

Society

Creating an Attractive Workplace

Development of Human Resources —Employee Journey—

Global HR Policy

Systemex believes an environment in which every employee can develop a fulfilling career is essential to sustainably enhance its corporate value and create a highly engaged organization. An “employee journey” encompasses all stages of an employee’s career, from joining, retiring, or leaving Systemex to building a second career. We help diverse individuals at Systemex build their careers and learn continuously and independently.

To support a self-driven career, we have a job-based personnel system in place across the Group. We have implemented various measures in accordance with defined duties and personnel requirements. These human resource management activities follow our Global HR Policy as their fundamental principle.

► Global HR Policy

Diverse Talent Acquisition

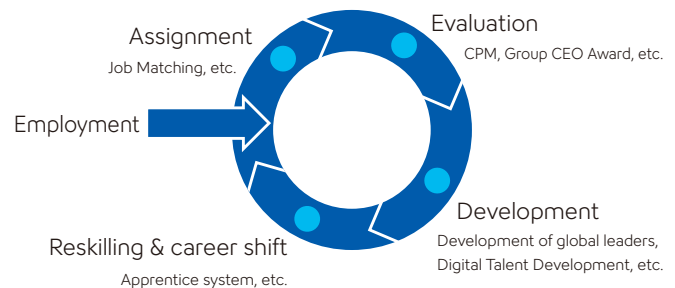
Recognizing that innovation comes from diversity in talent, Systemex Corporation hires people with different experiences and values. Under the slogan of “anywhere, anytime, and anyone,” we hire people throughout the year based on their character, regardless of nationality, race, gender, age, employment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

Our recruitment is based on job type and position, allowing applicants to apply in accordance with their specializations or work preferences. We also monitor our efforts to hire job applicants directly from overseas universities¹ and set hiring targets by gender² to actively promote the recruitment of diverse individuals.

Hiring and developing human resources who support our growth strategy is an important aspect of our human capital strategy. We have been investing in human capital, maintaining a balance between the sustainable improvement of value-added productivity (14,760 yen per hour in fiscal 2023) and total labor cost.

*1 The proportion of employees with foreign citizenship, hired directly from overseas universities, among all new graduates hired: about 13.5% in fiscal 2023

*2 The proportion of female employees among all new graduates hired: 45.2% in fiscal 2023 and 40% as a target for fiscal 2024



Assignment According to the Needs of Employees and Teams

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

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

These actions yielded significant results in fiscal 2023. The three-year turnover rate for new graduates was 6.5%, and the voluntary turnover rate was 2.6%, achieving our target of less than 3.0%.

► Selection and being selected—transforming the assignment process for new recruits through our job matching system | Sysmex

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

Evaluations and Commendations to Encourage New Attempts and Recognize Achievements

At Sysmex Corporation, we have introduced an evaluation system incorporating the concept of continuous performance management (CPM) to achieve agile responses to changes in the internal and external environment in times of drastic transformation. This system encourages employees to take on challenges by flexibly reviewing their targets and actions in response to changes, without sticking to the original targets that they set at the beginning of the term. We evaluate them based on a point-addition system. It assesses not only individual performance but also organizational culture, human resource development, and team performance, aiming to promote both employee contributions to our business and the growth of individuals and teams. Employees regularly have one-on-one meetings with their supervisors throughout the year. These meetings provide them with opportunities to discuss day-to-day operations and career development, as well as goal setting and evaluation. They assist with individual growth and build mutual trust. In our semiannual Corporate Culture Survey, we assess our employees' level of confidence in leadership to develop future leaders and improve our organizational culture.

Additionally, our Group CEO Award is given to recognize divisions and teams. It annually honors individuals and teams that contribute significantly to the enhancement of corporate value and that address social issues by practicing the Sysmex Way, our Group corporate philosophy. In line with the establishment of our long-term corporate strategy VA33 and the refinement of our corporate philosophy, we launched the "Challenge & Anshin Award" in fiscal 2023. This award recognizes excellent contributions in five categories (IP·Idea, Eco-Social, Sales & service, Quality, and Operation). To motivate R&D engineers and heighten awareness of intellectual property, we have also introduced the Patent Grand Prize, the Patent Meister designation and the Filing Commemoration Prize.

Training Programs Tailored to Individuals

Sysmex Corporation has a human resource development division in the corporate management domain managed by the members of the Managing Board, senior executive officers, and senior managing directors. To respect diverse working styles and values, this division offers a wide range of learning programs that help employees develop business skills and build career plans based on their aspirations.

