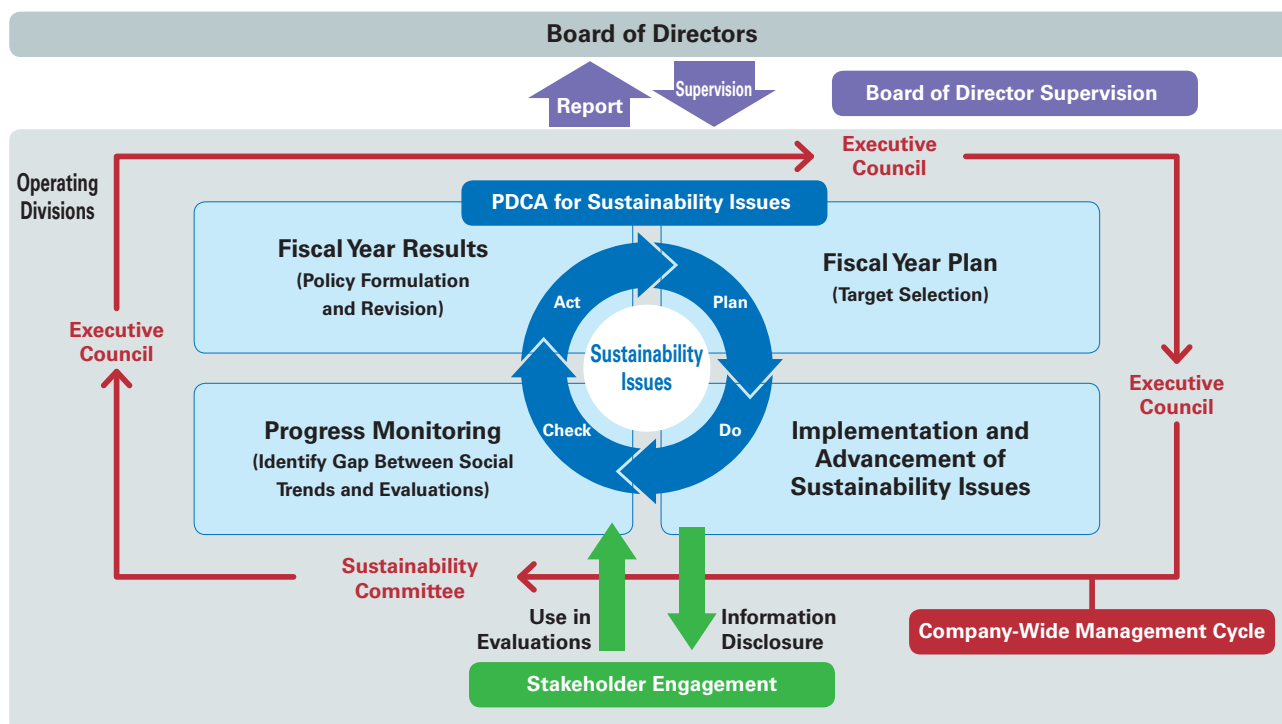# Sustainability Initiatives: Progress

In fiscal 2018, OMRON established a company-wide management structure aimed at achieving our fiscal 2020 Sustainability Goals. We have made steady progress in solving individual issues through Sustainability Promotion Committee and Executive Council discussions and engagement activities in response to stakeholder evaluations. The Board of Directors receives reports from operating divisions, oversight and supervising initiatives related to sustainability issues.

Company-wide management structure for promote sustainability goals

Solving Social Issues Through our Businesses (Four Domains)

Factory Automation	
Social Issues to be Solved	● Labor shortages (shrinking labor force in developed countries and lack of skilled workers in emerging economies) ● Respond to increasingly advanced and diversified manufacturing processes
Fiscal 2020 Goals	New innovative-Automation products across four focus industries – Control technology for manufacturing innovation –
Fiscal 2018 Progress	Created innovative applications and new products through co-creation with important customers; introduced innovations to production floors ● integrated: Provided sensory testing to replicate skilled technicians adapting to evolutions in high-speed, high-precision motion control ● intelligent: Started providing i-BELT service; i-BELT utilizes production floor data, contributing to knowledge management of skilled workers and production floor improvements ● interactive: Introduced a cooperative robot that performs simple operations instead of workers; contributes to flexible production floors harming between worker and machine
Case Studies	● Doubled speed of 3D high-precision PCB inspections using Automated X-Ray Inspection System stemming from developments based in the three *i*s.

Healthcare

Social Issues to be Solved	● Increased incidence of brain diseases and cardiovascular diseases attributable to hypertension ● Increased worldwide prevalence of asthma and other respiratory diseases
Fiscal 2020 Goals	● Blood pressure monitor sales: 25 million units/year ● Develop technologies to continuously monitor blood pressure fluctuations ● Nebulizer and asthma wheeze monitor sales: 7.65 million units/year
Fiscal 2018 Progress	● Sales area for blood pressure monitors and nebulizers currently expanding ● Developed wearable blood pressure monitors to track blood pressure variations; introduced in the US in December 2018
Case Studies	(Response to brain diseases and cardiovascular diseases) ● Published *Consensus Thesis Regarding the Significance of Nighttime Measurement of Hypertension* in the Journal of Hypertension of the European Society of Hypertension; goal of publication was to spur the development of analysis tools that enable monitoring of blood pressure fluctuations

