provide value at each stage of the healthcare journey, covering not only the conventional IVD field, but also extending our offerings to encompass everyday life (when in good health), periods of illness, and even prognosis.



Growth in Existing Domains + Taking on Challenges in New Domains



Value Creation Strategies/Outputs

(Materiality)

- Creating new value for a healthy society**
 - Resolution of medical issues through innovation
 - Improvement in accessibility to healthcare
- Providing responsible products, services, and solutions**
 - Pursuit of quality and trust
 - Strengthening supply chain management
- Reducing environmental impacts**
 - Resource circulation in product life cycle
 - Reduction in environmental burden through business activities
- Creating an attractive workplace**
 - Increasing engagement
 - Promotion of diversity, equity & inclusion
 - Development of human resources
 - Promotion of health and occupational safety
- Strengthening governance**
 - Strengthening corporate governance
 - Thorough compliance
 - Reinforcement of risk management
 - Respect for human rights

(Core Strategy/ Monitoring Indicators)

- Businesses and Technologies**
Taking on Challenges in New Domains, Such as Enhancing the Value of Testing, Developing Personalized Medicine and Prevention, and Treatment
 - Expanding the Value of Instruments, Reagents, and Solutions
 - Customer satisfaction indicator
 - Product lineup/product portfolio indicator
 - Customer access indicator
- Eco-social**
Establishing a Business Model Adapted to a Circular Resource Society
 - Evolving the Value Chain in Collaboration with Medical Institutions
 - Product loss index
 - Resource recycling index
- Human Capital**
Acquiring and Cultivating Talent from around the World in Line with Management Strategies
 - Building a Portfolio of Human Resources That Contributes to Advances in Healthcare
 - Value-added productivity indicator
 - Engagement indicator
 - DE&I indicator
- Corporate Management**
Building an Autonomous and Agile Organizational Management System
 - Creating a Resilient Global Management Structure
 - Evaluation of the Managing Board's effectiveness
 - Investment efficiency indicator
 - Brand penetration indicator
 - Financial indicators (net sales, operating profit, ROE)

Outcomes

(Value Provided)

- Extending Healthy Lifespans of People Around the World**
 - Realization of healthcare optimized for each individual
 - Contribution to the optimization of healthcare costs
 - Contribution to alleviating healthcare disparities by improvement in accessibility to healthcare
- Realizing a recycling-oriented society**
 - Response to climate change
 - Water resource countermeasures
 - Contribution to biodiversity
 - Establishment of a circular resource value chain
- Creating Social Value**
 - Enhancement of corporate value through dialogue with stakeholders
 - Realization of wellbeing through improvements in employee happiness
 - Creation of human resources that help resolve social issues
 - Return of value to shareholders, investors, employees and other stakeholders

Sustainability Management

Materiality

The Positioning and Process of Identifying Our Materiality

Systemex identifies materiality (priority issues) with a view to realizing a sustainable society and achieving its own sustainable growth. We verify this content on a regular basis.

Conventionally, materiality is an analysis along two axes of items of importance to stakeholders and to Systemex. We first identified this materiality in 2017. To make progress more visual and effective, we set specific targets and KPIs in line with the mid-term management plan as “non-financial targets” (renamed “sustainability targets” in fiscal 2021). We also developed action plans and activities for responsible divisions. We reviewed this content in 2021 in tandem with the formulation of our mid-term management plan.

In formulating a new long-term vision and corporate strategy, we have determined that it is important to design a strategy that is consistent with our long-term corporate strategy, mid-term management plan, and materiality, to accelerate our sustainability management, when taking into account the expansion of our business domains and the increasingly diverse and complex social environment we face. We believe that this will help improve our execution capabilities, promote dialogue, and facilitate understanding both within and outside the Company.

As an approach to re-identifying materiality, we took a backcast design based on conventional materiality. First, along with the long-term management strategy, we analyzed social and environmental trends and industry trends up to 2033, organized them as challenges for achieving our long-term vision, and identified the SDGs that Systemex should prioritize from the perspective of their impact on social and corporate value. Based on these prioritized SDGs, we identified 14 material items in five fields.

