





Shimadzu Integrated Report 2025





The Shimadzu Integrated Report 2025 is a publication that compiles financial information for the fiscal year ended March 2025, along with non-financial information such as management strategies, business activities, and sustainability initiatives. To help our stakeholders understand the initiatives we are undertaking to enhance our corporate value, we have summarized our Group's activities related to material issues (materiality) through our medium-term management plan. In particular, we focus on human capital, which lies at the core of our sustainability management, and provide detailed information on our human resources strategy and employee engagement. We would appreciate it if you could take the time to read this report. We would be glad to hear any thoughts or comments you may have.

Shimadzu Corporation marked its 150th anniversary in 2025. In order to carry on the legacy of addressing social issues and driving innovation—a tradition established by our predecessors—we place great importance on dialogue with our stakeholders. We will continue to sincerely respond to your feedback and requests as we strive to enhance our corporate value.

Financial Information (Financial Capital)

Non-Financial Information (Human Capital, Intellectual Capital, Manufacturing Capital, Social and Related Capital, and Natural Capital)

Earnings reports and financial position presentation documents

Data book

Annual securities report (financial data)



Shimadzu Integrated Report 2025

Medium-term management plan and business presentation materials

Reports related to corporate governance

Annual securities report (non-financial data)

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Reporting Period Financial Information: From April 1, 2024 to March 31, 2025

Non-Financial Information: As appropriate

Reporting Organizations Shimadzu Corporation and Shimadzu Group companies

Disclosure PolicyThis report is provided in an effort to disclose information in a timely

manner, in accordance with the Disclosure Policy specified by Shimadzu.

For more details, refer to the website.

https://www.shimadzu.com/sustainability/approach/stake_holder/disclosure.html

Notes about Future Prospects

The business plans, strategies, and forecasts stated in this report are based on currently available information and are subject to risks and uncertainties.

Please note that actual results may differ substantially from projected results, due to changes in economic conditions, market trends, or other factors.



Information for Investors https://www.shimadzu.com/ir/





Sustainability
https://www.shimadzu.com/sustainability/



For the most up-to-date information, please refer to the websites shown above.

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Business Overview

The Shimadzu Group strives to build a more prosperous society by leveraging exceptional science and technology to contribute to the advancement of a wide range of industries. such as pharmaceuticals, healthcare, environmental, energy, semiconductors, and materials.

Net Sales Composition by Business Segment

Analytical & Measuring Instruments Business

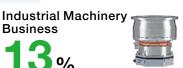


Mass Spectrometer System

Supporting research, technological development, and quality control in a variety of fields, including pharmaceuticals, food, and materials, by offering high-performance analytical instruments.

	9 9 1
Major Products	Liquid chromatographs / Mass spectrometer systems / Optical analysis instruments / Environmental monitoring systems / Testing machines
Main Applications	Quality control in the food and pharmaceutical industries / Early detection of diseases and drug development / Environmental analysis of water and air pollution, etc. / Strength evaluation of various materials / Non-destructive testing of industrial products
Users	Manufacturers of pharmaceuticals, food, materials, energy, and automobiles; research institutes; industrial equipment manufacturers; government; academic institutions

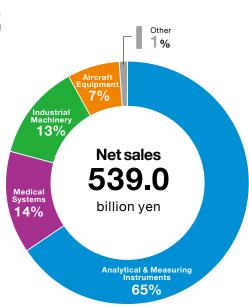
Business



Turbomolecular Pump

Supporting cutting-edge manufacturing with high-performance key components, thereby contributing to industrial development.

Major Products	Turbomolecular pumps / Hydraulic equipment / Industrial furnaces
Main Applications	Creating vacuum environments for semiconductor manufacturing processes / Power sources for industrial vehicles
Users	Manufacturers of semiconductor manufacturing equipment, industrial vehicle manufacturers, etc



Medical Systems Business



Contributing to maintaining and improving people's health by providing medical systems that support accurate diagnoses.

Major Products	Angiography systems / X-ray fluoroscopy systems / General radiography systems
Main Applications	X-ray imaging for diagnosing conditions such as pneumonia and bone fractures / Support for catheter-based treatment of heart and vascular diseases
Users	Hospitals and clinics

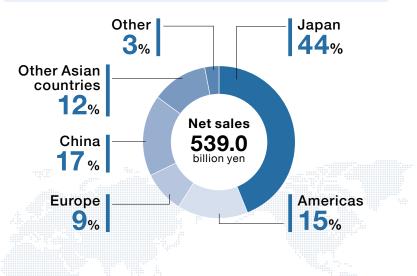
Aircraft Equipment **Business**



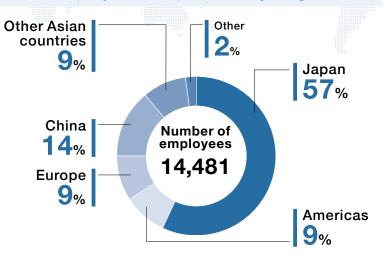
Contributing to safety, comfort, and reduced workload by providing cutting-edge onboard equipment for aircraft.

Major Products Flight control systems		Flight control systems
Main Applications		Control of aircraft attitude and positioning, etc.
	Users	Japan Self-Defense Forces, aircraft manufacturers, etc.

Net Sales Composition by Region

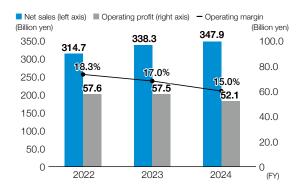




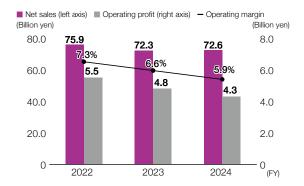


Business Overview

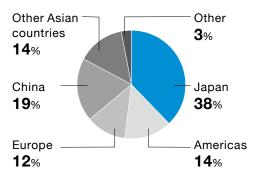
Analytical & Measuring Instruments Business



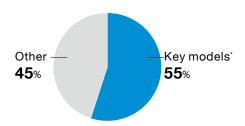
Medical Systems Business



Sales by Region

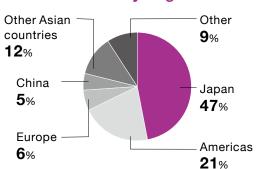




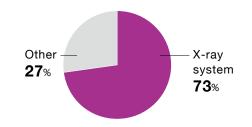


*Key models: Liquid Chromatographs, Mass Spectrometer Systems, and Gas Chromatographs

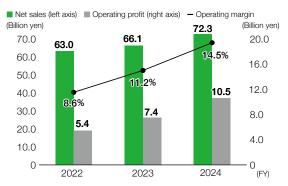
Sales by Region



Sales by Model

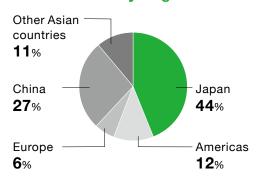


Industrial Machinery Business

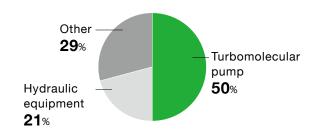


*Starting from FY2024, the performance of marine-related devices, which was previously included in the Aircraft Equipment segment, has been reclassified under the Industrial Machinery segment. Figures for FY2023 have also been restated to reflect this new segment classification.

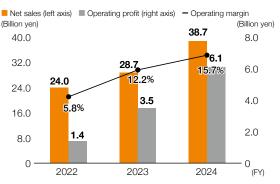
Sales by Region



Sales by Model

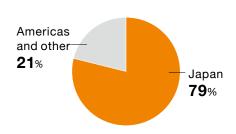


Aircraft Equipment Business

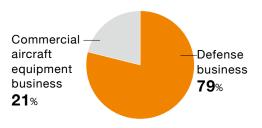


*Starting from FY2024, the performance of marine-related devices, which was previously included in the Aircraft Equipment segment, has been reclassified under the Industrial Machinery segment. Figures for FY2023 have also been restated to reflect this new segment classification.

Sales by Region



Sales by Market



Financial and Non-Financial Highlights

Message from the President

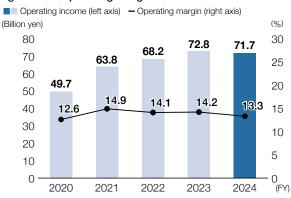
Financial Information

Net Sales/Overseas Sales Ratio



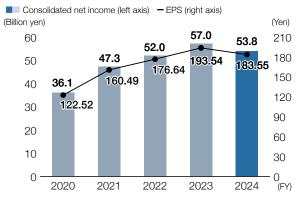
Net sales increased by 5% year on year to 539.0 billion yen, marking a record high for the fifth consecutive year.

Operating Income/Operating Margin



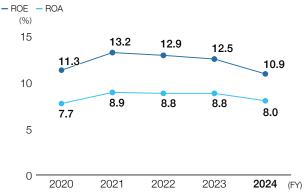
Operating income declined by 1% year on year to 71.7 billion yen, reflecting proactive growth investments in human capital, R&D, and capital equipment.

Profit Attributable to Owners of Parent/Profit per Share (EPS)



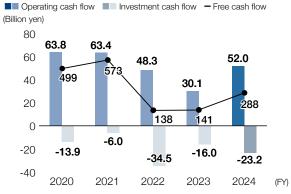
Due to factors such as the decline in operating income and foreign exchange losses resulting from the yen's appreciation at the end of the fiscal year, profit attributable to owners of parent was 53.8 billion yen, and earnings per share (EPS) was 183.55 yen.

ROE/ROA



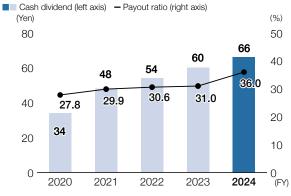
Due to the decline in profit attributable to owners of parent, ROE deteriorated by 1.6 percentage points year on year to 10.9%, and ROA declined by 0.8 percentage points to 8.0%.

Operating Cash Flow/Investment Cash Flow/Free Cash Flow



Operating cash flow increased by 21.9 billion yen year on year to 52.0 billion yen, mainly due to an increase in trade payables and a decrease in corporate tax payments. Investment cash flow resulted in an outflow of 23.2 billion ven due to capital investments and other factors. As a result, free cash flow was 28.8 billion yen.

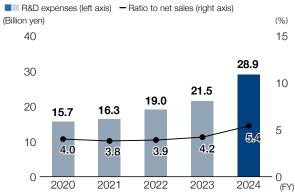
Dividend/Payout Ratio



For FY2024, the annual dividend was 66 yen, including a commemorative dividend of 4 yen, marking the 11th consecutive year of dividend increases. The payout ratio was 36.0%. Under the medium-term management plan (FY2023-FY2025), our basic policy on shareholder returns is to maintain a payout ratio of at least 30% and continue stable and consistent returns to shareholders.

Financial and Non-Financial Highlights

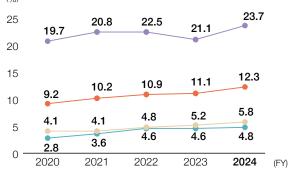
R&D Expenses (Testing and Research Expenses + Industrial Application Research Expenses)/Ratio of R&D Expenses to Net Sales



R&D expenses increased by 7.4 billion yen year on year to 28.9 billion yen. Under the medium-term management plan (FY2023-FY2025), we plan to invest a total of 73.0 billion yen, and will continue to actively promote research and development activities.

Percentage of Female Workers in Management Positions

- Consolidated Non-consolidated
- Group companies in Japan Group companies outside Japan (%)

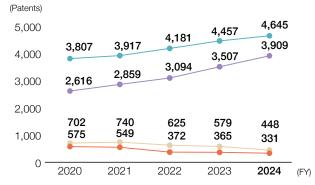


Through diversity management, we aim to create new social value by attracting talented individuals, regardless of nationality or gender and fostering innovation through fair support and inclusive work environments. In FY2024, the percentage of female managers on a consolidated basis increased by 1.2 percentage points year on year to 12.3%.

Non-Financial Information

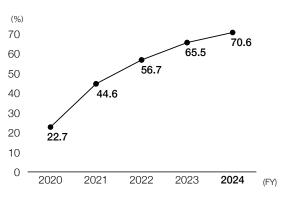
Number of Patent Applications/Number of Patents Held

- Number of patent applications (Japan) Number of patent applications (Outside Japan)
- Number of patents held (Japan) Number of patents held (Outside Japan)



The number of patents held increased by 590 to 8,554. Going forward, we will continue to file patent applications in line with our basic policy of creating new value through the acquisition of intellectual property generated from research and development.

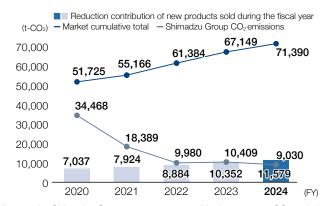
Percentage of Male Employees Taking Childcare Leave (Non-Consolidated)



To increase the percentage of male employees taking childcare leave, we are working to foster a workplace culture and environment that supports taking such leave—for example, by sharing testimonials from male employees who have taken childcare leave on the company intranet. The results of these efforts are reflected in the data shown above.

*Calculated as the number of employees who took childcare leave during the fiscal year divided by the number of employees whose spouse gave birth during the same year, based on the calculation method for the ratio of childcare leave taken as defined in Article 71-4-1 of the Ordinance for Enforcement of the Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave (1991, Ministry of Labor Ordinance No. 25).

Shimadzu Group CO₂ Emissions and CO₂ Reduction Contribution



In April 2022, the Shimadzu Group set a target of achieving net-zero CO₂ emissions from business activities by 2050 and has since been strengthening its initiatives. In FY2024, CO₂ emissions were reduced to 9,030 t-CO₂, a decrease of 81.7% compared to the baseline year (FY2017), primarily due to the transition to electricity derived from renewable energy sources.

*CO2 Reduction Contribution: The amount of CO2 emissions reduced by customers through the use of our products compared to conventional products. Calculated using the formula: CO2 reduction contribution = CO₂ emissions from conventional products (tons/year) – CO₂ emissions from new products (tons/year).

Number of Advanced Specialists (Headcount)

FY2022	FY2023	FY2024
324	361	509

We are fostering the development of future professional talent through support programs such as qualification incentive systems, training and educational opportunities, and unique initiatives in collaboration with universities.

*Includes holders of doctoral degrees and highly specialized national qualifications (such as Professional Engineer, Patent Attorney, Grade 1 Certified Mechanical Design Engineer, Class 1 and Class 2 Chief Electrical Engineer, Level 4 IT-related certifications, Attorney, Certified Public Accountant, Tax Accountant, MBA, etc.), as well as certified in-house qualifications.

^{*}The number of patent applications decreased as a result of raising the threshold for filings under a strategy focused on practical business application.

^{*}The number of overseas patent applications was reported based on the number of inventions through FY2020, but has been reported by country since FY2021.

Achieving Sustainable Growth by Contributing to Solving Challenges in Society Based on a Spirit of "Excellence in Science" and "Best for Our Customers"

Shimadzu is committed to solving challenges in society in accordance with our corporate philosophy, "Contributing to Society through Science and Technology" by using robotics and Al technologies to create new value and establish an efficient and robust management foundation rooted in our slogan, "Excellence in Science."

We are also committed to continuing to address the various needs of customers in regions around the world in a careful and timely manner based on our slogan, "Best for Our Customers," which is another important core value of Shimadzu.

Accordingly, through these two guiding slogans, "Best for Our Customers" and "Excellence in Science," we aim to achieve new growth by being an innovative company that solves challenges in society in collaboration with partners all around the world.



150 Years of Progress, 150 Years to Come

In 2025, Shimadzu Corporation celebrates its 150th anniversary, having been founded on March 31, 1875. Over the past 150 years, we have achieved significant growth by staying true to our corporate philosophy and evolving in step with scientific and technological progress. This enduring commitment has helped lay the foundation for the society we serve today.

With each era bringing change, new industries have continually emerged each demanding novel technologies. Guided by the aspirations of our customers, we have persisted without compromise in adding new technologies and translating ideas into drawings and software code. The cumulative result of these efforts represents Shimadzu Corporation today.

We possess 150 years of accumulated technological expertise, cultivated in partnership with our customers since our founding. In today's efficiency-driven world, some may question whether it is wasteful to retain all of this technology. However, once technology is lost, it cannot be easily reclaimed. Technology is ever-evolving, and regaining advanced know-how often demands more time and effort than it took to develop it in the first place.

It is precisely because we have accumulated this depth of technology that our customers place their trust in us. In response, we take on the challenge of incorporating new technologies and creating new drawings. To contribute to society through science and technology, it is essential to possess, continuously refine, and build upon existing technologies while embracing the challenge of creating new value.

Our ability to contribute to society for 150 years stands as proof of our unwavering commitment to embracing continuous challenges—an achievement we take great pride in.

As we mark this milestone year, I feel a profound sense of responsibility knowing that, like the many predecessors who fearlessly took on challenges



Discussion with young employees about their dreams

before us, we too are now stepping forward into the next 150 years of Shimadzu's journey.

It is difficult to envision what humanity or our planet will be like 150 years from now. People may be living beyond the Earth, and many of the challenges we face today—such as the energy crisis—may be resolved through advanced technologies. Yet for those of us living in the present, it is our mission to address the social issues of today. I believe that taking on these challenges one by one will pave the way for the future, and we must carry out our work with that conviction.

One of the most pressing issues we face today is maintaining people's wellbeing. Although life expectancy continues to increase in many developed countries, there remains a gap of over ten years between lifespan and healthy life expectancy. Creating a society in which everyone can remain in good health until the end of life is a major challenge that directly impacts the sustainability of society as a whole.

The Earth, too, is facing a kind of "health concern." Human life requires vast amounts of energy—just for food alone, we need around 2,000 kilocalories per person per day. With the global population continuing to rise and expected to surpass 10 billion within the next 30 to 40 years, even a simple calculation suggests that energy demand will double compared to when the population was 5 billion. As people seek greater comfort and convenience, energy consumption will grow exponentially. Since 1965, global consumption of primary energy sources like oil and coal has increased roughly fourfold. The Earth itself has not grown, yet we continue to consume massive amounts of energy within a limited space—leading to challenges such as global warming, climate change, and food insecurity.

It is not easy to answer the question of what we can do right now. But ultimately, I believe that building a fully circular system for materials and energy is essential. This includes researching and developing technologies for energy circulation not only within human society, but also across all forms of lifeincluding microorganisms. There is still much we can contribute in this area.

It may still seem like a dream today. But throughout our history, we have envisioned dreams and transformed them into blueprints—shaping the future one step at a time. Even if we cannot see what lies 150 years ahead, we will continue to walk steadily along the path that leads us there.

Review of FY2024

During FY2024, the second year of our medium-term management plan, the global economy remained mired in uncertainty. This was due to ongoing geopolitical risks such as Russia's invasion of Ukraine and conflicts in the Middle East, economic stagnation in China, U.S. tariff policies, and inflationdriven cost increases. Furthermore, the fiscal year began under challenging conditions amid a market downturn in China that had continued since the fourth quarter of FY2023.

In the midst of such challenging business conditions, we achieved recordbreaking sales by focusing on 4 domains of social value creation: Healthcare, Green, Material, and Industry. We accomplished this by implementing the 5 business strategies and strengthening the 7 management foundations outlined in the medium-term management plan, as well as by being supported by favorable exchange rate effects.

Among the 5 business strategies, under "Reinforce Key Model Business," we worked to strengthen our product portfolio by developing new competitive analytical and measuring instruments incorporating robotics and Al technologies. We also enhanced our offerings to deliver end-to-end solutions that support our customers' entire workflows.

For "Strengthen Med-Tech Business," we focused on establishing a business foundation in the clinical market by expanding our product portfolio of mass spectrometer systems, reagents, and software. To help extend healthy life expectancy and improve the operational efficiency of healthcare professionals, we promoted "imaging transformation" through the application of Al and IoT technologies to medical imaging analysis. In April 2024, we launched a radiography system equipped with an optical camera.

For "Expand Overseas Businesses & Operations," we established an R&D Center in April 2024 to enhance our development capabilities in North America. In China, we expanded our existing plant in December 2024 to reinforce local production capabilities for local consumption.

For "Reinforce & Expand Recurring Business," *3 we concentrated our efforts on strengthening and expanding aftermarket service operations in North America. In April 2024, we acquired Zef Scientific, Inc., a company specializing in maintenance and service for analytical and measuring instruments, as well as California X-ray Imaging Service, Inc., a medical equipment sales and service company.

In terms of sales capabilities, we reorganized our sales structure in Japan into the Sales & Marketing Division in April 2024 to strengthen our customer (domain)-centric approach. In addition to enhancing collaboration between business divisions, we promoted sales activities by providing customers with

the best focused on delivering optimal end-to-end solutions to our customers. As a result, these efforts have led to business growth in Japan.

Message from the President

On the other hand, growth in key products essential to sustaining the Shimadzu Group's business fell short of expectations, leaving this as a major challenge for the fiscal year.

In terms of profitability, although we promoted added-value pricing, we faced rapid increases in material costs as well as higher growth investments, including R&D and digital transformation (DX) initiatives for the future. Additionally, we increased investments in human capital through the extension of the retirement age. These cost increases ultimately resulted in lower profits.

- *1 Key model businesses: 5 businesses including liquid chromatograph systems, mass spectrometer systems, gas chromatograph systems, testing machines, and turbomolecular pumps.
- *2 Med-Tech businesses: Businesses that deliver end-to-end solutions configured with medical imaging, blood component analysis, and other systems for applications such as health management, examination, diagnosis, treatment, and prognosis management.
- *3 Recurring businesses: Businesses that provide reagents, culture media, columns, and other consumables, as well as instrument maintenance services.

Three Missions in the Medium-Term Management Plan



Initiatives for Achieving the FY2025 Medium-Term Management Plan

During FY2025, the final year of the current medium-term management plan, uncertainty is expected to persist in the global economy due to escalating trade frictions between the United States and China, along with reinforced tariff and economic security policies. Additionally, ongoing geopolitical risks, such as increasing instability in Eastern Europe and the Middle East, are likely to contribute to this uncertainty. Instability is also anticipated in the Japanese economy, due to the impact of U.S. tariff policies and fluctuations in foreign exchange markets, and other external factors.

Under these circumstances, we recognize several key issues that the Shimadzu Group must address: climate change; the realization of sustainable food and energy supply; demographic challenges such as aging populations and rising health consciousness in various countries and regions; technological innovation and digital transformation driven by rapidly advancing Al technologies; and the need to address human rights concerns. We see these challenges as business opportunities. By establishing a development, production, and sales framework geared toward local production for local consumption, we aim to build a corporate structure that is resilient to external factors such as trade frictions and U.S. tariff policies. In addition, we will enhance our management and manufacturing capabilities through the deployment of global information systems and the strategic use of digital and Al technologies. Furthermore, we will integrate Al technology into our products and various systems to provide more convenient and sophisticated data that can contribute to our customers' business process innovation. Recognizing that we live in an era of rapid change, we will strive to accurately grasp evolving circumstances and respond in a timely manner to ensure the continued growth and expansion of our business.

To strengthen corporate governance, which is the foundation of our business activities, we will enforce full compliance with the Group management regulations and enhance our corporate functions.

More specifically, we will deepen our partnerships with global stakeholders and, as an innovative company committed to solving social challenges together with them, promote the following initiatives based on our mediumterm management plan to help realize a more sustainable society.

1) Engaging in Businesses in 4 Domains of Social Value Creation

(1) Healthcare Domain

In the Life Sciences field, we position liquid chromatograph and mass spectrometer systems—our Group's core products—as key model lines. We are driving Analytical Transformation (AX) through the application of AI, particularly in the pharmaceutical and food sectors, to support our customers in improving operational efficiency and reducing labor. Furthermore, we will strengthen partnerships to accelerate the addition of new solutions, such as drug purification systems.

In the Med-Tech field, we are cultivating a new business domain by integrating the Shimadzu Group's analytical technologies with its medical technologies. Specifically, we are combining clinical testing solutions using mass spectrometer systems with diagnostic X-ray imaging systems to help realize longer, healthier lives and support senior healthcare. In FY2025, we will promote co-creation with partners to advance research and development related to Alzheimer's disease and infectious diseases, while also expanding our Imaging Transformation (IMX) business through the use of AI and IoT technologies.

(2) Green Domain

To contribute to the realization of a carbon-neutral society, we are advancing application development and functionality enhancements for analytical and measuring instruments such as gas chromatographs and carbon analyzers. These efforts support a wide range of initiatives, including research into the utilization of hydrogen as a next-generation energy source, solution development in the field of biomanufacturing, and the measurement of greenhouse gases (GHGs). We aim to develop these businesses in close collaboration with our customers. In the environmental measuring field, we will work to establish reliable analytical techniques for per- and polyfluoroalkyl substances (PFAS), which are increasingly subject to tighter regulations worldwide.

(3) Material Domain

The development of new materials and substances is becoming increasingly vital across all domains, including Healthcare, Green, and Industry, for creating new value. To meet a wide range of needs, we are not only enhancing our product lineup of analytical and measuring instruments and promoting automation, but also strengthening the integration of multiple measurement techniques and data analysis through informatics. In particular, we will develop new products and expand existing businesses to contribute to the development and manufacture of advanced materials such as battery materials, and ceramic composites, while also striving to help realize a circular economy. In the increasingly important field of nanoscale surface observation, we will also promote solutions based on our recently released scanning electron microscopes.

(4) Industry Domain

Amid continued growth in the semiconductor market driven by rising demand for generative Al, we aim to establish ourselves as a globally recognized solutions provider. Centering on our turbomolecular pump business, we will also promote the parallel expansion of our analytical and measuring Instruments. Along with enhancing our development, manufacturing, and customer support capabilities for turbomolecular pumps, which are indispensable for semiconductor manufacturing, we also aim to broaden our business by expanding the scope of applications to include analytical and measuring instruments as well as solar panel manufacturing equipment. Furthermore, we will collaborate with partner companies to develop analytical

and measuring instruments optimized for the semiconductor market, enabling us to offer more comprehensive and integrated solutions to our turbomolecular pump customers than ever before.

2) Expanding Recurring Businesses

We consider recurring revenue businesses as a major growth opportunity for the Shimadzu Group. To strengthen these businesses, we are implementing a wide range of initiatives, including in-house development, capital investment, M&A, and strategic business partnerships. We are driving growth in two complementary areas: consumables—such as reagents and columns and services, including maintenance, calibration, and inspection. In the reagents business, we are accelerating the launch of a fully integrated operation encompassing development, manufacturing, and sales across the entire Group, including two subsidiaries. In the columns business, we will strengthen our collaboration with partner companies to expand our product lineup and grow the business. In the services business, we will enhance support for Shimadzu-branded products across our analytical and measuring instruments, medical systems, and turbomolecular pump (TMP) businesses. At the same time, we will expand multi-vendor service offerings and deepen relationships with a broader range of customers to provide more responsive, customer-centric support.

3) Creating New Businesses and Strengthening Development Capabilities

To create new businesses and strengthen development capabilities, we are enhancing collaboration among our research centers in Japan, North America, and the UK-including personnel transfers-to shorten development timelines. We are also reforming development structures and processes within business divisions while promoting agile and concurrent (simultaneous) development approaches. In parallel, we continue to foster young talent and develop digitally skilled personnel to support our Al and digital transformation (DX) initiatives.

We are also reinforcing joint development with external partners. As part of these efforts, our corporate venture capital (CVC) program, the Shimadzu Future Innovation Fund, invests in startups to help generate new business opportunities. In addition, through the SHIMADZU Mirai Kyoso Challenge a research program organized by our Technology Research Laboratory invites proposals for collaborative research from external researchers.

4) Establishing Systems for Local Production for Local Consumption and Strengthening Management Foundation

An R&D Center in North America was established in April 2024 to enhance

local development capabilities. Focused particularly on the pharmaceutical and clinical fields, the R&D Center aims to capture cutting-edge local needs and expand the provision of locally developed solutions. As part of this initiative, we launched satellite laboratories on the East and West Coasts in Boston and California—to deepen collaboration with customers. Joint development projects have already begun on several themes. To bolster manufacturing capabilities in China and India, we expanded the plant in Suzhou, China, to align with domestic production incentive policies. In India, we are currently constructing a new plant scheduled to begin operations in 2027. Additionally, we have established a combined sales and service company in India covering both analytical and measuring instruments as well as medical systems, thereby enhancing our local customer support structure. To strengthen our management foundation, we are launching a five-year global project to enhance information systems. This initiative will enable end-to-end lifecycle information management for products, unify core operational systems globally, and ensure more effective use of customer relationship management (CRM) data. In parallel, we will implement a corporate transformation project aimed at elevating management sophistication through the use of digital and AI technologies, while improving capital efficiency using ROIC as a key performance indicator.

In terms of talent development, we aim to cultivate global personnel with diverse perspectives who can lead organizational transformation. To that end, we are enhancing leadership training programs such as next-generation leader development courses, advanced management seminars, general management seminars, and executive training programs for personnel outside Japan. These efforts are designed to support the long-term sustainability of the Shimadzu Group.

To reinforce corporate governance, which is fundamental to our business operations, we will establish a framework that enables greater focus on business execution. Guided by our internal governance enhancement policies, we will ensure rigorous compliance with the Group management regulations, expand the functions of regional corporate headquarters, and enhance governance monitoring by those headquarters.

5) Health and Productivity Management and Environmental Management for Achieving Both a Sustainable Company and Society

The Shimadzu Group is pursuing planetary health in our business activities to actively engage in health and productivity management, as well as environmental management.

As part of our health and productivity management initiatives, we are implementing various initiatives to support the well-being of employees and their family members who are the foundation of Shimadzu Group's activities. Specific examples include offering MCBI diagnostic services based on blood analysis using mass spectrometer systems, and breast cancer screening using PET scanners, both of which utilize Shimadzu's proprietary technologies. In addition, as a member of the Health & Productivity Management Alliance, we are committed to leveraging Shimadzu technology and expertise to contribute to society.

In terms of environmental contribution through our business activities, we are implementing environmental management initiatives aimed at realizing a decarbonized society. We are focused on increasing corporate value by developing Eco-Products Plus products that help reduce CO2 emissions by minimizing power consumption and material usage, as well as efforts to reduce and optimize packaging. Additionally, we promote the use of electricity generated with renewable resources across our domestic and overseas facilities. We are also deploying a wide variety of initiatives to extend the service life and improve the functionality of our products. These initiatives include reusing returned products and upgrading only specific components instead of replacing entire systems.

As described above, the Shimadzu Group is dedicated to addressing societal challenges and enhancing corporate value through the strategies outlined in the medium-term management plan. Shimadzu remains committed to pursuing the creation of shared value and achieving planetary health in cooperation with our stakeholders.



Shimadzu Integrated Report 2025

Story of Sharing Values and Collaboration

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150 Years of Contributing to Society through Science and Technology — Toward the Next Generation

Guided by our corporate philosophy, "Contributing to Society through Science and Technology," we have continued to evolve and grow by consistently responding to the needs of our customers and, beyond that, addressing the challenges faced by society.



The Two Genzos Who Laid the Foundation of Shimadzu

Message from the President



Genzo Shimadzu Sr.