Employees can even join some of the programs across national borders through the availability of online courses for learning from home. In fiscal 2023, all employees participated in one of these conducted training programs. The benefits include the growth of individual employees and enhanced productivity through skill improvement and exchanges between participants, resulting in better mutual understanding and cross-functional networks. (Investment in training in fiscal 2023: 83,000 yen per employee.)

Our Corporate Culture Survey indicates that most of the employees support these training programs; 64% of them provided positive responses, noting that they were offered opportunities for growth through such programs. Sysmex Corporation also supports continuous learning by employees of all ages and ranks. Our "smart work" system, intended to facilitate diverse working styles, encourages employees to spend 15 minutes of their daily working hours on self-study. During fiscal 2023, our employees spent an average of 55.3 hours on learning.

► Promotion of Diverse Working Styles and "Smart Work"

Development of Next-Generation Leaders

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

For the candidates chosen as successors, we formulate development plans to address individual issues and offer necessary leadership development programs. Among these programs, a selective leadership program for employees with the status of being "ready to be a successor" provides them with opportunities to think from a leader's perspective, facilitating their promotion to higher positions. In fiscal 2023, on-board training* was undertaken by a total of 2,662 employees, while selective training (for candidates chosen as successors) was undertaken by a total of 157 employees.

In fiscal 2023, we restarted global training, which had been suspended due to the COVID-19 pandemic, promoting our cross-regional and cross-border efforts to develop global leaders.

* This program aims to retain new members, including recent graduate hires and mid-career hires, and to develop them as valuable members.

Reskilling & Career Shifts

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

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

To support those who are to be reassigned at their request, our apprentice system provides a six-month trial period during which such employees can work as apprentices so that their suitability for the position and the team can be determined before formal assignment.

After the expansion of our job-based personnel system to the Group's affiliated companies, positions in different divisions or Group companies have become more easily comparable based on common grades. Matching employees' expertise with their preferred areas of work has effectively helped them not only pursue and establish their careers but also build their second careers through reskilling efforts and work experience.

Development of digital human resources

Sysmex started to provide digital human resources development programs for employees in fiscal 2023. These programs define types of digital human resources and level hierarchy for Sysmex based on the digital skill standards (DSS) created by the Ministry of Economy, Trade and Industry and the Information-technology Promotion Agency (IPA). It provides development programs suitable for each combination. In addition, we put forward the idea of cross-reskilling ("experience and knowledge cultivated to date" x "digital technology and knowledge") and have increased opportunities and options for employees to be widely active in corporate activities. We aim to achieve specific results in active work beyond the learning, such as problem-solving, social contribution, and the like.

As one of the features of this program, we have established a digital human resource type called "Digital Rookie" and provide curricula that allow employees to start learning digital literacy widely without being tied to a specific digital human resource type. Then, we allow employees to choose digital human resource types with which they can make the most of their expertise according to their preferences and skills. In an attempt to improve digital literacy and skills, we have also introduced mechanisms to encourage mutual learning by employees by establishing a community in which employees can teach and help each other. Through these initiatives, a cumulative total of 2,500 employees participated in digital human resources development programs in fiscal 2023.

As part of our human development efforts, we also dispatched employees to our joint research partner, the University of Tokyo Market Design Center (UTMD), providing them with the opportunity to participate in studies on matching theory and market design.

Sysmex is developing an environment in which employees who have learned digital literacy and employees with advanced expertise have a common language, and digital transformation (DX) initiatives are spontaneously undertaken.

► University of Tokyo Market Design Center—Upgrading Your Organization, the Scientific Way (u-tokyo.ac.jp)



Global Leaders Training

Training for Research and Development Personnel

Sysmex has hosted the Sysmex Innovation Forum for research and development personnel for more than 40 years. This forum aims to share the results of advanced R&D activities and foster creativity with more than 1,000 participants from around the world every year. This initiative supports our technology-oriented technology base and drives new product development to shape the evolution of healthcare.

In addition, as educational programs for R&D personnel, we also provide a wide range of curricula, including specialized engineer education programs in which participants inherit our unique technology and acquire new technology, integral training so that participants can learn the essence of technology for coordinating diagnostic agents and detection devices, and educational programs in which participants study international standard project management methods, and the like. We are committed to the development of all R&D personnel.

