

# Together for a better healthcare journey

## Sustainability Management

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## Sustainability Management

### Materiality

#### The Positioning and Process of Identifying Our Materiality

Sysmex 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 Sysmex. We 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 Sysmex 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 with the approval of the Managing Board.

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 Sysmex 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, Sysmex will continue to provide value by regularly verifying and reviewing materiality.

Priority SDGs			Materiality	
3	Good Health and Well-being		<ul style="list-style-type: none"><li>Resolution of medical issues through innovation</li><li>Improvements in accessibility to healthcare</li></ul>	Creating New Value for a Healthy Society <sup>2</sup>
9	Industry, Innovation and Infrastructure		<ul style="list-style-type: none"><li>Pursuit of quality and trust</li><li>Strengthening supply chain management</li></ul>	Providing Responsible Products, Services, and Solutions <sup>2</sup>
12	Responsible Consumption and Production			
17	Partnership for Targets			
5	Gender Equality		<ul style="list-style-type: none"><li>Increasing engagement<sup>1</sup></li><li>Promotion of diversity, equity &amp; inclusion<sup>2</sup></li><li>Development of human resources</li><li>Promotion of health and occupational safety</li></ul>	Creating an Attractive Workplace
8	Decent Work and Economic Growth			
13	Climate Action		<ul style="list-style-type: none"><li>Resource circulation in product life cycle<sup>2</sup></li><li>Reduction in environmental burden through business activities<sup>2</sup></li></ul>	Reducing Environmental Impacts <sup>2</sup>
	(Governance)		<ul style="list-style-type: none"><li>Corporate governance</li><li>Compliance</li><li>Risk management</li><li>Respect for human rights<sup>1</sup></li></ul>	Strengthening Governance

\*1 Newly added item  
\*2 Items that have been reorganized, integrated, or changed from the previous materiality

## Status of Sustainability Targets

Materiality		KPI*1		Target			
				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 support robot	Number of cases with surgical robot system (manufactured by Medicaroid Corporation)	—	—		
		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*3	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)	5	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)	0.22%	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	30.0%	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 3%	Cut 10%	Cut 35%	
		Reduction of packaging and labeling materials	Percentage reduction of total packaging material weight with FY2019 at the base year	—	—	—	

