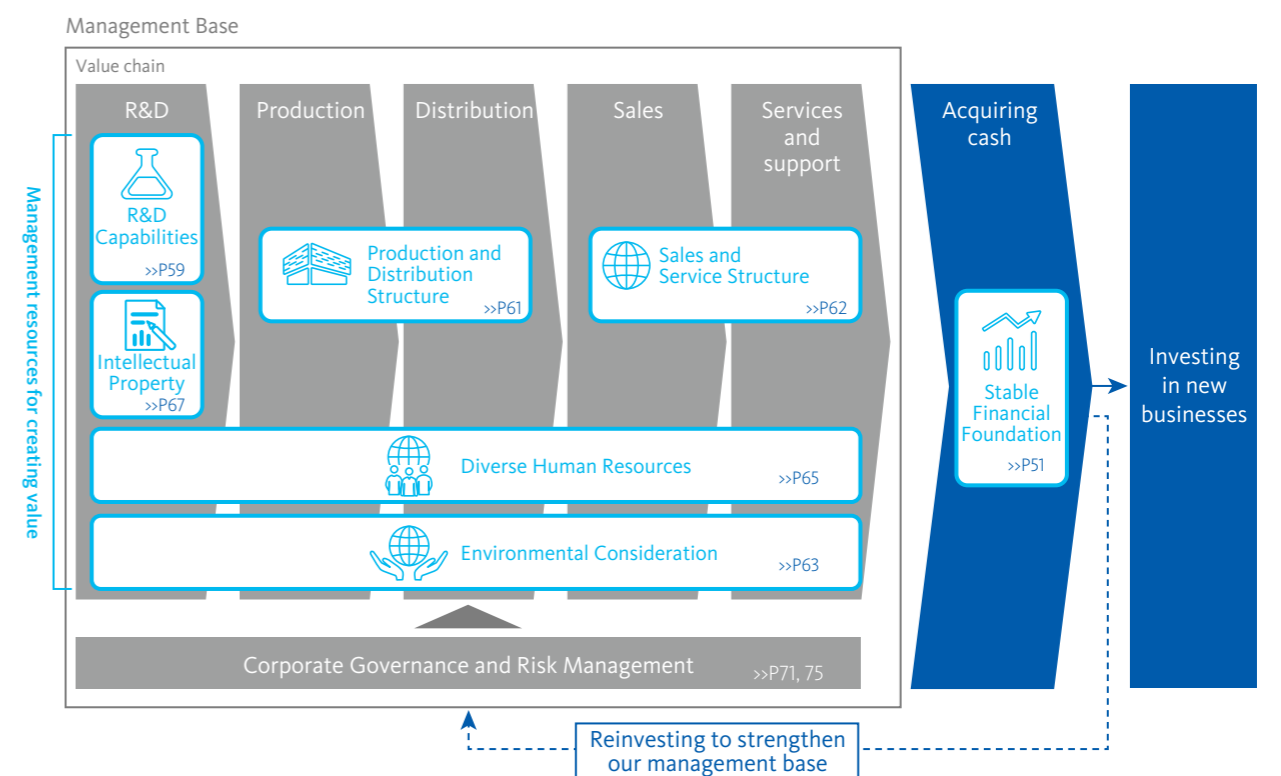


## Management Resources and Business Activities

Sysmex has built a solid business foundation centered on the IVD business, particularly in the hematology field. Based on the management resources we have accumulated to date, we will further grow our existing businesses and invest in new businesses to establish growth drivers and strengthen our management base.



# Management Resources and Business Activities

Management Resources	Main Growth-Supporting Resources and Issues	Results (as of March 31, 2022)
 <p>R&amp;D Capabilities</p>	<p>In addition to proprietary technologies, through M&amp;A we have acquired three technology platforms (for cells, proteins, and genes). In order to respond to rapidly changing technological innovations, we have established a global R&amp;D base centered on Technopark (Kobe), and we engage in joint research with external organizations including universities, medical and research institutions, and pharmaceutical companies. We aim to develop and commercialize testing and diagnostic technologies that offer high clinical value.</p>	<p>R&amp;D bases*  <b>22</b> locations                      in <b>8</b> countries</p> <p>*As of April 2022</p>
 <p>Production and Distribution Structure</p>	<p>To remain cost competitive on a global scale while maintaining high quality, we have used information and communication technologies to build an efficient structure for manufacturing instruments in Japan. At the same time, we produce reagents on a global scale. We have factories at 14 locations in 10 countries, ensuring a stable provision of reagents to customers around the world. We are also working to strengthen our supply chain management by building relationships with suppliers.</p>	<p>Production bases                      Instruments: <b>7</b> locations                      Reagents, chemical: <b>8</b> locations                      biological: <b>6</b> locations</p>
 <p>Sales and Service Structure</p>	<p>Since our establishment, we have built sales structures tailored to individual regions, creating trust-based relationships with customers. To access medical networks in more than 190 countries and regions around the world, we are working to strengthen our sales and service structure and expand our product portfolio, not only by using our own resources but also by leveraging alliances with global majors and other companies.</p>	<p>Sales and service bases  <b>62</b> locations in <b>44</b> countries                      (Number of affiliated companies)</p> <p>Area covered                      More than <b>190</b> countries and regions</p>
 <p>Environmental Consideration</p>	<p>We have established a long-term environmental vision and are working to reduce the environmental burden throughout the value chain. In recent years, given the importance of promoting integrated company-wide measures to combat climate change, we have promoted disclosure based on the TCFD. We have also set the goal of becoming carbon neutral, reducing greenhouse gas emissions to zero in real terms by 2040, and we are promoting environmental conservation.</p>	<p>Percentage reduction in CO<sub>2</sub> emissions from business activities                      Cut <b>44%</b></p> <p>(Base year: fiscal 2016)</p>