Sysmex EMEA Campus

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



* EMEA: Europe, the Middle East, and Africa

Other Human Resource Development Programs

Company	Program/Measure	Objectives/Overview
Sysmex Corporation	“Monozukuri” Professional Training Activities	They promote the development of human resources for manufacturing as one of our production reforms. They provide training for new employees and develop human resources with the ability to guide the next generation of those engaged in <i>monozukuri</i> (manufacturing). Training offers necessary skills for those who will become multifunctional workers, as well as technical knowledge necessary for <i>monozukuri</i> .
	DX Literacy Education	It offers DX literacy training to develop skills to effectively use AI and other emerging technologies for the purpose of developing new ways to use data, increasing operational efficiency, and implementing innovations.
Sysmex America	Sysmex University	It is a training program for all employees in the United States, Canada, and Latin America that combines online and offline sessions. It offers courses focusing on wide-ranging subjects, including business skills (e.g., leadership skills and project management), specialized skills, and mentoring.
	Sysmex Management Academy	It is a six-month training for selected personnel, including newly appointed managers. It aims to strengthen management skills by providing insight into the roles and responsibilities of Sysmex management.
Sysmex Europe	Sysmex Academy	It offers programs in which trainees acquire product-related and medical knowledge. It aims to increase trainees’ specialized knowledge and develop trainers for customer training.
Sysmex Shanghai	Sysmex Shanghai University	Online training is provided for all employees. The initiative started in fiscal 2019 to support professional employee growth.
Sysmex Asia Pacific	LinkedIn Learning	It offers around 100 online training courses using a social media platform (LinkedIn) for all employees. It is designed for trainees to acquire and improve skills such as management, leadership, critical thinking, business analysis, and data analysis.
	Sysmex Academy	It offers online programs in which trainees acquire medical and product-related knowledge.

Talent Management Utilizing Advanced Technology

Sysmex manages human resources information held by the entire Group in a centralized manner and works on promoting digital transformation (DX) and generating job satisfaction. To prevent information leakage, in addition to the data management feature of the system, we have established global data management rules to restrict access to data. This scheme ensures that we can use data securely and in a timely manner.

Specifically, we promote talent management by developing an environment in which employees can work flexibly in accordance with the nature of their work and their lifestyles (such as by introducing a remote work plan and providing online training), assisting their autonomous career formation through the utilization of matching algorithms, providing real-time feedback on employee engagement surveys, and utilizing other advanced technologies.

Sysmex Receives “Human Capital Leaders 2023” and “Human Capital Management Quality 2023 Gold” Awards for its Commitment to Excellent Human Capital Management and Information Disclosure

Sysmex Corporation received “Human Capital Leaders 2023” and “Human Capital Management Quality 2023 Gold” awards at the “Human Capital Survey 2023*,” which was organized and implemented jointly by HR Technology Consortium, GIA., HR Research Institute, and MS&AD InterRisk Research & Consulting, Inc. Sysmex has thus been highly praised for proceeding with initiatives that view human capital investment as a medium- to long-term investment and implementing scientific approaches, such as setting indicators for investment and returns and verifying them using in-house data.



人的資本リーダース
2023



人的資本経営品質
2023

* Special website for Human Capital Leaders 2023: https://www.hrpro.co.jp/human_capital_survey/2023/

Society

Promotion of Diversity, Equity & Inclusion

Promotion of Diversity, Equity & Inclusion

Supporting Diverse Human Resources in Pursuing Careers

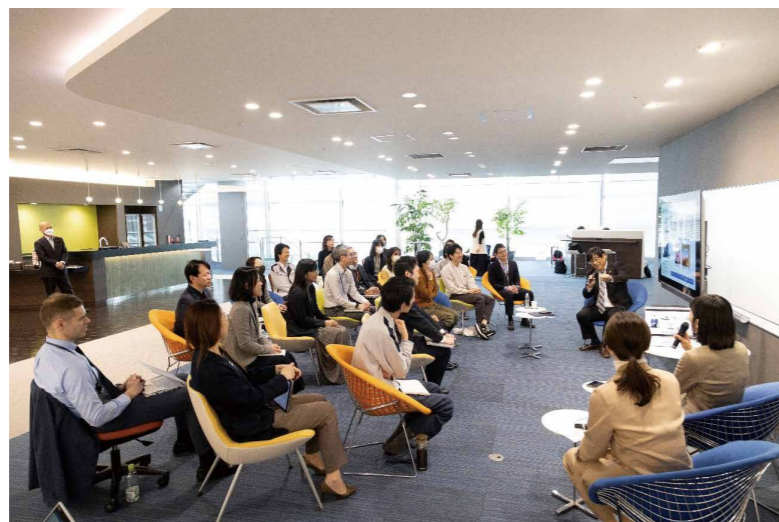
Throughout the Sysmex Group, human resources are considered an important management resource for achieving sustainable growth. We strive to realize diversity, equity, and inclusion (DE&I), an approach that involves creating an inclusive working environment in which a wide variety of people can comfortably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