\*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

Results					Progress and Future Initiatives
Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	
—	—	2,971 million	2,977 million	3,325 million	Looking at market share in fiscal 2023, we saw higher reagent sales in all regions, due to an expansion of the installed instrument base. In Japan, the introduction of new high-end models proceeded well. However, due to the impact of government procurement policies in China, our share of the mid/low-end market temporarily decreased there, resulting in a slight decline compared to the previous year. However, our measures to transfer production to local facilities in China is on track. Installation progressed smoothly, concluding in fiscal 2023 (hematology field). The number of surgeries performed using our robotic-assisted surgery system increased substantially, owing to an increase in the number of units installed and expansion in the types of medical procedures for which the system can be used. The number of cancer genomes analyzed and the number of breast cancer tests using the OSNA method remained at the same level as in the previous fiscal year. The number of patent applications decreased, as we grew more stringent in our selection of patents that would deliver future value and filed more strategic patent combinations. We will continue to monitor the social impact of both our existing diagnostics business and our new medical robotics business.
54.7%	55.6%	54.6%	54.0%	53.0%	
—	—	—	1,323	2,903	
3,143	3,485	3,680	3,832	3,868	
306	287	298	257	200	Sales in emerging markets and developing countries grew by around ¥8.0 billion year on year, due to our enhanced sales and service structure in emerging markets, including India, Brazil, the Middle East, Turkey, and Saudi Arabia. One of our growth strategies is to expand our business in emerging markets, and accordingly we are working to support improvements in accessibility to healthcare and quality.
—	1.6 thousand	1.6 thousand	1.7 thousand	1.6 thousand	
—	46 thousand	54 thousand	52 thousand	52 thousand	
—	¥122.0 billion	¥143.0 billion	¥156.7 billion	¥164.6 billion	
—	4	2	2	2	In fiscal 2023, we had two recalls, the same number as in 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	0	
85%	89%	90%	94%	95%	The CSR survey response rate for fiscal 2023 was 95%, meeting our 90% target. In addition to working toward improvement of initiatives based on the results of the CSR survey, we conducted six training sessions on CSR survey and BCP response items. We also procurement policy briefings to explain our supply chain management policy and eco-social strategy, which was attended by approximately 250 suppliers. We will continue to promote sustainable procurement and ensure a stable supply of our products and services.
—	2	5	5	6	
—	86%	88%	86%	88%	
—	—	—	—	0.40%	As part of our efforts towards achieving zero product loss, we have implemented a recycling program for discontinued equipment and parts. However, waste was generated as a result of our discontinuation of supplying hemostasis reagents in Russia. As a result, the rate of unused Sysmex products discarded as waste in fiscal 2023 was 0.4%, falling short of our target. Regarding the adoption of environmentally conscious materials in containers and packaging, we have made progress in the transition to cardboard incorporating recycled paper and reagent boxes made from FSC-certified materials. In fiscal 2023, our rate of use reached 43%, meeting our target. In addition to promoting a modal shift during product shipment and selling products with enhanced energy-saving features, we have succeeded in reducing Scope 3 emissions. In fiscal 2023, we achieved a 4% reduction, meeting our target. We will collaboratively create innovative solutions that will advance the realization of a circular society by taking on the challenge of green innovation with stakeholders and utilizing Sysmex's strengths.
—	—	—	—	43%	
—	—	—	—	Cut 4%	
—	Cut 4%	Up 9%	Cut 7%	Cut 9%	

Materiality		KPI*1		Target		
				Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)
Reducing environmental impacts	Reduction in environmental burden through business activities	Reduction of greenhouse gas emissions (Scopes 1, 2)	Reduction rate of GHG emissions (Scope 1, 2) from fiscal 2022	Cut 30%	Cut 40%	Cut 55%
		Ratio of renewable energy	Percentage of using renewable energy	65%	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 1%	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 4pt	Cut 23pt	Cut 90pt
		Reduction of total waste	Percentage of reduction waste generated by business activities per consolidated sales	Cut 1%	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*2	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)	—	—	

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

\*3 Target: Sysmex Group in Japan

Results					Progress and Future Initiatives
Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	
—	—	—	—	Cut 29%	We have been promoting the transition to renewable energy and the installation of energy-saving equipment. Despite an increase in corporate vehicle usage after the easing of COVID-19, the reduction rates for Scope 1 and Scope 2 emissions in fiscal 2023 were generally in line with our targets. Additionally, thanks to a significant reduction in the heat conversion value of electricity through the introduction of renewable energy, energy use per employee decreased by 8%, surpassing our target.
—	—	—	—	69%	
—	—	—	—	Cut 8%	We will continue to promote operational efficiency and energy-saving measures. We have completed the transition to renewable energy at major domestic locations, and we will extend these efforts to our overseas locations. We remain committed to reducing greenhouse gas emissions.
—	—	—	—	Cut 2pt	Regarding the reduction of water consumption in reagent factories, we have been reviewing tank cleaning methods and promoting water recycling, but so far effectiveness has been limited.
—	Cut 8%	Cut 15%	Cut 27%	Cut 32%	On the other hand, we achieved a significant 32% reduction in waste, meeting our target, by introducing recycling and reuse activities at each site and reviewing the calculation method for waste liquid at our North American factory.
—	0.6%	0.6%	0.5%	0.4%	In fiscal 2023, efforts to reduce product waste included shortening the supply lead time for reagents to overseas subsidiaries, which resulted reduced waste by ¥40.0 million. Going forward, we will continue to strengthen global supply-demand management and promote initiatives such as extending expiration dates to reduce waste further.
—	506	485	597	723	The waning impact of the COVID-19 pandemic increased in-person meetings, including visits by overseas investors to Japan and overseas roadshows. We effectively utilized conferences hosted by securities firms and other opportunities to hold individual and group meetings with a wide array of investors. Consequently, in fiscal 2023 the number of companies we met with increased by more than 100 from the previous fiscal year.
11	12	28	21	26	In fiscal 2023, we had 15 unethical incidents, none of which was a serious violation. A total of 26 internal reports were received in Japan and from overseas. We investigated and appropriately handled each incident.
7	5	14	9	15	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.
—	2,720	3,601	4,900	11,097	In fiscal 2023, 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.
—	98.7%	98.7%	99.4%	99.4%	In fiscal 2023, 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. The percentage of participants in training using safety confirmation tool exceeds 99%. To strengthen our disaster response capabilities further, from next fiscal year we will set the rate of participation in disaster prevention training as a KPI.

