

About Integrated Report 2024

Since 2012, OMRON has been publishing the Integrated Report annually to promote constructive dialogue with all stakeholders. This year's Integrated Report (hereinafter referred to as "this issue") is the 13th. With the theme, "All for Creating Customer Value," we aim to show the path to value creation under the long-term vision Shaping the Future 2030 (SF2030). In editing, we paid particular attention to highlighting "management issues and the value creation story," which are the aspects of today's OMRON of most interest to stakeholders, and to responding to their "expectations for the integrated report."

To highlight "management issues and the value creation story," we emphasized three items throughout the report. Firstly, Structural Reform Program NEXT 2025. We take a deep dive into management's intention to undertake companywide structural reforms and the key issues involved. Secondly, a growth strategy from a medium- to long-term perspective that looks beyond structural reforms. As in this Integrated Reports, this one is structured according to the five material sustainability issues so that our value creation story synchronizes social sustainability with OMRON's sustainability. Thirdly, collaboration with JMDC Inc., which became an OMRON Group company in fiscal 2023. We cover from multiple perspectives the collaboration and synergies with JMDC Inc., which are key to the evolution of the business model toward the realization of SF2030.

We also address three points with regard to "expectations for the integrated report."

Firstly, the chapter structure has been revised. In Integrated Report 2023, we included a chapter on "Sustainability" for the first time in line with the requirement to disclose sustainability information in an annual securities report from fiscal 2023 onward. However, we changed the pagination, having concluded that a chapter structure based on the framework of OMRON's five material sustainability issues would more accurately express OMRON's initiatives and value creation story,

which fully integrates our business strategy and sustainability strategy. Secondly, we sought to further clarify the connectivity between financial and non-financial information. In fiscal 2023, we verified the hypothesis of a correlation between the performance indicators of human resource policies, which corresponds to "S" of ESG, and financial indicators. This year, the scope of the verification was expanded to cover "E." We also took on the challenge of impact-weighted accounting, which translates the impact of OMRON's environmental, product, and employment initiatives on society into monetary values. In this issue, we report on the progress to date. Thirdly, reduction in the number of pages. Having reviewed the content in light of feedback from stakeholders, we were able to reduce the number of pages by about 13% compared with last year's report.

In the production of this issue, the Board of Directors, the Audit & Supervisory Board, and executive divisions worked closely together and engaged in a series of discussions. Regarding key non-financial indicators, we obtained assurances from independent third parties to enhance reliability. I hereby state that I, as the Publisher and Editor-in-Chief of the Integrated Report, certify that the production process for this issue was legitimate and honest, and that the information contained herein is accurate.

We will continue according great value to our dialogue with you. It is our earnest desire that this issue will facilitate your deeper understanding of OMRON.

Managing Executive Officer
Senior General Manager, Global Corporate Communication &
Engagement HQ and Sustainability Executive
Tsutomu Igaki

Editorial Policy: OMRON's Integrated Report aims to create a virtuous cycle of "fostering mutual understanding" and "enhancing our management" through dialogue with all stakeholders. In editing, we refer to the "International Integrated Reporting Framework" of the International Financial Reporting Standards Foundation (IFRS), the "Guidance for Collaborative Value Creation 2.0" of the Ministry of Economy, Trade and Industry (METI), the Guidelines for Governance of Intellectual Property and Intangible Assets Ver. 2.0 of the Cabinet Office, and the resources of The World Intellectual Capital/Assets Initiative (WICI). We are striving to strengthen communication of OMRON's value creation story in an integrated manner encompassing all corporate reporting, centering on the Integrated Report, while also endeavoring to enhance the quality of dialogue.

Covered Organizations: As a general rule, this report covers 165 companies in the OMRON Group, consisting of OMRON Corporation, 156 subsidiaries, and 9 affiliates (as of March 31, 2024).

Covered Period: Fiscal 2023 (April 1, 2023 through March 31, 2024). However, this report includes some disclosure items and business activities that were initiated after April 2024.

Caution Concerning Performance Forecasts Statements: Performance forecasts and other forward-looking statements are based on information available at the time, as well as on certain assumptions deemed reasonable by OMRON Group management. Actual results may vary materially depending on a variety of factors. See "Outlook for Fiscal 2024" when using the projection of results and conditions of assumptions for the results.