Genzo Shimadzu Sr. began his career as a Buddhist altar craftsman in Kiyamachi-Nijo during the late Edo period. When the Meiji era began, the wave of anti-Buddhist sentiment known as Haibutsu Kishaku swept through Japan, and the area around Kiyamachi-Nijo transformed into a center of modernization in Kyoto. Inspired by the atmosphere of Western technology and cutting-edge science that surrounded him, Genzo Shimadzu Sr. shifted away from Buddhist altar craftsmanship. In the mid-1870s, at around the age of 35, he founded a workshop for manufacturing scientific instruments for educational use — the origin of what would later become Shimadzu Corporation. Just three years after founding the company, he received a request from the Kyoto Prefectural Government to launch a balloon. Despite having no materials or references on hand, he boldly took on the challenge for the future of both himself and Japan's modernization. His hot air balloon launch was a great success.



Genzo Shimadzu Jr.

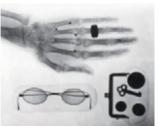
Genzo Shimadzu Jr. devoted himself wholeheartedly to the development and invention of numerous new technologies. In 1896, just 11 months after Dr. Wilhelm Röntgen's discovery of X-rays, he succeeded in capturing an X-ray image. Later, in 1909, he developed Japan's first domestically produced medical X-ray device. In 1930, he was recognized as one of Japan's "Ten Great Inventors," an honor awarded for his invention of a method for producing reactive lead powder, which overcame the then-unsolved challenge of pulverizing lead. This breakthrough significantly advanced various industries, including the production of dry-cell and storage batteries. In his later years, Genzo Jr. expressed his unwavering belief as an engineer: "When you are taught a scientific principle, you must consider its application." This conviction continues to be a guiding spirit within Shimadzu Corporation today.



Science Equipment Catalog List (The Oldest Product Catalog of Shimadzu Corporation)



Successful launch of a manned balloon in 1877



Pioneering radiograph taken in 1896

150 Years of Solving Social Challenges

1897



Started Industrial Production of Storage Batteries

We were commissioned by Kyoto Imperial University to create prototype storage batteries. as there was a dependence on imported products at that time. In 1904, we successfully produced stationary storage batteries.



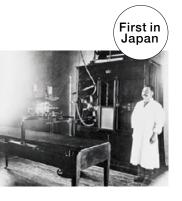
X-ray Technology

1909



Completed a Medical X-ray System

In 1909, Shimadzu completed the first medical X-ray system made in Japan. Two years later, Shimadzu manufactured large X-ray systems that used an AC power supply, which were delivered to the Japanese Red Cross Otsu Hospital, and made Shimadzu the leader in the dawn of medical X-ray systems in Japan.



Development of

the Petrochemical

ndustry to Improve

People's Lives

150 Years of Contributing to Society through Science and Technology — Toward the Next Generation



Developed a Gas Chromatograph

Message from the President

Shimadzu completed the first gas chromatograph in Japan. The following year, we successfully commercialized it and delivered it to domestic petroleum companies as an advanced product. This system was also exhibited at the Chemical Society of Japan, attracting attention and contributing to the development of Japan's burgeoning petrochemical industry.



Safety and Efficacy of **Pharmaceuticals**

Completed a Modular Liquid **Chromatograph System**

By adopting a new pump technology that was not available in the Japanese market at the time, we were able to significantly improve the analysis accuracy and operability. The adoption of a modular structure enabled us to meet various requirements. This contributed to the pharmaceutical industry's research and development activities in ensuring the safety and efficacy of pharmaceutical products.



Analytical Technology

Improved Automobile Safety

1967

Manufactured Our First Fatique Testing Machine and Delivered it to an Automobile Manufacturer

We developed a driving simulator in response to the request from an automotive manufacturer. The simulator enabled accelerated playback of driving data, facilitating acceleration tests and contributing to the efficiency of durability improvement tests.



Measurement Technology

X-ray Technology



Developed a Remote-Controlled X-ray Fluoroscopy System

By implementing operations in a separate room, we were able to reduce the radiation exposure of physicians and radiologic technologists.



Advancement in Society



Launch of Air-Cooled **Turbomolecular Pump**

We developed the Turbomolecular Pump (TMP), which creates a vacuum using turbine technology originally developed for aircraft equipment. While initially used mainly in applications such as particle accelerators and nuclear fusion, we expanded its use by developing models for electronics and semiconductor manufacturing processes. Today, TMPs are also used in environmental fields, including thin-film solar cell manufacturing equipment.

Vacuum Technology

150 Years of Contributing to Society through Science and Technology — Toward the Next Generation

2002

Koichi Tanaka Awarded the **Nobel Prize in Chemistry**

The developed soft laser desorption ionization method enables the ionization of large biomolecules such as proteins without damaging them, allowing for precise mass analysis. This method has been utilized in various applications, including early disease detection and drug development.



Response to COVID-19 **Pandemic**

Developed a Fully Automatic Real-**Time PCR Testing System and** Novel Coronavirus Detection Kits

By automating and streamlining the entire process of PCR testing, including sample preparation, measurement, and analysis, we have greatly improved the efficiency and speed of PCR testing workflows.



Advanced Technology

Innovative Biotechnology

Analytical Technology

Safety and Efficacy of **Pharmaceuticals** First in Japan

Developed Japan's First High-End Liquid Chromatograph-Mass **Spectrometer System**

Message from the President

As a leading company in high-performance liquid chromatograph-mass spectrometers, we have been expanding the use in clinical fields such as newborn mass screening and drug kinetics monitoring in blood samples.

First in the world

Strontium Optical Lattice Clock "Aetherclock OC 020"

This is the world's first product to achieve more than 100 times the precision of conventional cesium atomic clocks, with an error margin of only one second in 10 billion years.



We address increasingly diverse and complex social issues through our core elemental technologies, which serve as the foundation for creating new value.

Measurement Technology





X-ray Technology

Advancements in Breast Cancer Treatment and Dementia Research

Developed a TOF-PET System Designed for Head and Breast Examinations

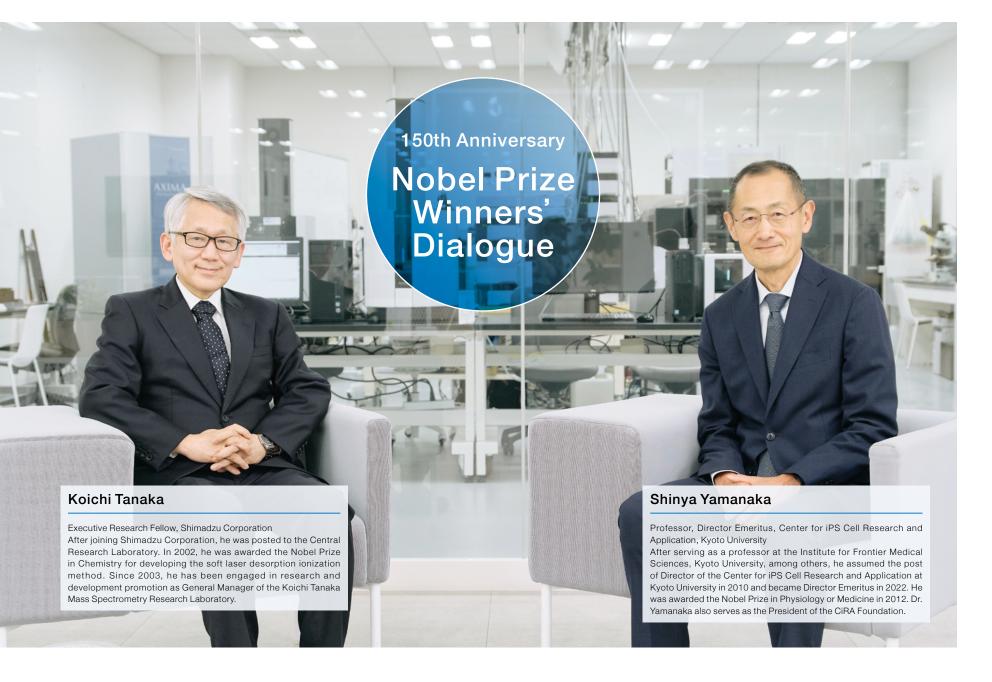
This system specialized for head and breast examinations was developed to support breast cancer diagnosis with minimal physical discomfort, as it eliminates the need for breast compression. It also supports brain imaging, contributing to dementia research and cognitive science.

A

Brain/Five Senses

Vacuum Technology

150 Years of Contributing to Society through Science and Technology — Toward the Next Generation



Shinya Yamanaka, Director Emeritus of the Center for iPS Cell Research and Application (CiRA), Kyoto University, was the first in the world to successfully generate induced pluripotent stem cells (iPS cells), which paved the way for regenerative medicine to treat many intractable diseases and injuries. Koichi Tanaka of Shimadzu Corporation developed the laser ionization mass spectrometer and engages in research related to proteins, which play important roles in the structure and function of living organisms. In this special dialogue, these two Nobel Prize-winning researchers discuss what it takes to create innovation.

^{*}This dialogue was conducted as part of Shimadzu Corporation's 150th anniversary project. An excerpt is included in this Integrated Report. Please refer to the full version here:

https://www.shimadzu.com/150th_anniversary/special_

150 Years of Contributing to Society through Science and Technology — Toward the Next Generation

Discoveries That Started a New Chapter in the **History of Science**

Message from the President

The Joy of Team Accomplishments

Tanaka

It's been 20 years since I was appointed to head the Mass Spectrometry Research Laboratory, which is an internal Shimadzu unit. To be honest, as director, I'm not so much managing the organization as I am enjoying doing experiments with my subordinates. The joy of making new discoveries never changes, and when things don't go well, we discuss the possible reasons collectively, since we believe that failures often point to new discoveries. I nurture a culture of not fearing failure, and thanks to this, we've been able to conduct research without restrictions. I believe this has also led to a number of major discoveries.

Yamanaka

It's truly wonderful that you can still enjoy experiments. In my case, a graduate-level experiment was the reason I decided to go into research. My graduate advisor told me how he believed the experiment would turn out, but in fact, the result was completely different. When I saw this unexpected outcome, I was surprised by how much it excited me. What could be more exciting, I thought? Until that point, I had been planning to become a clinical physician, but in that instant, I realized that research was my true calling. If not for that moment, I might never have encountered iPS cells.

Tanaka

That's fascinating.

Yamanaka

I'm well acquainted with your respect for your team. Working alone can be exciting, but when collaborating with a team, one can achieve things that would be impossible working alone. And when it results in a discovery, there's nothing more gratifying. You were quoted in a recent newspaper article, frankly stating how rewarding it can be to succeed as a team. You said, "Designation as an IEEE Milestone is more rewarding to me than the Nobel Prize," and I found myself strongly agreeing.

Tanaka

Thank you. At the time, I chose to say that the designation was "deeply significant" to place more importance on how this was an achievement for the entire team. Calling it "gratifying" would have made me feel guilty, given the many people involved [laughs]. To demonstrate that the method I discovered could be used for mass spectrometry of proteins, we had to sort the proteins by size, characterize them in terms of their electrical signals, measure those signals, and analyze them further. Each of these R&D processes would have been impossible without the cooperation of the entire team. We utilized each member's expertise, conducted research in parallel, and ultimately commercialized the product. I think the IEEE Milestone recognition acknowledged the hard work on the part of everyone. That's why I said it was significant.

*IEEE (the Institute of Electrical and Electronics Engineers) Milestone honors significant technological achievements at least 25 years after their introduction. In May 2024, Shimadzu Corporation's LAMS-50K laser ionization mass spectrometer (launched in February 1988), developed by Koichi Tanaka and others, was recognized as an IEEE Milestone. It was the world's first commercially available device that applied soft laser desorption ionization techniques, leading to new pharmaceuticals and diagnostic capabilities in the fields of molecular biology and medicine.

The Lineage of Mendel and Darwin

Yamanaka

The laser ionization mass spectrometer has greatly advanced molecular biology and medicine since you and your team developed it. A single instance of groundbreaking research has opened many new directions. In the same sense, we are still doing research based on Mendel's laws of inheritance and Darwin's theory of evolution. These theories continue to be vital and viable today. My own research may not even amount to a single page in the long history of science. Even so, seeing the next generation develop my work in ways I never imagined gives me a real sense that I'm supporting a part of history as a researcher, and that makes me happy.

Tanaka

You discovered that previously differentiated cells can be reprogrammed, completely overturning the conventional view. Using a book as an example, even an entire chapter might not be enough to cover your discovery. But you are absolutely right. At first, I felt very fortunate to have actually achieved something, but seeing many other researchers joining in and working to apply the discovery to molecular biology and medicine makes me excited for the future, and I realize that I need to work harder myself.



Contributing to Society through Science and Technology

and progress for businesses and society.

As the business environment grows increasingly complex and the future more uncertain, new risks have emerged, such as the rise in natural disasters associated with climate change and the rapid increases in resource and energy prices caused by geopolitical tensions. These risks significantly impact the sustainability of people's lives, society, and business itself.

Given this recognition, Shimadzu has established the Shimadzu Group Sustainability Charter, based on the Shimadzu corporate philosophy of "Contributing to Society through Science and Technology" and the management principle of "Realizing Our Wishes for the Well-being of Mankind and the Earth." We are committed to sustainability management, with a primary focus on solving the challenges of society through our business activities.

Looking ahead, Shimadzu will continue working together with partners around the world to take on global societal challenges, with the aim of creating a brighter future and enhancing corporate value through the realization of a sustainable society.

Since its founding in 1875, Shimadzu has leveraged the technologies and expertise cultivated through its business operations to earn the trust of customers, shareholders, suppliers, employees, local communities, and other stakeholders by diligently striving to achieve sustainable growth

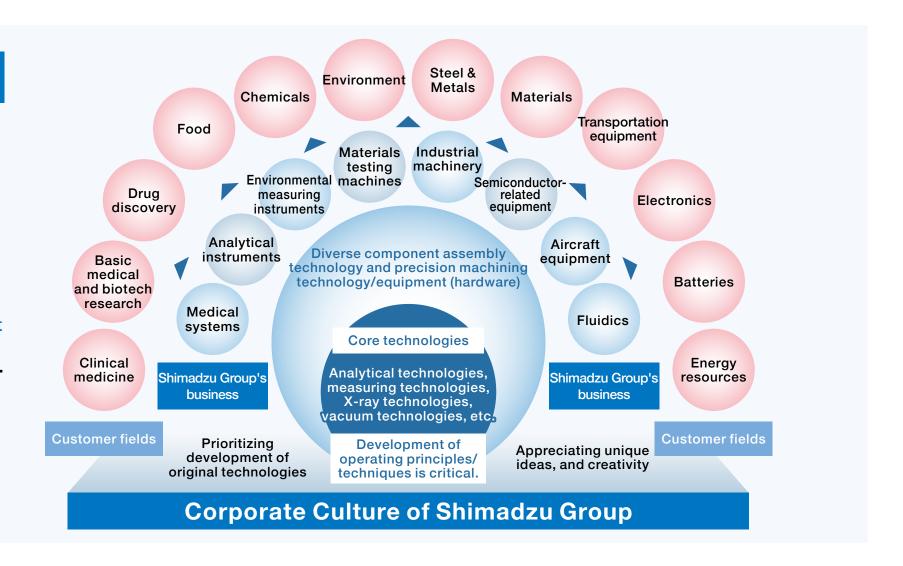
Shimadzu's DNA

Since our founding in 1875, Shimadzu has remained committed to addressing both customer and societal challenges. Guided by our corporate philosophy, "Contributing to Society through Science and Technology," and our management principle, "Realizing Our Wishes for the Well-being of Mankind and the Earth," we have consistently pursued the truth by facing facts with sincerity and discernment. This approach has fostered an internal ecosystem that meets diverse customer needs and supports the development of new technologies. It has also enabled us to expand our business by applying increasingly advanced core technologies across a wide range of products and services.

This unwavering commitment to directly confronting challenges has shaped our identity for 150 years and continues to form the foundation of the Shimadzu Group's corporate culture today.

Reasons Shimadzu Has Remained in **Business for 150 Years**

- (1) Despite changing times, Shimadzu remains steadfastly committed to the corporate philosophy, "Contributing to Society through Science and Technology."
- (2) Even for niche markets, Shimadzu serves the needs of all customers.
- (3) Shimadzu constantly strives to enhance its technology development capabilities to contribute to the advancement and growth of industry.



Shimadzu's DNA

1. Steadfast Commitment to Shimadzu Corporate Philosophy

Founder Genzo Shimadzu Sr. dedicated himself to producing scientific instruments for physics and chemistry that were needed during his time, while actively learning about the latest technologies. His commitment to meeting the needs of customers lives on today in our mission to use science and technology to address the needs of society and our customers, thereby contributing to a more prosperous, safe, and secure world. In today's world, science and technology are playing an increasingly vital role in solving the diverse and complex challenges facing society. We will continue contributing by constantly acquiring new knowledge and skills, and by providing solutions through the creation of innovative ideas and achievements that were once unimaginable.

2. Serving the Needs of All Customers

Rooted in our corporate culture of sincerely addressing the needs of customers and society, Shimadzu has developed a wide range of technologies, products, and services over the years. Looking ahead, we aim to create new shared value for both society and Shimadzu by integrating new knowledge gained through open innovation with the technical expertise we have cultivated—enabling us to address the increasingly complex and global challenges facing society.

3. Increasing Technology Development Capabilities

Shimadzu is dedicated to researching and developing core technologies for innovative next-generation products, enhancing existing products and technologies, and creating broadly applicable shared technologies, including AI, IoT, and robotics. In addition, we are focused on developing new businesses and technologies that address future societal needs by swiftly responding to emerging changes and challenges with solutions that integrate and build upon our technological expertise.

Advanced and Highly Original Technologies to Serve as Core Elements for Generating New Value

Advanced Analysis

We aim to contribute to solving customer and social challenges by developing world-first technologies in ion (MS), X-ray, optical, and quantum analysis.

Innovative Biotechnology

Through advanced biotechnologies, we seek to deliver new value in fields such as preventive medicine, early diagnosis, regenerative medicine, and bioproducts.

Brain / Five Senses

We are developing integrated measurement technologies that enhance human performance and support psychological well-being by measuring brain and sensory functions.

ΑI

By applying AI to signal and image processing. we are advancing the development of high-value products, services, and new businesses-offering solutions to customer and societal challenges.

Base of Technologies for Supporting a Wide Variety of Products

Device Control Design

We enhance the performance of control systems for largescale and high-speed rotating equipment, while also improving product safety and robustness through vibration, noise, and shock reduction design.

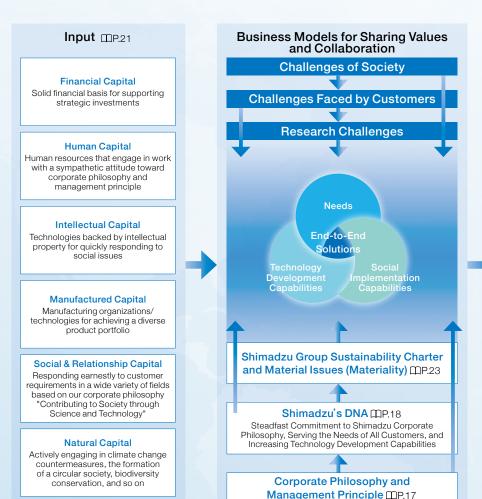
System Integration

We work on research and development of solutions that improve equipment usability and efficiency through automation and streamlined sample preparation. These solutions leverage core technologies in thermal, fluid, and optical control.

Process of Sharing Values and Collaboration

Message from the President

Shimadzu aims to "Pursue the Planetary Health (Well-being of Mankind and the Earth)" by "Contributing to Human Life and Well-being," "Contributing to the Well-being of the Earth," and "Contributing to Industrial Development and a Safe and Secure Society," based on Shimadzu's corporate philosophy, management principle, and the Shimadzu Group Sustainability Charter.





Our Vision

Pursue the Planetary Health Planetary Health Planetary Health

(Well-being of Mankind and the Earth)



Social Value Creation Domain Social Value Provided Healthcare Domain MP32

Life Sciences Field Analytical & Measuring Instruments

. Next-generation Drug Development Food Sustainability Genomics

Med-Tech Field

Analytical & Measuring Instruments

Medical Systems

- Al Hospital
- · Healthcare as a Service

Human Life & Well-being

through Analytical & Measuring Instruments (AMI) and Imaging Transformation (IMX)

Well-being of the Earth

Green Domain mp34

Analytical & Measuring Instruments

- Industrial Machinery
- Bio-economy A Decarbonized Society Next-generation Energy

through AMI and Production Process Control Technologies

Material Domain

Analytical & Measuring Instruments Industrial Machinery

- Circular Economy
- . Development of Advanced Materials Informatics

Material Development & **Production Innovation**

through AMI and Vacuum Technology

Industry Domain mp.35 Analytical & Measuring Instruments

Industrial Machinery | Aircraft Equipment

- Society 5.0
- · Next-generation High Integration
- Quantum Science and Technology

Industrial Development

through Precision Machining Technology and AMI



Shimadzu Integrated Report 2025

Shimadzu's Management Resources and Strengths (Performance for Each Capital in FY2024)

The Shimadzu Group is committed to realizing a sustainable society and achieving business growth by leveraging six forms of capital that continue to evolve in line with the times.

	Financial Capital	Human Capital	Intellectual Capital
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Vision and Policies	While maintaining financial soundness, we make the strategic investments necessary for business growth, aiming to realize a sustainable society.	Under the slogan "Leadership & Diversity," we aim to realize a sustainable society and achieve business growth by cultivating and securing talent capable of driving innovation to solve social issues in collaboration with diverse partners.	We aim to realize a sustainable society and achieve business growth by creating and acquiring intellectual property that addresses customer challenges and the social issues behind them.
Shimadzu's Strengths	A robust financial foundation to support strategic investments, backed by net cash of 142.0 billion yen Efficient fund utilization through a global cash management system by centralizing Group-wide cash Promotion of ROIC-based management, achieving an ROIC of 10% in FY2024	 Employees who resonate with the corporate philosophy and management principles, taking the initiative to challenge themselves and put their ideas into practice Many highly specialized personnel with advanced knowledge and skills, including those holding doctoral degrees who are dedicated to solving the challenges of a diverse customer base A high retention rate supported by an inclusive environment where individuals can thrive regardless of nationality, gender, or experience, and by flexible working arrangements adapted to individual needs such as productivity improvements, and support for childcare and caregiving 	Strong capability to solve customer challenges through core technologies, design expertise, and application databases across a wide range of fields, protected by numerous patents and proprietary know-how Brand strength built on trust in our technology and quality Robust framework for generating and acquiring core patents, as demonstrated by the FY2024 National Commendation for Invention and the 2021 Intellectual Property Achievement Award from the Commissioner of the Japan Patent Office
Strategies to Strengthen Management Capital in the Medium-Term Management Plan	Focused investments in areas that create social value and in strengthening the foundations of human capital, R&D, manufacturing, and digital transformation (DX) Improved profitability and capital efficiency by developing ROIC trees aligned with business strategies	Cultivation of a corporate culture that encourages employees to take initiative, continuously learn, and grow Development of talent essential for strengthening business strategies and the management foundation Promotion of DE&I through human resources systems and workplace environments that empower individuals to realize their full potential	Collaboration with external research and business partners to create new businesses that leverage diverse values Creation and acquisition of intellectual property not only through investment in technologies implemented in key products but also by addressing customer challenges and the underlying social issues Utilization of IP landscaping to support business model development and promote the social implementation of new businesses
FY2024 Performance Inputs	 Shareholders' equity: 447.2 billion yen Operating CF: 52.0 billion yen Free CF: 28.8 billion yen 	Number of consolidated employees: 14,481	Main R&D locations: 4 in Japan, 17 overseas R&D investment (FY2024): 28.9 billion yen
FY2024 Performance Outcomes	 Net sales: 539.0 billion yen (YoY +5%) Operating income: 71.7 billion yen (YoY -1%) Operating margin: 13.3% (YoY -0.9pt) Payout ratio: 36.0% ROE: 10.9% ROIC: 10.0% Dividends increased for the 11th consecutive year 	 Average years of service: 18.1 (industry average: 12.7 years) Number of employee resignations: 31 (non-consolidated turnover rate: 0.9%) Participants in executive management training programs: 136 Number of advanced experts: 509 Participants in business leader training programs: 905 Participants in DX training programs: 6,865 Ratio of female managers (consolidated): 12.3% Employee engagement score (non-consolidated, positive response rate): 65% 	Number of patents held: Increased by 590 in FY2024 (total: 8,554) Number of business models developed using IPL: 5

Shimadzu's Management Resources and Strengths (Performance for Each Capital in FY2024)

Story of Sharing Values and Collaboration

	Manufactured Capital	Social & Relationship Capital	Natural Capital
Vision and Policies	In order to quickly respond to various changes in external environment or to global issues, we will establish flexible manufacturing capabilities with an aim to achieve a sustainable society and business growth.	Through our transformation into a provider of end-to-end solutions, we aim to become an innovative company that works with global partners to solve societal challenges, thereby contributing to a sustainable society and business growth.	We aim to achieve a sustainable society and business growth by promoting innovation to build a decarbonized and recycling-oriented society through science and technology and by maintaining a balance between business activities and environmental conservation.
Shimadzu's Strengths	 In-house capabilities for processing and assembling critical instrument components, as well as manufacturing technologies for optical elements, sensors, and other key components essential to delivering solutions to customers Manufacturing organizations capable of producing a diverse product portfolio, from large instruments to reagents, and from custom-made to mass-produced products Global manufacturing framework established across five regions—Japan, China, North America, Asia, and Europe—to respond to growing demand by region and product category, while ensuring a stable supply of products to customers 	Continuous enhancement of technological development capabilities based on steadfast commitment to the corporate philosophy of "Contributing to Society through Science and Technology," regardless of the times Research support instruments secured to meet the needs of academia and nearly all manufacturing industries by earnestly responding to customer requirements, even in niche markets Support for public health and the extension of healthy life expectancy through the use of proprietary instruments, helping maintain essential social infrastructure Green procurement initiatives, including the use of proprietary analytical instruments, acquisition of non-inclusion certificates, RoHS audits, and sample analysis of procured components	Provision of analytical instruments essential for the development of clean energy and new materials by companies and research institutions in fields such as environment and energy, as well as measuring instruments used in manufacturing and quality control processes Accumulation of expertise in energy saving and product miniaturization through environmentally conscious design applied across all products Support for and participation in international environmental initiatives such as TCFD, SBT, RE100, and TNFD, while actively promoting climate change action, the development of a circular economy, and biodiversity conservation
Strategies to Strengthen Management Capital in the Medium-Term Management Plan	Business continuity management (BCM): (1) Strengthening procurement functions (improvement in local procurement ratio) (2) Holding strategic inventories (3) Expanding in-house production Enhancing global manufacturing capabilities: (1) Capacity enhancement: facility development and expansion, increased production capacity, and decentralized production (2) Logistics improvement: Establishment of a domestic logistics hub and the automation and optimization of material and product distribution Transforming manufacturing processes through digital transformation (DX): Improving QCD by leveraging automation, IoT for data collection, and Al for advanced data utilization	Promotion of local needs identification and the localization of development functions to strengthen information gathering and contextual understanding of local markets Strengthening the business foundation in North America, particularly through: (1) Establishing an R&D Center in North America to enable customer-oriented product development (2) Establishing development centers on the East and West Coasts to enhance application development in collaboration with partners	 Positioning green transformation (GX) as a key business field and offering end-to-end analytical and measuring instrument solutions for solving challenges Reduction of CO₂ emissions from business activities through energy-saving initiatives and adoption of electricity from renewable sources Expansion of the Eco-Products Plus lineup (Shimadzu-certified models with superior environmental performance compared to previous models) Development of environmentally conscious products in line with the Product Design Guidelines, in collaboration with suppliers, to reduce environmental impact throughout the product life cycle
FY2024 Performance Inputs	 Main manufacturing locations: 6 in Japan, 8 overseas Capital investment (FY2024): 22.9 billion yen 	 Global sales and service locations: 14 in Japan, 82 overseas Promotion of joint research with customers, universities, and other partners 	Energy usage: 963,788 GJ *GJ (gigajoule): a unit of energy Water usage: 340,000 m³
FY2024 Performance Outcomes	 High-quality products Promotion of cost-reduction initiatives (gross margin trends) Strengthening of overseas business foundation Production capacity at all manufacturing sites by the end of FY2024: Increased by 22% (compared to FY2022) 	 Contribution to solving societal challenges through close customer relationships Promotion of open innovation Overseas sales ratio: 56.5% (YoY -1.4pt) Sales growth in four overseas regions (based on Japanese yen) <north america=""> FY2024 Results: 67.4 billion yen (16.9% increase from FY2022)</north> <europe> FY2024 Results: 49.6 billion yen (18.9% increase from FY2022)</europe> <china> FY2024 Results: 91.4 billion yen (5.6% decrease from FY2022)</china> <other asian="" countries=""> FY2024 Results: 65.0 billion yen (24.5% increase from FY2022)</other> 	CO ₂ emissions from energy usage: 9,030 t-CO ₂ Reduction from the baseline year (FY2017): 81.7% CO ₂ reduction contribution: 11,579 t-CO ₂ Sales ratio of Eco-Products Plus models: 22% CO ₂ emissions from Shimadzu Group's product use: 9.2% reduction compared to FY2020 Waste recycling rate: 99.62%

Sustainability Management

Shimadzu Group Sustainability Charter

[Vision]

• Create a Bright Future — SHIMADZU CORPORATION will engage in company activities and fulfill social responsibilities based on two principles —"solve the challenges of society through business operations" and "engage in activities as a responsible member of society"— while working towards harmony between the Earth, society, and people.

Message from the President

[Basic Policy]

- Strive to "contribute to human life and well-being," "contribute to the well-being of the Earth," and "achieve industrial development and a safe and secure society."
- Endorse the United Nations Global Compact as a member of the global society and engage in achieving its sustainable development goals (SDGs).
- We aim to solve social problems through the application of science and technology. To achieve this, we have established systems to support the Group's infrastructure, and strive to enhance our development and manufacturing capabilities.
- To earn the trust of stakeholders, disclose information about sustainability management in a timely, appropriate, and fair manner, and build relationships through dialogue.

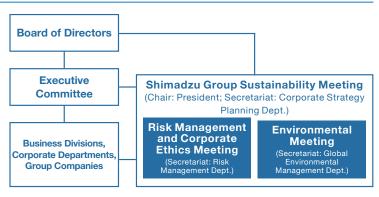
<Three Policies of Shimadzu Sustainability Management>



Organization for Implementing Sustainability Management

The Shimadzu Group Sustainability Meeting has been established to promote sustainability management at Shimadzu.

The committee consists of the Chairman, President, Executive Officers with specific responsibilities, Audit & Supervisory Board Members, General Managers of Business divisions and corporate departments, and representatives from domestic and overseas Group companies. The Corporate Strategy Planning Department serves as the secretariat. The Meeting is held twice a year, and its outcomes are reported to the Board of Directors. The Directors and Audit & Supervisory Board



Members subsequently provide guidance on the promotion and further enhancement of sustainability management. Under the Shimadzu Group Sustainability Meeting, the following specialized subcommittees have been established: Risk Management and Corporate Ethics Meeting and Environmental Meeting.