Materiality		KPI*1		Target		
				Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)
Creating an attractive workplace	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*2	Return to work after parental leave	—	—	
		Percentage of men taking childcare leave*2	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	18% or higher	20% or higher	—
		Female next generation managers ratio	Percentage of women in the manager position	—	—	
		Female associates, employees ratio	Female associates, employees ratio	—	—	
		Percentage of mid-career recruitment in managerial and professional positions*2	Percentage of mid-career recruitment employees in managerial and professional positions	—	—	
		Male/female percentage among recruits (new graduates and mid-career)*2	Female ratio in new graduates recruitment, mid-career recruitment	—	—	
		Percentage of women and non-Japanese nationals in management*2	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)*2	Gender ratio in average total compensation value (managerial and professional positions)	—	—	
		Salary inequality general employees (total compensation)*2	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	

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

\*3 Target: Sysmex Group in Japan

Results					Progress and Future Initiatives
Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	
—	66% (except EMEA)	65% (except EMEA)	71%	75%	<p>The engagement score for fiscal 2023 improved by an additional 4 percentage points from the previous year, reaching 75% for the Group. This score is on par with those of Fortune 500 companies, and high employee engagement is a key driver for the Group’s growth. By reviewing certain items, as well as through initiatives such as dissemination of the Sysmex Way, implementation of safety measures and flexible work arrangements during the COVID-19 pandemic, promotion of DE&amp;I, and the realization of attractive rewards, the engagement score improved particularly for Japan, leading to increased satisfaction in working for Sysmex. For example, the Company received high scores in areas such as “I believe this is a company where I can work safely” and “Opportunities for growth are provided.” However, the score for “Knowledge and information is shared across departments” was low, highlighting the need to strengthen collaboration between departments as one of our challenges moving forward.</p> <p>The turnover rate for fiscal 2023 dropped by 0.7 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. In particular, we saw substantial improvements in turnover in the Americas and China.</p> <p>We will continue to improve employee engagement by recruiting and training talented people, creating a comfortable working environment and promoting labor–management dialogues.</p>
10.1%	7.5%	10.9%	8.4%	7.7%	
—	—	—	6.8%	5.6%	
—	—	—	100%	99%	
—	31%	53%	62%	61%	
15.5%	16.2%	17.3%	19.5% (except Russia)	19.2%	<p>The percentage of male employees taking childcare leave in fiscal 2023 was 61% of eligible employees, meeting our target of 60%. This significant increase was attributable to various initiatives. These included 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, such as holding round-table discussions for all domestic employees and conducting seminars by internal and external lecturers and creating a guidebook for male employees, and encouraging managers to understand various work styles. We will continue to take actions to increase the percentage of male employees taking childcare leave.</p> <p>In fiscal 2023, our female managers ratio remained at around 19%. The ratio has trended upward over the past five years, with the previous four years at 15%, 16%, 17%, and 19%. Our female managers ratio is high overseas, at more than 30%, led by the Americas. We attribute this result to the early promotion of women in management positions. In Japan region, we have seen an increase in the number of female managers, owing to the implementation of revised personnel systems that have provided more diverse career options. As a result, since fiscal 2022 we have maintained a female managers ratio of 10% in Japan, surpassing the Japanese manufacturing industry average of 8%. Furthermore, the ratio of women among the Group’s next-generation management increased 1.9 percentage points year on year. This increase is attributable to the promotion of women in management positions, primarily overseas.</p> <p>In addition to management ratios, we will continue to monitor diversity indices and gender pay ratios among our executive team, as part of our efforts to promote a diverse workplace and foster the integration of diversity, equity, and inclusion. We will also work on creating a work environment that is conducive to various workstyles.</p>
—	—	—	32.1%	34.0%	
—	—	—	41.8%	41.5%	
—	—	—	41.7%	39.8%	
—	—	—	Newly graduated: 35.9% Mid-career: 27.0%	Newly graduated: 45.2% Mid-career: 25.8%	
—	—	—	Women: 8.3% Non-Japanese: 16.7%	Women: 8.3% Non-Japanese: 16.7%	
—	—	—	9.4%	13.5%	
—	—	—	93.1%	94.0%	
—	—	—	80.1%	82.1%	
2.30%	2.30%	2.31%	2.31%	2.38%	