Furthermore, we have utilized the new materiality as a basis for basic strategy and to set key performance indicators in our long-term corporate strategy. We have also integrated our basic strategy with our mid-term management plan and sustainability targets, creating a style for the value creation that Systemex aims to achieve.

The results of each strategy’s execution and sustainability targets are periodically reported by each division to the Managing Board and at management meetings twice per year, and progress is checked by the board.

In line with the progress of our strategies and changes in the environment, Systemex will continue to provide value by regularly verifying and reviewing materiality.

Priority SDGs to Address	Materiality	
	Initiative	Theme
3 Good Health and Well-Being 	<ul style="list-style-type: none"> Resolution of medical issues through innovation Improvement in accessibility to healthcare 	Creating new value for a healthy society*²
9 Industry, Innovation and Infrastructure  12 Responsible Consumption and Production  17 Partnerships for the Goals 	<ul style="list-style-type: none"> Pursuit of quality and trust Strengthening supply chain management 	Providing responsible products, services, and solutions*²
5 Gender Equality  8 Decent Work and Economic Growth 	<ul style="list-style-type: none"> Increasing engagement*¹ Promotion of diversity, equity & inclusion*² Development of human resources Promotion of health and occupational safety 	Creating an attractive workplace
13 Climate Action 	<ul style="list-style-type: none"> Resource circulation in product life cycle*² Reduction in environmental burden through business activities*² 	Reducing environmental impacts*²
(Governance)	<ul style="list-style-type: none"> Corporate governance Compliance Risk management Respect for human rights*¹ 	Strengthening governance

*1 Newly added materiality item

*2 Item that have been reorganized, integrated and rewritten from the previous materiality items

Status of Sustainability Targets

Materiality	KPI*1	Target			Fiscal 2033 (Eco-Vision)	
		Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)		
Creating new value for a healthy society	Resolution of medical issues through innovation	Number of hematology tests	Number of CBC tests (based on the number of reagents)	—	—	—
	Hematology market share*2	Percentage of consolidated sales to the market size of instruments, reagents, and services in a single year in the field of hematology	—	—		
	Number of cases with surgical robots	Number of cases using hinotori	—	—		
	Number of patents	Total number of patents, utility model rights and design rights obtained	—	—		
	Number of new patents	Total number of patents, utility model rights and design rights applied for	—	—		
	Number of cancer genomes analyzed*3	Number of cancer genomes analyzed by the NCC OncoPanel	—	—		
	Number of breast cancer tests using the OSNA method	Number of breast cancer tests using the OSNA method	—	—		
Improvement in accessibility to healthcare	Sales in emerging and developing markets	Consolidated sales in emerging and developing markets	—	—	—	
Providing responsible products, services, and solutions	Pursuit of quality and trust	Number of recalls	Number of voluntary recalls/repairs for products sold (instruments and reagents)	—	—	—
		Number of FDA warning letters	Number of FDA warning letters issued to Sysmex	—	—	
	Strengthening supply chain management	CSR survey response rate (primary suppliers in Japan and overseas)	Percentage of raw material suppliers that responded to CSR surveys (primary suppliers in Japan and overseas)	90%	90%	
		Number of training sessions for suppliers (Japan)*4	Number of briefings, training, and other training sessions for domestic suppliers (single year)	6	5	
	Third-party certification rate of suppliers (primary, Japan)*4	Percentage of primary raw material suppliers (domestic) obtaining third-party certification for manufacturing or product quality	—	—		
Reducing environmental impacts	Resource circulation in product life cycle	Zero product loss	Unused disposal rate of in-house manufactured goods, raw materials and spare parts (cost/sales percentage)	—	0.18%	Less than 0.1%
		Recycling of containers and packing and utilization of environment compliance materials	Rate of recycled or environmentally conscious materials used in containers and packaging/labeling materials	—	60.0%	100%
		Reduction of greenhouse gas emissions (Scope 3)	Percentage of reduction of greenhouse gas emissions (Scope 3) with FY2022 as the base year	—	Cut 10%	Cut 35%
		Reduction of CO ₂ emissions (instruments)	Reduction rate of CO ₂ emissions per instrument unit with FY2016 as the base year	Cut 20%	—	—
		Reduction of water consumption (instruments)	Reduction rate of waster discharge per instrument unit with FY2016 as the base year	Cut 10%	—	—
		Reduction of CO ₂ emissions (shipping)	Reduction rate of CO ₂ emissions generated by shipping per non-consolidated sales unit with FY2016 as the base year	Cut 20%	—	—
		Reduction of packaging and labeling materials	Percentage reduction of total packaging material weight with FY2019 at the base year	—	—	—