Organization Role		Meeting Frequency	Responsible Person
Board of Directors The Board of Directors is responsible for decision-making and oversight of important business execution related to sustainability management, including the Shimadzu Group Sustainability Meeting.		Once a month	Chairman
Executive Committee The Executive Committee is responsible for accurate and prompt business execution through deliberations and reports on sustainability management.		Three times a month	President
Shimadzu Group Sustainability Meeting <specialized committees=""> Risk Management and Corporate Ethics Meeting Environmental Meeting</specialized>	The Shimadzu Group Sustainability Meeting is the highest deliberative body for sustainability management. Key issues, implementation policies, plans, and KPIs are discussed and progress is monitored. For particularly important areas of compliance, risk management, and environmental management, specialized committees have been established to discuss and report on more specialized issues and themes.	Twice a year	President

Sustainability Management

Materiality Selection Criteria and Processes

The processes for selecting material issues (materiality), which are important to Shimadzu sustainability management, are described below.

Identify societal challenges relevant to realizing our corporate vision.



- Relevance to corporate philosophy and management
- Relevance to Shimadzu business domains and value

Prioritize themes based on two evaluation axes (Double Materiality).

- Impact of Shimadzu activities on society
- Impact on Shimadzu corporate value

Material topics and initiatives are determined through the Shimadzu Group Sustainability Meeting and the medium-term management planning process.

Materiality of the Shimadzu Group

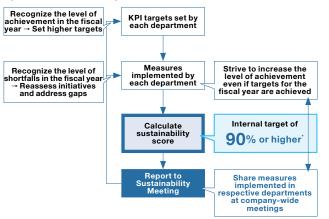
Shimadzu has identified seven material topics. Through the Shimadzu Group Sustainability Management Implementation Policy, we align our materiality with the medium-term management plan and promote related initiatives accordingly.

Setting and Evaluating KPIs Based on Materiality

We set KPIs each fiscal year for the materiality themes addressed in our sustainability initiatives. The results are evaluated at the Shimadzu Group Sustainability Meeting.

Assuming that KPIs are set at a challenging level each year, we have set the company-wide target for the Shimadzu Sustainability Score at 90%, which is based on average KPI achievement level.

System for Reviewing KPIs



*For score calculation, the KPI achievement rate is capped at 100%

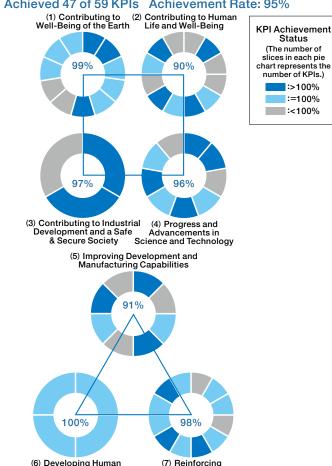
Business Contribution Themes Management and Technology Foundation Themes E: Environment Contributing to Well-Being of the Earth Contributing to Human Life and Well-Being Contributing to Industrial Development and a Safe and Secure Society Progress and Advancements in Science and Technology S: Society Improving Development and Manufacturing Capabilities **Developing Human Resources** G: Governance Reinforcing Corporate Governance

Evaluation of FY2024 Initiatives

In FY2024, we established 59 KPIs across seven material issues, and the Shimadzu Sustainability Score achieved over 90% of the target value.

Discussions at the Sustainability Meeting also revealed a challenge: the current sustainability KPIs are not sufficiently linked to short-term business performance. To address this, we will designate particularly important indicators as core KPIs and include additional indicators that contribute to the sustainability of our business. Going forward, we will promote balanced initiatives aligned with the three key directions outlined on the previous page.

Achieved 47 of 59 KPIs Achievement Rate: 95%



Corporate Governance

Resources

Strategy of Sharing Values and Collaboration through Materiality

Shimadzu Integrated Report 2025

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Overview of Medium-Term Management Plan (FY2023 to FY2025)

Three Missions and Four Domains for Creating Social Value in the Medium-Term Management Plan



Corporate Philosophy: Contributing to Society through Science and Technology
Management Principle: Realizing Our Wishes for the Well-being of Mankind and the Earth
Shimadzu Group Sustainability Charter

Social Value Creation Domain		Keywords	Social Value Provided		
Hoolthoore	Life Science Field (AMI)	Next-generation Drug Development Food Sustainability Genomics	Human Life & Well-being through AMI and Imaging Transformation (IMX) R&D and manufacturing innovation in drug discovery modalities Innovation in food-tech		
Healthcare	Med-Tech Field (AMI), (MED)	Al Hospital Healthcare as a Service	A vibrant, healthy and long-lived societyControl of infectious disease		
Green (AMI), (IM)		Bio-economy A Decarbonized Society Next-generation Energy	Well-being of the Earth through AMI and Production Process Control Technologies Global warming countermeasures Conservation of air, soil and water		
Material (AMI), (IM)		Circular Economy Development of Advanced Materials Informatics	Material Development & Production Innovation through AMI and Vacuum Technology • Developing and manufacturing innovative materials through automation and informatics		
Industry (A	.MI), (IM), (AE)	Society 5.0 Next-generation High Integration Quantum Science and Technology	Industrial Development through Precision Machining Technology and AMI TMP, essential equipment for the semiconductor industry the foundation of a digital society Hydraulic products for aircraft, logistics, construction machinery, etc.		

Business Expansion and Transformation into a Company That Provides Total Solutions Across Divisions



*See page 108 for a review of the past three medium-term management plans.

Product-Centric Business Deployment

Value = Products

Deliver the "PRODUCTS" based on customer request

Best for Our Customers!

How to Transform
into the CustomerCentric Business Structure?

Value = Data Required by Customers

Provide end-to-end solution with the "DATA"

that customers want by

- Establishing closer relationships
- Communicating in their language of choice

Overview of Medium-Term Management Plan (FY2023 to FY2025)

Basic Policies of the Medium-Term Management Plan

Under the new medium-term management plan, we aim to achieve sustained growth as an innovative company that solves challenges in society together with global partners, by strengthening both technology development and social implementation and by offering end-to-end solutions to our customers.

To achieve that, we will implement five business strategies and seven initiatives for strengthening the management foundation. The five business strategies are "Reinforce Key Model Businesses," "Strengthen Med-Tech Business," "Expand Overseas Businesses & Operations," "Reinforce & Expand Recurring Businesses," and "Develop & Create New / Future Businesses." These business strategies are supported by the following seven measures for strengthening the management foundation: "Reinforce Corporate Governance," "Accelerate R&D Activities," "Strengthen International Standardization and Regulatory Compliance Capabilities," "Expand Global Manufacturing Capabilities," "Propel Digital Transformation (DX)," and implement "Human Resources Strategy" and "Financial Strategy" to support all the other initiatives.

Be an Innovative Company That Solves Social Issues with Global Partners!

—Achieve Sustainable Growth by Technology Development & Social Implementation—

Five Business Strategies

Reinforce Key Model Businesses - LC, MS, GC, Testing Machine, and TMP -

Strengthen Med-**Tech Business**

Expand Overseas Businesses & Operations - Strengthen Businesses and Operations in North America - Reinforce & Expand Recurring **Businesses**

Develop & Create New / Future Businesses

Strengthening Seven Management Foundations

Reinforcing Corporate Governance

Accelerate R&D Activities

Strategize International Standardization / **Reinforce Regulatory** Response

Expand Global Manufacturing Capabilities

Propel DX (Digital Transformation)

Human Resource Strategy: Realizing "Leadership & Diversity"

Financial Strategy: **Executing Strategic Investments** Overview of Medium-Term Management Plan (FY2023 to FY2025)

Relationship Between the Medium-Term Management Plan and Materiality

		Medium-Term Management Plan					
	Materiality	Five Business	Strengthening Seven Management Foundations				
		Strategies	+ Environment Health and F	+ Environmental Management Health and Productivity Management			
E	Contributing to the Well-being of the Earth	• Reinforce Key Model Businesses (LC,	Environmental Management				
	Contributing to Human Life and Well-being	MS, GC, Testing Machine, and TMP) Strengthen Med-Tech Business Expand Overseas	Health and Productivity Management				
	Contributing to Industrial Development and a Safe and Secure Society	Businesses & Operations • Reinforce & Expand Recurring Businesses					
s	Progress and Advancements in Science and Technology	Develop & Create New / Future Businesses	Strategize International Standardization / Reinforce Regulatory Response	Propel DX (Digital Transformation)	•Financial Strategy: Executing Strategic Investments		
	Improving Development and Manufacturing Capabilities		Accelerate R&D ActivitiesExpand Global Manufacturing Capabilities				
	Developing Human Resources		Human Resources Strategy				
G	Reinforcing Corporate Governance		Reinforce Corporate Governance				

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Overview of Medium-Term Management Plan (FY2023 to FY2025): Progress of Five Business Strategies

Message from the President

Reinforce Key Model Businesses - LC, MS, GC, Testing Machine, and TMP -

Strategy Overview

Our aim is to offer end-to-end solutions based on our unique technologies and capabilities for social implementation. For liquid chromatographs (LC) and mass spectrometer systems (MS), we will strengthen the competitiveness of core models and promote the automation of overall processes including pretreatment, Al-driven efficiency improvements, and the development of application-specific software. For gas chromatographs (GC), we will improve product performance to meet growing needs for higher sensitivity and faster analysis, and collaborate with partners to develop biofuel data analysis techniques. For testing machines, we will develop composite testing machines configured with multiple types of testing machines connected to robots, and deploy our products in the measurement informatics field. For turbomolecular pumps (TMP), we will increase market share by collaborating with manufacturers of semiconductor manufacturing equipment to develop high-performance TMP models.

FY2024 Results and Evaluation

LC

Results

By domain, performance was solid in the Healthcare domain, particularly in the pharmaceutical market, except for certain regions.

By region, although sales in China declined due to reduced demand from pharmaceutical and CRO sectors, sales increased in Japan, North America, and India.

- Key Initiatives
- (1) Development and launch of peripheral devices for end-to-end solutions, including automated sample preparation systems
- (2) Active proposals to drug discovery departments for preparative LC and preparative SFC systems, areas in which Shimadzu has particular strengths
- Kev New Products
- (1) Nexera FV, an online UHPLC system, contributing to drug development and manufacturing through automation and labor-saving functionalities
- Analysis Nexera FV (2) Peakintelligence for LC, software for LC analysis, equipped with Shimadzu's proprietary Al algorithm that reduces analysis time by 75%, supporting workstyle innovation in research laboratories

Ultra High Performance Liquid

Chromatograph for Online



• Results

By domain, sales in the Healthcare domain increased, particularly in contract analysis services, clinical markets, and academic institutions.

By region, sales increased in Japan, North America, and India.

Kev Initiatives

In addition to enhancing functionality, we developed and launched products and solutions to meet diverse needs, including pretreatment and peripheral equipment. Key New Products



High-Performance Liquid Chromatograph Mass Spectrometer System LCMS-8060RX

LCMS-TQ RX Series, high-sensitivity,

high-stability triple quadrupole liquid chromatograph mass spectrometers, providing reliable data and streamlining laboratory operations with automatic calibration functions

GC

Results

By domain, sales increased in the Green domain (GX-related applications). By region, sales increased in Japan, Europe, and India, but declined in China due to deteriorating market conditions.

- Kev Initiatives
- (1) Expanded sales in the chemicals/GX markets.
- (2) Expanded sales of the newly released Brevis GC-2050, which features a 35% smaller size than previous models.
- Key New Products

Extended systems combining pretreatment units and detectors designed for use with the Brevis GC-2050.

Testing Machines

Results

In the Green, Material, and Industry domains, sales increased for applications involving the development of new materials, such as lithium-ion batteries and hydrogen storage tanks.

- Kev Initiatives
- (1) Expanded sales for electric vehicles (EVs) and lithium-ion battery applications.
- (2) Developed and launched automated systems aimed at unmanned operation and labor saving.

TMP

Results

Driven by robust demand for semiconductor manufacturing equipment, sales of TMP remained strong. In particular, the recurring revenue business, which has been a focus area in recent years, achieved significant growth in FY2024 and contributed to improved profitability.

- Key Initiatives
- (1) Products: Promoted product development in close collaboration with customers to expand market share in semiconductor manufacturing equipment.
- (2) Services: Increased the service revenue ratio by offering upgrade proposals tailored to customer needs.

Future Initiatives

- Launch high-value-added new products incorporating Al and robotics technologies, with improved operability. Strengthen deployment in investmentaccelerating markets such as India and the United States.
- Expand the sales of analytical and measuring instruments to semiconductor manufacturers, leveraging relationships established through the TMP business. Proposals include ultrapure water analyzers for quality control, LCMS systems for per- and polyfluoroalkyl substances (PFAS) compliance, and GCMS systems for contamination (AMC) management. By broadening the deployment of these instruments, we aim to achieve further growth in the
- Promote productivity improvements through the utilization of Al and digital transformation (DX).

Overview of Medium-Term Management Plan (FY2023 to FY2025): Progress of Five Business Strategies

Message from the President

Strengthen Med-Tech Business

Strategy Overview

We define our Med-Tech business as providing end-to-end solutions across health management, testing, diagnosis, treatment, and prognosis management by leveraging technologies such as component analysis and image analysis to support healthy longevity. Within this business, we are advancing initiatives in both Imaging Transformation (IMX) and clinical diagnostics. In IMX, we aim to deliver new added value and reduce the burden on healthcare professionals and patients by integrating diagnostic imaging systems with Al and IoT technologies. In clinical diagnostics, we are working to expand our lineup beyond clinical testing instruments to include pretreatment systems, reagents, and software, thereby accelerating the implementation of clinical testing platforms in the healthcare field.

FY2024 Results, Evaluation, and Future Initiatives

Clinical Sample Testing (Diagnostics)

Results

Despite continued efforts to expand the product lineup for platform development using LCMS (liquid chromatograph mass spectrometer) systems, sales declined year on year.

- Kev Initiatives
- (1) Developed and launched products, reagents, and services to support the establishment of LCMS, MALDI, and genetic testing platforms.
- (2) Expanded the product lineup for clinical microbiology testing.
- (3) Invested in Umedico Inc. and initiated joint development to establish various analytical methods for processes ranging from cell culture to purification in the field of gene therapy.
- (4) Launched SUPOFULL, a health promotion platform.
- (5) Released CellTune, a software tool that uses Artificial Intelligence (AI) to select optimal conditions for cell culture.
- Future Initiatives
- (1) Expand business through end-to-end solution offerings by enhancing the lineup of instruments, software, and reagents.
- (2) Established the Clinical MS Solutions Center to accelerate development through collaborations with external partners.

Imaging Transformation (IMX)

Although sales in China significantly declined due to worsening market conditions, sales increased in North America and other Asian regions, resulting in a slight overall increase.

- Kev Initiatives
- (1) Developed and launched SMART Voice, a voice recognition feature for angiography systems that streamlines examination workflows and reduces the burden on physicians, medical staff, and patients.
- (2) Developed and launched Smart FOV, a new software solution for X-ray fluoroscopy systems that enables shifting the fluoroscopy field of view without moving the
- (3) Expanded the senior healthcare business, tailored to regional needs.
- Future Initiatives
- (1) Prioritize resources by narrowing focus to key strategic models.
- (2) Strengthen recurring revenue business models.
- (3) Further enhance synergies between Analytical & Measuring Instruments and Medical Systems Businesses.





MALDI-8020

MicrobialTrack software interface

MicrobialTrack, microorganism identification software that uses a large-scale proprietary database developed by Shimadzu for applications such as pharmaceutical testing, food hygiene management, and river water quality inspection

Overview of Medium-Term Management Plan (FY2023 to FY2025): Progress of Five Business Strategies

Message from the President

Expand Overseas Businesses & Operations

Strategy Overview

We will provide the best possible end-to-end support from sales to service by reinforcing customer support capabilities in accordance with market characteristics. In addition, we will strengthen the development base as appropriate for business expansion in the Healthcare and Green domains. We will also reinforce production continuity management for responding to geopolitical risks.

	FY 2023	FY 2024	YoY Change	% Change	Results and Future Initiatives	
Outside Japan	296.3	304.5	+8.2	+3%	FY2024: Although market conditions remained sluggish in China, strong performance in North America and India led to overall positive growth. FY2025: We will focus on regions and markets with active investment, aiming to expand sales of new products.	
Key Regions						
North America	60.6	67.4	+6.8	+11%	 FY2024: Sales of the Analytical & Measuring Instruments segment expanded, particularly to pharmaceutical companies and contract analysis organizatic with additional contributions from the consolidation of Zef Scientific Inc. In the Medical Systems segment, hospital capital investment showed signs of recovery. FY2025: In the Analytical & Measuring Instruments segment, we will leverage our R& Center in North America to strengthen product and solution offerings for the Healthcare and Green domains. In the Medical Systems segment, we will for on expanding sales of new angiography systems and increasing maintenant contract coverage. 	
Europe	48.9	49.6	+0.7	+1%	FY2024: Performance was sluggish due to deteriorating business sentiment. While sales of the Analytical & Measuring Instruments segment increased for clinical applications, those of the Medical Systems and Industrial Machinery segments declined. FY2025: For the Analytical & Measuring Instruments segment, we will strengthen initiatives for clinical applications. In the Medical Systems segment, we will reinforce our efforts in Eastern Europe, a key focus region.	
China	99.9	91.4	-8.5	-9%	FY2024: For the Analytical & Measuring Instruments segment, although there was a recovery trend in sales to government and academic institutions, overall sales declined due to worsening market conditions. For the Medical Systems segment, sales also declined due to the delayed recovery of market demand. For the Industrial Machinery segment, sales increased for industrial furnaces used in ceramic components for automotive applications. FY2025: For the Analytical & Measuring Instruments segment, we will expand the lineup of locally manufactured products and strengthen our response to the demand from large-scale capital investments and pharmacopoeia revisions.	
Asia (Southeast Asia, Korea, and Taiwan)	41.5	44.0	+2.5	+6%	FY2024: For the Analytical & Measuring Instruments segment, sales were strong in the pharmaceutical and chemical markets. For the Medical Systems segment, sales of angiography systems increased. FY2025: For the Analytical & Measuring Instruments segment, we will focus on expanding sales in the growing pharmaceutical and food markets. For the Medical Systems segment, we will promote sales of radiography and angiography systems.	
India	17.8	21.0	+3.2	+18%	FY2024: For the Analytical & Measuring Instruments segment, sales were strong in the pharmaceutical market. For the Medical Systems segment, sales of angiography systems increased. FY2025: We will continue to focus efforts on the expanding pharmaceutical market for the Analytical & Measuring Instruments segment, and on angiography systems for the Medical Systems segment.	

Reinforce & Expand Recurring Businesses

Strategy Overview

The recurring revenue business consists of maintenance and service contracts as well as consumables.

In the area of maintenance and services, we aim to expand maintenance and service contracts by leveraging DX and IoT technologies for remote monitoring and remote maintenance. In addition, we will promote subscription-based software services that utilize AI technologies.

For consumables, we will strengthen our development capabilities for reagents, culture media, and chromatography columns through collaboration within the Shimadzu Group, including Shimadzu Diagnostics Corporation (formerly Nissui Pharmaceutical), and work to expand these businesses.

FY2024 Results, Evaluation, and Future Initiatives

Results

The acquisition of Zef Scientific, Inc., a U.S.-based multi-vendor service provider for analytical and measuring instruments, and California X-ray Imaging Services, Inc. (CIS), a medical systems servicing company, contributed to strengthening and expanding recurring revenue business in the United States.

In the Industrial Machinery segment, service and maintenance sales increased in tandem with a rise in TMP unit sales, primarily for semiconductor manufacturing equipment.

Key Initiatives

Analytical & Measuring Instruments segment

- (1) Acquired Zef Scientific, Inc. to strengthen after-sales service in the North American market.
- (2) Expanded the lineup of consumables.

Medical Systems segment

- (1) Consolidated CIS and opened a new branch office in California to enhance service coverage across the West Coast.
- (2) Strengthened cybersecurity measures.
- Future Initiatives

Analytical & Measuring Instruments segment

- (1) Enhance multi-vendor service offerings
- (2) Continue expanding the consumables lineup.
- (3) Promote and expand remote service capabilities.

Medical Systems segment

- (1) Improve service efficiency by implementing remote monitoring of equipment operation status.
- (2) Provide cybersecurity solutions that support stable hospital operations.

Develop & Create New / Future Businesses

Please see page 50 for details.

Financial and Non-Financial KPIs

Financial KPIs

			FY2023	FY2024 Target	FY2024 Results	Final Year of Medium-Term Management Plan (FY2025) Target
		Net Sales (BJPY)	511.9	540.0	539.0	550.0
		Operating Income (BJPY)	72.8	73.0	71.7	80.0
		Operating Margin	14.2%	13.5%	13.3%	14.5%
	Performance	Consolidated Recurring Sales Ratio	31%	_	33%	35%
		Recurring Sales Ratio of Analytical & Measuring Instruments	36%	_	38%	43%
Consolidated		Recurring Sales Ratio of Medical Systems	36%	-	37%	34%
		Overseas Sales Ratio	57.9%	_	56.5%	57.0%
	Investment Capital	R&D Expenses (BJPY)	21.5	28.0	28.9	73.0 (3-year total)
		CAPEX (BJPY)	22.5	28.0	22.9	80.0 (3-year total)
		Return on Equity (ROE)	12.5%	-	10.9%	At least 12.5%
	Efficiency	Return on Invested Capital (ROIC)	11.0%	_	10.0%	At least 11.0%
Expai		re Domain: pharmaceutical fields ^{*1}	110	116	111	125
Expan		re Domain: ne Med-Tech business ¹¹	91	103	89	110
Expa		Domain: GX-related business ^{*1}	122	128	136	154
Green Domain: Increase in the sales ratio of Eco-Products Plus			21%	23%	22%	25%
Expan	Industry Domain: Expansion of sales in turbomolecular pumps ⁻¹			113	117	115
	e IP landscape to	ent of Science and Technology: support new business strategies uct strategies	47	40	72	40

^{*1:} Index with FY2022 as the baseline (100)

Non-Financial KPIs

		FY2023	FY2024 Target	FY2024 Results	Final Year of Medium-Term Management Plan (FY2025) Target
	Reduction of CO ₂ emissions from business activities	10,400 t-CO ₂	max. 11,000 t-CO ₂	9,000 t-CO ₂	10,000 t-CO ₂
	Electricity reuse rate (annual)	85%	87%	87%	87%
Contributing to Well- Being of the Earth	CO₂ emissions reduction at customers through the use of Shimadzu products	10,400 t-CO ₂	11,000 t-CO ₂	12,000 t-CO ₂	12,000 t-CO ₂
	Promotion of sustainable materials in Shimadzu products	3	3	3	10 (3-year total)
	Internal waste recycling rate	99.7%	At least 99.6%	99.7%	99.6%
Contributing to Human Life and Well- Being	Promoting Group-wide health and productivity management: Increasing corporate participation in health-related events	6,332	6,500	6,750	7,000
	Development of global business leaders (cumulative)	817	850	905	1,000
	Development of highly skilled talent (cumulative)*2	361	_	509	500
Developing Human Resources	Diversity management: ratio of female managers	Consolidated: 11.1%	- Consolidated:	Consolidated: 12.3%	Consolidated:
		Non- consolidated: 5.2%	11.5%	Non- consolidated: 5.8%	12%
Improving Development and Manufacturing Capabilities	Enhancing supply chain resilience at overseas manufacturing subsidiaries (local procurement rate)	66%	65%	64%	70%
Reinforcing Corporate Governance	Implementation of compliance training	100%	100% Compliance training for all employees (e.g., fair business practices, respect for human rights and diversity, etc.)	99.9%	100%
	CSR self-assessment survey implementation rate	96%	96%	96%	96%

^{*2:} Includes holders of doctoral degrees and other advanced national-level qualifications (e.g., Professional Engineer, Patent Attorney, Class 1 Mechanical Design Technician, Class 1 and 2 Chief Electrical Engineer, IT-related certifications equivalent to Level 4, Attorney, Certified Public Accountant, Licensed Tax Accountant, MBA), as well as internal certifications.

Message from the President

Contributing to Human Life and Well-Being 🕥



As medical technologies continue to advance, average lifespans are increasing globally, leading to the progression of aging societies. Alongside this demographic shift, lifestylerelated diseases—such as diabetes, heart disease, and cancer are also on the rise, largely due to unhealthy diets and physical inactivity. In addition, the enhancement of public health systems is essential not only to address pandemics such as COVID-19 but also to strengthen preparedness for future infectious diseases. Furthermore, in today's stress-laden society, growing attention is being paid to psychological well-being, including mental health concerns.

Against this background, we at Shimadzu are committed to "Contributing to Human Life and Well-Being." As part of this commitment, we are promoting five business strategies outlined in our medium-term management plan, in the life sciences and Med-Tech fields within the Healthcare domain. Below are some of the main initiatives we are undertaking.

Leveraging the R&D Center in North America to Cultivate the Life Sciences Market in North America

Corresponding Business Strategies











Develop & Create New / Future Businesses

The pharmaceutical industry, our largest customer base within Shimadzu's core Analytical & Measuring Instruments segment, plays a critical role in supporting human life and well-being. Among global markets, North America represents the largest in scale. However, our market share in this region, which is also the stronghold of many competitors, remains relatively low. To address this, we established an R&D Center in North America to leverage one of our key strengths: the ability to co-create new value through close collaboration with customers. This structure enables us to engage with customer challenges directly, in close physical proximity to their operations. Reducing geographic distance also facilitates faster development cycles through agile development, which we actively promote. By accurately capturing customer needs, making well-considered proposals, and continuously incorporating feedback, we aim to enhance our presence in the North American market.

R&D Center in North America

To strengthen joint development with customers in the North American pharmaceutical and clinical markets and to address challenges in collaboration with major pharmaceutical manufacturers, CDMOs, and CROs. Shimadzu has established sites in Maryland, Boston, and the San Francisco Bay Area.



Aim to achieve sales contributions over USD 500 million from R&D Centerdeveloped products by 2035.



Opened a Boston Lab, in the heart of the city aiming to deepen collaboration further with customers on-site

West Coast Site (Near San Francisco, CA)

- Home to pharmaceutical R&D and production sites, biotech companies, and lab automation-related businesses
- Promotes joint research and development of new technologies with corporate researchers and universities.

East Coast Site (Near Boston, MA)

- Home to a high concentration of academia, pharmaceutical R&D departments, and bioengineering companies.
- Supports the development of new mass spectrometry (MS) technologies in collaboration with university researchers.

Maryland Headquarters (Columbia, MD)

• A global collaboration hub for mechanical design, software development, and related engineering functions

Pharmaceutical and Clinical-Related Companies





R&D Center



Number of Project Themes

A total of 18 projects (almost all aimed at the pharmaceutical market)

Existing market expansion: 7 themes New market cultivation : 11 themes

(As of March 2025)

Needs-Based Improvements to LCMS

- · Development of LCMS specialized for nucleic acid-based pharmaceuticals
- · Application development for nucleic acid-based pharmaceuticals
- · MS development for high-throughput metabolomics

Examples

Specific Product: Improvement of QX System for **Multiplexed Sample Processing**



Nexera QX Multiplex System

Message from the President

Contributing to Human Life and Well-Being



A New Med-Tech Initiative: Toward the Social Implementation of Photoimmunotherapy

Corresponding Business Strategies











At Shimadzu, we are also strengthening our efforts in cancer treatment with a view toward the future. In particular, we are contributing to the advancement and adoption of photoimmunotherapy, a novel cancer treatment, by leveraging our diagnostic imaging and analytical technologies.

We are actively contributing to advancing cancer treatment, focusing on promoting photoimmunotherapy, a novel therapeutic approach, by leveraging our imaging and analytical technologies.

Since 2003, we have been engaged in joint research with Dr. Hisataka Kobayashi, Senior Investigator at the U.S. National Institutes of Health (currently Director of the Near InfraRed Photo-ImmunoTherapy Research Institute at Kansai Medical University), focusing on evaluating the efficacy of photoimmunotherapy.

This therapy involves administering a therapeutic agent that combines an antibody specific to cancer cells with a photosensitive compound (IR700). When near-infrared light is applied to the targeted area, the compound is activated and selectively destroys the cancer cells. Because neither the agent nor the light harms healthy tissue, the treatment is attracting attention for its minimal side effects.

Currently in Japan, photoimmunotherapy is conditionally approved for the treatment of unresectable locally advanced or locally recurrent head and neck cancer.

Near-Infrared Camera System for Visualizing the Progress of Chemical Reactions Induced by Near-Infrared Light

Visualizes chemical reactions induced by near-infrared light during treatment, enabling the evaluation and recording of therapeutic effects and any residual disease.

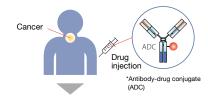


Explores evaluation methods for therapeutic effects through metabolomics analysis.

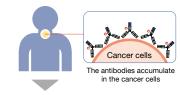


Photoimmunotherapeutic Mechanism

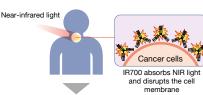
(1) Administer a therapeutic drug conjugated with an antibody and a photosensitive chemical (IR700)



(2) The therapeutic drug binds specifically to cancer cells



(3) Irradiation with near-infrared (NIR) light activates the chemical, destroying the cancer cells



(4) Fluorescence from the chemical substance fades

On April 1, 2025, Shimadzu Corporation launched a clinical research project in collaboration with Kansai Medical University (located in Hirakata, Osaka; Board Chairman: Toshio Yamashita; President: Tatsuo Kinashi) to visualize the treatment status and effects of photoimmunotherapy.

The project involves verifying the feasibility of accurate preoperative, intraoperative, and postoperative diagnosis, procedures, and evaluation using photoimmunotherapy. In particular, this marks the world's first human study aimed at confirming pharmaceutical agent accumulation at tumor sites and physically demonstrating the destruction of cancer cells.

This research is being advanced through the collaboration of four divisions: the Photoimmunotherapy Center within the clinical department of Kansai Medical University; the Near InfraRed Photo-ImmunoTherapy Research Institute, headed by Dr. Hisataka Kobayashi, in the research department; Shimadzu's Startup Incubation Center (focused on fluorescence imaging technology); and the Analytical & Measuring Instruments segment (focused on mass spectrometry technology).

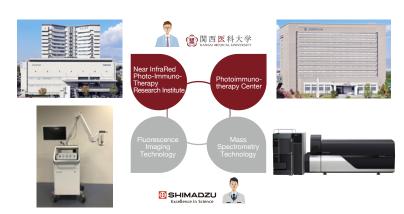
Clinical Research Topics

1. Near-Infrared Camera System for Visualizing Drug Accumulation and Reaction Progress Induced by Near-Infrared Light

Using Shimadzu's near-infrared camera system, we evaluate whether the therapeutic agent is appropriately accumulating at and around the targeted treatment area before and after photoirradiation in photoimmunotherapy. We also assess the reaction status of the agent by observing changes in fluorescence signal during light exposure.