Mobility

Social Issues to be Solved	● Rapid rise in the risk of accidents in developed countries, as well as accidents and traffic congestion in emerging economies ● Increase in traffic congestion and increased environmental burden in emerging economies
Fiscal 2020 Goals	● Creation driving safety support systems, technologies (SSB) ● Creation front-of-vehicle recognition technologies for advanced driving support/self-driving vehicles (AEC) ● Number of vehicles equipped with ecofriendly products: 12 million/year (ratio of high fuel efficiency products; 50%) (AEC)
Fiscal 2018 Progress	● Began adoption of the *DriveKarte* safe driving management service (SSB) ● Completed advancements in safe driving indicators, completed verification tests towards commercialization (SSB) ● As sales of vehicles featuring eco-friendly products increased, ratio of high-fuel-efficiency products also increased (AEC)
Case Studies	● Adopted the *DriveKarte* safe driving management service in several hundred OMRON-owned vehicles in January 2019. Activity trackers were provided to employees who make particularly frequent use of company vehicles. Verification tests conducted to determine relationship between sleep and other lifestyle habits (health condition) and safe driving.

Energy Management

Social Issues to be Solved	● Global warming from CO_2 emissions, and slow growth of the renewable energy market
Fiscal 2020 Goals	● Cumulative shipped capacity of solar power/storage battery systems: 11.2GW ● Build the energy resource aggregation business using solar power/storage battery systems (Japan)
Fiscal 2018 Progress	● Cumulative shipped capacity of solar power/storage battery systems: 8.8GW ● Strong performance in storage battery systems
Case Studies	● Participated in verification tests on electricity charge and discharge control (increase electricity usage efficiency within buildings) and area electricity stability

Solving Issues Responding to Stakeholder Expectations

OMRON has set a total of 11 sustainability targets for issues to respond to stakeholder expectations. Here, we will provide six examples of these targets. We intend to publish information related to all targets on our website.

Human Capital Management	
Talent Attraction and Development	
Major Fiscal 2020 Goals	● Continued expansion of TOGA*1 to encourage the practice of OMRON Principles ● Ratio of non-Japanese in managerial positions overseas: 66% ● Accelerate the PDCA implementation via employee engagement surveys VOICE*2
Fiscal 2018 Progress Highlights	● Increase in employee participation in TOGA: 22% vs. prior year ● Ratio of non-Japanese in managerial positions overseas: 62% ● Increased opportunities for communications between management and employees based on VOICE results
Case Studies	(VOICE) ● Use VOICE results to identify issues common to organizational units and implement countermeasures, including better communication of our entire vision/strategy structure, increased personnel training, and improved business productivity
Wellness Management	
Major Fiscal 2020 Goals	● Improve awareness of wellness management (encourage activities based on Boost5*3 globally)
Fiscal 2018 Progress Highlights	● Established Boost5; promoted the program throughout our domestic group ● Set Boost5 activity goals for each overseas region; launched initiatives
Case Studies	● Published the *OMRON Health White Paper*; educated employees on the relationship between Boost5 and employee health and performance ● Selected for the first time by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as a *Management Health Brand 2019* (February 2019)
Respect for Human Rights and Labor Practices	
Major Fiscal 2020 goals	● Define and adopt due diligence process for human rights ● Implement human rights risk analysis and corrective actions at production centers
Fiscal 2018 Progress Highlights	● Carried out a survey into actual conditions of employees at on-site contractors in Japan ● Investigated and analyzed risks to human rights at 21 global production centers (increase of five centers year on year)
Case Studies	● Identified potential risks to human rights such as forced labor, child labor, harassment, and foreign workers in production centers; implemented preventative measures (e.g.: review of employment rules, training)

Manufacturing / Environment

Product Safety and Quality

Major Fiscal 2020 Goals	● Product safety assessments for newly developed products: 100% ● Improve product safety assessments
Fiscal 2018 Progress Highlights	● Product safety assessments for newly developed products: 100% ● Improved details of assessments; started trials using new processes ● Revised guidelines for OMRON Group rules[4]
Case Studies	● Expand assessments to include the latest safety standards, laws and regulations, and market/customer usability improvements; apply to assessment processes in each business.

Environment

Major Fiscal 2020 Goals	● Reduce total GHG emissions by 4 percent (vs. fiscal 2016) ● Environmental contribution to exceed CO_2 emissions from production centers
Fiscal 2018 Progress Highlights	● Completed creation of an action plan for a 4 percent reduction by fiscal 2020 ● Promoted wide-scale energy-savings and use of clean energy ● Environmental contribution of 1.055 million tons of CO_2 saved vs. 193,000 tons of CO_2 emissions from production centers
Case Studies	● Determine potential of GHG reductions, and formulate a plan to introduce energy-savings and renewable energy ● Starting procurement of zero CO_2 electricity in the Kanto and Kansai regions

Risk Management

Information Security, Personal Information Protection

Major Fiscal 2020 goals	● Build a new information security system
Fiscal 2018 Progress Highlights	● Completed support for laws and regulations such as GDPR[5] ● Started intensive monitoring of threat information related to information security
Case Studies	● Concluded contract for data migration between group companies ● Surveyed personal information protection laws in each country; updated OMRON Group rules ● Improved training of employees in personal information security

*1 TOGA: The OMRON Global Awards
*2 VOICE: VG OMRON Interactive Communication with Employee
*3 Boost5: Five areas of physical and mental health (Exercise, Sleep, Mental Health, Nutrition, Smoking)
*4 OMRON Group Rules encompass 24 separate topics, including ethical conduct, risk management, unauthorized control, information security, safety assurance business management, IT controls, accounting and funding, labor and occupational health, environmental management, purchasing, and brand logo management.
*5 GDPR: EU General Data Protection Regulations