Materiality		KPI*1		Target		
				Fiscal 2023	Fiscal 2025	Fiscal 2033 (Eco-Vision)
Creating an attractive workplace	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)*2	Value added per time	—	—	
		Value-added productivity (Group)	Value added per capita	¥19.38 million	¥22.50 million	
		Human resources development investment (non-consolidated)*2	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)*2	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*2	Rate of transfer to key positions	—	—	
		Succession coverage Rate*2	Percentage of key positions that have a successor candidate	—	—	
	Promotion of health and occupational safety	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	

\*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.

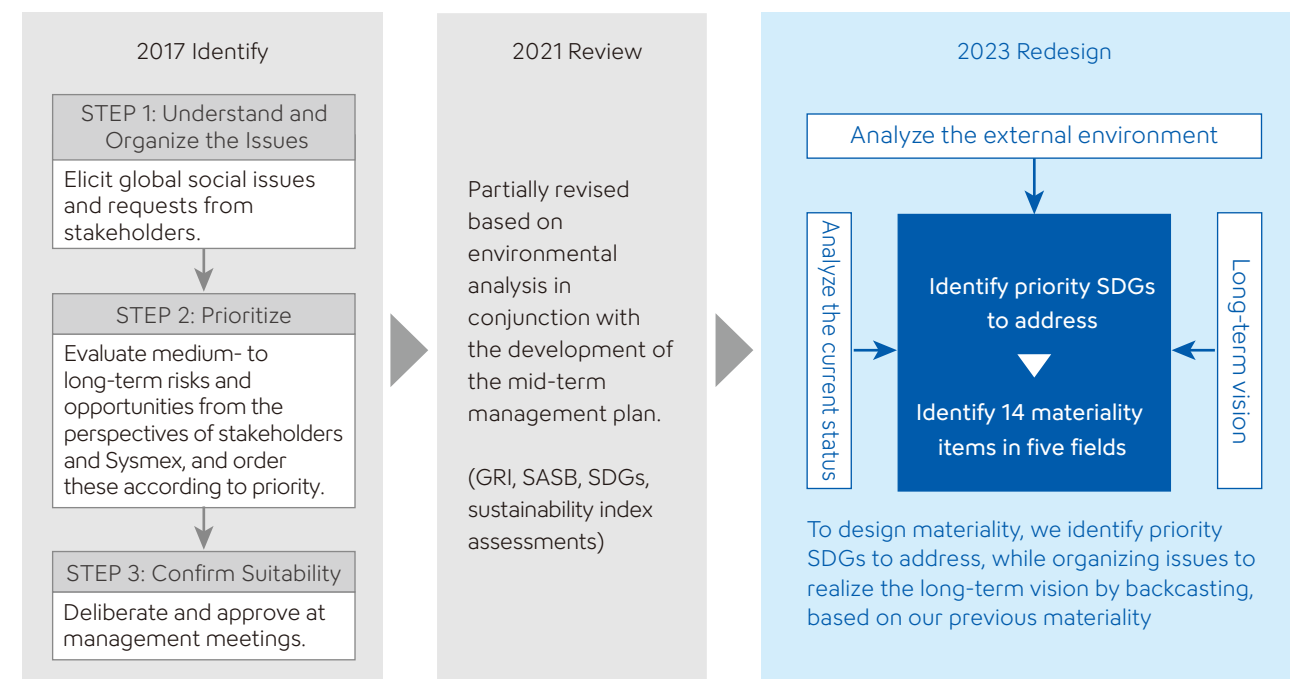
\*2 Target: Sysmex Corporation on a non-consolidated basis