2. Mass Spectrometer System for Assessing Therapeutic Effects via Urine and **Blood Analysis**

Using Shimadzu's mass spectrometer system, we aim to establish a method to verify treatment effectiveness by analyzing ligands (water-soluble components of the drug) and other compounds in blood and urine samples collected before and after treatment.



Message from the President

Contributing to Well-Being of the Earth



Our efforts to safeguard the well-being of the Earth are aimed at addressing both environmental and social challenges. The expansion of consumer culture has led to increased waste generation and resource depletion, which in turn are accelerating greenhouse gas emissions and driving global warming. This has resulted in rising sea levels and more frequent extreme weather events. Furthermore, deforestation and urban development are placing countless species of plants and animals at risk of extinction. Natural resources such as petroleum, minerals, and water are being overexploited, undermining long-term sustainability. At the same time, pollution from industrial activities has become a major environmental concern.

Against this backdrop, Shimadzu has set forth a mission to contribute to the well-being of the Earth. As a milestone toward achieving this mission, we are advancing five business strategies in the Green and Material domains, as defined in our medium-term management plan. Below are some of the key initiatives we are undertaking in this effort.

Aiming to Realize Biomanufacturing

Corresponding Business Strategies













Develop & Create New / Future Businesses

Achieving carbon neutrality—effectively reducing CO₂ emissions to net zero is essential for mitigating global warming and building a sustainable society. We are developing biomanufacturing as a platform to industrialize biological processes, leveraging synthetic biology and biotechnology to efficiently create new products and technologies. The value of this approach lies in reducing reliance on fossil fuels, enabling sustainable production, and promoting a circular economy by utilizing industrial and agricultural waste as raw materials. These efforts support sustainability and drive innovation across environmental, industrial, and societal domains.

As an initiative for new biomanufacturing, Shimadzu has applied to the NEDO Green Innovation Fund. They approved our project to develop direct polymer synthesis technology from CO₂ using microorganisms, and research and development began in FY2023. This project is a cooperative initiative of four companies, Kaneka Corporation, JGC Holdings Corporation, Bacchus Bio innovation Co., Ltd., and Shimadzu Corporation, and covers from the development of microorganisms to production validation at the plant.

In general, cultivating microorganisms involves significant trial and error during the development stage, as it takes time to achieve optimal genetic modifications. Furthermore, scaling up useful strains developed in the laboratory to the plant level presents several technical challenges.

To address the challenges of microorganism cultivation at both laboratory and plant scales, Shimadzu is pursuing innovative initiatives. Building on our expertise in analytical and measurement technologies, as well as robotics and Al, we are working to develop high-throughput technologies for evaluating microbial productivity. As part of this project, we are also designing and testing cultivation tanks at various scales. In parallel, we are developing measurement systems that can elucidate the microbial growth process during cultivation across different scales.

Ultimately, microorganisms use CO2 as a raw material to produce a variety of valuable substances. After these products are used, they are either incinerated or biodegraded, returning to CO₂. This CO₂ can then be reused for cultivating microorganisms, thereby enabling CO₂ recycling and contributing to the realization of carbon neutrality.

In March 2025, Shimadzu established the Shimadzu Kobe Innovation Lab. a new facility dedicated to end-to-end research and development, from cultivation to analysis and data interpretation, including the development of new equipment. The goal is to accelerate the development of high-performing microorganisms capable of producing bioplastics from carbon dioxide (CO₂). By improving system and network processing efficiency by a factor of 200 compared to conventional levels, the time required to develop useful microorganisms is expected to be reduced by up to 90%. This advancement aims to significantly accelerate the previously challenging development of such microorganisms and reduce the manufacturing costs of bioplastics.

Going forward, Shimadzu will continue to develop high-speed productivity evaluation technologies in the field of biomanufacturing and support efforts toward the social implementation of biomanufacturing.

Preparation of culture media and dilution of analytical samples

Gas-phase cultivation using lab-scale instruments (up to 5 L)

Monitoring of culture broth using a microscope and spectrophotometer

Analysis of culture broth, culture supernatants, and bacteria, using a variety of methods, and more than 15 analytical instruments

Efficient optimization of the cultivation conditions by analyzing the analysis results and evaluating the cultivation results from a variety of



Shimadzu Kobe Innovation Lab

Message from the President

Contributing to Industrial Development and a Safe and Secure Society (A)

Supporting research and development (R&D) plays a critical role in achieving industrial development and building a safe and secure society. It contributes to promoting technological innovation, enhancing competitiveness, solving social challenges, and ensuring sustainability.

Against this backdrop, Shimadzu has established a mission to contribute to industrial development and the realization of a safe and secure society. As a milestone toward achieving this mission, we are advancing five business strategies in the Healthcare, Green, Material, and Industry domains, as defined in our medium-term management plan. Below are some of the key initiatives we are undertaking as part of this effort.

LabSolutions Series: Software and Al/IoT **Supporting Analytical Laboratory Workflows**

Corresponding Business Strategies











Guided by the concept of a "Living Laboratory," we support the creation of research environments that eliminate reliance on individuals and allow researchers to focus on more advanced and creative tasks. To this end, we have developed the LabSolutions series, a diverse lineup of software and Al/ IoT products that support every stage of analytical laboratory workflows. LabSolutions serves as a software platform that underpins these workflows by enabling automation, remote operation, and streamlined processes, thereby transforming laboratories into more efficient and innovative research environments.



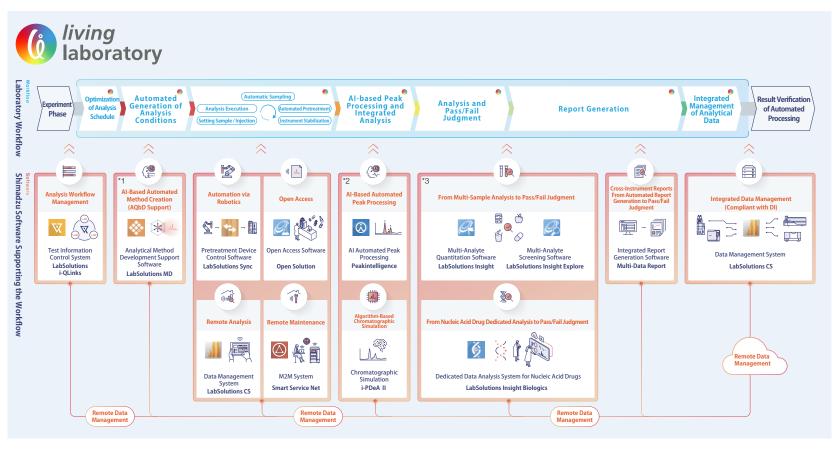
Supporting Analytical Laboratory Workflows

LabSolutions

Reducing reliance on individuals, optimizing utilization of human resources, and supporting workstyle innovation in laboratories

Through the deployment of advanced analytical and measuring instruments, robotics, AI, and IoT technologies, LabSolutions reduces dependence on individual skills in laboratory operations. This enables researchers to focus on higher-value tasks, enhances productivity in analytical processes, and drives transformation in laboratory environments.





Business Strategies: Materiality Initiatives Aligned with the Medium-Term Management Plan

Contributing to Industrial Development and a Safe and Secure Society

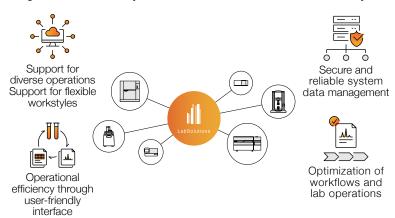
Message from the President



LabSolutions CS Network System: **Enabling Cloud-Based Remote Access Across Locations**

LabSolutions CS is the software within the LabSolutions series used for integrated management of analytical data in laboratories. This networkcompatible data management system can connect not only Shimadzu analytical and measuring instruments but also those from other manufacturers. It allows centralized data management and provides access to necessary data from any PC on the network. Additionally, it enables instrument control and monitoring of operational status. Compatible with Windows Terminal Services, it supports diverse working styles such as remote work. It also integrates with various cloud services, enabling unified data management across multiple sites.

Usage Scenarios and Key Benefits of the LabSolutions CS Network System



LabSolutions CS Network System: A Worldwide Analytical Data Platform Serving Diverse Industries

LabSolutions CS Network System provides a comfortable operating environment and ensures safe and secure data management. It supports integrated data management for analytical laboratories across diverse industries. Below are examples of how the system is used in various fields.

Pharmaceutical Industry

- Equipped with features that ensure regulatory compliance—such as data integrity functions in line with FDA regulations and Japan's Ministry of Health, Labour and Welfare guidelines for electronic records and signatures—LabSolutions CS ensures the authenticity of analytical data in pharmaceutical development and manufacturing.
- With optional AI software that supports the Analytical Quality by Design (AQbD) approach recommended by the International Council for Harmonisation (ICH), the system enables robust, scientifically validated analysis conditions that contribute to the safety of pharmaceutical development and manufacturing.

Petroleum and Chemical Industries

- By establishing large-scale GC/GCMS network systems, the system enables remote control at plants and simultaneous operation by multiple users, improving efficiency in analytical workflows.
- With features such as automatic saving of analytical data and auto-generation of test reports, the system prevents unintended data loss or tampering due to human error and ensures traceability.
- •The system also supports seamless integration with laboratory information management systems (LIMS) from various companies.

Next-Generation Battery Industry

- Analytical data used in digital certification for battery passports—including raw material assessment, degradation analysis during manufacturing, and evaluation of recovered materials during recycling—can be centrally managed in a database.
- Analytical and measuring instruments used in various testing stages during the manufacturing of next-generation batteries can be centrally managed via the network system, enabling remote operation and automation. Test information can be efficiently managed by linking it with specific products, projects, or manufacturing lots.



Academic and Public Research Institutions

- •Flexible network systems can be built regardless of the number of instruments, to support research progress.
- Access permissions for instruments and data can be set to prevent information leakage outside the research team, while safely managing timestamped data for patent applications.
- During measurement operations, data can be viewed or analyzed on other PCs, enabling multiple users to work simultaneously and efficiently even during peak research periods.
- Strict access control settings enable secure remote analysis of analytical data.

Steel and Transportation Equipment Industries

- Data from a wide variety of instruments are centrally managed on a project basis through the network system. Data from multiple sites can also be integrated for viewing and analysis, enabling the creation of comprehensive test reports.
- •By linking with Al analysis systems, the data can be leveraged for materials informatics (MI)—an emerging approach that uses information science for efficient materials discovery and research—especially for materials analysis applications.

Food Industry

- Centralized management of data related to raw material analysis and quality testing for functional foods helps meet functional-food GMP standards (for manufacturing and quality control).
- •In analyses of residual pesticides and functional ingredients, the software automatically determines pass/fail status based on standard values and generates test reports, preventing errors and tampering. Al-powered peak processing ensures accurate assessments and supports food safety.

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Business Strategy: Business Division Driving Strategy of Sharing Values and Collaboration

Analytical & Measuring Instruments Business

We contribute to solving challenges in society by using analytical and measuring technologies to offer end-to-end solutions in focus domains including Healthcare, Green, and Material. These solutions support cutting-edge research and development as well as manufacturing in the pharmaceutical, food, clinical, environmental, and industrial fields.

Related SDGs

















Business Environment

- To achieve a sustainable society, there is an increasing demand for the development of a safe and secure society through initiatives such as drug discovery including biopharmaceuticals, stable supply of pharmaceuticals, infectious disease control, and improvements in public health.
- Toward the realization of a carbon-neutral society, research is progressing under the key theme of reducing environmental impact.
- There is a growing need to reform research workplaces by preventing human error through automation and enabling expert-level skills through the use of Al.

Challenges of Society

- Diversification of treatment options, including antibody drugs, nucleic acid therapeutics, cell therapy, and gene therapy
- Growing awareness of health, leading to increased demand for ultra-early diagnosis, disease prevention, health promotion, and the extension of healthy life expectancy
- Development of functional foods that contribute to human health and ensuring their safety
- Realization of a carbon-neutral society through reductions in greenhouse gas emissions, the use of next-generation energy sources such as hydrogen and biofuels, and the promotion of biomanufacturing that does not rely on fossil fuels
- Addressing hazardous substances that may impact human health, such as microplastics and per- and polyfluoroalkyl substances (PFAS)

Value Provided

Healthcare Domain

• In the pharmaceutical field, we contribute to new drug development and improved productivity by providing Al-powered data analysis technologies in addition to advanced separation and mass spectrometry technologies.

- In the food field, we help ensure food safety and security by supporting regulatory compliance, including testing for pesticide residues and evaluating regulated substances in packaging materials. We also provide end-to-end solutions to support the advancement of food technology, such as the analysis and evaluation of functional food components and alternative proteins.
- For clinical diagnostic applications, we are developing diagnostic platforms based on liquid chromatograph mass spectrometry (LCMS) systems. These platforms support the early detection of diseases such as dementia, cancer, and lifestyle-related illnesses, and contribute to the development of comprehensive health management systems spanning diagnostics, intervention, and prognosis.
- We also contribute to infection control efforts through the development and enhancement of diagnostic reagents and virus monitoring technologies.

Green (GX) Domain

- We provide end-to-end measurement solutions for the entire supply chain related to next-generation energy sources such as hydrogen and ammonia. These include impurity analysis and quality evaluation of transportation and storage infrastructure.
- In the field of biomanufacturing—such as the production of biochemicals and biofuels derived from CO₂—we contribute to the development of quality evaluation methods and standardization.
- We are working to develop and globally standardize measurement methods to address emerging environmental regulations targeting substances such as microplastics and per- and polyfluoroalkyl substances (PFAS).

Material Domain

• We promote the development of applications that support the development of new materials used in electric vehicles (EVs), with a focus on improving fuel efficiency and ensuring safety, particularly for EV batteries.

Healthcare (Pharmaceuticals and Food)

These instruments are used for research and development as well as quality control across a wide range of fields including pharmaceuticals, biochemistry, food, and the environment. They enable the measurement of active ingredients and impurities in samples with high precision.



Ultra High

Chromatograph

Performance Liquid

Chromatograph



Supercritical Fluid

Chromatograph





High-Performance Liquid

Chromatograph Mass

LCMS-2050

High-Performance Liquid Chromatograph Mass (Quadrupole Time-of-Flight LCMS) LCMS-9050

The following information is available on our website https://www.shimadzu.com/an/index.html

Analytical and Measuring Instruments



Healthcare (Clinical)

By analyzing metabolites and active pharmaceutical ingredients in blood, urine, and other biological samples, these technologies are expected to be applied to cancer and dementia screening as well as verifying the efficacy of pharmaceuticals.



Fully Automatic LCMS Pretreatment and Analysis System CLAM-2040 Fully Automated Sample Preparation Module for LCMS LCMS-8060RX High-Performance Liquid Chromatograph Mass Spectrometer System



Matrix-Assisted Laser Desorption Ionization TOF Mass Spectrometer System MAI DI-8030



Shimadzu Diagnostics AccuRate Fractionated Agar Medium

Green

We provide instruments and services that support compliance with environmental regulations and measurement standards for next-generation energy sources.



Gas Chromatograp Brevis GC-2050





Spectrophotometer

IRXross





Headspace Analysis System (Triple-Quadrupole GCMS) GCMS-TQ8050NX + HS-20NX

Material

These instruments are used for strength testing, failure analysis, or elemental analysis for a wide variety of targets, from materials such as rubber, plastics, and metals to products such as food, mobile phones, and automobiles.



Testing Machine AGX-V2 Series



Microfocus X-Ray CT System inspeXio SMX-225CT FPD HR Plus



Energy Dispersive X-Ray ALTRACE



Scanning Probe Microscope

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Business Strategy: Business Division Driving Strategy of Sharing Values and Collaboration

Message from the President

Analytical & Measuring Instruments Business

Performance in FY 2024 (Market Conditions, Key Initiatives, and Results)

Thanks in part to favorable exchange rates, net sales marked a record high for the fifth consecutive year. However, operating profit declined due to increased research and development expenses and personnel costs.

Initiatives by Business Domain

Healthcare Domain: Sales of liquid chromatographs (LC), mass spectrometers

(MS), and spectrophotometers increased, driven by advancements in pharmaceutical R&D and localized production in various countries.

Green Domain: Sales of LCMS systems for PFAS analysis grew in response

to the tightening of environmental regulations.

Material Domain: Sales of testing machines increased, supported by the

development of new materials such as lithium-ion batteries and hydrogen storage technologies.

Japan:

We reorganized our domestic sales operations into a domain-centric structure. By strengthening collaboration across business units and providing optimal end-to-end solutions tailored to customer needs, domestic sales rose 2.9% year on year.

Overseas:

In India, strong demand in the pharmaceutical sector contributed to growth. In North America, Zef Scientific Inc. (a maintenance and service company for analytical instruments) also performed well. On the other hand, sales in China declined due to a downturn in the pharmaceutical market. As a result, the overseas sales ratio fell by 0.1 percentage points from the previous year to 62.3%.

Key Initiatives for FY2025

Following the COVID-19 pandemic, public awareness of the importance of human life and well-being has increased, while climate change has also become a critical societal issue. At Shimadzu, we aim to co-create a sustainable society together with global partners, with a particular focus on the Healthcare and Green domains.

Strengthen Key Businesses

Healthcare

We provide end-to-end solutions centered on LC and MS for pharmaceutical and food-tech applications. By incorporating robotics, AI, and IoT technologies, we are improving productivity by reducing reliance on manual laboratory operations and enabling researchers to focus on higher-value tasks.

Green

We are focusing on biomanufacturing, next-generation energy sources such as hydrogen and ammonia, and compliance with environmental regulations including PFAS and microplastics. In addition, we are working with certification bodies to advance international standardization and regulatory compliance.

Material

We support the development and production of innovative materials by automating testing machines and applying informatics.

Strengthen Med-Tech Business

- We are focusing on clinical diagnostics, microbial testing, and cell-related analysis.
- We are expanding our lineup of LCMS systems, pretreatment devices, and reagents for clinical applications, thereby building a comprehensive clinical platform.
- We are also strengthening our reagent business by enhancing development capabilities through Shimadzu Diagnostics, and integrating the expertise of Group companies Alsachim SAS and Biomaneo SAS.
- In Europe, we established the Clinical MS Solutions Center to promote collaboration with external partners and to accelerate the development of instruments for clinical applications.

Strengthen Businesses Outside Japan

- In North America, we are promoting joint research and product development with pharmaceutical and technology companies, centered around our R&D Center. We are also expanding production at our U.S. manufacturing site to mitigate the impact of tariffs.
- In India, we are constructing a new plant (scheduled to begin operations in 2027) to strengthen our supply chain and respond to policies that favor domestically produced goods.
- In China, we are expanding local production, including plant expansions to align with government policies that support domestically manufactured products.

Expand Recurring Businesses

- Consumables: We are expanding our product lineup for biopharmaceutical applications, including LC columns.
- Services: We are expanding Zef Scientific's multi-vendor service model to other regions and also strengthening remote support through digital transformation (DX) and IoT technologies.

Development and Launch of New Businesses

- We entered the scanning electron microscope (SEM) market through the launch of the co-branded "Shimadzu by TESCAN" series in 2024, following our partnership with SEM manufacturer TESCAN.
- Following our partnership with Sepragen in 2024, we are expanding the promotion of its products and services for the purification chromatography market.
- By collaborating with companies possessing unique technologies, we are accelerating the implementation of solutions and technologies that help solve social issues.

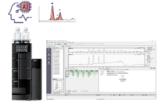
New Products



High-Performance Liquid Chromatograph Mass Spectrometer System (Ultra Fast Triple-Quadrupole LCMS) LCMS-8065XE



Element-Selective Gas Chromatograph Mass Spectrometer System **ELEM-SPOT**



Peak Integration Software for Liquid Chromatographs Peakintelligence for LC



Table-top Precision Universal Testing Machine AGS-V Series



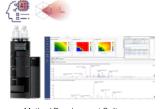
High-Speed Video Camera HPV-X3



Gas Chromatograph Mass Spectrometer System GCMS-QP2050



Gas Chromatograph Brevis GC-2050



Method Development Software for Liquid Chromatographs (AQbD-compliant) LabSolutions MD



Microchip Electrophoresis System MultiNA II MCE-301



Energy Dispersive X-Ray Fluorescence Spectrometer ALTRACE

Business Strategy: Business Division Driving Strategy of Sharing Values and Collaboration

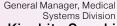
Medical Systems Business

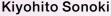
Shimadzu contributes to early detection and early treatment of a variety of diseases, such as infectious diseases, cerebrovascular/ cardiovascular diseases, and cancers, at medical facilities around the world by using cutting-edge image processing technologies, Al, and IoT technologies to offer new value such as reducing the burden on healthcare personnel and patients.













Business Environment

- In developed countries, aging populations are driving demand for treatments that minimize patient burden and address increasing risks of iniury and disease.
- As expectations for higher healthcare standards grow in many emerging countries, developed countries are also facing the pressing challenges of aging societies, leading to a need for more advanced medical technologies and diagnostic imaging systems.
- A shortage of healthcare professionals is increasing the workload at medical facilities, heightening the need for the use of Al and IoT technologies to reduce the burden of diagnostic tasks and improve quality of care.

Challenges of Society

- Extension of healthy life expectancy, enabling people to live healthier lives
- Advancement of diagnostic technologies for early detection of various diseases and detailed analysis of their underlying causes
- Reduction of workload on healthcare professionals due to staff shortages in the medical field

Value Provided

Diagnosis

- Our radiography systems, equipped with an optical camera to facilitate smooth positioning and detect unexpected patient movement, help streamline examination workflows and reduce the burden on radiologic technologists and patients.
- By equipping mobile X-ray systems with a 3D camera, it is possible to verify the appropriate imaging distance in a non-contact manner and confirm the X-ray irradiation area from the front, supporting reliable bedside imaging

under various constraints.

• PET Scanners for Head & Breast provide high-resolution imaging of brain tumors, epilepsy, breast cancer, and other conditions, contributing to research on Alzheimer's disease and other forms of dementia.

Treatment Support

- Our angiography systems are equipped with state-of-the-art Al-based video processing software to support minimally invasive procedures. To address the shortage of medical personnel, usability has been enhanced to allow single-operator control, and a proprietary voice-recognition interface enables screen operation. These features contribute to shorter procedure times, reduced contrast media usage, and decreased patient burden.
- The motion tracking system, used in combination with radiation therapy systems, enables efficient radiation delivery focused only on cancerous tissue, significantly reducing the radiation dose to healthy tissue and supporting more effective treatment.
- In addition to X-rays, near-infrared light is utilized to support surgical procedures in breast, plastic, gastrointestinal, and dermatologic surgery. Others
- The integration of AI functions and power-assist technology into our products improves operational efficiency in radiology workflows.

Performance in FY 2024 (Market Conditions/Key Initiatives and Results)

- Revenue showed a slight overall increase, driven by improved hospital management conditions in North America and Asia, despite slow market recovery in Japan, China, and Europe. Operating income declined due to a deterioration in the product mix.
- Under the strategy of "Imaging Transformation," aimed at extending healthy life expectancy and improving the efficiency of healthcare professionals, we promoted the use of Al and IoT technologies. We also accelerated new

Diagnostic X-Ray Systems

We provide medical systems equipped with advanced image processing technology to reduce patient burden and improve usability.





System





Radiography System

The following information is available on our website: https://www.shimadzu.com/med/

Diagnostic Imaging Systems



product development, improved manufacturing efficiency, and strengthened global expansion.

Japan

Due to delayed market recovery, sales of X-ray-related products declined. while PET systems and radiation therapy systems increased. PET systems contributed to high-resolution imaging of brain tumors, epilepsy, and breast cancer, and also supported research on dementia.

Overseas

In Southeast Asia and India, our products were well received for their performance and quality. In the United States, demand for outpatient surgical centers increased alongside a recovery in the number of surgeries, leading to higher sales of our new angiography systems. The overseas sales ratio rose to 53.2% (up 0.7 percentage points year on year).

Recurring Business

Sales in our recurring business grew by 37% year-on-year (up 1 percentage point) thanks to the consolidation of California X-ray Imaging Services, Inc. (CIS), a company acquired in the U.S., and initiatives to promote maintenance contracts in Asia.

Solutions for Supporting Treatment and **Enhancing Healthcare Operational Efficiency**

PET systems are offered for diagnosis of brain tumors, epilepsy, breast cancer, and Alzheimer's dementia.



PFT Scanner for Head & Breast

This tumor-tracking system supports radiotherapy by delivering pinpoint irradiation to tumors in organs that move with respiration.



Tumor-Tracking System for Radiotherapy

Business Strategy: Business Division Driving Strategy of Sharing Values and Collaboration

Medical Systems Business

Key Initiatives for FY2025

Expansion of Imaging Transformation

- Further promote contributions to healthcare through X-ray imaging by leveraging Shimadzu's strengths in imaging and mechatronics technologies.
- Improve examination efficiency by detecting patient movement using optical cameras, thereby aiming to reduce the burden on both radiologic technologists and patients.
- Introduce AI application software to support diagnosis and treatment in the absence of specialized physicians.

Expansion of Senior Healthcare Business Tailored to Regional Needs

- In aging societies such as Japan and China, focus on three key areas orthopedics, cardiovascular diseases, and dementia—to support the extension of healthy life expectancy.
- Propose end-to-end solutions for senior healthcare and deliver services adapted to the characteristics of each region.

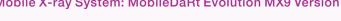
Business Development in Growth Fields

• Promote collaborative research in the field of dementia in preparation for the launch of PET systems for head examination, in North America.

Revenue Growth in the Recurring Business

- Remotely monitor the operating status of angiography systems and recommend part replacements before failures occur.
- Expand recurring business by offering new services, such as cybersecurity solutions to support stable hospital operations.

Contributing to Simple and More Accurate Mobile Radiography Mobile X-ray System: MobileDaRt Evolution MX9 Version

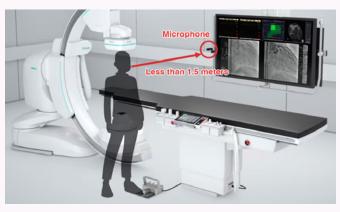




The mobile X-ray system is widely used in hospital wards, operating rooms, and emergency departments. However, due to the limited training time for many users, retakes caused by positioning errors have become a frequent issue. To address this challenge, Shimadzu developed the MobileDaRt Evolution MX9 Version, equipped with a 3D camera and a second monitor outside the X-ray room. The system automatically measures the imaging height and distance required for radiography and assists with positioning, thereby reducing unnecessary retakes. This contributes to greater efficiency for medical professionals and reduced burden on patients.

In Japan, where there is a high proportion of intermediate-level users, Shimadzu aims to create added value in diagnostic imaging by combining its strengths in imaging technologies with Al and IT. By enabling easy and accurate mobile radiography, the system helps reduce the workload of radiologic technologists and physicians while supporting high-quality, efficient healthcare delivery on-site.

Contributing to Improving Efficiency in Catheter-**Based Treatments Voice Recognition Feature for Angiography Systems: SMART Voice**



Angiography systems are used for the treatment of conditions such as strokes and heart disease. During procedures, catheters are inserted into blood vessels, requiring real-time imaging and manipulation. Traditionally, the operator needed to use a touchscreen panel or dedicated console, often away from the patient's side or imaging monitor, which created inefficiencies and required assistance from other medical staff. To resolve this, Shimadzu developed SMART Voice, a voice recognition feature for its angiography systems. The feature supports both Japanese and English, and allows voice-based operation of three frequently used functions during procedures: StentView (stent enhancement), transparency, and image playback. This enables smooth and sterile operation without physical contact, thereby improving procedural efficiency.

This feature also supports the "Work Style Reform for Physicians" introduced in Japan in April 2024. By allowing solo operation, it expands the range of tasks that can be handled by a single physician, increases examination throughput, and helps reduce workload. Shimadzu will continue to support improved efficiency and quality at medical sites through such innovations.

The following information is available on our website:

https://www.shimadzu.com/industry/index.html

Vacuum and Industrial Machinery / Marine Devices

Business Strategy: Business Division Driving Strategy of Sharing Values and Collaboration

Industrial Machinery Business

We contribute to industrial advancement by providing high-quality, high-performance key components, including turbomolecular pumps and equipment and parts that leverage advanced hydraulic technologies.

Related SDGs



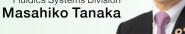












Turbomolecular Pump

Turbomolecular pumps are vacuum pumps used to create the ultra-high vacuum environment essential for manufacturing semiconductors and panels.



Turbomolecular Pump





Hydraulic Gear Pump Power Package

Forklift

lydraulic Gear Pump

Business Environment

- From the perspective of economic security, semiconductor production capacity is being enhanced around the world. In addition, the growing adoption of generative AI and the expansion of data server demand are driving sustained growth in the semiconductor market. Over the medium to long term, the market for turbomolecular pumps (TMPs) used in semiconductor manufacturing equipment is expected to expand.
- Demand for hydraulic equipment is expected to grow due to increasing needs for labor-saving machinery such as forklifts, driven by the expansion of the e-commerce market and the need to reduce workloads at manufacturing sites. Furthermore, the electrification of forklifts is advancing, fueling demand for high-value-added products with superior quietness.
- To contribute to industrial advancement, we will continue to introduce products that apply innovative technologies and promote the development of new business fields.

Challenges of Society

- Development of sustainable and resilient infrastructure
- Global initiatives toward the realization of a decarbonized society

Value Provided

- We promote sustainable infrastructure development by providing key products and manufacturing equipment that contribute to a broad range of advanced manufacturing industries. This includes turbomolecular pumps used as key components in semiconductor manufacturing equipment, gear pumps used as hydraulic power sources in forklifts and construction/agricultural machinery, and industrial furnaces used for ceramics, which are expected to see increasing demand for use as electric vehicle circuitry heat sinks.
- We also contribute to the expansion of renewable energy by supplying glass winders for winding glass fiber used to reinforce wind turbine blades.

Hydraulic Equipment

These hydraulic power sources are used for a wide range of applications, such as forklifts and other industrial vehicles, construction machinery, specialpurpose vehicles, and agricultural equipment.



Balancers measure and

provide basic data on how

precisely components are

mass is distributed

and shafts).

balanced (i.e., how uniformly

throughout rotating bodies

Other Models

Industrial furnaces are used to sinter metals, ceramics, and applications such as other materials under conditions.

Industrial Furnace

Glass winders are used to wind glass fibers for electronic circuit boards and vacuum or pressurized impellers for wind turbines.