Management Resources	Main Growth-Supporting Resources and Issues	Results (as of March 31, 2022)
 <p>Diverse Human Resources</p>	<p>We have acquired diverse human resources through business globalization and M&amp;A activities. We expect competition for global human resources to intensify. To address this, we will respond to the diversification of work styles and further enhance our childcare and nursing care support systems by creating a workplace environment where employees can work with peace of mind, and introduce and operate a globally consistent human resource management system.</p>	<p>Percentage of employees overseas  <b>60.4%</b></p> <p>Percentage of female managers*  <b>17.3%</b></p> <p>* Employees at director level or above (Entire Group)</p>
 <p>Intellectual Property</p>	<p>In line with our global business development, we actively engage in intellectual property activities, such as patent and trademark filings in countries around the world to protect our business model, ensure competitive advantage, and prevent imitation. We are also working to strengthen our governance of intellectual property in order to respect the intellectual property rights of third parties as well as our own rights.</p>	<p>Number of patents  <b>298</b></p> <p>Trademark applications filed  <b>93</b></p>
 <p>Stable Financial Foundation</p>	<p>We established a highly profitable business model involving the provision of reagents and service and support in addition to testing instruments. Leveraging this stable business model, we have invested proactively to bolster competitiveness in existing businesses, in new businesses to support our medium- to long-term growth, and in human resources and DX.</p>	<p>Cumulative free cash flow over three years  <b>¥78.6 billion</b>                      (Fiscal 2019–2021)</p> <p>Rating (Rating and Investment Information, Inc.)  <b>AA-</b></p>



# R&D Capabilities to Create High-Value-Added Testing and Diagnostic Technologies

Through the technological expertise and technology platforms we have cultivated since establishment, as well as our R&D bases around the world, we have become more competitive in our existing businesses and are creating new testing and diagnostic technologies.

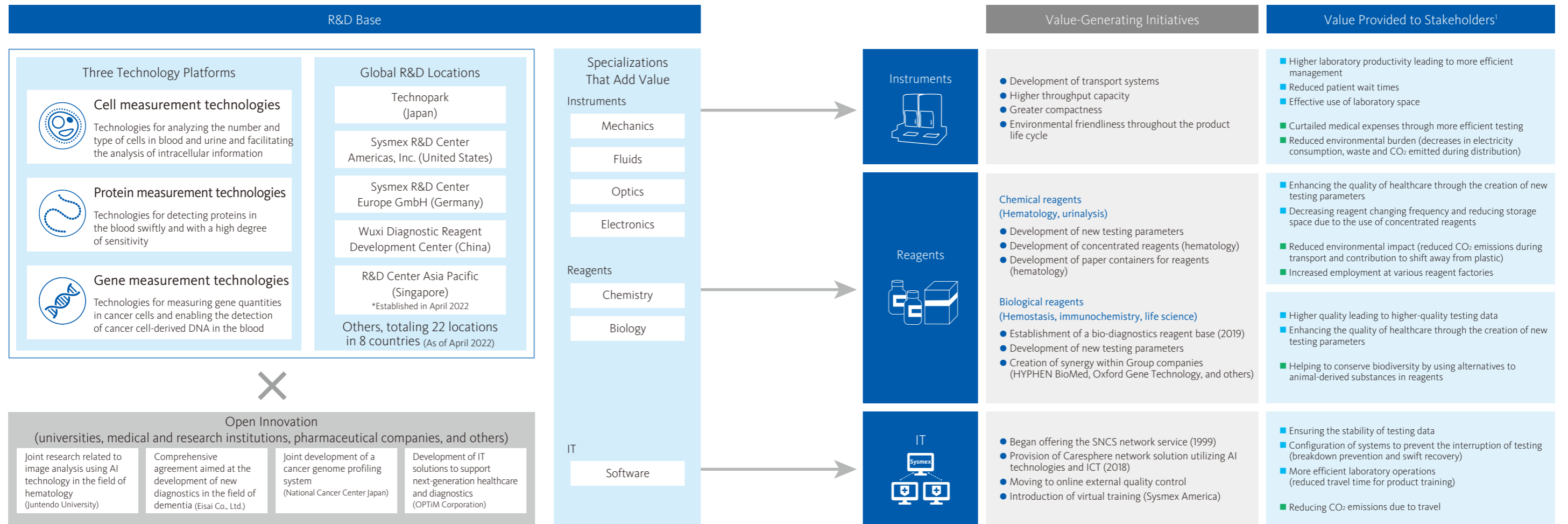
Related Materiality and Sustainability Target KPIs	Key Progress
Resolution of medical issues through products and services <ul style="list-style-type: none"> <li>● Number of cancer genomes analyzed 1.6 thousand (Group companies in Japan)</li> <li>● Number of breast cancer tests using the OSNA method 54 thousand</li> </ul>	We maintained the number of cancer genomes analyzed at the previous year's level, and the number of breast cancer tests performed using the OSNA method increased year on year. Also, market introductions proceeded steadily. We launched new products in the hematology field, and increased our immunochemistry reagent parameters in China.