Results						Progress and Future Initiatives
Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	
—	—	—	—	2,971 million	2,977 million	The market share in fiscal 2022 remained at the same level as the previous fiscal year, due to Chinese government's procurement policy and restrictions to control the COVID-19 pandemic, though reagent sales grew in each region due to an increase in installed instruments, and new high-end models enjoying brisk sales in Japan. The number of cancer genomes analyzed and the number of breast cancer tests using the OSNA method also remained at the same level as the previous fiscal year. The number of patents held and patent applications have been steady, in line with our business performance. Adding the number of hematology tests and the number of surgeries performed using our robotic-assisted surgery system, we will monitor the impact on society of our existing diagnostics business and our new medical robotics business.
52.7%	53.8%	54.7%	55.6%	54.6%*5	54.0%	
—	—	—	—	—	1,323	
2,709	2,987	3,143	3,485	3,680	3,832	
301	346	306	287	298	257	
—	—	—	1.6 thousand	1.6 thousand	1.7 thousand	
—	—	—	46 thousand	54 thousand	52 thousand	
—	—	—	¥122.0 billion	¥143.0 billion	¥156.7 billion	The sales in emerging and developing markets increased by more than 10 billion yen from the previous fiscal year partially because we bolstered our marketing and service provision structure in Brazil, Saudi Arabia and other emerging countries. We will work to improve healthcare access and quality in emerging and developing countries, continuing cooperation with international organizations, such as the WHO and JICA.
—	—	—	4	2	2	In fiscal 2022, we had only two recalls, the same number as the previous fiscal year, without receiving any health hazard reports, and received no FDA warning letters, as in the previous fiscal year. We successfully prevent defective products from entering the market by establishing a system that ensures compliance with the regulations of each country, conducting regular quality audits, timely collecting information from the market through our global quality complaint handling system, and thoroughly investigating the causes of defective products. We will continue our efforts to maintain and improve the safety and quality of our products.
—	—	—	0	0	0	The CSR survey response rate for fiscal 2022 was 94%, higher than the rate for the previous fiscal year. As part of our follow-up, we urged suppliers to identify low-score items and high-risk items and make necessary improvements based on the results of the previous year's CSR survey. We held five training sessions for suppliers as in the previous fiscal year. In fiscal 2022, we held BCP training sessions and seminars on promotion of sustainability and green procurement, in which a total of 431 business partners participated. We will continue to strengthen our relationship with business partners.
81%	84%	85%	89%	90%	94%	
—	—	—	2	5	5	
—	—	—	86%	88%	86%	
—	—	—	—	—	—	The reduction rate of CO ₂ emissions per instrument further improved in fiscal 2022 from the previous fiscal year (by 5 percentage points). This reduction was mainly due to increased sales of power-saving products and global improvement in our CO ₂ emissions coefficient. The reduction rate of CO ₂ emissions generated by shipping in fiscal 2022 improved by 24 percent points from the previous fiscal year. We promoted supply management replacing air transport with sea transport.
Cut 12%	Cut 10%	Cut 2%	Cut 8%	Cut 22%	Cut 27%	
Cut 8%	Cut 2%	Cut 4%	Cut 6%	Cut 13%	Cut 7%	
Cut 17%	Up 1%	Cut 17%	Cut 25%	Cut 1%	Cut 25%	As new targets to achieve Sysmex Eco-Vision 2033, we have set "zero product losses," "complete switch to recycled or environmentally conscious materials," and "reduction of GHG emissions (Scope 3)." We will find innovative solutions toward a circular-oriented society in cooperation with our stakeholders by pursuing green innovation and leveraging our unique strengths.
—	—	—	Cut 4%	Up 9%	Cut 7%	