Sysmex Corporation has a diversity promotion function in the corporate management domain led by the members of the Managing Board, senior executive officers, and senior managing directors. This function delivers diversity-related information and advocates diversity. It also conducts internal opinion surveys to incorporate the views of employees into the measures we implement. In fiscal 2023, we held talk sessions between management and employees on the themes of inclusive leadership, mental and physical health, and the well-being of employees, which are foundational for energetic activity by diverse human resources.

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

Stakeholder Dialogue

We held a talk session between employees and President Asano on the theme of Sysmex's well-being as part of efforts to create a workplace in which everyone can play an active role.



Click here for details:

[Dialogue between Employees and the President: Advancement of Well-Being Management](#)

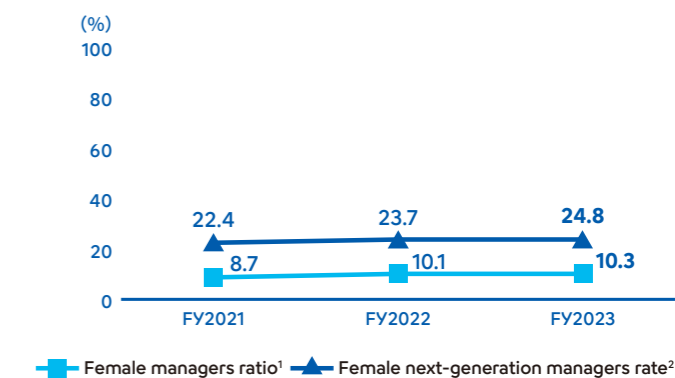
Supporting Women's Career Activities

Sysmex Corporation has worked to provide a comfortable working environment by establishing a system to support employees in pursuing their careers while raising children, among other supportive actions. This plan aims for a target* of at least 15% female managers among all managers (10.3% in fiscal 2023), with less than 1,950 annual working hours (2,010 hours in fiscal 2023) by fiscal 2024. In addition, we will set as KPIs the percentage of female managers, the percentage of next-generation female managers, and the rate of childcare leave taken by male employees. Our aim is to take into consideration both career formation and workstyle perspectives, thereby further promoting measures to encourage active female participation.

Our initiatives in fiscal 2023 included an inclusive leadership training program, a training program to support career motivation, and a training program to promote understanding of the empowerment of women in the workplace for newly appointed managers.

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

Female managers ratio (Sysmex Corporation)



- 1 Percentage of women at director level or above
2 Percentage of women in managerial posts in the Group



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



Sysmex was designated a "Mimosa Company," meaning a company promoting active female participation, under the certification system of Kobe, Hyogo Prefecture (fiscal 2022).

▶ Action Plan under the Act on the Promotion of Women's Active Participation (Sysmex Corporation)

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

Understanding of Sexual and Gender Minorities and Our Response

Sysmex incorporates a rainbow flag in the profile images of the official social media account for each Sysmex Group company during Pride Month in June to demonstrate the Group-wide understanding of and support for LGBTQ+¹ persons.

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

We have an intranet site dedicated to this topic to deepen understanding among employees by disseminating information to broaden their knowledge about sexual minorities. Employees can access e-learning materials and borrow an introductory textbook to learn how to improve the working environment in the context of SOGI² and receive Ally stickers. Our other efforts include holding diversity roundtable discussions³ on the theme of "LGBTQ+ and Gender."



Through these activities, in fiscal 2023, we earned the highest rating (Gold) in the “PRIDE Index 2023,” which evaluates companies and organizations based on their commitment to LGBTQ+ and other sexual minority issues for the second year in a row.