## Provision of High-Value-Added Products and Services Leveraging Technologies Related to Instruments, Reagents, and IT

Since its establishment, Sysmex has acquired technologies related to instruments, reagents, and IT. By fusing these technologies, we work to ensure the provision of testing data that is accurate—a critical consideration in testing. These technologies also allow us to make improvements in response to customers' needs and to quickly determine the source of errors when they occur. In addition to creating new tests and diagnostic technologies, we provide high-value-added products and services that offer enhanced usability as well as a reduced environmental burden.

To raise laboratory productivity on the instrument front, we are increasing analyzer processing capacity, providing transport systems to enable the handling of more samples, and making instruments more compact. In addition to chemical reagents, we are focusing on the development of new test parameters for bio-reagents, which are produced from biologically derived substances. On the IT front, we were quick to promote the use of networks in medical settings, developing our SNCS network in 1999. We began providing the Caresphere network solution in 2018. We are also developing new applications and services for Caresphere that will increase the efficiency and quality of testing.

■ Value Provided through R&D



<sup>1</sup> ■ Value provided to customers (such as medical institutions) ■ Value provided to society

## Working to Create New Value

Sysmex is working to develop and commercialize new diagnostic technologies using three technology platforms that measure cells, proteins and genes. In addition to Technopark, our hub, we have global R&D bases in Germany, the United States, China, Singapore and other countries, where we conduct R&D tailored to the needs of each region. To quickly promote technological development and commercialization in the fast-changing healthcare field, we have also promoted collaboration with external organizations through M&A, open innovation and alliances.

By combining newly acquired technologies with those used in existing businesses, we aim to create new value that is unique to Sysmex.



## Production and Distribution System Capable of Achieving High Quality and Stable Supply

As a company that supports healthcare, we have established thorough quality control and a global production system to deliver high-quality products to the medical field in a timely manner and without interruption.

Related Materiality and Sustainability Target KPIs	Key Progress
Responsible Provision of Products and Services ● CSR survey response rate (Tier 1 raw material suppliers) 90% ● Number of training sessions for suppliers 5 (non-consolidated basis)	Our CSR survey response rate has been rising steadily. The rate was 81% in fiscal 2017, and we have reached our fiscal 2023 target of 90%. By utilizing online methods, the number of supplier training sessions rose by three year on year, to five sessions.




### An Instrument Production System Capable of Achieving High Quality

Medical settings require accurate test results, so analyzers must be of the highest quality. For this reason, Sysmex has situated its factories in the Hyogo prefecture in Japan, which is also its hub for R&D and service and support. From here, we strengthen cooperation within the Company and manufacture small lots of highly varied, high-quality products. To win out in global price competition, we are increasing production efficiency by introducing leading-edge manufacturing and quality control technologies utilizing ICT. In parts procurement, we strive to strengthen relationships with suppliers by sharing information on Sysmex's business direction and procurement policies.

### A Reagent Production Structure to Support Stable Supply

To perform tests, medical institutions require a stable supply of the reagents they use on a daily basis. We provide a stable supply of chemical reagents, which are used mainly in the hematology and urinalysis fields. We are promoting local production, and these reagents are produced at eight locations around the world. We have set up our system so that individual factories can supply each other as needed in the event of a disaster. In 2019, we established a bio-diagnostic reagent base in Kobe to produce the biological reagents used in the immunochemistry and life science fields. We provide a steady stream of high-quality, high-value-added products through an integrated structure, from the development of reagent substances to their production and distribution.

#### Major Production Initiatives

Major Initiatives	
<b>Instrument Production</b> 	<ul style="list-style-type: none"> <li>An efficient production and distribution system that utilizes ICT</li> <li>Establishment of a knockdown production system that works with region-specific operations, such as in China</li> <li>Conformance to international standards and obtaining various types of qualification (quality, environment)</li> </ul>
<b>Reagent Production</b> 	<ul style="list-style-type: none"> <li>Building a global production system</li> <li>Starting operation of a bio-diagnostic reagent base to internalize production of substances and develop alternatives to animal-derived substances</li> <li>Conformance to international standards and obtaining various types of certification (quality, environment)</li> </ul> 

### BCP Enacted Due to a Fire at an Outsourced Distribution Center

To maintain a stable supply of products to the medical field, Sysmex has formulated a business continuity plan (BCP) for each function, including manufacturing and procurement, in anticipation of natural disasters and infectious disease outbreaks such as COVID-19. When a fire broke out in 2021 at an outsourced distribution center in Japan to which we had delegated product storage and other functions, we put our BCP into action. Based on the BCP, we took measures to leverage the overall strength of the entire supply chain, including production and distribution within the Group. As a result, we were able to supply products to our customers without interruption.