Materiality	KPI*1	Target			
		Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)	
Reducing environmental impacts	Reduction of greenhouse gas emissions (Scopes 1, 2)	Reduction rate of GHG emissions (Scope 1, 2) from fiscal 2022	—	Cut 40%	Cut 55%
	Reduction of CO ₂ emissions (business activities)	Percentage reduction of CO ₂ emissions generated from business activities per consolidated sales with FY2016 at the base year	Cut 40%	—	—
	Ratio of renewable energy	Percentage of using renewable energy	—	75%	90% or higher
	Reduction of using energy per employee	Percentage of reduction of using energy per employee with FY2022 as the base year	—	Cut 3%	—
	Reduction of water consumption (main reagent factories)	Percentage of reduction of water consumption per production of reagents with FY2022 as the base year	—	Cut 23pt	Cut 90pt
	Reduction of water consumption (business activities)	Percentage reduction of water consumption from business activities per consolidated sales with FY2016 at the base year	Cut 5%	—	—
	Recycling rate	Resources recycled per total waste generated	85% or higher	—	—
	Reduction of total waste	Percentage of reduction waste generated by business activities per consolidated sales*6	Cut 10%	Cut 5%	Cut 15%
	Ratio of product waste to sales	Ratio of products waste caused by expiry and other reasons to consolidated sales	—	—	—
Strengthening governance	Corporate governance	Number of meetings with investors and analysts*4	Number of meetings with institutional investors and securities analysts	—	—
	Compliance	Number of internal reports	Number of internal reports of incidents received	—	—
		Number of unethical incidents	Total number of incidents in which the violations the law were found, and disciplinary actions were taken for the violation of the Global Compliance Code	—	—
	Risk management	Number of information security trainees*3	Number of participants in information security training (gross)	—	—
Participation rate in disaster drills*3		Percentage of participants in training using safety confirmation tool assuming a disaster, etc. (including employees on long-term leave)	—	—	—

Results						Progress and Future Initiatives
Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	
—	—	—	—	—	—	The reduction rate of CO ₂ emissions generated by business activities (at the business offices covered by Sysmex Eco-Vision 2025) in fiscal 2022 improved by 11 percentage points from the previous fiscal year. This substantial reduction was attributable to the progress of our switch to renewable energy.
Cut 14%	Cut 17%	Cut 35%	Cut 35%	Cut 44%	Cut 55%	Sysmex Eco-Vision 2033, starting in fiscal 2023, has set a target reduction rate of CO ₂ emissions for more business offices than those covered by the previous vision, as well as has introduced the reduction rate of energy use per employee and the ratio of renewable energy as new targets to raise each employee's environmental awareness, reinforcing our efforts to achieve carbon neutrality.
—	—	—	—	—	—	The rate of reduction in water consumption and the rate of reduction in total waste (for the business sites covered by Sysmex Eco-Vision 2025) in fiscal 2022 improved from the previous fiscal year by 18 percentage points and by 12 percentage points, respectively, due to increased sales.
Cut 8%	Cut 7%	Up 6%	Cut 7%	Cut 19%	Cut 37%	As a water consumption reduction target, we have newly introduced the reduction of water consumption at main reagent factories, taking into account factors such as the uneven geographical distribution of water risks and the fact that the water consumption of product use is affected by our product portfolio more than by product improvement.
89%	76%	67%	78%	79%	80%	To achieve the targets of Sysmex Eco-Vision 2033, we will work on the reduction of water consumption by reviewing production processes of each business site and introducing new equipment for more efficient water use, as well as by using recycled water.
—	—	—	Cut 8%	Cut 15%	Cut 27%	The waning impact of the COVID-19 pandemic increased in-person meetings, including visits by overseas investors to Japan and overseas briefings. We effectively utilized conferences hosted by securities firms and other opportunities to hold individual and group meetings with a wide array of investors. Consequently, the number of companies we met with increased by more than 100 from the previous fiscal year.
—	—	—	0.6%	0.6%	0.5%	In fiscal 2022, we had nine unethical incidents, none of which was a serious violation. A total of 21 internal reports were received in Japan and from overseas. We investigated and appropriately handled each incident. Considering training and awareness-raising activities for employees as the foundation for promoting and ensuring compliance, we will continue to provide periodic training opportunities for employees to ensure that they will act in accordance with the Global Compliance Code.
—	—	—	506	485	597	In fiscal 2022, we conducted online cyber security training in multiple languages for all our Group employees as well as temporary employees and independent contractors. We also provided training in handling of spear phishing (BEC and phishing scams) and held seminars on handling of emails to raise employees' awareness of information security. We will continue to conduct regular employee training and strengthen the Group's information security management system.
32	14	11	12	28	21	In fiscal 2022, we conducted disaster drills and training. We will continue to enhance our response to risks associated with business continuity by conducting regular drills and training, introducing a system to check employees' safety and creating rules and manuals related to disaster response.
—	9	7	5	14	9	
—	—	—	2,720	3,601	4,900	
—	—	—	98.7%	98.7%	99.4%	

