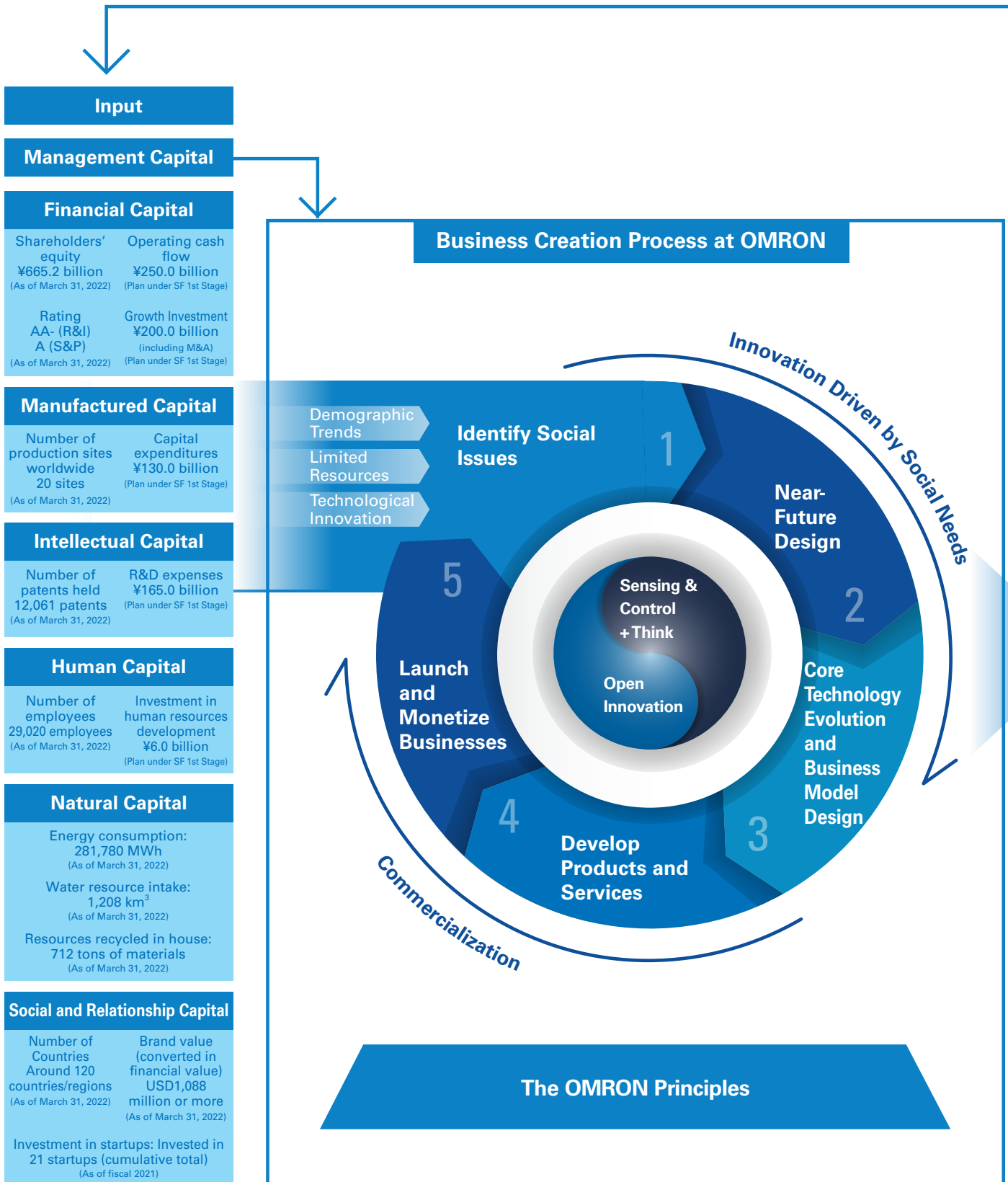


Value Creation Model

Under SF 1st Stage, leveraging its intangible assets and management capital such as “human resources” and “intellectual capital,” OMRON will continue innovation and creation of products and services through the business creation process based on the OMRON Principles and the SINIC Theory and pursue Material



Sustainability Issues, thereby creating social value that contributes to establishment of an autonomous society and leads to sustainable enhancement of corporate value. We will continue to expand and create social value by increasing management capital to create innovation driven by social needs.

Material Sustainability Issues	Output		Outcome
	Domains	Focus Businesses	Social Value
1) Resolving Social Issues through Our Business	Industrial Automation Industrial Automation Business (IAB)	Digital, environmental mobility (NEV), food and daily goods, logistics, and medical (+ robotics and service business)	Customers adopting the innovative-Automation concept 5,000 companies (2X vs. FY2021)
	Healthcare Solutions Healthcare Business (HCB)	Cardiovascular, respiratory, pain management, remote patient monitoring services	Blood pressure monitor unit sales 94 million units (3-year total) Users of remote patient monitoring services 600,000 users (cumulative total)
	Social Solutions Social Systems, Solutions and Service Business (SSB)	(Residential / industry / mobility) energy management and services, network protection	Energy management equipment connected 50,000 units (3-year total)
	Device & Module Solutions Device & Module Solutions Business (DMB)	Direct current (DC) drive equipment, DC infrastructure equipment, high-frequency devices, and remote/VR devices	Unit sales of products contributing to the spread of new energy and high-speed communication Products for DC-powered equipment, 60 million units Products for high-frequency equipment: 170 million units (3-year total)
2) Maximizing the Capability to Innovate Driven by Social Needs	Innovation Exploring Initiative HQ (IXI)	Creating new businesses	New business created: 3 or more
3) Generating diverse talent taking on the challenge of value creation	<ul style="list-style-type: none"> Ratio of non-Japanese in key managerial positions overseas: 80% or more Increase the ratio of women in managerial roles to 18% or higher (globally) Realize employment of persons with disabilities at 28 overseas sites and maintain the ratio of employees with disabilities at 3% in Japan VOICE SEI: 70P or higher 		Human Creativity* (vs. FY2021) +7% *Added value per unit cost of employee
4) Achieving de-carbonization and lower environmental impact	<ul style="list-style-type: none"> Scope 1 and 2: 53% cut vs. FY2016 Scope 2: Achieve Carbon Zero at all 76 sites in Japan Scope 3, Category 11: Implement energy-saving designs for new products Implementing business model transformation, environmentally friendly design, collection and recycling, and sustainable procurement in response to transition to a circular economy 		Achieve OMRON Carbon Zero, which aims to reduce GHG emissions to zero by 2050
5) Respecting Human Rights in the Value Chain	<ul style="list-style-type: none"> Conduct human rights due diligence in line with the UNGP Build a human rights redress mechanism into the value chain globally 		