SCM Division members responding to the fire

## Sales and Service Structure to Realize Global Growth

Through our global sales and service network and by leveraging the strength in branding afforded by our No. 1 share of the hematology market, we are working to capture an even greater market share.

Related Materiality and Sustainability Target KPIs	Key Progress
Resolution of medical issues through products and services ● Hematology market share 55.7% ● Sales in emerging and developing markets ¥143.0 billion	The expansion of our global sales network, among other factors, has led to continued growth in our share of the hematology market. Sales in emerging and developing markets increased by more than ¥20.0 billion from the previous fiscal year, owing to the establishment of a direct sales structure in India and an overall recovery in the number of tests, which had fallen as a result of COVID-19.

### Sales and Service Network Covering More Than 190 Countries and Regions

The main reason for our global growth has been our ability to anticipate needs and quickly build business bases in individual regions. We began developing our business globally soon after our founding. We acquired the largest share of the global hematology market in 2006, and we have established affiliated companies in more than 40 countries. We are also expanding our sales network in response to regional characteristics by forming alliances with major global companies and collaborating with local distributors.

In services and support, we use our network solution, Caresphere, to link to customers' instruments. This system facilitates the analysis of instrument operational logs to help prevent breakdowns and enable the quality control of testing data. In this way, we contribute to the efficiency of our customers' testing operations and quality control.

### Responding to Increasingly Stringent Regulatory Systems

In recent years, regulatory structures have been growing more stringent in developed countries, and emerging markets have been introducing their own systems, so it has become important to gather information and respond swiftly. Sysmex is reinforcing its regulatory affairs and clinical development functions to enable the timely launch of new products and facilitate sales activities. We are achieving business diversification and strengthening our response to regulatory trends by enhancing our structures for product evaluation on a global basis and cultivating specialized human resources.



#### Direct Sales Ratios and Main Initiatives for Sales, Service and Support by Region

	Direct Sales Ratio (As of the End of Fiscal 2021)	Main Initiatives
Japan	100%	With a focus on our mainstay hematology field, we are working to develop new markets by expanding our portfolio in the diagnostics business, providing cancer genomic medicine and other assay services, and expanding into the medical robotics business.
Americas	75% or higher	We are conducting sales activities tailored to the needs of each country by establishing a direct sales structure in North America and a sales structure utilizing alliances in Central and South America. In the United States, where medical institutions are scattered over a vast area, we have consistently earned high marks in customer satisfaction surveys for online training and other service innovation initiatives.
EMEA	70% or higher	In the EMEA region, which comprises more than 100 countries and includes both developed countries and emerging markets, we have established a sales and service structure tailored to the characteristics of each region. In recent years, we have been working to further strengthen our structure by establishing local subsidiaries, mainly in the Middle East, including Egypt and Saudi Arabia, as well as by collaborating with alliance partners and expanding our direct sales area.
China	Approximately 1%	In China, we have established a sales network utilizing numerous local distributors to provide products all over the country in our mainstay hematology field and in the urinalysis, hemostasis, immunochemistry and life science fields. In services and support, we have established an IoT-based system and regularly hold scientific seminars in Chinese to provide the latest medical information.
AP	50% or higher	In the Asia Pacific region, where economic levels and medical systems differ by country, subsidiaries in each country take the lead in establishing sales and service systems that meet local needs. We also engage in activities to improve medical standards, such as holding scientific seminars and supporting the quality control and standardization of testing.

# Environmental Considerations in Our Business Activities

By promoting initiatives to reduce environmental burdens through our business activities, we will fulfill our social responsibilities as a company that does business globally, while establishing a competitive advantage in the market.

Related Materiality and Sustainability Target KPIs	Key Progress
<b>Environmental Consideration</b> <ul style="list-style-type: none"> <li>Reduction of CO<sub>2</sub> emissions (instruments) Cut 22%</li> <li>Reduction of CO<sub>2</sub> emissions (shipping) Cut 1% (Base Year: Fiscal 2016)</li> <li>Reduction of packaging and labeling materials Up 9% (Base Year: Fiscal 2019)</li> </ul>	CO <sub>2</sub> emissions when using instruments decreased due to a rise in sales of power-saving products and improvements in global CO <sub>2</sub> emissions. However, the rate of reduction for packaging materials deteriorated due to an increase in the use of packaging materials (paper containers) in conjunction with an increase in reagent sales.

With protection of the global environment becoming an urgent issue, as a company with global operations Sysmex recognizes that reducing the environmental burden of its business activities is a priority.

Climate change is expected to have a significant impact on the healthcare market. Delays in addressing the issue of climate change will lead to an increase in people suffering from heat stroke due to rising temperatures. Areas where tropical diseases such as malaria and dengue fever are endemic will expand. Furthermore, air pollution will lead to a rise in respiratory diseases. Such a situation would increase medical costs and put pressure on medical infrastructures, thereby affecting the entire healthcare system.