Materiality	KPI ^{*1}	Target			
		Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)	
Increased engagement	Engagement score	Percentage of positive responses to engagement in the corporate culture survey	75%	75%	—
	Turnover ratio	Turnover rate of regular employees (Ratio for people who have left the organization for any reason, including layoffs, job cuts, job changes, retirement age, etc.)	10% or less	10% or less	
	Self-turnover rate	Annual retirement rate for personal reasons	—	—	
	Return rate from parental leave ^{*4}	Return to work after parental leave	—	—	
	Percentage of men taking childcare leave ^{*4}	Percentage of male employees (including part-time workers) taking childcare leave after their spouse bears a child	60% or higher	65% or higher	
Promotion of diversity, equity & inclusion	Female managers ratio	Ratio of women at director level or above	20% or higher	20% or higher	—
	Female next generation managers ratio	Percentage of women in the manager position in the Sysmex Group	—	—	
	Female associates, employees ratio	Female employees ratio in the Sysmex Group	—	—	
	Percentage of mid-career recruitment in managerial and professional positions ^{*4}	Percentage of mid-career recruitment employees in managerial and professional positions	—	—	
	Male/female percentage among recruits (new graduates and mid-career) ^{*4}	Female ratio in new graduates recruitment, mid-career recruitment	—	—	
	Percentage of women and non-Japanese nationals in management ^{*4}	Ratio of women in the managements, ratio of foreigners in the managements	—	—	
	Percentage of women in management	Ratio of women in management of group companies including the head office	—	—	
	Salary inequality in managerial and professional positions (total compensation) ^{*4}	Gender ratio in average total compensation value (managerial and professional positions)	—	—	
	Salary inequality general employees (total compensation) ^{*4}	Gender ratio in average total compensation value (general employees)	—	—	
Percentage of employees with disabilities ^{*3}	Percentage of employees with physical, intellectual, or mental disabilities	2.35% or higher	2.65% or higher		