*1 A general acronym whose letters refer to sexual minorities in terms of orientation/gender identification (lesbian, gay, bisexual, transgender, questioning/queer; with “+” representing other sexualities)

*2 Acronym for Sexual Orientation and Gender Identity

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

Supporting People with Disabilities

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

Sysmex Harmony, a special subsidiary*, provides manufacturing support for our instruments and reagents, including packaging for instrument accessories and parts and the folding of reagent package inserts. This company is also responsible for packaging PCR test kits, which saw an increase in demand due to the COVID-19 pandemic. To help employees with disabilities continue to work for many years, Sysmex Harmony carries out various retention initiatives, such as assigning them to work based on their individual abilities and ensuring that they can closely communicate with their instructors through regular interviews. The percentage of our employees with disabilities was 2.38% in Japan for fiscal 2023. We are committed to continuing our efforts to increase the roles of employees with disabilities by improving their working environment and fostering a better understanding of their needs within their workplaces.

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

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

Support of Active Participation of Seniors

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

We implement a Career Development Support Program as one of our efforts to assist senior employees in career development. This program is designed to provide basic knowledge and promote understanding of the views needed for career planning. It combines e-learning, group training, and individual consultation to support participants in their autonomous career planning and specific work behavior changes.

* Employees can choose their retirement age between 60 and 65 in one-year increments.

Diversity Education

Sysmex Corporation publishes a monthly in-house magazine called the “Diversity Newsletter” to share information with employees and promote their understanding of diversity issues. We regularly hold diversity roundtables on themes such as gender, LGBTQ+, nursing care, support for the retention of people with disabilities, universal etiquette, mental health in the workplace, women’s health, wellbeing, and men taking childcare leave. We conduct unconscious bias e-learning to recognize and deal with this issue. With regard to childcare, we particularly emphasize programs that encourage men’s involvement in parenting. Specifically, we organize a yearly seminar at which external male lecturers speak about the importance of paternal parenting and how to balance work and life. We also organize online lunch seminars on DE&I and male- and female-specific healthcare (including FemTech* and infertility treatment) with leading experts from various industries on stage.

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

* The term “FemTech” refers to products and services that use technology to solve health issues specific to women.

Society

Increasing Engagement

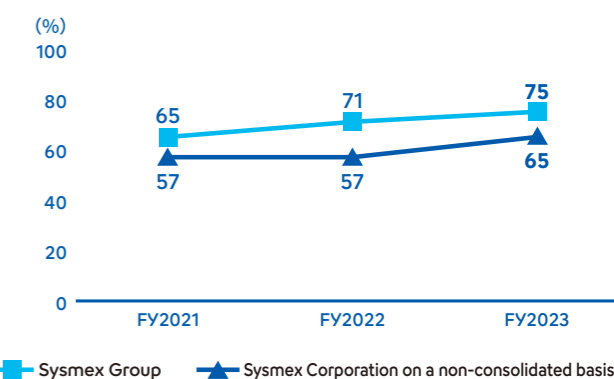
Setting Employee Engagement as an Important Indicator of Our Corporate Strategy

Every year, Sysmex conducts a Corporate Culture Survey of all employees across the Group. The survey found the Group’s engagement score for fiscal 2023 was 75%. This score is on par with those of the Fortune 500 companies, and high employee engagement is a key driver for the Group’s growth. Having set employee engagement as an important indicator in our “Long-Term Corporate Strategy 2033,” initiated in fiscal 2023, we promote innovation and improve productivity across the Group.

The engagement score of Sysmex Corporation for fiscal 2023 was 65%. To improve the engagement of employees in Japan, who account for about 40% of the Group’s employees, we have been implementing and monitoring action plans to improve employees’ support of the corporate philosophy (70% in fiscal 2023) and their satisfaction in terms of well-being (57% in fiscal 2023). We have also introduced pulse surveys conducted in shorter intervals to understand the progress of measures and promote initiatives to incorporate employee input rapidly.

In fiscal 2023, as a new measure to promote in-house communication, we introduced a web service called Sysmex Peer Bonus, through which employees can mutually send messages of gratitude, encouragement, greetings, etc., with tips and receive rewards in points. We strive to create an attractive workplace in which everyone can work comfortably, based on the concept of “making work more enjoyable.”

Engagement score



* FY2021 of Sysmex Group: Except EMEA (Europe, the Middle East, and Africa)



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

► Status of Sustainability Targets

Monitoring the Effects of Human Capital Investment

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

The value-added productivity per employee of Systemex Corporation for fiscal 2023 reached a record high of 14,800 yen per hour, which demonstrates the effectiveness of our human capital investment. The return on human capital investment (operating profit divided by labor cost) also reached a record high of 167.9%. These results are accomplished as high levels of employee engagement are maintained and employees are willing to take on new tasks. Our action plans to foster an organizational culture that balances value-added productivity and employee engagement have been producing consistent outcomes.