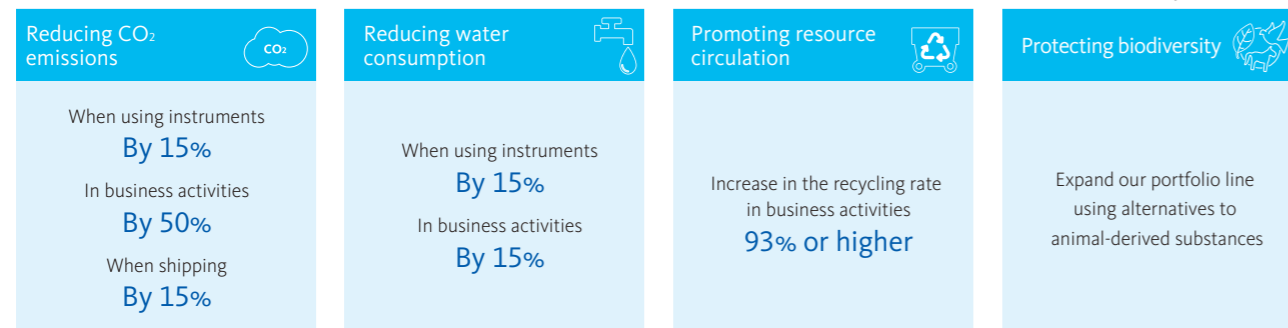
In addition to climate change, other environmental issues are also involved in Sysmex's business activities, such as reducing water consumption, promoting recycling, and preserving biodiversity.

We have formulated the Sysmex Eco-Vision 2025 as a long-term guideline for environmental management. We have identified "environmental consideration" as a materiality item, and are promoting measures such as reducing CO<sub>2</sub> emissions and water consumption throughout the product life cycle and promoting environmentally friendly procurement. We are also disclosing information in response to the TCFD (Task Force on Climate-Related Financial Disclosures) recommendations. In 2022, we set the goal of becoming carbon neutral (reducing greenhouse gas emissions from our business offices to zero in real terms) by 2040.

It is our social responsibility as a company to promote such measures. At the same time, we create a competitive advantage in the market by undertaking unique initiatives. To help extend healthy lifespans for people around the world, we will continue to take on the challenge of reducing our environmental burden from a medium- to long-term perspective.

## Long-Term Environmental Objectives (Fiscal 2025)

(Base year: Fiscal 2016)



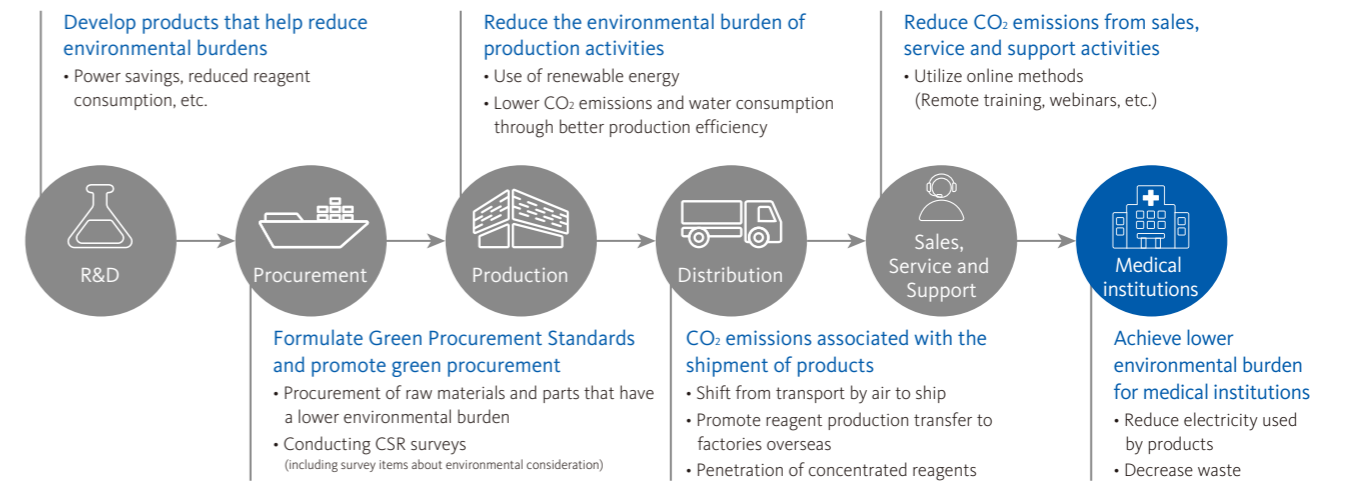
## Response to TCFD Recommendations

In January 2021, Sysmex expressed its support for the TCFD recommendations and disclosed information based on this framework.

We identified climate change risks and opportunities at a management meeting chaired by Sysmex's chairman and CEO. These are reviewed twice each year by the Environmental Management Committee, whose officers are the Company's senior executive officers. The Environmental Management Committee and related departments take the lead in implementing the necessary initiatives for identified risks and opportunities.