Results						Progress and Future Initiatives
Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	
72%	—	—	66% (except EMEA)	65% (except EMEA)	71%	The Group's engagement index of employees for fiscal 2022 rose by 6 percentage points from the previous fiscal year to 71%, matching the average engagement score of Fortune 500 companies. High engagement is a key driver of the Group's growth. Our activities to instill the Sysmex Way in employees, and safety measures and work style arrangements during the COVID-19 pandemic, have boosted employee engagement in each region, achieving a 3 percentage point increase in China. The turnover rate for fiscal 2022 dropped by 2.5 percentage points from the previous fiscal year as a result of our initiatives to enhance human resource development and review compensation systems in each region. We will continue to improve employee engagement by recruiting and training talented people, creating a comfortable working environment and promoting labor-management dialogues.
—	—	10.1% ^{*5}	7.5% ^{*5}	10.9% ^{*5}	8.4%	
—	—	—	—	—	6.8%	
—	—	—	—	—	100%	
—	—	—	31% ^{*5}	53% ^{*5}	62%	
15.2%	15.2%	15.5%	16.2%	17.3%	19.5% (except Russia)	The percentage of men taking childcare leave in fiscal 2022 increased by 9 percentage points from the previous fiscal year. This significant increase was attributable to our various initiatives: setting targets in our action plans under the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on the Promotion of Women's Active Engagement in Professional Life, helping employees balance parenting and work, conducting continuous awareness-raising activities to establish a comfortable working environment (holding round-table discussions for all domestic employees and conducting seminars by internal and external lecturers and creating a guidebook for male employees), encouraging managers to understand various work styles, and changing employees' awareness of working styles by introducing the smart work system. We will continue to take actions to increase male employees taking childcare leave.
—	—	—	—	—	32.1%	
—	—	—	—	—	41.8%	
—	—	—	—	—	41.7%	
—	—	—	—	—	Newly graduated: 35.9% Mid-career: 27.0%	
—	—	—	—	—	Women: 8.3% Non-Japanese: 16.7%	
—	—	—	—	—	9.4%	
—	—	—	—	—	93:100	
—	—	—	—	—	80:100	
2.04%	2.21%	2.30%	2.30%	2.31%	2.31%	Although the number of employees with disabilities increased (mainly at Sysmex Harmony Co., Ltd., a special subsidiary of Sysmex), the percentage of employees with disabilities remained at the same level due to the increase in total employees resulting from our business expansion. We will continue to create and identify tasks suitable for persons with disabilities and consolidate such tasks to provide more employment opportunities to those with disabilities. We will also remain committed to creating roles and a working environment that enable every employees with disabilities to use their unique traits as strengths.

Materiality	KPI ^{*1}	Target			
		Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)	
Development of human resources	Training time per employee	Average training time per employee for training provided by HR and each division (including online training)	40.0 hours	40.0 hours	—
	Value-added productivity (non-consolidated) ^{*4}	Value added per time	—	—	
	Value-added productivity (Group)	Value added per capita	¥19.38 million	¥22.50 million	
	Human resources development investment (non-consolidated) ^{*4}	Total investment in human resources development and training	¥234 million	¥252 million	
	Human resources development investment (Group)	Total investment in human resources development and training	—	—	
	Participation rate in training (non-consolidated) ^{*4}	Total number of associates who took training each year divided by total number of employees	90% or higher	90% or higher	
	Participation rate in training (Group)	Total number of associates who took training each year divided by total number of employees	—	—	
	Success plan effectiveness rate ^{*4}	Rate of transfer to key positions	—	—	
Succession coverage rate ^{*4}	Percentage of key positions that have a successor candidate	—	—		
Creating an attractive workplace	Total annual working hours ^{*3}	Total annual hours worked per regular employee	2,000 hours	1,980 hours	
	Percentage of days of paid leave taken ^{*3}	Percentage of days of annual paid leave taken per regular employee	70% or higher	75% or higher	
	Lost-term injuries frequency rate ^{*3}	Number of employee death or injuries resulting from work-related accidents per million hours actually worked	Less than 0.5	Less than 0.5	
	Lost work days rate ^{*3}	Number of days absent from work due to work-related injuries per 1,000 hours actually worked	Less than 0.05	Less than 0.05	
Promotion of health and occupational safety					

*1 The shaded KPIs were added in April 2023. The items whose targets are displayed as “—” are monitoring items for which no targets are set.