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

Joint Achievement of Comfortable Working and Productivity Enhancement

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

It adopts a hybrid workstyle combining onsite (office) and remote (from home, etc.) work. In addition, we promote time management to realize a strong work-life balance by allowing our employees to combine flextime, staggered office hours, and “stepping out from work” according to their business duties and individual lifestyles. As a result of these efforts, the percentage of fathers taking childcare leave was 62% in fiscal 2022 and 61% in fiscal 2023, meaning that we achieved our target of 60% for two consecutive years.



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

Promotion of taking paid leave and financial well-being

Systemex Corporation uses various measures to encourage employees to take paid leave. They include the introduction of recommended dates for paid leave and a half-day paid leave system. Other measures include allowances paid under the “Cafeteria Plan” (our welfare program) to employees who take consecutive paid leave days for travel, leisure, or courses at culture centers. In fiscal 2023, in consideration of recent price increases, we strengthened investment in human resources that support the improvement of employee wellbeing engagement and continuous corporate growth pursuant to the Multi-Stakeholder Policy. When paying winter bonuses, we implemented a special payment² in the form of employee stock ownership, separately from regular bonuses.

*1 The Company provides employees with cafeteria points every year. Employees can select and use the benefits they prefer from a menu of various benefits (childcare and nursing care support, health support, self-development, etc.) depending on their lifestyle and needs.

*2 The Company expended incentives to contributions as part of the Systemex Employee Stock Ownership Plan to support employees in building assets. For the special winter bonus in fiscal 2023, each employee was given the right to choose between stock and cash.

▶ Multi-Stakeholder Policy (Japanese)

▶ Strengthened Investment in Human Resources that Support the Improvement of Employee Wellbeing Engagement and Continuous Corporate Growth (Japanese)

Supporting a Balance between Work and Child-Rearing

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

In recognition of such initiatives, we have received next-generation support certification (with a logo nicknamed “Kurumin”*) as a “company that supports child-rearing” from the Ministry of Health, Labour and Welfare. In fiscal 2023, we were also selected as a “Next Nadeshiko: Companies Supporting Dual-career and Co-parenting” by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. This program recognizes companies that make particularly outstanding efforts to support dual-career and co-parenting.

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



The “Systemex Kids Park” in-house childcare center



The “Kurumin” next-generation support certification logo



Granted “Next Nadeshiko: Companies Supporting Dual-career and Co-parenting” awarded (fiscal 2023)

Stakeholder’s Voice

Wonderful Moments: Connecting the Past and the Future
Kids Park Director, Ms. Kyotani

As part of Hyogo Prefecture’s “Try-Yaru Week”*, we welcomed junior high school students for a childcare experience. We were extremely delighted to have the graduates of Kids Park return to our facility. Over the past 14 years, various staff members have spent time with the children, and we are honored to have shared such wonderful moments. It was a moment that made us feel the connection between the past and the future.

On the final day, we saw off the two students with cheers, as if it were their second graduation ceremony, celebrating their new journey. As childcare providers, we hope that the time spent at Kids Park will be a source of strength for all those who have graduated.

We also hope that this experience serves as a good opportunity for the parents of our current children to imagine the future growth of their own children.



* This is part of an educational program that helps junior high school students in Hyogo Prefecture find their own way of life through various experiential activities in the community, such as work experience and welfare experience

Encouraging Male Employees to Take Childcare Leave

Systemex Corporation implements measures to increase the number of male employees taking childcare leave. These measures include the distribution of Dad's Childcare Leave Guidebook and the organization of seminars for male employees and their supervisors, inviting external lecturers. At the seminar, lectures were given and opinions were exchanged about the importance of men being involved in parenting, work-life balance, and the essentials of childcare, in addition to appropriate support by supervisors to allow male employees to take childcare leave.



Stakeholder's Voice

At the time I took childcare leave, I was a development leader. In addition to two months of childcare leave, I took more than three months off in total, including paid leave and special leave for events such as weddings and funerals. By participating in childcare, I was able to experience my child's growth, and at home, the bond of cooperative parenting was strengthened. After taking childcare leave, I encouraged my colleagues to take childcare leave as well, based on my own experience. Recently, there has been an increase in the number of men in our department taking childcare leave.