\*3 Target: Sysmex Group in Japan

Results					Progress and Future Initiatives
Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	
—	24.5 hours	31.4 hours	30.0 hours	24.4 hours	The average number of training hours per employee across the Group amounted to 24.4 hours in fiscal 2023, representing a year-on-year decrease and falling short of our target. This was mainly due to an increase in the number of Group companies included in the calculation, resulting in differences in the implementation of training at overseas locations and variations in data aggregation processes. We recognize this as a significant challenge going forward. On the other hand, in Japan, the average number of training hours per employee was significantly higher than the Group average, at approximately 50 hours. While increasing opportunities for employee development, we have also made progress in leveraging online content and internalizing training programs across the Group, thereby keeping costs from escalating excessively. We met our target for value-added productivity (Group), improving by 6.6% year on year. Key factors included appropriately controlling the rate of increase in headcount in relation to growth in sales and operating profit, actively investing in human capital and digital transformation (DX), and the impact of yen depreciation. Investment in human resource training (Group) increased 3% year on year, ¥369 million. We expanded onboarding initiatives for young employees and individual programs for succession planning. Additionally, we resumed global training programs that were temporarily suspended due to the COVID-19 pandemic. The rate of participation in training (Group) remained high, at 97%. Notably, we achieved high attendance rates for compliance training based on the revised Global Compliance Code we implemented in 2023, as well as programs related to security trade control.
—	—	—	¥13,230	¥14,760	
—	—	—	¥18.74 million	¥19.97 million	
—	—	—	¥266 million	¥241 million	
—	—	—	¥356 million	¥369 million	
—	—	—	100%	100%	
—	—	—	100%	97%	
—	—	—	100%	100%	
—	—	—	218.9%	311.0%	
—	2,030 hours	2,045 hours	2,022 hours	2,017 hours	In fiscal 2023, annual working hours decreased by 5 hours year on year, but we fell short of our target. In Sysmex Corporation, efforts to achieve innovations in technology and transform the business structure, along with proactive recruitment, have alleviated the shortage of personnel. By implementing value-added productivity indicators, we have adopted a more efficient way of working, leading to a decrease in overtime hours. Additionally, an increase in the number of paid leave days taken has resulted in 10 hours less compared to the previous fiscal year. 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%	74.6%	In fiscal 2023, the percentage of days of paid leaves taken rose 8 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. Furthermore, we introduced a welfare program that subsidizes the cost of travel, leisure, and culture school use when employees take at least five consecutive days of paid leave. Going forward, we will continue to set 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	0.78	The lost-time injury frequency rate for fiscal 2023 decreased by 0.03 percentage points, but fell short of our target. The lost work days rate rose by 0.018 percentage points, also coming in below our target. There were six work-related accidents, including injuries in factories (eight 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. 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.
—	0.05	0.04	0.05	0.07	

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

## WE SUPPORT



- ▶ [Corporate Philosophy](#)
- ▶ [Sysmex Report \(Stakeholder Engagement\)](#)
- ▶ [Multi-Stakeholder Policy \(Japanese\)](#)