Balancer

Performance in FY 2024 (Market Conditions/Key Initiatives and Results)

- Sales were driven by strong performance in turbomolecular pumps (TMPs) and industrial furnaces. Operating income reached a record high due to not only increased sales, but also improvements in product mix, added value, and a higher ratio of recurring revenue business.
- TMP revenue increased, particularly from use in semiconductor manufacturing equipment, as capital investment in generative AI and legacy semiconductors in China progressed favorably. Sales of TMPs reached 36.2 billion yen, up 114% year on year.
- With rising demand for semiconductors, utilization rates at semiconductor manufacturers increased, leading to more opportunities for service and maintenance. Demand for overhaul services of TMPs installed in semiconductor manufacturing equipment also grew. In response, we expanded upgrade proposals for existing pumps to raise coverage rates, resulting in a 142% year-on-year increase in TMP service and maintenance revenue to 7.2 billion yen.
- Sales of hydraulic equipment declined to 15.3 billion yen (YoY 97%) due



The following information is available on our website https://www.shimadzu.com/hydraulic/index.html

Hydraulic Equipment



to sluggish demand for industrial vehicles such as forklifts and compact construction equipment.

• For other models, sales increased to 3.4 billion yen (YoY 150%) due to expanded production to meet strong demand in the industrial furnace market for ceramics used in heat-dissipating substrates for EVs. as well as by increased local production to meet price competitiveness demands from by customers in China.

Key Initiatives for FY2025

Expanding the Turbomolecular Pump Business

- Expand adoption through proposals of existing models for current equipment used by major semiconductor manufacturing equipment makers and manufacturers in China.
- Launch new products for semiconductor manufacturing equipment that address customer needs such as large exhaust capacity and energy savings, and develop products compatible with next-generation semiconductor equipment to increase market share.
- Promote adoption of TMPs for prototype and pre-mass production equipment for perovskite solar cells

Expanding the Industrial Furnace Business

 While capital investment for EV heat-dissipating substrates is temporarily slowing, demand for ceramics in new applications such as semiconductor manufacturing equipment components is expected to grow, and efforts will be made to explore these new applications.

Improving Profitability and Developing New Markets for Hydraulic Equipment

- Improve gross margin through the launch of new products and enhance profitability through cost reductions in manufacturing.
- Expand sales and develop new markets in Japan, the U.S., and Europe with low-noise, high-efficiency products compatible with electrified systems.

Expanding New Businesses

• Commercialize measurement technologies and systems that contribute to innovations in customers' production lines.

Expanding Service Businesses

- Promote proposal-based services such as TMP upgrade offerings by accurately identifying customer needs.
- Strengthen global service capabilities through training of support personnel and expansion of service hubs.
- Provide preventive maintenance services through remote diagnostic systems, using digital transformation (DX) to monitor product operating status and predict failures.

Business Strategy: Business Division Driving Strategy of Sharing Values and Collaboration

Aircraft Equipment Business

We contribute to ensuring a safe and secure society by offering components, parts, and systems that use advanced technologies with sophisticated precision machining technologies.

> General Manager. Aircraft Equipment Division Susumu Yamamoto

















Business Environment

- Demand for air travel has recovered to pre-pandemic levels. In addition, growing demand for e-commerce and semiconductor components is driving increased air cargo volumes, resulting in steady performance in the commercial aircraft market. At the same time, amid substantial enhancements in national defense capabilities for increased security, conditions in the defense market also remain favorable.
- There is a growing global demand for safer and more secure movement of people and goods.

Challenges of Society

 Addressing the need to strengthen social infrastructure, enhance safety, respond to environmental challenges, and pursue greater comfort in the mobility sector.

Value Provided

- Miniaturization and electrification technologies in the field of flight control help reduce the environmental impact of aircraft.
- Air management technologies in the cabin air-conditioning field help enhance in-flight comfort.
- Display technologies in the cockpit field help improve flight safety and reliability.
- Quality control across the manufacturing and maintenance value chains serves as a foundation for ensuring aircraft safety.

The following information is available on our website: https://www.shimadzu.com/aircraft/index.html

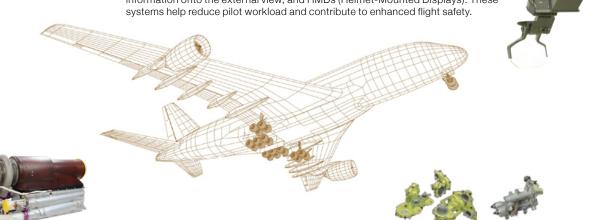
Aircraft Equipment/Marine Equipment/Magnetic Measurement Devices



Products for Commercial Aircraft and Defense Markets

Cockpit Field (Display Systems)

We offer advanced display systems that utilize cutting-edge electronic and optical technologies, such as HUDs (Head-Up Displays) that project various flight information onto the external view, and HMDs (Helmet-Mounted Displays). These



Air Conditioner Field (Air Management System)

Our air management systems regulate cabin temperature and pressure within aircraft. By integrating and optimizing data analysis and evaluation capabilities, these systems contribute to a comfortable cabin environment.

Performance in FY 2024 (Market Conditions/Key Initiatives and Results)

Defense Market

- Sales increased due to growing demand for aircraft-mounted equipment.
- Production stabilization efforts led to improved factory performance.

Commercial Aircraft Equipment Market

• Market conditions recovered in response to increased demand for air travel. However, revenue declined due to the reactionary decrease following a surge in spare parts orders in FY2023.

Improved Profitability

- Profitability increased significantly due to higher revenue from growing demand and improvements in the cost structure.
- Both net sales and operating income reached record highs.

Flight Control Field (Flight Control System)

Flight control systems manage aircraft attitude and maneuvering. With high-precision mechanical components and highly reliable electronic control technologies, these systems support safe and stable flight operations.

Key Initiatives for FY2025

Ensuring Stable Growth and Profitability Over the Long Term

- Under the basic policy of "selection and concentration," we will continue our efforts to improve profitability and build a business structure that ensures stable growth and earnings over the long term.
- By leveraging our existing technologies, we aim to create new businesses primarily in the fields of mobility and social infrastructure—that contribute to realizing a safe and secure society.

Business Strategy: Sales & Marketing Division Driving Strategy of Sharing Values and Collaboration

Message from the President

Message from the Director in Charge of Corporate Marketing

Managing Executive Officer in charge of Corporate Marketing General Manager, Sales & Marketing Division General Manager, Tokyo Office



Career Overview

Apr. 1986 Joined Shimadzu Corporation

Apr. 2005 Director, General Manager, Sales Department, Shimadzu Science West Corporation

Apr. 2008 General Manager, Sales Department, Analytical & Measuring Instruments Division

Apr. 2015 Executive Vice President, Shimadzu do Brasil Comércio Ltda.

Oct. 2015 President, Shimadzu do Brasil Comércio Ltda.

Apr. 2019 General Manager, Business Strategy Department

Apr. 2020 Corporate Officer, Deputy General Manager, Analytical & Measuring Instruments Division

Apr. 2023 Managing Executive Officer in charge of Corporate Marketing, and General Manager,
Tokyo Office

Apr. 2024 Managing Executive Officer in charge of Corporate Marketing, General Manager, Sales & Marketing Division, and concurrently General Manager, Tokyo Office (current)

Toward Customer-Centric Business Development

The Shimadzu Group aims to realize our management philosophy of "Realizing" Our Wishes for the Well-being of Mankind and the Earth." Under our mediumterm management plan, we are striving to become an innovative company that solves social issues with global partners. To this end, we have identified four domains—Healthcare, Material, Green, and Industry—as domains for creating social value. Based on the concept of transforming our organization to be more "customercentric" in each of these domains, we are advancing various initiatives. In April 2024, we transferred the sales functions of our domestic business divisions and established a new Sales & Marketing Division, implementing a bold and comprehensive sales reform. The key point of this initiative is a major shift from product-centric business development to customer-centric development. Until the establishment of the Sales & Marketing Division, each business division had its own sales department, and each was responsible for selling only the products of its respective business division. As a result, multiple sales representatives would sometimes visit the same customer. By separating the sales functions from each business division and consolidating them into the newly established Sales & Marketing Division, each sales representative is now able to offer products from any business division. This organizational change is aimed at enabling our sales team to be closer to customers, understand their issues in their own words, and provide end-to-end solutions.

As background, the Shimadzu Group has faced the challenge that no new businesses have emerged in recent years that could transform our portfolio.

We recognize that unless we shift away from a product-oriented mindset and become a company capable of sales-driven development, we will not be able to create new core businesses.

Promoting End-to-End Solutions Tailored to Customer Needs

Before the COVID-19 pandemic, the sales team of the Medical Systems Division mainly specialized in selling imaging diagnostic systems, such as X-ray systems, to radiologists. In 2020, when the pandemic began, the Shimadzu Group developed PCR test reagents and a fully automated PCR testing system for COVID-19. However, these products were developed by the Analytical & Measuring Instruments Division, not the Medical Systems Division. So, the question arose: who would be responsible for selling these products?

At that time, a strong collaborative relationship was successfully established between the sales teams of both business divisions. The sales team of the Medical Systems Division took the lead and was able to sell the COVID-19 testing systems to hospital clinical laboratories. Building on this success, the Sales & Marketing Division established a new MedTech Sales Department dedicated to medical customers, creating a sales structure that provides endto-end solutions tailored to each phase of the customer's workflow: prevention and screening, initial diagnosis, definitive diagnosis, treatment, and prognosis. In addition, to commercialize applications in the clinical testing market, it is not sufficient to focus solely on the hardware, such as analytical and measuring instruments. It is necessary to offer these instruments together with the reagents used for testing and to establish a recurring-revenue business model in which profits are generated from reagent sales after the instruments are installed. For this reason, we acquired Nissui Pharmaceutical Co., Ltd., formerly a subsidiary of Nippon Suisan Kaisha, Ltd. (now Nissui Corporation), as a Group company two years ago. The company has since been renamed Shimadzu Diagnostics Corporation, and we are now advancing collaboration in the clinical testing market.

In this way, we propose a wide range of products tailored to customer needs as end-to-end solutions, including offerings from the Shimadzu Group companies and external partners.

Expansion of a New Distributor System

However, removing the barriers between business divisions within the Sales & Marketing Division brought about a significant issue: the existing distributor system. Until now, each business division had its own distinct distributor system, so it became necessary to unify them. In particular, the Analytical & Measuring Instruments Division had long required non-compete agreements, resulting in a situation where there were Shimadzu distributors and trading companies that handled everything except Shimadzu products. This arrangement had persisted

for decades and became a major obstacle to unification.

In addition, we have implemented a territory system for our distributors, which made it difficult to fully support customers whose operations spanned multiple regions. As a result, our market coverage rate did not improve as expected. Furthermore, our customers' R&D activities have been shifting from a focus on chemical synthesis to life sciences utilizing biological approaches. Trading companies specializing in this field have also been expanding their scale through M&A, presenting another challenge for us.

To address these challenges, we completely restructured our distributor system. First, we abolished the territory system, allowing any distributor to serve any customer regardless of region. In addition, similar to Shimadzu Group's Sales & Marketing Division, any distributor can now sell products from any business division. While maintaining the existing distributor framework, we also introduced a new category called dealers, which are not subject to non-compete requirements. By adding trading companies specializing in the life sciences industry as sales channels, we have dramatically expanded our overall sales capabilities.

Toward "Going for the ONE: A New Era of Sales"

It has now been one year since we implemented these major reforms. We have already begun to see results, such as receiving inquiries from customers we had never reached previously. Our next challenge is to firmly establish these reforms in Japan, accumulate successful experiences, and then expand these initiatives overseas. Overseas, each business division currently operates its own separate sales subsidiary, so integrating these will require considerable effort. Nevertheless, we are committed to moving forward swiftly.

As the director in charge of corporate marketing, I have adopted the slogan, "Going for the ONE: A New Era of Sales." "Going for the ONE" is the slogan I introduced when I assumed this role in April 2023. It expresses my commitment to achieving three "ONEs": ONE Purpose—Best for Our Customers, becoming ONE Shimadzu, and striving to be No.1.

Global conditions are becoming increasingly uncertain, with factors such as tariffs under the new U.S. administration. Nevertheless, there is a growing global focus on planetary health, and we believe this presents a favorable tailwind for the Shimadzu Group as we strive to address these challenges.

One of my long-held beliefs is to "enjoy your work." I believe that the most challenging tasks and new endeavors are the ones that can be the most enjoyable. When you find enjoyment in your work, you can approach it with a positive attitude.

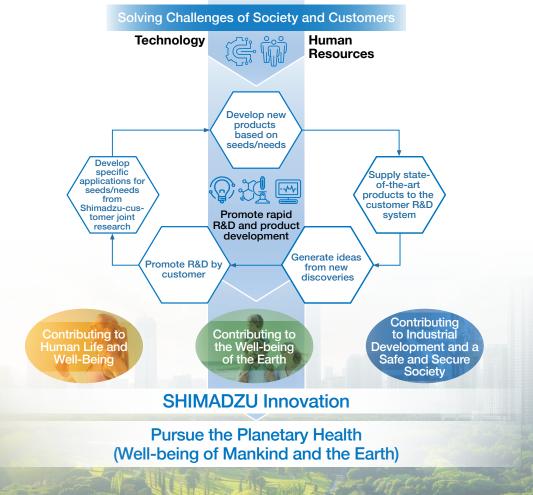
The Shimadzu Group celebrated its 150th anniversary at the end of March 2025. Building on the transformations and strategies we have implemented so far, we have achieved business growth. Looking ahead to our 200th anniversary, I hope to fully enjoy overcoming the challenges of this difficult era.

Research and Development Capabilities and Examples

R&D and Innovation

Based on our corporate culture of earnestly satisfying the needs of customers and society, Shimadzu has created a wide variety of technologies, products, and services since its foundation in 1875. In order to continue solving challenges of an increasingly global and complex society, we will promote the combination of new knowledge acquired through open innovation with our cultivated technical capabilities. By leveraging these efforts to create social value, Shimadzu aims to "pursue the planetary health (well-being of mankind and the Earth)" by contributing to human life and well-being, "contributing to the well-being of the Earth," and" contributing to industrial development and a safe and secure society."

Process for Generating Innovation



Medium-Term Management Plan: Strengthening Seven Management Foundations: Accelerating R&D Activities

Related Materiality 🚇 Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities

R&D Systems and Collaboration Processes for Promoting Innovation

Shimadzu engages in basic research and product/application development by addressing challenges of society based on our corporate philosophy "Contributing to Society through Science and Technology" and management principle "Realizing Our Wishes for the Well-being of Mankind and the Earth." Shimadzu is also actively collaborating with outside partners to develop innovative technologies and products, establish new services in society, and quickly commercialize such technologies, products, and services.



SHIMADZU Future Collaboratory

echnology Research Laboratory

We conduct research and development of elemental technologies at three locations in Japan, China, and Europe.



Koichi Tanaka Mass Spectrometry Research Laboratory

Academia

Incubation



Shimadzu Research Laboratory (Europe) Ltd.



Shimadzu Research Laboratory (Shanghai) Co., Ltd.

With its mission of cultivating core technologies, acquiring new technologies, and creating new businesses for the long-term growth of Shimadzu, the Technology Research Laboratory has significantly contributed to the development of various unique Shimadzu products. Furthermore, the SHIMADZU Future Collaboratory, established within the Technology Research Laboratory, is used to promote R&D in advanced analysis, brain science and the five senses, innovative biotechnology, artificial intelligence (AI), and other technologies.

Technology

Laboratory

R&D

Capabilities

Product

(instruments/

reagents)

Application

technology

development

Innovation Centers

Societal challenges and market needs are becoming increasingly diverse in different countries and regions of the world. To create new technologies and innovation needed to solve these challenges and meet these needs, we have established innovation centers in five countries. These centers collaborate with a variety of partners worldwide.



Shimadzu Tokyo Innovation Plaza (Japan)



Japan United States Germany China Singapore Note: In April 2024, the Innovation Center in North America evolved into the R&D Center with improved product development functions for analytical and measuring instruments.



R&D Center in North America

Joint research with Jikei University, Tohoku University, Waseda University, etc. (Refer to p.45 and 49.)



Investment via corporate venture capital fund (Shimadzu Future Innovation Fund) (Refer to p.51.)









The Healthcare R&D Center consolidates Shimadzu's R&D activities related to healthcare. It combines analytical/measuring technologies with medical imaging technologies and accelerates product development processes. Additionally, a KYOLABS collaboratory space was established to broadly present and discuss Shimadzu technologies and joint research projects. The facility's purpose is to generate new businesses by working with external partners to research and develop innovative products and solutions.

Creating Innovation through Co-Creation and Collaboration

Since our founding in 1875, Shimadzu has fostered a corporate culture of sincerely responding to the needs of customers and society, through which we have created a wide range of technologies, products, and services. To tackle the increasingly complex challenges faced by the global society, we are acquiring advanced technologies and promoting ambitious research and development by combining the technological expertise we have cultivated over the years with new insights gained through open innovation. Through this approach, we aim to create shared value for both society and Shimadzu, thereby contributing to human health, a safe and secure society, and industrial development.

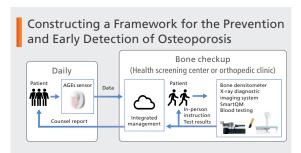


Healthcare

Jikei University

- Comprehensive Partnership in Clinical Fields -

In 2021, Shimadzu entered into a 5-year comprehensive partnership agreement with The Jikei University to pursue research and development in advanced clinical technology and share the results of this work with wider society. Shimadzu is involved in searching for clinical needs for clinical testing equipment, diagnostic imaging systems, and in other related fields, promoting joint research projects, and training human resources at the Jikei University School of Medicine, its affiliated hospitals, and health screening centers.



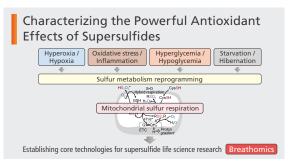


The Jikei University Hospital

Tohoku University Supersulfides Life Science Co-Creation Research Center

- Identifying Properties of Supersulfides with High Antioxidative Properties -

In 2024, Tohoku University and Shimadzu established the Shimadzu × Tohoku University Supersulfides Life Science Co-Creation Research Center. Supersulfides are a group of organic compounds containing covalently bonded sulfur, including certain amino acids found in blood and organs. They exhibit powerful antioxidant properties and are believed to regulate reactive oxygen species, which contribute to aging and various diseases. The Center aims to elucidate the metabolic mechanisms of supersulfides and apply this knowledge to develop new diagnostic, preventive, and therapeutic methods, as well as functional food products. (The laboratory officially opened in April 2025.)





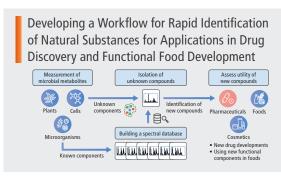


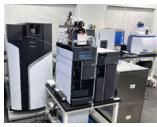
Shimadzu × Tohoku University Supersulfides Life Science Co-Creation Research Center

Waseda Shimadzu Collaboration Laboratory

- Establishing Rapid Identification Workflows for Natural Compounds to Discover New Drugs and Functional Foods -

In 2023, the Haruko Takeyama Laboratory (Biomolecular Engineering Laboratory, Waseda University) and Shimadzu opened the Waseda Shimadzu Collaboration Laboratory. The Collaboration Laboratory aims to develop workflows for the identification of unknown compounds from natural sources. Raman spectroscopy is used to distinguish molecular structures, while mass spectrometry enables detailed compositional analysis. These techniques form the basis of workflows designed to enable the rapid discovery and identification of novel natural compounds. The resulting workflows are expected to accelerate R&D in the pharmaceutical, food, and chemical industries.





Waseda Shimadzu Collaboration Laboratory

Creating Innovation through Co-Creation and Collaboration

Message from the President



Healthcare

Agency for Science, Technology and Research (Singapore)

On March 6, 2025, the Shimadzu-DxD Hub Diagnomics Centre (SDDC) was jointly established with the Diagnostics Development Hub (DxD Hub), an R&D organization within the Agency for Science, Technology and Research (A*STAR). The SDDC conducts joint research in three key areas: infectious diseases. cancer, and metabolic disorders.

In the field of infectious diseases, the Centre is using Shimadzu's proprietary Ampdirect technology to develop PCR testing reagents that enable early detection and rapid response to various infections.

In the cancer field, mass spectrometry technology is being used to enable early detection and personalized treatment of cancer.

In the area of metabolic disorders, the Centre is focused on improving diagnostic accuracy to help manage these conditions more effectively.



Scene from the Establishment of the Shimadzu - DxD Hub Diagnomics Centre

Peking University (China)

A joint laboratory was established in 2018. Various Shimadzu instruments, such as the AXIS Supra, iMScope TRIO, and LCMS-8050 systems, were installed in the laboratory. These instruments are used to conduct advanced research in pharmacology, clinical diagnostics, materials science, and other fields, resulting in the publication of numerous academic papers. Shimadzu is collaborating with the Peking University Health Science Center to advance research on measuring the drugloading capacity of various nanomaterials using high-sensitivity, high-precision LCMS technology.

The application of nanotechnology in drug delivery is valuable for the research and development of anticancer agents and therapeutic immunotherapies, and is also expected to lead to the creation of new forms of pharmaceuticals in the future.







AXIS Supra



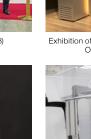
Osaka University Consortium for Future Innovation by Cultured Meat — Cultured Meat Manufacturing Technology for Steak-like Products Using 3D Bioprinting —

The Consortium for Future Innovation by Cultured Meat—comprising six operational partners: Osaka University Graduate School of Engineering, Shimadzu Corporation, Itoham Yonekyu Holdings Inc., TOPPAN Holdings Inc., SIGMAXYZ Holdings Inc., and ZACROS Corporation—is working together to promote the social implementation of cultured meat manufacturing technology using 3D bioprinting.

In 2023, the consortium established the Joint Research Laboratory for the Social Implementation of Cultured Meat on the Suita Campus of Osaka University as a base for promoting research. Additionally as part of its efforts to promote public awareness for social implementation, the consortium will exhibit real cultured meat and a prototype meatmaking machine utilizing 3D bioprinting technology in the Future City zone of the Osaka Healthcare Pavilion at the 2025 World Exposition in Osaka, Kansai.



Press conference at the time of establishment (2023)



Cell-cultured meat replicating the structure of Wagyu beef (provided by Osaka University)



Exhibition of cultured meat samples and meat manufacturers at the Osaka Healthcare Pavilion of the Kansai Expo.



Automatic cultured meat maker (prototype)

Creating Innovation through Co-Creation and Collaboration

Message from the President



TotalEnergies SE, University of Pau (France), and University of Oviedo (Spain)

In April 2024, we launched the ELEM-SPOT system—the world's first elementselective gas chromatograph mass spectrometer—which enables the detection of oxygen- and nitrogen-containing components. This system is the first in the world capable of selectively detecting only the oxygen- and nitrogencontaining components that affect the quality of biofuels, from among the multitude of constituents present in raw materials.

It was co-developed by TotalEnergies SE (hereafter "Total"), the University of Pau (France), and the University of Oviedo (Spain), and Shimadzu.

This system enables easy verification of the presence and concentration of components in biofuel feedstocks that can reduce manufacturing efficiency and quality, as well as confirmation of the effectiveness of removal processes. We aim to support the transition from fossil fuels to biofuels by establishing robust analytical methods. Since 2021, Shimadzu, in collaboration with Total, the University of Pau, and the University of Oviedo, has been conducting comprehensive joint research in the clean energy sector.

The development of this system was made possible by combining the innovative patented technologies related to identifying oxygen-containing components in biofuels, held by the three parties, with Shimadzu's highperformance gas chromatograph mass spectrometer (GCMS) technology. Shimadzu will continue efforts to improve the product's usability.



ELEM-SPOT Element-Selective Gas Chromatograph Mass Spectrometer System



The University of Tokyo (Social Cooperation Program) FS CREATION - R&D for Achieving Broad Adoption of Crystal Sponge Technology -

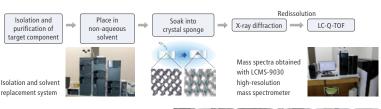
Since November 2020, Shimadzu has been involved in a social cooperation program at the University of Tokyo (Integrated Molecular Structure Analysis Laboratory), collaborating in research and development aimed at developing practical applications for crystal sponge technology, an advanced method for analyzing molecular structures.

In March 2022, we moved into FS CREATION, a newly established open innovation

facility. FS CREATION houses the laboratories of Distinguished Professor Makoto Fujita of the University of Tokyo, the socia cooperation program led by Assistant Professor Sota Sato at the University of Tokyo (Integrated Molecular Structure Analysis Laboratory), JEOL Ltd., and Rigaku Corporation.

This relocation made FS CREATION the world's only integrated molecular structure analysis center capable of providing onestop services using crystal sponge technology.

Among the required instruments for molecular structure analysis—nuclear magnetic resonance spectrometers (NMR), X-ray diffractometers (XRD), and mass spectrometry systems (MS)—Shimadzu has installed its LCMS-9030 liquid chromatograph mass spectrometer system and dispatched engineers to ensure that measurement and analysis requests from users of the open innovation hub are handled promptly and efficiently.





FS CREATION









Healthcare/Green/Materials/Industry

Walsh University (United States)

Shimadzu Scientific Instruments (SSI), a U.S. subsidiary of Shimadzu Corporation, implements the Shimadzu Partnership for Academics, Research, and Quality of Life (SPARQ), an educational support program, to build long-term relationships with academic institutions. Partner institutions are selected based on the scope and content of their research, as well as their impact on academia and local communities.

The Center for Analytical Excellence Laboratory (analytical center) was jointly established in 2021 in partnership with Walsh University.

By providing state-of-the-art Shimadzu instruments—such as liquid chromatographs, gas chromatographs, and mass spectrometers—the Center became the most

technologically advanced research facility in the region, enabling students to gain hands-on experience with advanced analytical technologies.

In addition to being used for faculty and student research, the Center also provides analytical testing and specialized support to local businesses, thereby promoting advances in the life sciences, health sciences, and environmental research. In January 2025, the SPARQ Summit was held in collaboration with Walsh University.



Scenes of the SPARQ Summit





Center for Scientific Excellence

Creating Innovation through Co-Creation and Collaboration

Message from the President



Healthcare

Japan

Jikei University (For more details, see p.45.)

Tohoku University (For more details, see p.45.)

Waseda University (For more details, see p.45.)

Kansai Medical University

Hokkaido Information University

Conducting joint cohort study entitled Ebetsu's Active Future Study.

Oita University

Conducting joint research on establishing a protocol for diagnosing dementia based on blood markers.

Yamaquchi University

Cooperating in a regional cohort study of topics such as improving the health of the elderly.

Hyogo Medical University

Developing a method to evaluate intestinal mucosal permeability. which is an indicator of the pathology of ulcerative colitis and irritable bowel syndrome.

Europe

University Hospital of Montpellier (France)

Jointly conducted a cohort study of analyzing amyloid-beta levels in blood.

Graz University of Technology (Austria)

Jointly developed a system for analyzing mineral oil saturated hydrocarbons (MOSH) and mineral oil aromatic hydrocarbons (MOAH) in foods.

University Hospital of Limoges (France)

Jointly developing applications for toxicological chemicals.

University Medical Center Göttingen (Germany)

Developing a therapeutic drug monitoring (TDM) application for clinical use.

United States

The University of Texas at Arlington (Texas)

Jointly established the Shimadzu Center for Advanced Analytical Chemistry.

University of Wisconsin-Milwaukee (Wisconsin)

Jointly established the Shimadzu Laboratory for Advanced and Applied Analytical Chemistry.

Northern Michigan University (Michigan)

Jointly established an analytical laboratory for medicinal plant sciences.

China

China Pharmaceutical University (Jiangsu Province)

Participated in joint drug metabolism research and published academic papers.

Tsinghua Shenzhen International Graduate School (Guangdong Province)

Jointly developing methods for detecting and analyzing 101 types of drugs and daily life-related substances in water and created a corresponding data library.

Zhejiang University (Zhejiang Province)

Established Zhejiang University New Drug Discovery Center— Shimadzu Joint Research Laboratory. Published academic papers on the development of new drugs.

South China University of Technology and Xiamen University (Guangdong Province)

Jointly developed Polarity-Extended 2D LC System (patent for invention in China).

Sichuan University (Sichuan)

Jointly developing applications for scanning probe microscopes in the research of oral materials, etc.

Chinese Academy of Sciences (Beijing City, Liaoning Province)

Established the Dalian Institute of Chemical Physics—Shimadzu Omics Innovation Research Laboratory. Released a paper reporting 100 results of joint research with Shimadzu.

Beijing Technology and Business University (Beijing City)

Joint research aimed at establishing analytical methods for quality evaluation of characteristic aromas of milk products

Peking University (Beijing City) (For more details, see p.46.)

Xi'an Jiaotong University (Shaanxi Province)

Applying advanced science and technology to prevent and control allergic disorders.

Wuhan University (Hubei Province)

Established the Shimadzu-Wuhan University Collaboratory. Published nearly 100 papers on using LCMS to analyze plant hormones, Metabolomics, and nucleic acids.

ASEAN

Agency for Science, Technology and Research (Singapore)

(For more details, see p.46.)

Singapore General Hospital

Established the SGH-Shimadzu Personomics Centre.

University of Putra (Malaysia)

Joint research on palm oil

University of San Agustin (Philippines)

Joint research for functional foods

Creating Innovation through Co-Creation and Collaboration

Message from the President



Japan

Osaka University (For more details, see p.46.)

Kobe University

Verified the utility of a prototype of the world's first autonomous laboratory system based on AI and other technologies.

Shinshu University

Exploring advanced technology themes related to water and energy, considering the application of our analytical measurement technologies, and fostering researchers and engineers.

Europe

TotalEnergies SE, University of Pau (France), and University of Oviedo (Spain)) (For more details, see p.47.)

China

School of Architecture, Tsinghua University (Beijing City) Jointly completed Standards for Indoor Air Quality.

Chinese Academy of Sciences (Zhejiang Province)

Signed a comprehensive joint research agreement with the Research Center for Eco-Environmental Sciences, Chinese Academy of Sciences to establish the Environmental and Health Innovation Center.

Tianjin University (Tianjin City)

Established joint laboratory. Deployed research activities, such as researching reaction mechanisms and catalyst designs, for the purpose of researching carbon neutralization.

ASEAN

Somaiya Vidyavihar University (India)

Signed a memorandum of understanding regarding establishing an analytical and measurement science center.



Japan

Kvoto University

Participated in the Japan Science and Technology Agency Center of Innovation-Next (COI-NEXT) program for establishing facilities where resources are recycled to help establish a netzero carbon biotechnology industry.

United States

University of North Florida (Florida)

Jointly established the Materials Science and Engineering Research Facility.

China

Dalian University of Technology (Liaoning Province)

Conducted joint research and development of metal alloy materials and published corresponding results.



China

Chinese Academy of Sciences (Beijing City)

Published academic papers in the field of archaeology.

ASEAN

Singapore Institute of Technology (Singapore)

Established the SMARTLab.





Healthcare and Green Solutions

Japan

Tokushima University

Signed a comprehensive partnership agreement aimed at acquiring innovative technologies to address social issues, creating new businesses, and fostering talent development and exchange.

Europe

University of Orleans (France)

Jointly developing a method for evaluating various compounds isolated by supercritical fluid extraction.