Hayato Aoki, Reagent Engineering

Systems to Support Work-Life Balance

Support for continuing employment and promoting social contribution activities

Systemex Corporation has introduced a program where employees can take up to 40 days of short-term nursing care leave and accumulated paid leave in half-day increments when they need to accompany family members who are hospitalized. We also have a work-at-home system that enables employees to care for their family members who require nursing care or other types of support. In addition, we have an income indemnity system for employees on nursing care leave lasting one month or longer and a program for re-employment of those whose careers have been interrupted by nursing care. In order to promote our nursing care systems, we hold seminars on nursing care every year to explain how to prepare when a family member requires care and to hear the experiences of the employees who have used the system.

In addition, we have a leave of absence and re-employment program designed to offer a wide range of opportunities for employees who leave our employment due to their spouses' overseas assignments or for other personal reasons so that they can return to work.

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

Activities at Group Companies

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

The companies in the EMEA region¹ have all received the Great Place to Work² award for their excellent workplace environments and employee satisfaction. At Systemex UK, all managers have completed training on well-being so that emphasis is placed on the health of each and every employee and a positive work-life balance is ensured for all employees. Systemex South Africa is expanding systems to support a balance between work and child-rearing. The efforts include the incorporation of a maternity policy into its human resources policies and a guarantee of four months of paid maternity leave. Additionally, Systemex Spain and Systemex Portugal have been selected by EI Mundo as two of the "100 Best Companies to Work For."


*1 Systemex EU: Systemex Deutschland, Systemex Belgium, Systemex Netherland, Systemex Turkey, Systemex Austria, Systemex UK, and Systemex France

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



Employees of Systemex Belgium and Systemex Netherlands

Other Activities at Group Companies

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

Society

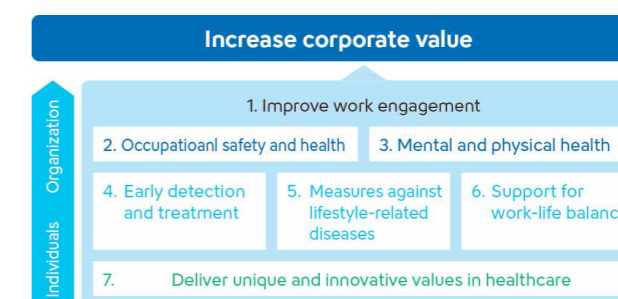
Promotion of Health and Occupational Safety: Well-being

Declaration of a Healthy Company and Materiality

System Declaration of a Healthy Company

System has been promoting health management as one of its management issues to ensure that our employees, who are the foundation for the practice of the Group’s corporate philosophy, can lead fulfilling lives both physically and mentally. The System Declaration of a Healthy Company, drawn up in April 2020, specifies matters of critical importance regarding such aspects as occupational health and safety, as well as mental and physical health (i.e., materiality of health and productivity management). This has prompted System to make continuous efforts toward employee health enhancement, create working environments in which diversity is valued, and to have workplaces that make employees proud.

Materiality of Health and Productivity Management:



▶ System Declaration of a Healthy Company

Our Efforts towards Health Enhancement

Efforts towards Employees’ Health Enhancement

System Corporation provides regular medical checkups for its employees, together with complete physical examinations and health screenings for female-specific cancers. It also encourages each employee who has received thorough examination results to undergo a secondary examination when necessary¹. In fiscal 2023, the rate of undergoing medical examinations is increasing due to system reinforcement, such as increasing the number of in-house public health nurses and proactive health guidance by them.

If an employee requires long-term medical examinations and treatment, we make work-at-home arrangements for them, and we exert effort to help them continue to work. Moreover, in addition to mandatory semi-annual medical checkups, we provide our own biannual checkups that include tests for hepatitis B and C for employees engaging in work involving infectious substances. This is to ensure early detection and treatment of illnesses.

System is registered as a partner company in the Ministry of Health, Labour and Welfare’s “Cancer Screening Corporate Action” and “Know about Hepatitis Project.” We have also signed the “Agreement to Promote an Increase in the Rate of Cancer Screening” with Hyogo Prefecture. These are some of our activities to educate employees about diseases and increase the rate of employees taking medical checkups. As a measure against passive smoking, System removed smoking areas at business offices retained by its Group companies in Japan. We also provide allowances to cover services for quitting tobacco use and attendance at smoking-cessation seminars².

^{*1} Rate of undergoing secondary medical examination: 53.2% in fiscal 2023 (actual)

^{*2} Employees can apply for allowances that cover medical consultation or health-related seminars from the “Cafeteria Plan” welfare program.