*2 Source: Clearstate and Sysmex estimates

*3 Target: Sysmex Group in Japan

*4 Target: Sysmex Corporation on a non-consolidated basis

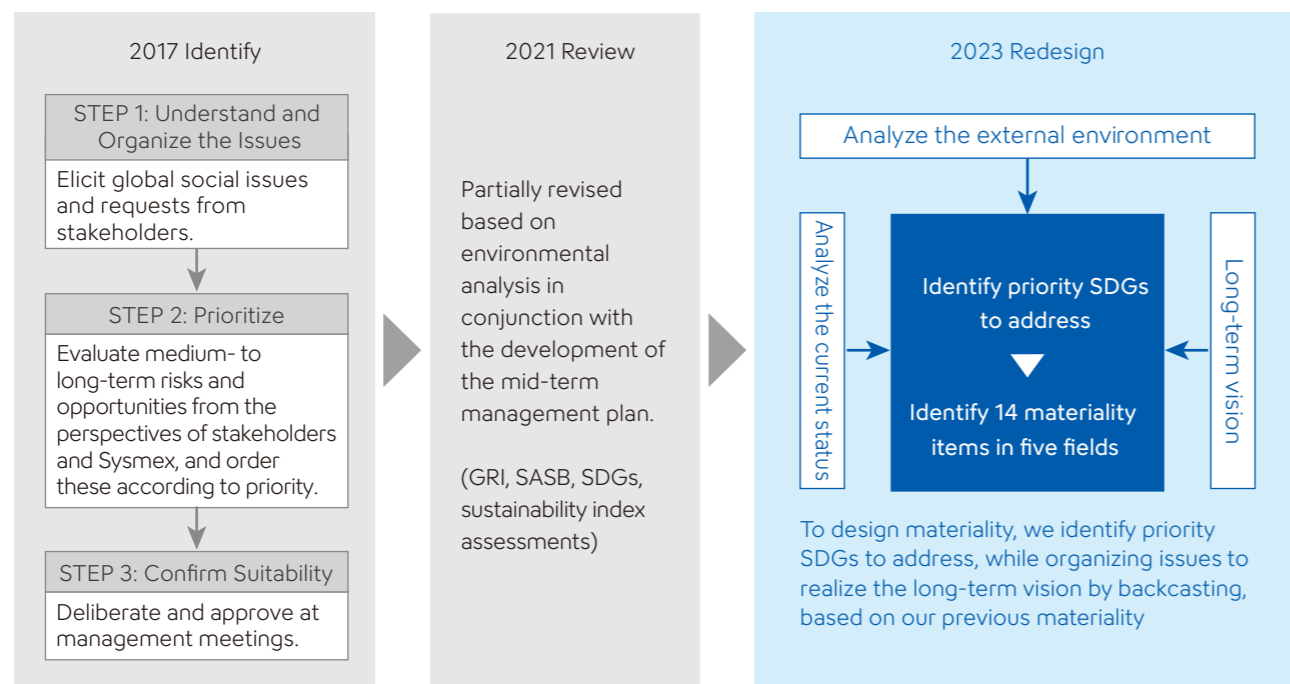
*5 The figure disclosed in the previous fiscal year has been revised due to a change in the calculation method.

*6 Fiscal year for comparison: Fiscal 2019 for the fiscal 2023 targets and the results of each fiscal year, and fiscal 2022 for the fiscal 2025 and fiscal 2033 targets

Results						Progress and Future Initiatives
Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	
—	—	—	24.5 hours	31.4 hours	30.0 hours	The training time per employee in fiscal 2022 decreased by 1.4 hours from the previous fiscal year (95.5% of the training time per employee in the previous fiscal year). On the other hand, our Group companies in Japan achieved a 100% training participation rate and invested 92,000 yen in training per employee. We will promote the development of human resources, including next-generation global leaders, by adding value-added productivity, investment in human resource training, the rate of participation in training, and other indicators to the monitored items, and by setting the rate of internal transfers to new positions.
—	—	—	—	—	¥13,230	
—	—	—	—	—	¥18.74 million	
—	—	—	—	—	¥266 million	
—	—	—	—	—	¥356 million	
—	—	—	—	—	100%	
—	—	—	—	—	100%	
—	—	—	—	—	100%	
—	—	—	—	—	218.9%	
—	—	—	2,030 hours	2,045 hours	2,022 hours	The annual working hours in fiscal 2022 decreased by 23 hours from the previous fiscal year. The main factors in this decrease include alleviated staff shortages as a result of aggressive recruiting activities, coupled with innovation and business structure transformation efforts, reduced overtime hours resulting from a shift to more efficient work styles through the adoption of value-added productivity indicators, and an increase in the number of paid leave days taken. We will continue to reduce working hours by optimizing assignment through enhanced recruitment efforts and actively conducting training and awareness-raising activities for employees in cooperation with the labor union.
—	—	—	61.3%	62.4%	66.5%	The percentage of days of paid leave taken in fiscal 2022 increased by 4.1 percentage points from the previous fiscal year. To increase use of paid leave, we set recommended dates for paid leave, shared paid leave days actually taken by each employee with their department heads, and actively encouraged employees to take paid leave. For fiscal 2023, we have introduced a target percentage of days of paid leave taken. To increase the percentage, we will improve productivity as well as raise employees' awareness of the benefits of taking paid leave.
—	—	—	0.78	0.91	0.81	The lost-time injury frequency rate and the lost work days rate for fiscal 2022 decreased by 0.1 percentage points and increased by 0.01 percentage points, respectively. There were six work-related accidents, including injuries in factories (seven accidents in the previous fiscal year). As a measure to reduce work-related accidents, employment health advisors gave employees guidance about how to prevent injuries.
—	—	—	0.05	0.04	0.05	We will continue to bolster and enhance our workplace safety and health management system under the leadership of the Central Health and Safety Committee, which supervises our Group companies in Japan. In the event of a work-related accident, the Health and Safety Committee of the business site involved will investigate the causes, take necessary actions, and share the causes and actions within the Group to prevent its recurrence.