## Key Initiatives



## Examples of Initiatives to Decrease Environmental Burden through Business

### Enhanced competitive advantage

#### Promote the shift to local reagent production

Sysmex promotes the transfer of reagent production to overseas plants. As a result, we can provide a stable supply to customers, reduce costs and help reduce CO<sub>2</sub> emissions by shortening transportation distances. We have established production bases for reagents used in the hematology and urinalysis fields in eight countries around the world.

#### New environmentally friendly hematology analyzers

Our new hematology sample transportation system modules that launched in 2021 offer higher processing capacity than previous models. In addition, they are more compact and feature reduced power consumption.

- Space-saving: 15% reduction in width
- Reduced power consumption by approximately 40%

In addition, one of the modules has a flexible automatic shutdown function. This allows individually selected instruments to be shut down automatically at night when the number of samples is low, thereby reducing power consumption.



### Consideration for the environment

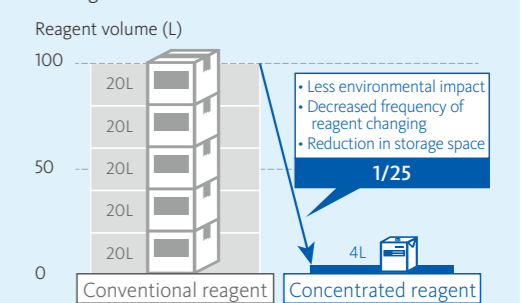
#### Promote adoption of concentrated reagents

Some instruments in the hematology and immunochemistry fields make use of reagents that are concentrated to 25 times the level of conventional reagents.

In addition to curtailing CO<sub>2</sub> emissions, concentrated reagents are more compact, so they require less material for containers and packaging, thus saving resources, and laboratories accordingly generate less waste. We have also transitioned from conventional polyethylene packaging to paper cartons to conserve oil resources.

Using concentrated reagents means that reagents need to be replaced less frequently. This saves storage space and contributes substantially to usability in other ways.

#### Reagent with 25 Times Concentration



#### Initiative to Achieve Dry Ice-Free Transportation

Sysmex had been using charter and other special delivery services to transport reagents for genetic testing, demands a high level of quality and temperature control. However, we faced numerous issues in relation transportation cost, flexibility in logistics, and efficiency, and we were also considering improvements in the use of dry ice for cold storage. In 2021, Sysmex and Yamato Transport developed a transportation model that is both ecofriendly and cost effective for the long-distance transportation of pharmaceuticals and other products at the ultralow temperature range of -70°C without using any dry ice, which was previously considered essential.

# Diverse Human Resources Supporting Sustainable Growth

Employees with strong aspirations to help solve social issues through business and who have wide-ranging backgrounds are important management resources that support sustainable growth, and are a source of strength for Sysmex.

Related Materiality and Sustainability Target KPIs	Key Progress
<p>Realization of an attractive workplace</p> <ul style="list-style-type: none"> <li>● Percentage of Employees Overseas 60.4% (Groupwide)*</li> <li>● Percentage of Mid-Career Recruits in Managerial Posts Approximately 40% (Sysmex Corporation)*</li> <li>● Percentage of Female Managers 17.3% (Groupwide) 8.7% (Sysmex Corporation)*</li> <li>● Percentage of Employees with Disabilities 2.31% (Group companies in Japan)</li> </ul> <p>*Indicator other than sustainability target</p>	<p>The percentage of female managers has increased, mainly in Japan, due to the introduction of job-based HR management and "smart work" systems. The percentage of overseas employees has also continued to rise due to the promotion of global business development, including the establishment of direct sales and service systems.</p>

## Efforts to Realize an Attractive Workplace

In recent years, the external environment has changed drastically due to the globalization of economic activities, the progress of digitalization, and a shrinking working population.

Sysmex's business has grown more global and its portfolio has rapidly become more diverse. As a result, recruiting, cultivating, and continuing to provide an attractive workplace for personnel with advanced specialties and next-generation leaders have become an increasingly important issue. Continuing to develop a work environment in which diverse human resources with different cultures, beliefs, values, and backgrounds can respect each other and maximize their abilities, and fostering a corporate culture in which employees can feel at ease and demonstrate their abilities while maintaining a sense of global unity, will directly contribute to strengthening our external competitiveness.

## Strengthening Global Human Resource Management

The scope of Sysmex's overseas operations is growing: overseas sales account for more than 80% of the total and our percentage of overseas employees exceeds 60%. To support global business development, at overseas bases we hire and assign local personnel who are familiar with local markets rather than leading business promotion from Japan. We find that respecting the culture and values of each country and region leads to prompt and precise policy development. In Japan, meanwhile, approximately 40% of Sysmex Corporation's management personnel are mid-career hires. By utilizing their backgrounds and expertise developed in different organizations, these people bring a new sense of values to their work, thereby strengthening Sysmex's competitive edge.