Healthcare, Green Solutions, Material, and Industry

Japan

Nagasaki University

Opened Shimadzu Nagasaki Collaboration Lab

United States

Walsh University (Ohio) (For more details, see p.47.)





Japan

The University of Tokyo (For more details, see p.47.)

Develop & Create New / Future Businesses

Message from the President

Medium-Term Management Plan: Strengthening Seven Management Foundations: Develop & Create New / Future Businesses

Related Materiality (4) Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities

Basic Approach

Building on our core technologies—such as analytical and measuring instruments, medical X-ray systems, and vacuum technologies—we are expanding into new products and businesses in advanced analytics, Al, advanced biotechnology, and technologies related to the brain and the five senses. From a long-term perspective, we aim to create future businesses that help solve social issues in the domains of Healthcare, Green, Material, and Industry, thereby contributing to the realization of a sustainable society.

Overall Strategic Framework

Based on our core technologies, we are advancing the development of new products and businesses from a medium- to long-term perspective. To bridge the gap between product development and business deployment, we established the Startup Incubation Center, which promotes the early launch of new businesses by quickly bringing new products to market—unconstrained by existing business frameworks—and incorporating market feedback.

In addition, through the Shimadzu Future Innovation Fund (Shimadzu FIF), our corporate venture capital initiative established in April 2023, we invest in startups whose technologies and expertise highly compatible with our business, and support them through collaboration. We also leverage their technologies and expertise to enhance our products and services and to drive the creation of new businesses. Shimadzu FIF focuses on investing in technology-driven startups in the fields of Healthcare (life sciences, medtech), Green Transformation (GX), Material, and Industry.

Healthcare (Life Sciences, MedTech)	Green (GX)
Next-Generation Drug DevelopmentHealthy LongevityFood-techInfectious Disease Control	 Biomanufacturing Next-Generation Energy Decarbonization Conservation of Air, Soil, and Water
Material	Industry
Circular EconomyMaterials InformaticsAdvanced Materials DevelopmentNext-Generation Mobility	Society 5.0Quantum Science and TechnologySemiconductorsLogistics Infrastructure

Vision and Challenges

Future Vision

• We contribute to solving social issues through science and technology, promote innovation that leads to the next generation, and create new markets by co-developing only-one technologies and No.1 solutions with our partners.

Challenges

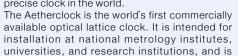
- Accelerating social Implementation
- Strengthening collaboration with external partners (e.g., startups)
- Securing and developing talent
- Globally expanding new businesses

FY2024 Achievements and Evaluation

In advanced analytics, we launched the world's first optical lattice clock, while in advanced manufacturing and biotechnology, we established the Shimadzu Innovation Lab.

Launched the World's First Miniaturized Optical Lattice Clock

In March 2025, we began accepting orders for the strontium optical lattice clock, Aetherclock OC 020 (Aetherclock). The optical lattice clock was developed by Professor Hidetoshi Katori's group at the University of Tokyo. With a time deviation of only about one second over 10 billion years, it is over 100 times more accurate than the current cesium atomic clocks that define the length of "one second," making it the most precise clock in the world.





Strontium optical lattice clock Aetherclock OC 020

expected to be used not only as a time standard but also for applications such as elevation measurement and early earthquake detection.

In FY2024, we made new investments in seven companies through the Shimadzu Future Innovation Fund. These included one company in the Healthcare, three in Green, and three in the Industrial domains. As a result, the total number of portfolio companies has reached eleven since the fund's launch in April 2023.

Going forward, Shimadzu will continue supporting startups that are creating innovation by leveraging its technological capabilities, aiming to realize a better society together with them.

Future Initiatives

In our five strategic focus areas, we will work with partners to create new technologies and develop new markets. In addition, we will implement the following initiatives:

- Talent development
- In addition to developing highly skilled global talent such as PhD holders through the REACH Project (see p. 70), we will promote talent development through secondments and collaborative initiatives.
- Strengthening external collaboration
- Through our open innovation program, "SHIMADZU Mirai Kyoso Challenge" (see p.51), we aim to generate new businesses through co-creation with startups and universities. We also promote global collaboration through employees dispatched to Silicon Valley.
- Utilization of IP Landscape
- We will leverage IP landscape analysis (see p.52) for new business creation and accelerate the process of launching new businesses.

Develop & Create New / Future Businesses

Message from the President

Example of New and Future Business

Infectious Disease Management Support System "ExpertTWIN"

In November 2024, we launched ExpertTWIN, an infectious disease management support system that connects primary care physicians and infectious disease specialists online. By providing an environment where primary care physicians can consult with specialists on individual patient cases, the system helps reduce the burden on medical professionals.

When primary care physicians—who are not infectious disease experts encounter difficulties in diagnosis or treatment, they typically seek advice from certified infectious disease specialists. However, the number of certified infectious disease specialists has long been reported to be only about half the appropriate level, and there has been a growing need for a system that allows efficient and seamless consultations despite their busy schedules. Traditional consultation methods such as phone calls, emails, and on-site visits placed a heavy burden on both parties.

ExpertTWIN is a clinical support system that enables primary care physicians to consult with infectious disease specialists online. After the physician enters patient information and a consultation request, ExpertTWIN identifies relevant clinical data and presents additional questions to gather the necessary information for the specialist's response. This structured exchange of information allows for smoother and more effective advice from specialists. The system also features a subscription-based model, streamlining contract and payment processes between the parties involved.

Overview of ExpertTWIN



The development of ExpertTWIN began in 2018 as a "collaborative needsassessment research project" conducted jointly with a research group consisting of the Tokai National Higher Education and Research System, the Department of Infectious Diseases at Nagoya University Hospital, the Nagoya University Innovative Research Center for Preventive Medical Engineering, and the endowed chair faculty at the Department of Infection Control, Graduate School of Medicine, Gifu University. (Research representative: Professor Tetsuya Yaqi, Department of Infectious Diseases, Graduate School of

Medicine, Nagoya University.) Subsequently, through research for prototype development and demonstration studies conducted with over 30 medical institutions, Shimadzu actively incorporated feedback from frontline medical professionals. By applying agile development methods and other techniques, early implementation in society was achieved in approximately one year from the initial prototype development.

Going forward, we will continue to develop new businesses aimed at solving issues faced in clinical settings.

SHIMADZU Mirai Kyoso Challenge

In October 2024, we launched applications for the SHIMADZU Mirai Kyoso Challenge, an open innovation program aimed at creating new businesses through co-creation with startups, universities, and other institutions. The program seeks to generate new business opportunities through joint research in key areas of our medium-term management plan, such as Healthcare and Green domains.

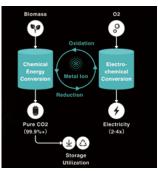
The program targets researchers and technology developers affiliated with domestic universities, public research institutions, and companies. Selected proposals receive research funding of ¥4–5 million, and participants may also utilize equipment and facilities at Shimadzu's Future Collaboratory within the Technology Research Laboratory. Although the standard research period is one year, joint research is conducted with a view toward forming long-term partnerships that lead to commercialization and social implementation.

The FY2024 call for proposals focused on "Measurement and Suppression of Aging" and "Support for Material/Process Development," with one project selected for each theme.

Startup Collaboration through Corporate Venture Capital

Since FY2023, we have been investing in and collaborating with startups that share synergies with Shimadzu through our corporate venture capital initiative, the Shimadzu Future Innovation Fund.

In FY2024, we invested in Rhinoflux Inc., a startup originating from Kyoto University that is developing a highly efficient power generation plant capable of recovering high-purity carbon dioxide from biomass resources. Biomass power generation, a promising renewable energy source, faces challenges such as low power conversion efficiency and high transportation costs for waste materials used as fuel. Rhinoflux has developed a unique technology that uses redox reactions of metal ion solutions—rather than combustion—to extract electricity and recover over 99.9% pure carbon dioxide from biomass resources, enabling the creation of compact biomass power plants. By leveraging our analytical and measurement technologies, Shimadzu supports Rhinoflux's R&D and business development, contributing to the realization of a carbon-neutral society.





(Left): Conceptual diagram of Rhinoflux's technology; (Right): Small-scale demonstration unit

We also invested in Basetwo Artificial Intelligence, Inc., a Canadian startup developing process informatics technologies that optimize manufacturing conditions and enable predictive maintenance for pharmaceutical and chemical production. By integrating Basetwo's Al-based process informatics with our analytical and measurement technologies, we aim to offer end-to-end solutions for manufacturing processes.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Accelerating R&D Activities

Related Materiality (A) Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities

52

Technology Strategy Intellectual Property

Intellectual Property Strategy for Creating and Utilizing **Diverse Technologies**

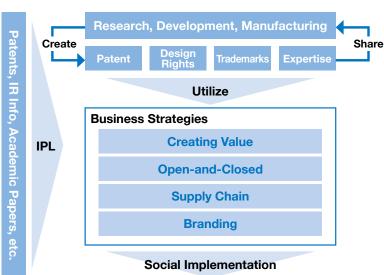
Shimadzu accumulates technologies and passes them on to future generations by securing the rights to intellectual properties created during R&D and manufacturing processes, or by keeping them confidential as proprietary expertise, and by sharing them throughout the company. In FY2024, Shimadzu generated 19 basic patents.

Accumulated intellectual properties are utilized for business strategies. such as creating value to address societal challenges that change with the times, forming markets and increasing market share with open-and-closed intellectual property strategies, establishing OEM, JV, and fabless operations within the supply chain, and branding mainly based on design rights and trademarks.

We utilize IP landscaping (IPL) for research and development as well as business strategy planning. In FY2024, IPL was applied to 72 R&D themes and contributed to the formulation of new business strategies.

In the future, we will establish capabilities for sharing and utilizing intellectual properties generated throughout the Shimadzu Group in order to continue utilizing a variety of technologies. Furthermore, we will accelerate the creation of new value and its broad adoption in society by utilizing IPL more actively.

*Patents for entirely new inventions with no prior examples, which are indispensable for achieving certain functions or effects.



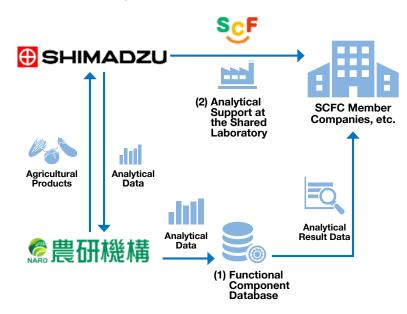
Activities and Achievements in FY2024

Together with Dr. Mari Yamamoto of the National Agriculture and Food Research Organization (NARO), we established the NARO Shimadzu Kyoto Laboratory for Food Innovation (NARO Shimadzu Laboratory), where we have analyzed components contained in agricultural products grown throughout Japan. Through these activities, we have accumulated analytical data and know-how regarding functional components found in 640 types of agricultural products.

Based on the results of the IPL, which confirmed growing public awareness of functional food ingredients, we will move forward with providing solutions that utilize the data and expertise accumulated through initiatives at the NARO Shimadzu Laboratory.

Shimadzu is a regular member of the Self Care Food Council (SCFC), which aims to extend healthy life expectancy through food. Leveraging this network, we plan to provide solutions primarily to member companies of the SCFC.

Provision of End-to-End Solutions Utilizing the Outcomes of NARO Shimadzu Laboratory Activities



The functional component database obtained through our efforts at the NARO Shimadzu Laboratory serves as a valuable library for food manufacturers to verify the presence of useful components in their products.

Furthermore, since the optimal analytical conditions differ depending on the target food, we provide support for determining these conditions at our shared laboratory and offer a complete set of analytical instruments, standard samples, and analysis software as an end-to-end solution.

By having companies recognize the benefits of these end-to-end solutions, we aim to encourage new companies to join the SCFC, as well as to increase opportunities for them to use our products, thereby contributing to our sales arowth.

Going forward, we will utilize the knowledge gained from these activities, not only the technologies obtained through joint research but also the data, to establish a business model that provides end-to-end solutions to our customers.

Dr. Mari Yamamoto, NARO

The functional component database and food analysis know-how accumulated through years of joint research with Shimadzu Corporation are important intangible assets. I have high expectations that we will actively utilize these assets to build a social platform and contribute to solving social challenges such as food safety and the extension of healthy life expectancy through the analysis of functional components.



Challenges Remaining in FY2024 Activities

Through our intellectual property activities to date, we have promoted the internal use of IPL and enhanced our capabilities in formulating business strategies. However, our efforts have primarily focused on existing markets such as food. We recognize the importance of taking further steps—such as shaping new markets through rule-making initiatives like standardization and strengthening our internal organizational capabilities—to accelerate business development. These are key areas we aim to reinforce going forward.

In response to these challenges, in FY2025, we will promote the Ministry of Economy, Trade and Industry (METI) project (see next page), steadily advance the social implementation and market creation of our elemental technologies, and enhance our competitiveness by sharing the knowledge gained from the project throughout the company.

Technology Strategy Intellectual Property

Open-and-Closed Strategies from Upstream Research

Challenges in the Social Implementation of Advanced Technologies

Our main business area is analytical and measuring instruments, and demand for instruments changes greatly depending on industry standards and regulations. Until now, we have maintained profitability by selling elemental technologies developed through R&D as general-purpose analytical instruments and supplying products that comply mainly with regulations originating in Europe and the United States, following a business model of "first developing, then revising to meet the market." However, this model tends to remain an extension of existing products, posing challenges in creating entirely new businesses.

Message from the President

Market Research

On the other hand, our research laboratories are generating numerous elemental technologies with the aim of creating new businesses. However, it is difficult to accurately predict future market trends during the research phase. As a result, business divisions that are expected to deliver short-term results often find it challenging to allocate resources to product development for markets that are not yet visible, creating a disconnect between the research laboratories and the business divisions. Furthermore, in joint research projects with universities or companies, communication issues—such as the need to maintain confidentiality around business plans—have posed additional challenges. These issues, along with setting appropriate research scopes and licensing terms, have become significant barriers to the eventual transfer of technologies to the business divisions.

Under the Banner of Market Creation through Open-and-Closed Strategies

To break through these barriers, we are working on a new business creation model in which we formulate open-and-closed strategies based on thorough upstream research into markets, regulations, and competitors, and simultaneously carry out market creation through rule-making such as standardization and R&D that matches the created markets.

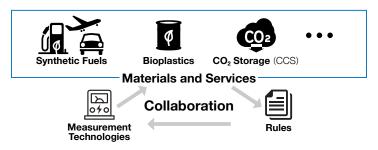
Under the direction of the CTO and CSO, the International Standardization Group and the Intellectual Property Department serve as a coordinator to promote the formulation of open-and-closed strategies, commit to market creation through standardization, and facilitate R&D tailored to these markets by forming teams involving universities, research laboratories, and business divisions.

Initiative under the Ministry of Economy, Trade and Industry's **OCEAN Project**

To demonstrate the formulation of open-and-closed strategies at the upstream stage of research, we are working on the development of such strategies including those related to non-fossil certification—for a new analytical method known as CRDS (Cavity Ring-Down Spectroscopy), with support from the Ministry of Economy, Trade and Industry (METI), including certification and advice under the Open & Close strategy with Exploiting Academic kNowledge Project (OCEAN Project).

Establishing Rules for Non-Fossil Authentication Using CRDS for the Advancement of a Decarbonized Society

In pursuit of a decarbonized society, the use of biomaterials is on the rise, especially in Europe. However, current measurement of the biomass content of biomaterials is costly and time-consuming. CRDS, which Nagoya University and Shimadzu Corporation have jointly researched, enables rapid measurements with a benchtop-sized instrument. By establishing rules that require actual measurement as a prerequisite for authentication, we contribute to the advancement of a decarbonized society by facilitating the distribution of highly reliable materials.



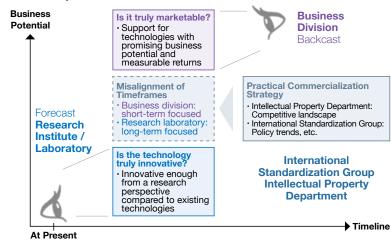
Formulation of Open-and-Closed Strategies Based on Thorough Research

Thanks to the outstanding research and analysis conducted by Dream Incubator Inc. on social issues, regulatory frameworks, and potential customers, we were able to formulate and test business scenarios regarding the standardization and rule-making for biomass content measurement by CRDS, clarifying the scope and timing for market formation via the open strategy. We also analyzed patents and know-how, including those of competitors, and defined instrument specifications and closed areas necessary for securing profitability. Based on this strategy, we are advancing both market formation through international standardization and promoting the R&D and intellectual property acquisition of CRDS instruments in parallel.

Pragmatic Commercialization Strategies Driving Unity and Accelerated R&D

With the backing of the Ministry of Economy, Trade and Industry (METI) and under the banner of creating new markets, Nagoya University and the research and business divisions of Shimadzu were able to unite and vigorously pursue commercialization. By establishing a team between the R&D divisions to provide practical go-to-market strategies, we were able to align both perspectives and break through barriers—a result that can be considered highly effective.

The strategy formulation, structure building, and operation of this project have been highly evaluated by METI and the committee of experts in the OCEAN Project.



Future Developments

We will systematize the knowledge gained from the OCEAN Project in terms of strategy formulation, structure building, and operation, and sequentially apply it to other important projects within the company. In this way, we aim to pursue new approaches to R&D centered on market creation and to grow as a company that generates many business pillars.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Accelerating R&D Activities

Related Materiality (A) Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities

Technology Strategy

Message from the CTO

Managing Executive Officer CTO

Takahiro Nishimoto



Career Overview

Mar. 1989 Joined Shimadzu Corporation

Oct. 2003 R&D Manager, Technology Research Laboratory

Apr. 2014 Deputy General Manager, Technology Research Laboratory and General Manager,

Business Development Department, Technology Research Laboratory Oct. 2020 General Manager, Global Strategy Planning Unit, Corporate Strategy Planning Department

Apr. 2022 General Manager, Technology Research Laboratory

Apr. 2024 Corporate Officer, General Manager of Technology Research Laboratory

Apr. 2025 Managing Executive Officer, CTO (current)

Pursuit of Planetary Health and Research & Development

Our Group has set "Planetary Health" as a theme in the medium-term management plan, and we are actively working to develop new products and new businesses based on this concept.

Planetary health is the idea that "the well-being of the Earth" and "the well-being of mankind" are interrelated, requiring a comprehensive understanding of various social issues and the pursuit of their solutions. This concept is closely related to our corporate philosophy of "Realizing Our Wishes for the Well-being of Mankind and the Earth." It is a concept that is both deeply rooted in our philosophy and newly significant in today's context. I feel it is time to deeply understand this concept again and consider what we can and should do for planetary health.

In our business, many new products and new businesses are technology-based, which is both a heavy responsibility and a rewarding job for engineers and

As I take on the role of CTO, my mission will be to ensure that our engineers work vibrantly and enthusiastically engage in new research and development, leading to a stream of new ideas.

I feel a renewed sense of responsibility to give back to the seniors who have nurtured me since my early days as an engineer by expanding the business related to planetary health. Together, we will cooperate and collaborate across the entire Group to take on new challenges.

Achievements in the Second Year of the Medium-Term Management Plan

In the current medium-term management plan, we are executing the following three strategies in the research and development division:

- 1. Enhancing global development capabilities
- 2. Reforming the development process
- 3. Improving the ability to create new technologies and businesses

We have promoted the establishment of a customer-centric global product development system and a globally distributed software development system. The R&D Center in North America, which was opened in April 2024, has supported operational environments for product development. In global software development, we have been working on building a secure service environment at each location. Operations have already begun at the headquarters, and we are gradually expanding this to our Group companies. In reforming the development process, we are advancing the addition of agile development methods and the establishment of design DX (Digital Transformation). Agile development is still limited to a few implementations, and a full-scale rollout in the future is a challenge. In the area of design DX, we are currently managing and accumulating design, manufacturing, and quality data in a centralized manner, while in data utilization, we are demonstrating a new operational workflow.

In enhancing our ability to create new technologies and businesses, we are advancing development for new and future business opportunities, while also promoting startup investments through the CVC (Shimadzu Future Innovation Fund) established in FY2023. In its second year, FY2024, we have executed seven investments, exceeding our initial plan. These include one in the Healthcare, three in Green (two of which also fall under Material), and three in Industry domains. This reflects accelerated investment in fields beyond the Healthcare domain, which had been a challenge in FY2023.

Challenges and Future Initiatives

From the perspective of early market introduction of new products, there are several challenges in the research and development field, and we will proceed with necessary measures in the future. In the research phase, we have been trialing several initiatives at the Technology Research Laboratory to create a system for broadening researchers' ideas and quickly testing those ideas. We will verify the effectiveness of these initiatives and implement successful ones across departments. Additionally, we will advance necessary initiatives for smooth technology transfer from elemental technology to product design. We will promote the establishment of a collaborative system between departments developing elemental technologies and those responsible for product commercialization from the early stages of development, as well as efficiency improvements through design DX during the development phase. This is expected to accelerate development speed and improve quality through focused development operations.

Furthermore, we will pursue investments and collaborations with overseas institutions in advanced technology areas through our representative in Silicon Valley. Training research and development personnel through secondments and collaborations is also one of our key initiatives.

To quickly bring new products to market, we are actively promoting the initiatives to expand and strengthen open innovation, one of which is the newly launched a domestic research partner recruitment program, "Mirai Kyoso Challenge (Future Co-Creation Challenge)." This program sets areas that will be necessary in the future and conducts joint research on selected themes from the proposals received. Depending on the needs, we may also utilize instruments and devices owned by our Group, with the potential for further large-scale projects based on the results. This time, we received many innovative proposals addressing challenges such as the super-aging society and the development of new materials for industrial advancement. We plan to conduct this open call for proposals approximately once a year.

Future Co-Creation Starting from 150 Years This year marks the 150th anniversary of our company, and the history of our

research and development is also a history of open innovation. Starting with our collaboration with the Seimikyoku (Chemistry Bureau) during the Meiji era and the development of X-ray equipment with the Daisan High School (predecessor to Kyoto University), we have refined our technology and brought products to the market through guidance from industry leaders in various sectors, including the steel industry, petrochemicals, and pharmaceuticals, who have supported Japan's industries throughout different eras. In recent years, we have made progress in establishing bases aimed at co-creation, such as the establishment of the Healthcare R&D Center, the opening of the SHIMADZU Future Collaboratory of the Technology Research Laboratory, and the launch of the Shimadzu Tokyo Innovation Plaza. As a result of this co-creation, research outcomes that can contribute to society are beginning to emerge. We have been able to announce the start of orders for the optical lattice clock, which enables ultra-high precision time measurement, developed in collaboration with Professor Katori from the University of Tokyo. This clock, with an error of one second in 10 billion years, can measure gravitational potential as a difference in the passage of time based on the principles of general relativity and has the potential to be used for measuring crustal movements. Additionally, we are rapidly advancing research toward practical application of infrared spectroscopy utilizing quantum entanglement phenomena in collaboration with Professor Takeuchi from Kyoto University. Other initiatives, including high-performance mass spectrometry, sensory measurements of human perception, and autonomous experimental systems (Autonomous Lab), are ongoing, with engineers and researchers passionately working towards the early market launch of products that can contribute to solving social issues. I am confident that these activities will accelerate co-creation as we move beyond 150 years and lead to products and businesses that contribute to planetary health. We look forward to your continued support for our future achievements.

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Technology Strategy

Standardization Strategy

Basic Approach

Standardization has traditionally been used to define product specifications and performance, with the aim of eliminating substandard goods and ensuring quality. The standardization of items such as screws and power plugs is essential to the foundation of everyday life. In recent years, the scope of standardization has expanded beyond physical products to include services and social systems. At the same time, standardization activities have come to serve as strategic tools for companies and industries, contributing to market creation and securing competitive advantages.

Guided by our corporate philosophy of "Contributing to Society through Science and Technology," we have consistently driven technological innovation. To deliver the benefits of these innovations to more people, we engage in rule-making through standardization activities, aiming to create new markets. Furthermore, we strive to differentiate ourselves through the strategic use of intellectual property, establish competitive advantages, and thereby realize business growth and enhanced corporate value, contributing to sustainable development.

Overview of the Standardization Strategy

We view standardization as an opportunity to contribute to society, while also recognizing its value in creating markets and strengthening competitiveness. This strategy is built upon three key pillars.



(1) Standardization in Key Individual Areas

We promote the standardization of key individual technologies in the four critical fields of pharmaceuticals, food, environment, and materials, aiming to contribute to sustainable growth by delivering new value to society, such as safety and security.

(2) Standardization for Achieving Carbon Neutrality

To realize carbon neutrality and a decarbonized society, we promote the standardization of related technologies such as hydrogen energy and offshore wind power. Furthermore, to strengthen standardization and regulatory compliance capabilities, we will implement a creative business Medium-Term Management Plan: Strengthening Seven Management Foundations: Strategizing International Standardization / Reinforcing Regulatory Response

Related Materiality 🚇 Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities

strategy that integrates open-and-closed strategies and marketing initiatives, thereby accelerating technology standardization and social implementation.

(3) Building a Foundation for Standardization

To advance standardization activities effectively, we are implementing the following initiatives:

- Strengthening relationships with external organizations such as industry associations and standards-setting bodies
- Building internal frameworks for promoting standardization and encouraging company-wide engagement
- Developing human resources to lead standardization activities and enhancing employees' knowledge and capabilities

Building on these pillars, we will promote value creation through standardization to help realize a sustainable society.

Assessment of the Current Situation

Framework and Systems

While we have been involved in standardization activities both in Japan and internationally, under frameworks such as JIS and ISO, to promote technologies and analytical methods and contribute to shaping societal standards, these efforts have so far been limited to individual departments and have not yet evolved into a company-wide initiative.

To address this situation, we established the position of Chief Standardization Officer (CSO) in 2021 and decided to strengthen standardization activities as an organized, company-wide initiative. As a first step, we established the International Standardization Committee, chaired by the CSO, to promote standardization activities across the entire Shimadzu Group. Furthermore, in 2023, we established a dedicated department for international standardization to further reinforce our specialized efforts. In addition, to encourage individual initiatives, we introduced the International Standardization Support Program, which provides financial assistance.

In addition, in 2024 we established a four-step framework for international standardization and regulatory compliance. This framework serves as a guideline for assessing the maturity of each ongoing initiative, facilitating the phased advancement of standardization efforts and accelerating their integration into business activities.

We are also strengthening engagement with organizations across various sectors through participation in industry association committees, such as those of the Japan Analytical Instruments Manufacturers' Association (JAIMA). As of April 2025 (non-consolidated), we have dispatched more than 160 representatives in total to standardization and specification committees involved in drafting and reviewing ISO and JIS proposals.

Development of Talent for Standardization

As part of our efforts to develop talent for standardization, we utilize training programs organized by the Ministry of Economy, Trade and Industry and the Japanese Standards Association, such as the Young Professionals Program for ISO/IEC International Standardization and the Strategic Rule-Making Training Course. In addition, we are enhancing internal training opportunities, including onboarding programs for new employees and seminars conducted by external experts. We also actively send employees under the age of 40 to ISO international conferences to cultivate talent with expertise in standards development and negotiation skills.

Lv.3

The Four-Step Framework for International Standardization and Regulatory Compliance

Lv.0

Compliance with Existing Standards and Regulations

Development of analytical methods in accordance with existing standards and regulations.

Lv.1 Engagement in Company-Led **Standards Development**

Proactive involvement in the development and standardization of analytical methods for regulatory compliance.

Lv.2 Implementation of Strategic Standardization Activities

Standardization and regulatory efforts strategically aligned with development and sales activities. (e.g., development and sales integrated with standards)

Formulation of Integrated **Business Strategies**

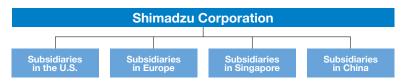
Standardization and regulatory efforts embedded into comprehensive business strategies that incorporate intellectual property and marketing. (e.g., comprehensive business strategies linking standards, IP, and marketina)

Technology Strategy Standardization Strategy

Global Framework for Promoting Standardization

In 2023, we established the Standard Development Organization (SDO) as a global framework for standard development across the Shimadzu Group. This initiative promotes global standardization in collaboration with Shimadzu Corporation by assigning personnel responsible for international standardization at Group companies in the U.S., Europe, Singapore, and China.

As the first project under this framework, we are working on a public call issued by AOAC INTERNATIONAL^{*1} to develop a method for analyzing PFAS in food using LCMS and to obtain AOAC Official MethodSM status.



*1 Participation in AOAC INTERNATIONAL as the Shimadzu Group

AOAC INTERNATIONAL is a global organization with members in approximately 90 countries, primarily based in the United States, Its Official Methods of AnalysisSM (OMA) serve as de facto global standards for food analysis. https://www.aoac.org/membership/organizational-membership/aoac-organizationalmembers/

The Shimadzu Group had previously participated through its U.S. and ASEAN Group companies. In September 2024, Shimadzu Corporation officially joined AOAC INTERNATIONAL at the Affiliate level to further promote the international standardization of our analytical methods in the field of food analysis.

FY2024 Achievements and Evaluation

As part of our standardization efforts in key technical areas, the ISO standardization of "the tensile testing method for metal plating on resin under temperature-controlled conditions"—conducted in collaboration with the Surface Finishing Society of Japan—was approved as a New Work Item Proposal (NP) in August 2024.

To promote standardization activities for technologies in the upstream stages of research and development, we participated—together with our Intellectual Property Department—in the Ministry of Economy, Trade and Industry's certified program for emerging demand (OCEAN: Open & Close strategy with Exploiting Academic kNowledge).

To ensure the continuation of our standardization efforts, we have established a framework for exploring new themes and built an internal database for sharing information on regulatory and standardization trends.

Initiative 1 ISO Standardization of Tensile Testing Methods for Metal Plating on Resin Under Temperature Control

Metal-plated resin (plastic) components are widely used in functional automotive parts such as decorative trims and electromagnetic shields. In particular, the growing adoption of electric vehicles (EVs) is increasing the importance of cost reduction and weight savings. As a result, the development of resin materials that can withstand automotive operating environments is expected to advance further. Furthermore, it is also necessary to develop plating evaluation technologies that are compatible with these new materials. To this end, we are participating in the Surface Finishing Society of Japan and promoting the ISO standardization of "tensile testing methods for metal plating on resin under temperature-controlled conditions (ranging from -50°C to over 100°C)." The New Work Item Proposal (NP) was approved in August 2024. This standard can be addressed using our tensile testing machine, which combines the AGS-V series universal testing machine with a temperature-controlled chamber. Furthermore, this technology is expected to have applications not only in automotive uses but also in the field of electronic components, such as printed



circuit boards.

testing machine Autograph AGS-V

Accessories used during testing



Temperaturecontrolled chamber TCE-N300A



Plating peel test specimen holder

Initiative 2 Formulation of an Open-and-Close Strategy for CO2 Source Identification Technology Using Cavity Ring-Down Spectroscopy to Measure Radiocarbon (14C)

Shimadzu Corporation and Nagoya University have been certified under the Ministry of Economy, Trade and Industry's OCEAN project, and are working to implement in society a newly developed analytical method; cavity ring-down spectroscopy (CRDS) for measuring radiocarbon (14C). To this end, we are formulating and applying an open-and-close strategy based on market research and other studies. This initiative is being carried out in collaboration with our business divisions, integrating both technical and market perspectives to promote practical application and international standardization. Our goal is to establish CRDS as a widely accepted and trusted measurement method for radiocarbon analysis.