▶ Corporate Action for Cancer Screening (Japanese)

▶ Learn about the Hepatitis Project (Japanese)



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Initiatives to Solve Female-Specific Health Issues

To solve female-specific health issues and social issues and increase its corporate value, Sysmex Corporation launched an inter-divisional FemTech working group. This working group works to improve employee well-being. By understanding the worries and concerns of different genders, we aim to promote mutual understanding and active participation of diverse human resources, as well as to revitalize long-term in-house innovation.

In fiscal 2023, we held a workshop to increase understanding of women's wellness issues, and we created a wellness issue map regarding menstruation. We will hold lectures and carry out in-house surveys to increase interest in and attract attention to FemTech based on this issue map.



Workshop to Create a Wellness Issue Map

Efforts to Ensure Employees' Mental Health

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

In fiscal 2023, we had industrial physicians conduct several seminars on themes of mental health, women's health, male menopause, and the like to raise employee awareness of the need for self-care. We also provided management training for those in managerial positions to improve psychological safety in organizations. From fiscal 2023, we newly provided training on "Workplace Psychological Safety and Individual Psychological Flexibility," utilizing external consulting services mainly for production divisions.

Sysmex CNA concluded a service agreement with an external specialized institution, effective from 2021, as part of its mental health care initiative. In fiscal 2023, it offered a counseling service for employees with poor mental health and a reinstatement support service for employees on temporary leave, provided training for young employees on self-care, training on harassment prevention, psychological safety, etc.

Efforts for Active and Healthy Employee Lives

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



Tennis courts, gymnasium (Solution Center)

Implementation of Engagement Survey

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

* Scope: Sysmex Corporation

Recognition as a Company that Excels in Health and Productivity Management

Sysmex Corporation undertakes a variety of initiatives for health and productivity management, and we have established a framework for our activities that encompasses Group companies in Japan. These efforts have received positive responses, and in March 2024, we were recognized for the eighth time by the Ministry of Economy, Trade and Industry as a "company that excels in health and productivity management."



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

Framework and Promotion of Occupational Health and Safety

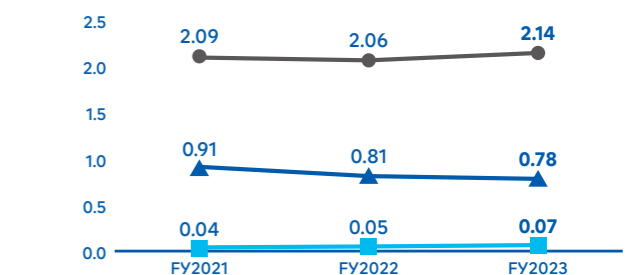
Framework for Promoting Occupational Health and Safety

Sysmex promotes occupational health and safety management in accordance with its Regulations on Safety and Health, which were formulated under the responsibility of members of the Management Board, a senior executive officer, and a senior managing director. A Central Health and Safety Committee* was established for Group companies in Japan. The committee formulates policies and targets to reinforce and enhance Group companies' occupational health and safety systems. In addition, we keep watch over the safety management status of each office and consider any measures for improvement. We will further enhance the roles of industrial physicians and nurses and work in locations close to employees to proactively carry out health promotion, disease prevention, and health education activities. We have also set targets for lost-time injury frequency rates and lost workday rates as sustainability targets. We report on the status of these initiatives to the Managing Board semiannually.

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

► Status of Sustainability Targets

Lost-Time Injuries Frequency Rate/Lost Work Day Rate



Note: Lost-time injuries frequency rate: number of employee deaths or injuries resulting from work-related accidents per million hours actually worked
Lost work day rate: number of days absent from work due to work-related injuries per 1,000 hours actually worked
1 Source: "Survey on Industrial Accidents," Ministry of Health, Labour and Welfare
2 Target: Group companies in Japan

Initiatives for Occupational Health and Safety

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

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

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

Preventing Overwork

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

The average total annual working hours per person for fiscal 2023 was 2,010 hours¹, a decrease of 10 hours from the previous fiscal year. Proactive recruiting activities have allowed progress in solving the shortage of personnel against a backdrop of increased initiatives for technological innovation and business structure transformation. The introduction of a value-added labor productivity index² prompted a change to a more efficient way of working and has caused a reduction in actual work hours. The number of paid leave days taken has also increased.

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

*1 Full-time employees in Group companies in Japan

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