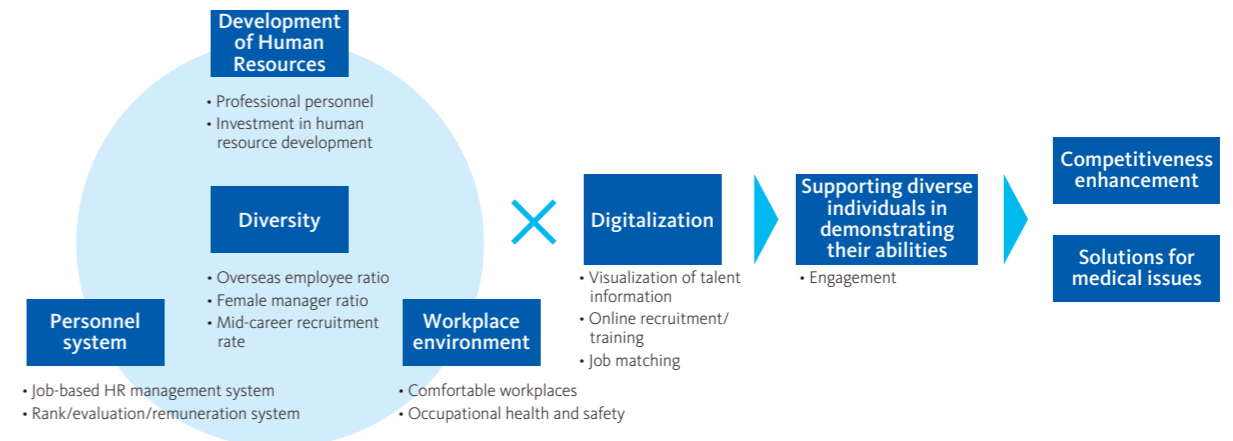
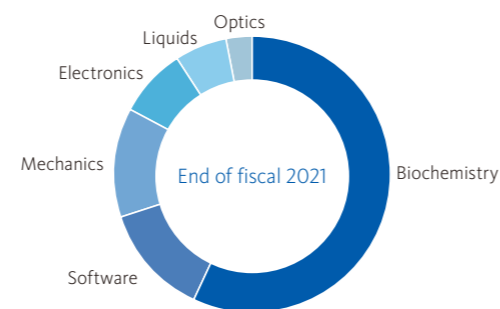
In human resource management, we are promoting the use of DX to digitalize many aspects of recruitment, HR development, HR systems, and engagement surveys, as well as to visualize employee talent information.

## Promoting Diversity and Inclusion

Sysmex embraces diversity and inclusion, which involves creating a positive working environment for diverse human resources, and we promote these activities. One KPI in this area is the promotion of women's participation and advancement in the workplace. While the percentage of female managers at the Sysmex Group is 17.3% and rising each year, we need to improve this figure. We do not intend to raise this number hastily, however. Instead, we will gradually increase the number of female managers by building a comfortable work environment and expanding training programs for skill development.

In addition, by creating a workplace where people with various sorts of physical, intellectual, and psychological disabilities can work in keeping with their characteristics, we aim to foster an environment in which everyone, regardless of disability, can work and grow together enthusiastically and with peace of mind. In Japan, Sysmex Harmony, a special subsidiary, provides assistance at our factories in the production of instruments and reagents. Sysmex Europe works with an organization that endeavors to support the independence of people with disabilities. The company subcontracts packaging work in the manufacturing line of its reagent factory in Germany to such people.

■ Breakdown of Specializations among R&D Personnel



With R&D personnel, our major strength lies in the fact that we have people with diverse and highly specialized knowledge that enables us to develop instruments, reagents, and IT in-house for our different technology platforms: cells, proteins, and genes.

## Introducing a New HR System and Enhancing HR Development to Drive Sustainable Growth

In fiscal 2020, Sysmex Corporation introduced a job-based HR management system for people in managerial posts. This system determines employees' ranks based on their roles and what their jobs entail. In fiscal 2021, we expanded its application to the general workforce. Going forward, we will implement a grade policy, evaluation system, and human resource development for all key positions in the Group according to our Group-wide HR policy, thereby establishing consistent personnel management applied to all Group companies across the globe. With regard to HR development, Sysmex is implementing a variety of measures in individual regions. For example we are fostering a sense of unity at business offices and workplaces and developing the next generation of human resources, based on a Groupwide global human resource development system.

## Making Work More Comfortable under the New Normal

Sysmex believes that diversity and a sense of identity will become more important values in the future, given the increase in the number of Millennial and Gen Z employees. We have worked to make the workplace more sustainable, as evidenced by the fact that more than 50% of male employees at Sysmex Corporation take paid leave for childcare. Even so, we see a continuing need to facilitate individuals' own career choices and working styles based on their sense of values and life events.

Based on the Sysmex Declaration of a Healthy Company, we have introduced a variety of measures in each region to balance comfortable work environment and improved productivity. In fiscal 2021, Sysmex Corporation introduced a "smart work" system designed to help employees achieve a good work-life balance. The system adopts a hybrid work style that combines in-office work with telecommuting from home. Our overseas Group companies, particularly Sysmex Europe and other subsidiaries in the EMEA region, have earned external accolades on this front, receiving "Great Place to Work" awards for their fulfilling work environments and high levels of employee satisfaction.