This technology enables precise identification of CO₂ sources and is expected to support the realization of a decarbonized society by facilitating the shift to non-fossil fuel combustion and feedstocks, as well as promoting CO₂ capture and utilization.

Future Initiatives

We will continue to collaborate with external organizations to advance the standardization of key individual areas. In addition, we will strengthen our collaboration with academic institutions such as Nagova University and the National Institute of Advanced Industrial Science and Technology (AIST)². while incorporating academic knowledge and research findings to enhance our technological capabilities, problem-solving capacity for social issues, and the effectiveness of our standardization activities.

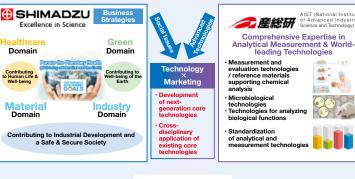
Furthermore, we will leverage the database developed last fiscal year to provide applications that comply with relevant regulations and standards.

The Shimadzu Group as a whole aims to enhance its global competitiveness by promoting both global standardization and region-specific standardization activities tailored to local characteristics.

Going forward, we will continue to address social issues and enhance corporate value through the integration of technology, standards, and intellectual property.

*2: SHIMADZU-AIST Advanced Solution Cooperative **Research Laboratory**

In 2024, we established a cooperative research laboratory. This laboratory aims to integrate the strengths of both parties to accelerate the research and development of cutting-edge technologies and their implementation in society. The laboratory is themed around "Developing innovative technologies and products for planetary health and promoting international standardization." It aims to enhance global competitiveness by advancing the international standardization of analytical and measurement technologies, while also developing methods and systems for identifying microorganisms that efficiently produce useful substances, and promoting their application in fields such as agriculture, pharmaceuticals, food, healthcare, and biomanufacturing.



Advanced Solutions

Developing Innovative Technologies and Products for Planetary Health and Promoting International Standardization

Message from the CSO (Chief Standardization Officer)

Medium-Term Management Plan: Strengthening Seven Management Foundations: Strategizing International Standardization / Reinforcing Regulatory Response

Related Materiality 🚇 Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities



Apr. 1997 Joined Shimadzu Corporation

Apr. 2011 Manager, LC Business Unit, Analytical & Measuring Instruments Division Apr. 2017 General Manager, China Development Center, Shimadzu (China) Co., Ltd. Apr. 2019 General Manager, Research & Development Department, Analytical & Measuring

Apr. 2020 Corporate Officer, President of Shimadzu Scientific Instruments, Inc. Apr. 2025 Managing Executive Officer, in charge of Corporate Strategy Planning, Corporate

Communications, and Standardization Strategy (CSO; Chief Standardization Officer) (current)

The Role of the CSO in "Pursuing Planetary Health"

Under our medium-term management plan, the Shimadzu Group has adopted the slogan, "Becoming an Innovative Company that Solves Social Issues with Global Partners," with the aim of "Pursuing Planetary Health (the Well-being of Mankind and the Earth)." As part of this initiative, we are working to establish international standards for advanced analytical and measuring techniques. Standardization ensures the compatibility, quality, performance, and safety of products and services, as well as improving convenience. In standardization, it is important to unify analytical and evaluation methods. Standardized analytical methods, for example, enable us to monitor, assess, and improve environmental pollution, thereby ensuring a safe and secure life for all. In many cases, analytical and measuring instruments are utilized in the standardization process. For us, as a company whose core business is analytical and measuring instruments, standardization is truly our mission and is directly linked to the pursuit of planetary health. However, the usual standardization process takes three to five years, so a faster process is needed to respond to new products and services resulting from rapid technological innovation. Therefore, it is important to anticipate the standardization needs that will arise in the near future and to move forward accordingly. By building a framework across the entire Group to achieve this, I will promote a standardization strategy aimed at the pursuit of planetary health.

Goals as Milestones in the Medium-Term Management Plan

The current medium-term management plan began in April 2023, and one of the seven foundational enhancements is "strategizing international standardization

and regulatory response capabilities." This is the first time that standardization has been explicitly included as a strategy in Shimadzu Group's long history. Alongside the initiation of the medium-term management plan, we established the International Standardization Group within the Research & Development Management Department to promote standardization effectively. Currently, this Group supports standardization projects across business units, collaborating with overseas locations while advancing standardization in a centralized and visible manner.

Achievements and Challenges in the Second Year of the Medium-Term Management Plan

Reflecting on the past two years, we have achieved three significant milestones. First, international standard specifications, such as ISO and ASTM International, have been issued from standardization projects in which the Shimadzu Group has actively participated for several years, contributing to material and water quality analysis. Additionally, we have initiated standardization projects aimed at resolving social issues related to microplastics and per- and polyfluoroalkyl substances (PFAS). Second, we have established a global standardization promotion system within the Shimadzu Group, comprising five locations in Japan, North America, Europe, Southeast Asia, and China, each year advancing international standardization with a designated theme. Third, the awareness and importance of our standardization strategy have increased significantly within the Group since its inclusion in the medium-term management plan, leading to proactive initiatives emerging across various areas.

However, challenges remain. Perhaps the flip side of the results is the lack of resources that has become apparent as a result of the increase in examples of initiatives. To promote the standardization of analytical methods, we first need to obtain a substantial volume of analytical data, but we currently lack the necessary resources. Nevertheless, I view this challenge positively as a reflection of our internal commitment to standardization. Moving forward, we will strengthen collaboration between departments and enhance external partnerships. For instance, in North America, we have begun collaborating with major contract research organizations and government agencies, which are also our customers, to develop new analytical methods through data acquisition. We aim to establish a model case for business expansion centered around external collaboration and standardization.

Future Initiatives

As stated previously, standardization activities cannot be accomplished in just one or two years; thus, we will continue our efforts based on the past two years. Among these, I would like to focus on three key points.

First is talent development. We will cultivate mid-level and younger staff who

will be responsible for our future standardization strategy. Even if we say, "Let's obtain ISO certification," it is meaningless if they do not know how to achieve it. The International Standardization Group will hold study sessions to convey various know-how, from the basics to collaboration with external organizations and etiquette for attending international conferences. Second, we will build a system to obtain a large volume of analytical data to address the resource shortage identified as a challenge. This will involve not only strengthening within the Group but also collaborating with customers who will be users of the standardized analytical methods from the planning stage, promoting more realistic standardization and linking the insights gained to the development of user-friendly systems, including software. Third, we will foster collaboration between standardization and intellectual property. We are currently advancing the creation of a database for standardization and regulation linked to our intellectual property strategy. The foundational work for the database is underway, aiming to clarify the existing standards in various fields internationally and how the Shimadzu Group can respond.

Furthermore, standardization is closely related to the so-called open-close strategy. While standardization is fundamentally an open strategy, it is not merely about being open; it requires strategically deciding what to protect, such as intellectual property, while determining what to disclose. The Intellectual Property Department conducts hearings with development teams from the initial stages of product specifications and designs, consulting with engineers on which technologies to patent, and when. Initially, we expect to collaborate on one or two cases annually, integrating intellectual property strategy and standardization strategy from the early stages of development.

Through these efforts, we aim to provide standardized analytical methods, including the necessary pre-treatment systems and reagents, in a more user-friendly manner, allowing a broader range of customers to utilize them with confidence. By realizing these end-to-end solutions, we aspire to become a company that not only provides standardization and analytical and measuring instruments but also delivers value experiences and inspiration to our customers. We look forward to realizing Shimadzu Group's corporate philosophy of "Contributing to Society through Science and Technology" through standardization and the pursuit of planetary health.

Core Values in Our Work

Having built my career at the company as a hardware engineer in analytical and measuring instrument development, I believe that advancing new product development must yield products and technologies that provide value to our customers and can be used for a long time. To achieve this, I strive to understand the backgrounds and reasons behind our customers' challenges and requests, while constantly considering how we can provide new value experiences and inspiration through our new products and technologies.

Expanding Global Manufacturing Capabilities

Medium-Term Management Plan: Strengthening Seven Management Foundations: **Expanding Global Manufacturing Capabilities**

Related Materiality (Increasing Development and Manufacturing Capabilities

Basic Approach

We aim to build flexible manufacturing capabilities that support the realization of an inclusive and compassionate society by aligning Shimadzu's aspirations with those of our customers and driving forward with diligence. To ensure a stable global supply, we are implementing various initiatives that enable us to deliver products from our manufacturing sites in five regions—Japan, China, North America, Asia, and Europe—even when demand surges for specific models or in particular markets. At the same time, we are closely monitoring geopolitical risks and U.S.-China trade tensions to maintain reliable delivery to our customers worldwide.

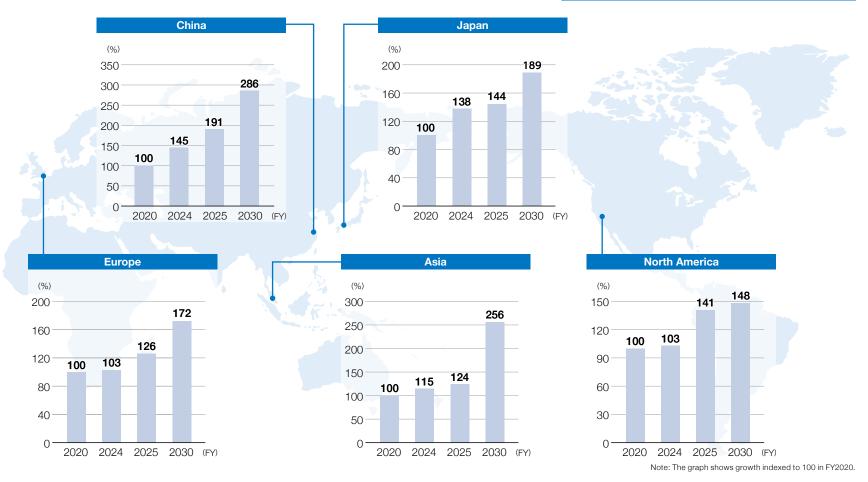
Organizing Current Status and Future Vision, Implemented and Future Initiatives

Japan

- In Japan, Shimadzu manufacturing activities are distributed among Shimadzu Group production plants in Kyoto Prefecture (Sanjo and Murasakino), Shiga Prefecture (Seta), Kanagawa Prefecture (Hadano and Atsugi), Shimane Prefecture (Izumo), Nagano Prefecture (Iida), and Ibaraki Prefecture (Yuki).
- In response to growing demand, we are promoting greater efficiency, expanding production capacity, and building a stable production system through efforts such as automating coating and welding processes at the Shimane Plant, and launching a high-density automated warehouse at the Shimadzu Logistics Center Kyoto in the fall of 2025.
- In the future, production will be further distributed to multiple locations and strengthened.

Outside Japan (China, North America, Asia, and Europe)

- As sales continue to increase outside Japan, we have been building Shimadzu production facilities in China, North America, Asia (Malaysia and the Philippines), and Europe (U.K. and France) and implementing initiatives to achieve local production for local consumption.
- In China, we expanded our plant in 2024 in response to policies that favor domestically produced products. We are also advancing automation in painting, sheet metal processing, and in-plant logistics.
- In India, we will establish a new production facility to address increasing demand and policies that favor domestically produced goods. The new plant is scheduled to begin operations in the spring of 2027.
- In North America, we will build a system in which the local sales, development, and manufacturing functions work in cooperation to produce market-oriented products. Through these efforts, we will establish a foundation for market-oriented businesses in the local market.



• From the perspective of business continuity management, we are expanding the range of product models that can be manufactured at each production site and increasing in-house production of critical components. Through global specialization, we will ensure a stable supply of products worldwide.

Increasing Supply Chain Resilience

• We are building resilient supply chains to mitigate geopolitical risks. To achieve this objective, we are focusing on the following initiatives: (1) Establishing a global manufacturing system across five key regions. (2) Strengthening business continuity management initiatives. (3) Strategically maintaining inventory levels. (4) Enhancing procurement capabilities in China and North America. (5) Expanding in-house production of critical components.

Transformation Toward a Customer-Centric Orientation and Future Initiatives

• We are transitioning from the traditional business division-based manufacturing system to a customer-centric orientation (domain-based system). This transformation will enable us to continue providing a stable supply of products while delivering one-stop services tailored to our customers' needs.

Product Quality and Safety

Basic Policy

We strive to offer high-quality products and services at reasonable prices, delivering maximum value to our customers. Our efforts are guided by the following three fundamental principles:

1. Pursuing Customer Satisfaction

We place the highest priority on delivering value to our customers by providing safe, secure, and high-value-added products and services.

2. Creating New Value Jointly with Customers

We sincerely listen to our customers' opinions and needs, and create new value together with them.

3. Ensuring Thorough Quality Control and Safety Management

In the event of any issues related to quality or safety, we respond promptly to resolve them and take thorough measures to prevent recurrence.

Initiatives to Maintain and Improve the Quality of Products and Services

Based on our corporate philosophy and management principle, we have established the Basic Quality Assurance Policy to systematically maintain and improve quality and to deliver products and services that meet customer satisfaction.

Basic Quality Assurance Policy

Let's all work hard to provide quality that satisfies our customers around the world at every stage of the product life cycle.

* Product life cycle refers to the following 12 stages

- (1) Marketing and market surveying
- (3) Process planning and development
- (5) Production
- (7) Packaging and storage (11) Post-sales surveying
- (9) Installation and initial use
- (2) Product design and development
- (4) Procurement
- (6) Verification
- (8) Sales and distribution
- (10) Technical support and service
- (12) End-of-life disposal or recycling

Ensuring Safety for Customers and Gaining Their Trust

We aim to fulfill our social responsibilities and gain the trust of our customers by providing customers with safe products. Specifically, we have established a Basic Policy for Product Safety to articulate the Shimadzu Group's approach to product liability (PL) and our commitment to ensuring product safety.

Basic Policy for Product Safety

The entire Shimadzu Group will act with the safety and trust of customers as our top priority.

Guidelines for Action:

- (1) Comply with all applicable laws and regulations.
- (2) Design safety into products.
- (3) Prevent improper use.
- (4) Ensure product safety throughout the entire product life cycle.
- (5) Disclose information about product safety.
- (6) Resolve any product accidents.
- (7) Improve quality assurance systems.

We conduct risk assessments for all products following our Basic Policy for Product Safety.

- (1) We verify that our products are designed to ensure safety by considering various customer usage scenarios.
- (2) We conduct environmental and durability tests to confirm that the product's functionality remains unaffected by fluctuations in temperature and humidity or shocks during transportation, ensuring it continues to operate safely and reliably for customers.

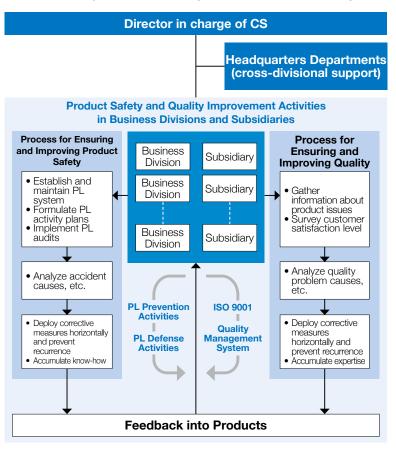
To ensure that customers can use our products safely and with confidence, we provide clear instructions and safety information in the user manuals. We also affix globally standardized safety labels directly to the products to warn users of potential hazards during use.

Related Materiality (Increasing Development and Manufacturing Capacities

Quality Assurance Framework

The Shimadzu Group's director in charge of CS chairs Corporate Quality Assurance Meetings and the Product Liability (PL) Committee, where product safety and quality issues are discussed. These committees also facilitate the sharing of unique initiatives and expertise from each business division and subsidiary across the entire Group. Through the implementation of strategic initiatives aimed at achieving quality targets, we continuously strive to maintain and improve the overall quality and safety of our products.

Corporate Quality Assurance Meetings and PL Committee Meetings



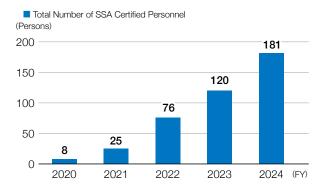
Product Quality and Safety

Product Safety Training

We are strengthening safety technology training for engineers. In addition to in-house training on various safety standards, we are working to further strengthen product safety by encouraging employees to obtain external certification as Safety Sub-Assessors (SSA)* and requiring participation by certified personnel in safety evaluations and risk assessments during the product development process (as specified in internal regulations).

Message from the President

*Safety certification that recognizes employees' knowledge and ability in machine safety based on international safety standards.



Enhancement of Knowledge Related to Quality Control Activities

Quality control activities during the manufacturing process are key to delivering high-quality products that satisfy our customers. It is essential that not only the quality control department but also a wide range of personnel involved in manufacturing, including those from production and production technology departments, understand the importance of these activities. By engaging in improvement activities, enhancing on-site capabilities, and upgrading skills, we aim to improve quality. Since FY2012, we have encouraged the acquisition of the Quality Control Certification as part of our efforts to promote this knowledge, and starting in FY2017, we have extended these initiatives to include our partner companies, which are critical to promoting these activities.

Quality Management System (QMS)

Shimadzu Corporation's Sanjo Works in Kyoto has been certified under ISO 9001, the international standard for quality management systems (QMS), since 1994. In addition, we have obtained ISO 13485 certification for medical systems and JIS Q 9100 certification for aircraft equipment. QMS has also been implemented at the Group companies both in Japan and overseas. As of March 2025, 21 companies in Japan and 34 overseas Group companies have obtained certification. Among them, 16 domestic companies have integrated their ISO 9001 certification with that of the headquarters to enhance group-wide management standards. Under our Group's Basic Quality Assurance Policy, the mechanisms and processes for ensuring product quality and safety are evaluated for effectiveness through this QMS and are continuously improved through the PDCA cycle. In this way, we strive to enhance customer satisfaction through ongoing improvements at each stage of the product life cycle.

Improving Customer Satisfaction

At each stage of the product life cycle, we have put in place mechanisms and systems to respond to market and customer requirements and their changes, leading to improved customer satisfaction (CS). For example, to improve the quality of Shimadzu Group products, systems, and services from the customer's perspective, we regularly conduct CS surveys to listen to customer feedback. The opinions and requests we receive from customers are valuable. We share these among all concerned parties and take measures to improve customer satisfaction. Starting in 2023, we have launched a unified CS Survey globally to collect customer feedback from across a wide geographic area and to strive for further improvements in customer satisfaction based on quantitative indicators. We have also set up a call center to handle opinions and requests from customers as needed and respond to them promptly.

Quality Center Dedicated to the Pursuit of the Highest Quality

In order to improve quality from the development and design stage through manufacturing, as well as to enhance and quickly improve quality in the marketplace, we have established the Quality Center, a quality facility for the Shimadzu Group, at our Head Office. The Center is designed to provide six functions, including material analysis, physical property evaluation, safety testing, and EMC measurement.

We will continue to ensure the reliability of Shimadzu products to earn and maintain the trust of our customers.

* EMC measurement: An electromagnetic compatibility (EMC) test conducted to confirm that a system does not emit electromagnetic waves that interfere with surrounding equipment, and that the system itself has sufficient tolerance to operate properly without malfunctioning due to electromagnetic interference from the surrounding environment.



Quality Center 10-Meter Method Anechoic Chamber

^{*}The Quality Control Certification (QC Certification) objectively evaluates the level of knowledge regarding quality management through written examinations conducted nationwide, organized by the Japanese Standards Association and the Union of Japanese Scientists and Engineers.

Supply Chain Management

Basic Policy

The Shimadzu Group considers procurement as a fundamental element supporting our business activities. Under the policy of "Coexistence and EQCD (Environment, Quality, Cost, and Delivery)," we promote fair transactions, build partnerships with suppliers, and advance CSR-oriented procurement. We also make every effort to respect human rights and reduce environmental impact throughout our entire supply chain. For details regarding our initiatives on human rights, please refer to the following page.

Based on this policy, we established the Shimadzu Corporation CSR Procurement Guidelines in January 2022. In December 2023, the Guidelines were renamed the Shimadzu Group CSR Procurement Guidelines to reflect our aim of promoting activities across the entire Shimadzu Group. We are now advancing CSR procurement throughout the Group.

Shimadzu Group CSR Procurement Guidelines

1. Human Rights and Labor

Respecting human rights and diversity, eliminating child labor and forced labor, ensuring freedom of association, and hiring non-Japanese workers.

2. Occupational Health and Safety

Occupational health, preparing for emergencies, and employee health and productivity management.

3. The Environment

Obtaining certifications, reducing environmental impact and CO₂ emissions, promoting energy conservation, and managing materials used.

4. Ethics

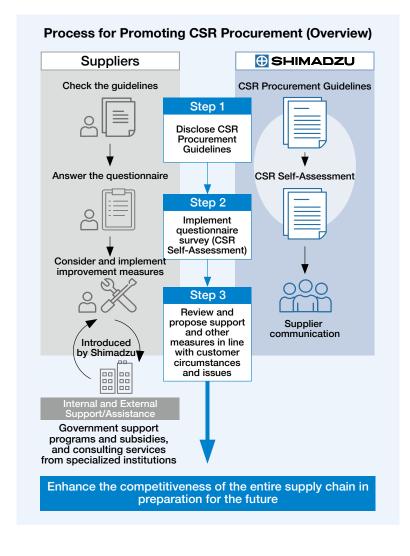
Compliance, export control, information security, conflict minerals, harmony with local communities, etc.

5. Business Continuity Plan (BCP)

Status of BCP establishment and preparation, including training for implementation.

Sustainable Procurement Activities through the Use of Guidelines

To enhance our suppliers' understanding of our approach to CSR-oriented procurement and related initiatives, we conduct explanatory sessions and CSR Self-Assessment Surveys based on our CSR Procurement Guidelines.



Related Materiality (Increasing Development and Manufacturing Capacities

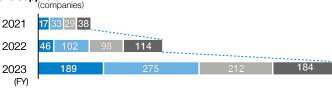
In FY2024, our Sustainability Procurement Explanatory Sessions were attended by 749 participants from 574 domestic suppliers. Additionally, seminars focusing on "Waste Management" were conducted for key domestic suppliers. For overseas suppliers, CSR Procurement Explanatory Sessions were held for 170 companies, primarily in China, as well as Malaysia, Singapore, and other parts of Asia, through our International Procurement Offices (IPOs).

To date, we have distributed CSR Self-Assessment Surveys to all domestic suppliers and collected responses from 860 companies. Starting in 2024, we are conducting these surveys with a focus on 117 key domestic suppliers. For overseas suppliers, we have expanded efforts similar to those in Japan. In addition to the 42 companies previously surveyed, we have newly conducted CSR Self-Assessment Surveys with 43 additional companies. The selfassessment results are categorized into four ranks (A to D) based on the score, and we are prioritizing improvement efforts particularly for D-rank suppliers (those scoring between 0 and 59 points).

CSR Self-Assessment Survey Results

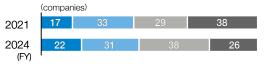
- Rank A (100–91 points): Suppliers that have implemented initiatives in all assessment items.
- Rank B (90–76 points): Suppliers that are implementing initiatives above the average level.
- Rank C (75–60 points): Suppliers that are implementing initiatives in only some of the assessment items.
- Rank D (59–0 points): Suppliers that require improvement in their scores.

Domestic Suppliers

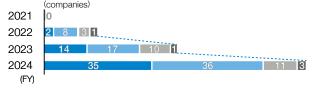


^{*} From FY2024, we have been implementing this initiative in Japan with a focus on 117 key suppliers (see figure below).

Trend in Scores for Key Domestic Suppliers (117 Companies)



Overseas Suppliers



Supply Chain Management

Based on the results of the CSR Self-Assessment Surveys, we have conducted supplier communication (meetings) with 68 domestic suppliers and 13 overseas suppliers. These meetings revealed that many suppliers face challenges in formalizing regulations, particularly in areas such as BCP (Business Continuity Planning) development and ethics. To address this, we are working to enhance their levels by providing templates for creating regulations. Additionally, for domestic suppliers, we provide workplace improvement proposals to prevent accidents through our Planning & Management Center of Employee Healthcare & Safety Workplace, as well as environmental education on waste management and other topics through our Global Environmental Management Department. For key domestic and overseas suppliers, our Procurement Department has launched a CSR Procurement Information Sharing Site, which includes the CSR Procurement Promotion Guidebook and a collection of best practices to further promote CSR-oriented procurement.

Message from the President

We will continue to develop closer communications with business partners and work with them to build supply chains for supporting a sustainable society.

Initiatives for Human Rights

In accordance with the Shimadzu Group Policy Regarding Conflict Minerals, if any part or raw material used in Shimadzu products is found to contain a conflict mineral, we will consult with the supplier and take appropriate actions, such as immediately discontinuing their use.

We are implementing initiatives to promote understanding of conflict minerals and avoid their use throughout the entire supply chain, such as by managing transactions in accordance with the Organisation for Economic Cooperation and Development (OECD) Due Diligence Guidance and investigating smelters using the Conflict Minerals Reporting Template to ensure they are managing conflict minerals in accordance with the Responsible Minerals Initiative (RMI). We also publish an annual statement on the UK's Modern Slavery Act 2015 (Modern Anti-Slavery Act). New business partners are required to sign a basic contract for business transactions that includes provisions for responding to human rights violations. At existing business partners, CSR Self-Assessment Surveys will be used to periodically check the status of implementing human rights initiatives, mainly based on the following key topics, in order to increase awareness of human rights throughout the entire supply chain and reinforce human rights initiatives.

The following information is available on our website:

https://www.shimadzu.com/sustainability/approach/social/supply chain/



Topics

Respecting Human Rights

Eliminating Child Labor and Forced Labor

Abolishing Hiring and Occupational Discrimination

Permitting Freedom of Association and Collective Bargaining Rights

Maintaining Appropriate Working Conditions

Preventing Corruption and Rejecting Anti-Social Elements

Initiatives for Green Procurement

To comply with chemical substance regulations in products and other relevant laws in each country, we promote green procurement by prioritizing the purchase of environmentally friendly raw materials. Our approach is built on three pillars: obtaining non-use certificates, conducting RoHS audits, and performing sample analysis of procured items.

To comply with other regulations such as the European POPs Regulation, India RoHS, and the U.S. TSCA, we regularly revise our Green Procurement Standards and work collaboratively with our suppliers to promote green procurement. Additionally, we monitor the green procurement rate for office supplies on a monthly basis.

Analyzing Procured Parts, Materials, and OtherItems for Substances Banned by RoHS

Parts, assemblies, and secondary materials (including RoHS-compliant items) procured from suppliers are randomly sampled and analyzed to confirm the content of RoHS-banned substances. In order to comply with U.S. TSCA regulations, in December 2022 we also started PIP (3:1) analysis that is expected to be required by the regulation. Such testing was performed using Shimadzu instruments based on the IEC 62321 international standard of which standardization processes Shimadzu participated in.

The information obtained from testing is also utilized for Shimadzu product development and for developing international standards.

Number of Samples Analyzed

For 6 RoHS-prohibited substances: Approx. 14,000 items For 4 additional banned substances: Approx. 12,000 items

* As of the end of FY2023 (cumulative). Items subject to analysis are extracted as needed by the system, totaling approximately 84,000 items. RoHS-compliant items with respect to restricted substances

Number of 793 of 838 (95% implementation rate) Domestic

(Breakdown)

Purchasing 511 of 556 (92% implementation rate) Subcontractors 282 of 282 (100% implementation rate)

Note: The denominator is the number of applicable companies.

Only) Percent of Non-Inclusion Guarantees Obtained

Suppliers

Audited

(RoHS Audit

89% (for about 84,000 items)

Note: For items subject to the RoHS directive for prohibition of 10

Reducing CO₂ Emissions Across the Supply Chain

We are actively working toward decarbonization in collaboration with our suppliers. By 2025, we plan to conduct energy efficiency assessments for 83 key domestic partner companies. Based on these assessments, each company will set individual reduction targets in 2026, with the goal of achieving them by around 2030. As of March 2025, 38 out of 46 companies that expressed interest have completed their assessments. Supported by a wide network of suppliers, we are committed to reducing the environmental impact not only through our own efforts but across the entire supply chain.

Sustainable Procurement

Digital Transformation (DX) Strategy

Medium-Term Management Plan: Strengthening Seven Management Foundations: Propelling Digital Transformation (DX)

Related Materiality 🚇 Advancements and Increasing Sophistication of Science and Technology / Increasing Development and Manufacturing Capabilities

Basic Approach

Following the COVID-19 pandemic, digital transformation has accelerated rapidly due to revolutionary advances in online communication technologies, the adoption of automation and Al/IoT at manufacturing sites, and the spread of remote work. In the Shimadzu Group, a new DX/IT Strategy Management Department was established in 2021 to implement digital transformation initiatives. The purpose is to utilize digital technologies and various types of data in order to satisfy the needs of customers and society and also to increase the efficiency of business processes within the Group.

Overview of Our Strategy

The vision for DX reforms within the Shimadzu Group is "to continue offering new value to society by using data and digital technologies to nurture connections and bonds with both society and customers or to help employees realize their full potential." The key factors for achieving the vision are creating new business models that utilize digital technologies and implementing company reforms that create capabilities for enabling those business models. The former refers to BX (Business Transformation), which involves leveraging the latest IT to transform business models, such as recurring revenue models utilizing subscription services and digital content. The latter refers to CX (Corporate Transformation), which focuses on transforming organizational culture, mindset, and systems—such as standardization and process efficiency.

Build a Solid Foundation to Propel DX Forward and Drive Continuous Improvement and Transformation Continue offering new value to society by using data and digital technologies to nurture connections and bonds with both society and customers or to help employees realize their full potential. Manage customer data centrally and approach markets more quickly Centralize customer Standardize business data and increase/ BX processes and strengthen contacts centralize data to Instill a Standardize with customers achieve data-driver (such as by expanding customer-oriented mindset process efficiency subscription businesses Harmony with Generate and Change from Co-creation with utilize ample time changes in markets assigning suitable and society customers Generate driving personnel for each Create ecosystems New insights, forces for reforms Promote autonomous iob to assigning learning, and with new partners suitable jobs for for reforms Create safe, secure, Prepare the skills and and collaborative systems necessary Create workplaces where locations for Increase the strategies and ensure comfortably and with of human resources peace of mind

To ensure the Shimadzu Group can successfully respond to changes in business conditions, we must learn to continuously implement reforms. Therefore, we will implement four reform topics that will enable business transformations (BX) for creating new business models and corporate transformations (CX) for achieving corporate

Results and Evaluation for FY2024

organizational advancements.

To realize both Business Transformation (BX) and Corporate Transformation (CX), we are promoting the following initiatives based on four transformation themes.