The Flow of Identifying Materiality

The Flow of Identifying Materiality



Priority SDGs to Address



Sustainability Management

Stakeholder Engagement

Communication with Stakeholders

Through proactive dialogue with stakeholders, we strive to forge better relations. In addition, by incorporating their expectations and requirements into our business activities we will enhance the effectiveness of our strategy and strive to realize a sustainable society.

Stakeholder	Society's Requirement Related to Business	Main Dialogue with Stakeholders	Related Articles
Customers	<ul style="list-style-type: none"> Ensuring the quality and safety of products and services Enhancing customer satisfaction through products and services Stable supply Creating innovative products and services 	<ul style="list-style-type: none"> Customer Support Center (for inquiries) Customer Satisfaction Survey Collection of the voice of the customer (VOC) Customer training/user meetings Scientific seminars Website/social media 	<ul style="list-style-type: none"> Quality and Safety Information Enhancing Customer Satisfaction Scientific Activities
Employees	<ul style="list-style-type: none"> Ensuring long-term employment Fair treatment in accordance with employees' achievements A workplace that enables employees to fulfill their potential Accepting diversity Providing opportunities for self-fulfillment and personal development 	<ul style="list-style-type: none"> Corporate Culture Survey Mental health checkup Voluntary reporting system (survey on employee's visions of career design) Diversity roundtable discussions Internal reporting system Labor and management council 	<ul style="list-style-type: none"> Setting Employee Engagement as an Important Indicator of Our Corporate Strategy Promotion of Diversity, Equity, and Inclusion Our Efforts toward Health Enhancement Compliance Promotion Structure Labor-Management Dialogue
Business Partners	<ul style="list-style-type: none"> Fair and equitable dealing Synergistic growth through mutual trust and dedicated work 	<ul style="list-style-type: none"> CSR surveys of suppliers Supplier visits Meetings with/visits to distributors Training sessions for suppliers 	<ul style="list-style-type: none"> Supply Chain Management
Shareholders and Investors	<ul style="list-style-type: none"> Ensuring sound and transparent management Commitment to reliable and innovative management Maintaining sustainable growth potential Finding a balance between the sustainability of the company and society Active information disclosure (transparency) 	<ul style="list-style-type: none"> General meetings of shareholders and social events for shareholders Technology presentation for institutional investors and analysts Orientation briefings/company tours for individual investors Business results briefings Conference calls Investor visits 	<ul style="list-style-type: none"> IR Information
Society	<ul style="list-style-type: none"> Contributing to advances in the field of healthcare and the development of a healthy society Helping resolve issues facing local communities Reducing environmental burdens through business activities Encouraging employees to get involved in corporate citizenship activities 	<ul style="list-style-type: none"> Collaboration with government agencies and international organizations (Sysmex Corporation signed the United Nations Global Compact) Participation in industry groups Participation in local communities 	<ul style="list-style-type: none"> Improvement in Accessibility to Healthcare Transparency in Relationships with Medical Institution Corporate Citizenship Activities



- ▶ Corporate Philosophy
- ▶ Sysmex Report (Stakeholder Engagement)