Sysmex strives to achieve high productivity and performance and strengthen its corporate competitiveness by enabling a diverse workforce to demonstrate their abilities. At the same time, we will work to resolve medical issues through our business.

## LGBTQ Initiatives

In fiscal 2020, Sysmex Corporation established a partnership registration system, under which partners in same-sex relationships are recognized as spouses. We are working to create a safe working environment for LGBTQ people by providing information to deepen understanding of sexual minorities.

In 2021, Sysmex Group companies incorporated rainbow flags into the profile images of their official social networking accounts (for a limited time) to show their support for LGBTQ people.



Changed official social network profile images to show support for LGBTQ

# Strengthening Global Competitiveness and Supporting Sustainable Growth with Intellectual Property

In addition to strengthening our global competitiveness, we are working to create new value while protecting our technology, designs, brand, and intellectual property so that customers can use Sysmex products with confidence.

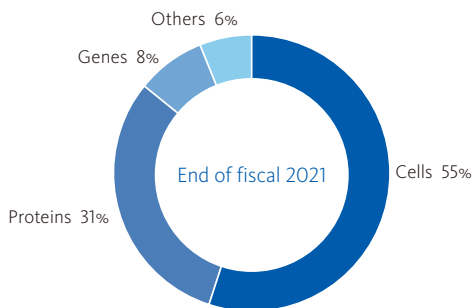
Related Materiality and Sustainability Target KPIs	Key Progress
Resolution of medical issues through products and services <ul style="list-style-type: none"> <li>● Number of new patents: 298</li> <li>● Total number of patents: 3,680</li> </ul>	In line with business expansion, we strategically promote patent applications, centering on hematology. As a result, the number of new patents increased 3.8% from the previous fiscal year. The number of patents rose 5.6% year on year, strengthening our global competitiveness.

## Intellectual Property Underpinning our Global Development

Sysmex has been promoting the acquisition of intellectual property globally in line with the expansion of its business domains and overseas development. As a result, 85% of our patents, utility model rights, design rights, and trademarks are held overseas.

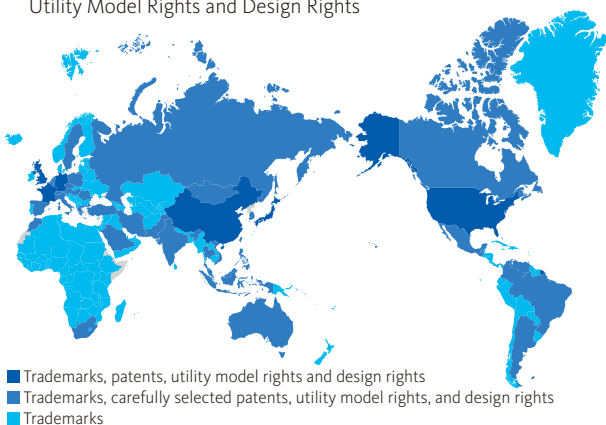
To strategically enhance the competitiveness of our cell, protein, and gene measurement technology platforms, we hold patent, utility model, and design rights. This intellectual property centers on Japan, the United States, Europe, and China, taking into consideration market size, the risk of counterfeit products, and the state of legal developments related to intellectual property.

■ Percentage of Patents Held by Technology Platform



We work to secure trademark rights globally, including in emerging and developing markets, to legally protect the Sysmex brand and to prevent damage to health stemming from the distribution of counterfeit products. In addition, we have applied for trademarks for our corporate brand in 193 countries and regions.

■ Regions Where We Have Filed for Trademarks, Patents, Utility Model Rights and Design Rights



## Governance Related to Intellectual Property

Sysmex's Global Compliance Code stipulates that we respect the intellectual property of third parties as well as our own. To comply with and utilize intellectual property laws and to promote our R&D and business, we have introduced a review system for intellectual property. We strategically promote intellectual property activities while evaluating our own intellectual property, as well as that of third parties.

We are also working to strengthen governance related to intellectual property through regular meetings of the Intellectual Property Activities Promotion Committee, which consists of people from our R&D and business divisions. Annual intellectual property activities are also summarized and discussed at meetings of the Managing Board and other management meetings.

In addition, we disclose data on intellectual property activities, such as the number of new patent applications filed and the number of patents held, as monitoring indicators for our sustainability targets under the mid-term management plan.

### Establishing Environments and External Assessments Related to Intellectual Property

Sysmex is expanding its intellectual property education system for R&D and business divisions, including training based on work experience and division-specific training. We have also enhanced our internal patent award and bonus systems to stimulate the creation of superior inventions. As a result of such improvements in our intellectual property environment, this fiscal year in Japan we received the Medal with Purple Ribbon in our mainstay hematology field. This is the second time we have received this award; the first was in the urinalysis field in fiscal 2018. In June 2022, we also received a National Commendation for Invention for the third consecutive year, demonstrating a high level of external regard.