Initiative 1 BX: Embedding a Customer-Centric Approach

We will centralize customer data and increase/strengthen contacts with customers in order to expand existing businesses by expanding/ improving sales channels and to create new businesses. As part of our global customer information integration efforts, we are working to unify customer IDs, while also aiming to expand our existing businesses by providing useful information and enhanced services to our customers. By offering software related to our products, as well as our expertise and consulting services, as part of a subscription-based business model, we strive to deliver greater convenience to our customers and drive further business growth.

Initiative 2 CX: Standardization and Process Optimization

We are pursuing the standardization of business processes and the centralization of data to achieve data-driven management. Our aim is to reform our business activities to put the focus on the customer.

We have completed the development of a framework that enables flexible responses to changes in the business environment by standardizing business processes, eliminating customized (add-on) functions in core systems, and streamlining our systems. Based on this, we have launched the corresponding project. In addition, in terms of product development activities, we are updating our product life cycle management (PLM) system, and are

standardizing our development activities to improve dedication to development and enhance development speeds, in an effort to pursue stronger development capacity.

By linking these standardized system datasets and maintaining a focus on the customer, we are pursuing the creation of approaches that will contribute to increased customer satisfaction.



Initiative 3 CX: Creating Spaces for Collaboration

We will create safe, secure, and collaborative workplaces where employees can work comfortably and with peace of mind.

We are taking the initiative to apply generative AI as one of the initiatives for promoting collaboration. Building on the secure generative AI environment established in FY2023, we have introduced RAG (Retrieval-Augmented Generation) technology to enable access to internal information and are accelerating the integration of generative AI into business processes. This has enabled the development of Al-powered assistants that provide highly accurate information, promoting greater efficiency in operations and faster decision-making. In addition, we have begun exploring the implementation of Al agents to further enhance operational efficiency.

We aim to leverage the time and capacity gained through the effective use of these tools as a driving force for future transformations, thereby promoting the creation of sustainable value.



Initiative 4 CX: Developing DX Talent

We aim to adjust skills and systems to propel DX strategies and ensure the establishment of human resources training. Basic training has been well established, and education has been nearly completed for all employees. While intermediate and advanced training programs are ongoing, progress has not fully aligned with our initial plans. In FY2025, we will focus on developing

talent by leveraging the digital badge certification program launched last year and introducing new Al training initiatives. We also aim to establish a framework that supports the practical application of newly acquired skills by those who have completed the training.

a greater number of DX FY2025 Training Targets and End of FY2023 Performance Advanced Level: Able to propose business model reforms or system implementation using data Intermediate Level: Able to analyze FY2023: data and form/verify hypotheses Approx. 10 personnel Beginner Level: Equipped with basic knowledge for data utilization End of FY2023: Approx. 3.000 6.500 personnel By End of FY2024 | Beginner Level: 5,900 personnel, Intermediate or Above: 100 personn

Digital Transformation (DX) Strategy

Message from the Director in Charge of Digital Transformation

Senior Managing Executive Officer In charge of Manufacturing, CS Management, and DX/IT Strategy In charge of Medical Regulatory Policy



Message from the President

Katsuaki Kaito

Career Overview

Apr. 1983 Joined Shimadzu Corporation

Oct. 2000 R&D Manager, LC Department, Analytical Instruments Division

Jun. 2003 President, Shimadzu U.S.A. Manufacturing, Inc.

Oct. 2008 General Manager, Analytical & Measuring Instruments Plant, Analytical & Measuring Instruments Division

Jun. 2011 Deputy General Manager, Analytical & Measuring Instruments Division and concurrently General Manager, Analytical & Measuring Instruments Plant

Jun. 2015 President, Shimadzu Scientific Instruments, Inc.

Jun. 2016 Corporate Officer, President, Shimadzu Scientific Instruments, Inc.

Apr. 2020 Managing Executive Officer in charge of Manufacturing, CS, and Information Systems Apr. 2021 Managing Executive Officer in charge of Manufacturing and CS, Deputy in charge of DX

Promotion (current DX/IT Strategy)

Apr. 2023 Senior Managing Executive Officer in charge of Manufacturing, CS, and DX/IT Strategy, and Deputy in charge of Human Resources

Apr. 2025 Senior Managing Executive Officer in charge of Manufacturing, CS, DX/IT Strategy, and

Medical Regulatory Policy (current)

Objectives of DX Initiatives by the Shimadzu Group

The Shimadzu Group is dedicated to collaborating with customers to solve challenges in society based on a corporate philosophy of "Contributing to Society through Science and Technology" and the management principle of "Realizing Our Wishes for the Well-being of Mankind and the Earth." The objective of Shimadzu Group's digital transformation (DX) initiatives is to leverage data and digital technologies to improve the quality of our activities and achieve growth for both employees and the Shimadzu Group. This approach is expressed in the Vision for Implementing DX Measures specified in 2023.

The Shimadzu Group's DX initiatives comprise two core pillars: business transformation (BX), which focuses on developing and delivering optimal customer-centric solutions, and corporate transformation (CX), which aims to reform organizational culture, mindset, and values to enable BX. Based on this framework, we have identified and are implementing four key transformation themes: (1) BX – Deepen customer-centric thinking, (2) CX – Standardize operations and enhance process efficiency, (3) CX - Foster environments that promote collaboration, (4) CX - Develop DX talent.

Review of Two Years of the Medium-Term Management Plan

Among the four transformation themes, our current top priority is CX: standardizing operations and enhancing process efficiency. We are simultaneously advancing the standardization and optimization of key business workflows—such as core operations and product lifecycle management—alongside the development of a supporting information infrastructure. By aligning our work practices with global standards and enabling access to cutting-edge tools, we aim to establish a solid foundation for data-driven management. These improvements are intended to enhance the quality and speed of product planning, improve the overall quality of our products and services, and enable us to deliver better solutions to customers more quickly. This initiative is progressing largely as planned.

We are also leveraging generative Al to enhance business process efficiency and accelerate decision-making. Since launching Shimadzu ChatGPT in a secure environment in 2023, we have continued to upgrade its capabilities. It can now reference internal company information to support business tasks. In addition, Microsoft Copilot was fully implemented in 2024 and is actively being utilized. Going forward, we will continue to make proactive use of generative Al to drive productivity gains and improve business processes.

With regard to developing DX talent, we initially set a goal of certifying 3,000 entry-level DX personnel by FY2025. However, over 6,000 individuals twice the target—have already been certified as of FY2024. For intermediateand advanced-level personnel, the goal is for a total of 625 individuals to complete certification by the end of FY2025, but progress in FY2024 fell short of expectations. Nevertheless, the number of employees currently enrolled in these training programs is nearly double the target, and we believe the goal for FY2025 remains achievable.

Meanwhile, in our BX initiatives, we are working to expand our subscriptionbased business, but progress is currently behind schedule. Although the fundamental system infrastructure has been established, defining specific business workflows for each product offering has taken longer than expected. We anticipate that product development will accelerate once we have a broader range of offerings and standardized workflow patterns in place. One of the new subscription-based business models we aim to develop is consulting services. For customers struggling with analysis or measurement but lacking the necessary know-how, we plan to offer long-term, solutionoriented services based on the expertise we have cultivated over many years. These offerings are intended to help build enduring customer relationships.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Propelling Digital Transformation (DX)

Related Materiality (A) Improving Development and Manufacturing Capabilities

Initiatives for the Final Year of the **Medium-Term Management Plan**

Under the medium-term management plan, the three-year period beginning in FY2023 has been positioned as a phase for business expansion and organizational transformation toward a customer (domain)-centric approach. Until now, we have provided solutions to customers separately by product line, but we must transition to a one-stop, customer-centric service model. To achieve this, it is essential to integrate the differing workflows that currently exist across business divisions.

In FY2025, the final year of our medium-term management plan, we will continue to strongly advance the standardization of core business operations. FY2025 is also referred to as the first year of Al agents, and the accelerated adoption of more advanced Al applications is expected across industries. The Shimadzu Group will also deploy Al agents within core business processes to further drive operational efficiency. To support these reforms, we will accelerate the development of DX talent, with a particular focus on cultivating intermediate- and advanced-level personnel, while fostering a culture where employees can independently engage in DX initiatives.

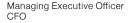
What to Expect from Shimadzu's DX

As noted at the outset, the Shimadzu Group is made up of individuals who resonate with our corporate philosophy and management principle. A culture that encourages taking on challenges without fear of failure, along with a deeprooted mindset for continuous improvement—exemplified by small-group activities that have been ongoing for over 40 years—are firmly embedded in our organization. These elements have laid a solid foundation for driving DX. Through improvements and reforms driven by DX, we aim to continuously deliver new value to society.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Financial Strategy

Financial Strategy

Message from the CFO







Apr. 1998 Joined Shimadzu Corporation

Apr. 2002 Administration Department, Analytical & Measuring Instruments Division

Oct. 2005 Seconded to Kratos Group PLC (UK)

Oct. 2013 Manager, Finance Department

Apr. 2018 Manager, Planning Group, Finance and Accounting Department

Apr. 2021 Deputy General Manager, Finance and Accounting Department

Oct. 2021 General Manager, Finance and Accounting Department

Apr. 2023 Corporate Officer, General Manager, Finance and Accounting Department

Apr. 2025 Managing Executive Officer, CFO (current)

CFO's Vision and Priorities

I assumed the role of CFO in April 2025. I have accumulated experience in accounting and finance through roles in the corporate division, a business division, and an overseas subsidiary. Drawing on this background, I have led initiatives aimed at strengthening our financial foundation and achieving key financial KPI targets.

In the medium-term management plan from FY2023 to FY2025, I will focus on four key areas to pursue profitability and efficiency: (1) strengthening cash generation capabilities, (2) capital allocation to support growth investments, (3) business management through ROIC-based management, and (4) shareholder returns linked to profit growth. Even in a highly uncertain business environment, I remain committed to implementing financial strategies that support sustainable growth and contribute to the enhancement of corporate value.

Progress of the Medium-Term Management Plan

In the medium-term management plan (FY2023-FY2025), we aim to strengthen both our technological development capabilities and our ability to implement solutions in society. By enhancing the provision of end-to-end solutions for our customers, we seek to sustainably improve both growth potential and profitability. Our goal is to establish a stable profit structure and achieve long-term growth as an innovative company that solves social issues with global partners.

The performance in FY2024 benefited from favorable exchange rates driven by the expansion of our overseas operations, resulting in record-high net sales for the fifth consecutive year. We saw growth across our four strategic focus domains—Healthcare, Green, Material, and Industry. In the Healthcare domain, sales of liquid chromatographs grew in applications for pharmaceuticals and clinical testing. In the Green domain, sales of mass spectrometer systems expanded, particularly for the analysis of per- and polyfluoroalkyl substances (PFAS). In the Material domain, sales of testing machines grew in response to demand for new material development. In the Industry domain, sales rose for turbomolecular pumps used in semiconductor manufacturing equipment and for aircraft-mounted components in the defense sector.

However, excluding currency effects, results fell short of our initial growth expectations due to a downturn in the Chinese market and sluggish investment in medical equipment in Japan. Furthermore, inflation and increased growth investments were not fully offset by our sales growth. As a result, the operating profit margin declined to 13.3% (down 0.9 percentage points year on year), and ROE fell to 10.9% (down 1.6 percentage points year on year). We consider improving profitability as a top priority and are taking steps to enhance our earning power. These include expanding high-margin businesses, consistently executing value-added pricing strategies, and reducing costs through improved operational efficiency using Al.

Promotion of ROIC-Based Management

Starting in FY2024, we introduced ROIC as a management indicator and have begun managing performance based on ROIC. We are working to establish KPIs that measure both profitability and efficiency, combining financial KPIs—such as operating profit margin and invested capital turnover with operational KPIs that reflect frontline activities, including the number of customer inquiries and production lead time. These KPIs will be organized in a hierarchical structure with ROIC at the top, allowing us to link management and frontline activities to company-wide objectives and promote enterprisewide optimization. Through this framework, we aim to advance business management with a strong focus on capital efficiency.

To optimize invested capital, we evaluate each business unit—our core unit of business management—based on ROIC and market attractiveness, and allocate management resources accordingly. Through this approach, we aim to improve asset efficiency and expand high-profit businesses. By steadily promoting these initiatives, we are committed to achieving our medium-term management plan target of ROIC at 11.0% or higher, thereby continuously generating added value that exceeds our cost of capital (7-8%) and strengthening our ability to create sustainable corporate value.

Increasing Working Capital Efficiency

Through continued efforts to enhance profitability, we have strengthened our cash generation capabilities. We are also rigorously managing our financial foundation by carefully controlling working capital, including inventory and accounts receivable. As a result, we have maintained a healthy financial position, with an equity ratio consistently exceeding 70.0%.

As part of our efforts to utilize funds efficiently, we have expanded the cash management system (CMS), which had previously been implemented in Japan, to the United States, Europe, Asia, and China. As a result, approximately 80% of the Group's funds are now managed through the CMS.

Our Group has adopted a policy of centralizing funds at headquarters and is working to enhance the effective use of funds and improve capital efficiency, thereby building a financial foundation that allows for continuous and agile investments necessary for growth.

Financial Strategy Message from the CFO

Capital Allocation

Message from the President

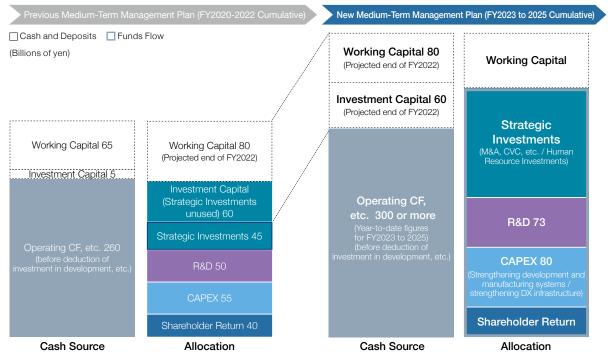
Under the medium-term management plan, we aim to generate a cumulative total of 300 billion yen in operating cash flow over three years, before deducting development investments. These funds will be appropriately allocated to development investments, capital expenditures, and strategic investments that drive growth, with timing optimized to maximize their effectiveness.

In FY2024, we actively promoted growth investments through research and development and capital expenditures, achieving progress largely in line with our expectations. Key initiatives included the establishment of a new R&D center in North America and the expansion of a plant in China to advance local production for local consumption. Regarding M&A, we acquired Zef Scientific, Inc., an analytical and measuring instrument service company in North America, in order to strengthen our foundation for expanding recurring-revenue businesses in the region. For strategic investments, including M&A, we will continue to pursue returns that exceed our cost of capital, while carefully evaluating each opportunity's contribution to earnings, cash flow, and ROIC.

Making Strategic Investments Necessary for Business Growth While Ensuring Financial Soundness for Sustainable Growth

Capital Allocation Policy

- Focus on growth investment in domains where social values are created and strengthen development/ manufacturing/DX-related infrastructure.
- 2. Maintain a dividend payout ratio of at least 30% and continue dividend increases.
- 3. Increase capital efficiency by introducing ROIC.



Shareholder Returns

The Shimadzu Group aims to deliver value to shareholders and investors by actively reinvesting profits into growth opportunities to enhance performance and by increasing the share price.

Regarding shareholder returns, we changed our policy starting from FY2023, the first year of the medium-term management plan, to "maintain a dividend payout ratio of 30% or more while comprehensively considering earnings and cash flow conditions and continuously implementing shareholder returns." In FY2024, we increased dividends for the 11th consecutive year and, to further enhance shareholder returns and improve capital efficiency, conducted our first-ever share buyback as a Group, totaling 25 billion yen.

The Shimadzu Group regards enhancing total shareholder return (TSR)—through stable and continuous dividend increases in line with medium- to long-term profit growth and the formation of an appropriate share price that exceeds the cost of equity capital—a key management priority. While striving to strengthen our corporate foundation and expand long-term corporate value, we will continue to return profits to shareholders through dividends.

	Past 5 Years	Past 10 Years
Total Shareholder Return	140.3%	306.6%

^{*} The formula for calculating Total Shareholder Return (TSR) for each fiscal year is as follows:

(Term-end share price for the fiscal year divided by cumulative dividends per share from nine fiscal years prior, or four years prior in the case of a five-year period, up to the current fiscal year) divided by the share price at the end of the fiscal year ten years prior, or five years prior in the case of a five-year period.

Comment to Shareholders and Investors

In an era of heightened volatility driven by inflation, exchange rate fluctuations, technological advancement, and geopolitical risks, it is increasingly difficult to predict the future. Under such conditions, it is crucial to anticipate a wide range of potential scenarios, lay the groundwork in advance, and manage the business in a way that mitigates risks while seizing opportunities. I believe that my role is to maximize the outcomes of our business initiatives through the optimal allocation of management resources and robust risk management.

Historically, the Shimadzu Group has taken a cautious financial stance, placing emphasis on preparing future risks. However, under the current medium-term management plan, we are making a major strategic shift toward a more proactive financial approach to drive further growth, including making bold investments. Through these efforts, I am confident that we will deliver a transformed and significantly evolved Shimadzu Group. We appreciate your continued support and look forward to sharing our progress with you.

Shimadzu Integrated Report 2025

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Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy

Related Materiality
 Developing Human Resources

Message from the CHRO

Apr. 2020 Corporate Officer, General Manager, General Administration Department

Internal Control, and Deputy in charge of Risk Management

Apr. 2025 Managing Executive Officer, CHRO, in charge of General Administration and

Internal Control; Deputy in charge of Risk Management (current)

Control, and Deputy in charge of Risk Management



Shimadzu's Approach to Human Capital

Apr. 2022 Managing Executive Officer in charge of Legal Affairs, General Administration, and Internal

Apr. 2024 Managing Executive Officer in charge of Human Resources, General Administration, and

Since our founding, the Shimadzu Group has continued to preserve a corporate culture that treasures people. Our corporate philosophy of "Contributing to Society through Science and Technology" is deeply embedded in our DNA, and is the behavioral guideline for all our employees. We believe that respecting and valuing our employees forms the foundation for creating corporate value. By empowering individuals and bringing together their strengths, we can generate social value and contribute to solving global challenges in collaboration with partners around the world. From an ESG perspective as well, the Shimadzu Group places great importance on human capital and is committed to building a sustainable society. We aim to realize a more prosperous future by promoting collaboration that transcends organizational boundaries and encouraging teamwork among employees with diverse backgrounds.

Enhancing the corporate value of the Shimadzu Group over the medium to long term requires adapting to a changing business environment while aligning talent development and workplace environment initiatives with our business strategies. In addition, we recognize the importance of leveraging diversity and strengthening efforts to drive innovation. Talent development and the improvement of our internal environment are core components of the "Five Business Strategies" and "Strengthening Seven Management Foundation" outlined in our medium-term management plan, and are critical initiatives directly linked to corporate value enhancement.

We believe that continuous investment in building a foundation that enables employees to thrive contributes to attracting top talent and enhancing engagement through greater job satisfaction and improved physical and mental well-being.

KPI Settings Aimed at Maximizing Efficiency

In FY2023, we launched an engagement survey using a globally standardized platform. We plan to expand participation to include overseas Group companies in the future. The results of this survey are regarded as key management indicators closely linked to sustained corporate value creation, and are used as valuable data for addressing organizational challenges. We have also introduced KPIs for our talent-related initiatives to ensure transparency. Going forward, we aim to define more effective KPIs to maximize the impact of these initiatives.

Three Key Human Resources Initiatives to Drive Our Next Stage of Growth

(1) Fostering Management Leaders Aiming for Continuous Growth

At Shimadzu, we offer a wide range of training programs tailored to job types, roles, and age groups, with a strong focus on developing management leaders who will support the company's ongoing growth. In particular, we have designated the development of executive talent as a key priority. In FY2023, we launched a new leadership program for executive candidates aimed at cultivating the ability to proactively propose ideas to senior management, through theme-setting and in-depth discussions with stakeholders. The program incorporates tough assignments that provide experience outside participants' usual scope of work, as well as opportunities for external training and secondments, helping broaden their perspectives and elevate their strategic thinking. Participants are also encouraged to adopt a forward-looking mindset, as they are expected to take on key leadership roles in the future.

We are also placing strong emphasis on developing business leaders who can solve challenges and drive business growth. Our goal is to cultivate managers who can flexibly adapt their leadership style based on the needs of their team members and the surrounding environment. This training program is currently being implemented for managers at Shimadzu Corporation and overseas Group companies, with plans to expand it to domestic Group companies as well.

We are also introducing a dedicated training program for management executives at our overseas Group companies. This program is designed to further enhance our global competitiveness by strengthening capabilities in regional business strategy development, improving understanding of required governance practices, promoting deeper integration of our corporate philosophy, and fostering effective leadership.

(2) Improving Technological Capabilities to Support Innovation and Strengthening Expertise

The drivers of growth for the Shimadzu Group are our continuous enhancement

of technological capabilities and the active contribution of highly specialized talent that generates innovation and value. To sustain this growth, it is essential to develop expert human resources who can collaborate with leading professionals around the world to create new technologies and business opportunities, design and develop high-quality products, execute advanced management functions, and adapt to the evolving demands of digital transformation (DX).

To this end, we are advancing the REACH project in collaboration with universities, enabling employees to fully dedicate themselves to earning a doctoral degree while remaining employed. In addition, we launched the SPARK program in FY2024, a new initiative that supports employees pursuing doctoral studies, with the aim of further enhancing their expertise.

In addition to offering certification incentive programs and training opportunities, we are creating an environment that supports employees in developing their expertise by issuing Open Badges for advanced national and in-house certifications.

(3) Promoting Growth by Providing Diverse Career Paths

At Shimadzu, we support employees in shaping their careers based on their individual aptitudes and aspirations. Since FY2024, we have expanded career paths to include not only management roles but also professional tracks that allow employees to deepen their expertise in specialized fields. We are building a human resources system that fosters the advancement of technical skills and knowledge.

Careers at Shimadzu are not fixed but fluid. Employees may take on professional roles at one stage of their careers and transition to management roles at another. This flexible approach fosters individual growth through diverse experiences while enhancing the organization's adaptability and competitiveness.

Message to the Stakeholders

As mentioned at the outset, one of the greatest strengths of the Shimadzu Group is that our corporate culture treasures people, and that our corporate philosophy is the very essence of our DNA. Our founding spirit—captured in the phrase. "We will gladly undertake the manufacture of whatsoever you may request of us" - has fostered a culture of insatiable curiosity and sincere commitment to meeting customer needs. This mindset has remained a core value throughout our 150-year history.

As we navigate the growing responsibilities that accompany changes in society and the business environment, we remain committed to evolving and growing as a company. Through the implementation of human resources initiatives, we aim to ensure that all employees carry forward this spirit and continue to thrive. This journey would not be possible without your continued support and understanding. We sincerely thank you, and we look forward to your ongoing partnership.

* Shimadzu's oldest product catalog, the Science Equipment Catalog List, which was published in 1882, ends with this phrase, pledging to manufacture whatever is needed to suit our customers.

Human Resources Strategy

Human Resources Strategy Aimed at Creating Corporate Value

Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy

Overview of the Human Resources Strategy

People are the greatest asset and the foundation of the Shimadzu Group's competitive strength. As we celebrate our 150th anniversary this year, we remain committed to a corporate culture that values people. Our corporate philosophy, "Contributing to Society through Science and Technology," is deeply embedded in our DNA and serves as a guiding principle for all employees. Guided by this philosophy, we strive to address social challenges and achieve sustainable growth. Under the slogan "Leadership & Diversity," our HR strategy focuses on developing and attracting talent capable of driving innovation and solving social issues in collaboration with diverse partners. To realize this vision, we are advancing the following five key initiatives:

- (1) Developing management leaders to drive continuous growth
- (2) Enhancing technical capabilities and expertise that support innovation
- (3) Fostering growth by offering diverse career paths
- (4) Advancing DE&I to transform diversity into organizational strength
- (5) Promoting health and productivity management

Five Key Initiatives Guided by Our Core Philosophy

- (1) Developing management leaders to drive continuous growth
- (2) Enhancing technical capabilities and expertise that support innovation
- (3) Fostering growth by offering diverse career paths
- (4) Advancing DE&I to transform diversity into organizational strength
- (5) Promoting health and productivity management

Medium-Term Management Plan

Key Activity Themes

- Attract talent
- Foster employee growth
- Encourage bold challenges
- Leverage diversity as a strength

Contributing to All Themes

Shared Foundation for Strategy Execution

Developing Policies, Systems, and Frameworks

- 1. Acquisition and engagement of diverse talent
- 2. Development of HR systems and work environments that maximize individual potential
- 3. Global talent utilization and strengthening of group governance
- 4. Promoting internal job posting system to foster career autonomy
- 5. Recognition programs for employees who embrace challenges
- 6. Launch of the Shimadzu Academy
- Development of executive management candidates / business leaders
- Development of advanced specialists
- Creating an environment that fosters strong employee engagement
- Promoting DE&I to leverage diversity as a strength, and advancing health and productivity management

Vision

Leadership **Diversity**

Cultivating and attracting talent to lead innovation in solving social issues in collaboration with diverse partners



Creating corporate value through talent development and contributing to a sustainable society

Current Situation and Vision

We consider people as our greatest asset and are committed to addressing social issues and achieving sustainable growth. To further accelerate growth and enhance our competitiveness, we are currently focusing on several strategic priorities. First, we are working to attract diverse talent by strengthening recruitment initiatives that support our global expansion. We are also expanding our HR development programs globally to nurture talent capable of thriving in diverse environments. Following the completion of reforms to our HR systems, we are establishing mechanisms that encourage employees to take on new challenges and are cultivating a corporate culture that fosters innovation. In addition, the establishment of a global talent database is enabling more efficient and strategic international talent management. We are also committed to enhancing employee engagement and advancing DE&I (Diversity, Equity, and Inclusion), creating an environment in which every individual can succeed. Through these efforts, we aim to achieve sustained corporate growth.

As Is

Human Resources (HR) Strategy

- Promoting the acquisition of diverse talent, the development of nextgeneration executive candidates through the Shimadzu Academy, and reforms to our HR systems.
- Challenges remain in ensuring system integration, leveraging career paths, expanding initiatives globally, and developing advanced specialists.

To Be

Strengthening HR governance. securing diverse talent, developing next-generation leaders, and deploying advanced experts to build a foundation for sustainable growth through enhanced employee engagement.

Action

Advancing the acquisition and active engagement of diverse talent, launching the Shimadzu Academy. reforming HR systems, promoting internal job posting system, introducing recognition programs, and strengthening global talent utilization and **Human Resources Management Basic Regulation.**

FY2024 Achievements and Future Initiatives

In 2024, the Shimadzu Group implemented a range of initiatives to drive sustainable growth. In (1) talent acquisition, we strengthened university partnerships and introduced initiatives tailored to students' career awareness, resulting in the hiring of highly specialized talent. In (2) talent development, we launched the Shimadzu Academy and introduced new programs for developing executive candidates and next-generation leaders through stretch assignments and training opportunities, helping to unlock employees' potential. We also enhanced systems that support autonomous employee growth, including reforms to the HR system and improvements to the internal job posting system to support career development. Furthermore, we established (3) Group-wide HR governance frameworks and leveraged engagement surveys to drive workplace improvements, contributing to increased corporate value. In 2025, we will implement diverse recruitment strategies, including the expansion of internship programs and partnerships with universities, to attract talent. For the development of executive candidates, we will offer stretch assignments, training programs, and region-specific development

initiatives. Additionally, to cultivate advanced experts, we will enhance educational opportunities and clarify career paths to foster employees' expertise and suitability. Furthermore, to strengthen HR governance functions, we will promote the establishment and operational improvement of systems across companies. Additionally, to enhance engagement, we will introduce a group recruitment system to create a framework that boosts employee motivation. Through these efforts, we aim for sustainable growth.

Human Resources Strategy

Human Resources Strategy Aimed at Creating Corporate Value

Message from the President

1. Acquisition and Engagement of Diverse Talent

We aim to attract and actively engage diverse and high-caliber talent, regardless of nationality, gender, or background. In particular, to secure professionals with advanced technical expertise and management skills, we are actively involved in a range of recruitment initiatives that support global business growth. These include participation in technical and administrative internship programs, as well as initiatives designed to help international students pursue employment opportunities in Japan.

Beginning in FY2024, we launched the REACH Project to foster future leaders with specialized expertise. Through this initiative, we hired master's graduates as full-time employees and supported their pursuit of doctoral degrees through joint research in doctoral programs. As of now, the four employees have advanced to PhD programs under this framework. We are also actively involved in external efforts to promote the career development and utilization of doctoral-level professionals.

Participation in a Government-Led Study Group to Promote the Engagement of PhD Talent in the Private Sector

We participated as a committee member in the Study Group to Promote the Engagement of PhD Talent in the Private Sector, jointly organized by the Ministry of Economy, Trade and Industry (METI) and the Ministry of Education, Culture, Sports, Science and Technology (MEXT). The committee discussed key challenges in encouraging PhD graduates to pursue careers in the private sector. Topics included university-level support for doctoral students and strategies that companies can adopt to enhance the recruitment and utilization of PhD talent. These discussions culminated in the publication of a Guidebook. In addition, two Shimadzu employees who hold doctoral degrees were featured in a collection of role models, which showcases professionals leveraging their specialized expertise in impactful ways. At the final session of the Study Group, Executive Research Fellow Koichi Tanaka delivered a message to students titled "One Idea for PhD Talent to Succeed in the Private Sector." The message is scheduled to be distributed as a video at a later date.



2. Development of HR Systems and Work Environments That Maximize Individual Potential

The Shimadzu Group defines Well-Being Workplaces as environments where diverse individuals can work in good health and with a sense of purpose, taking on new challenges to realize their dreams and personal growth. We promote initiatives that foster an inclusive organizational culture that values diversity, implement HR systems that encourage a challenge mindset, ensure health and safety in the workplace, and reinforce a culture of strong compliance.

In response to the evolving business environment—including globalization, the diversification of values and career perspectives, and advances in digitalization—Shimadzu recognizes the need to foster an environment where a diverse workforce can autonomously enhance their expertise and fully leverage their individual strengths. To address social issues alongside global partners through our dual strengths of technological development and societal implementation, we believe it is essential to empower diverse talent to thrive.

Beginning in FY2024, we introduced a new HR system designed to support this goal. The system features a dual-track career grade structure that clarifies the skills and roles required by the company, an evaluation and compensation system that encourages challenge and growth based on individual strengths. and an extended retirement age of 65. The dual-track career system includes not only a career path focused on organizational management aimed at enhancing corporate value, but also a professional path that allows employees to contribute through advanced expertise. This system encourages employees—regardless of age or experience—to take ownership of their development, deepen their specialization, and build their careers through various challenges by making the most of their unique capabilities. The performance evaluation criteria have been revised to emphasize behaviors aligned with the "Ideal Shimadzu Talent," including initiative, expertise, and integrity. Additionally, we have restructured our compensation system to reflect roles and capabilities, rather than age or tenure. By extending the retirement age to 65 and applying the same HR system beyond age 60, we aim to retain and further empower individuals with valuable expertise and skills.

Moreover, we have introduced flexible work arrangements, such as flextime and remote work, to accommodate diverse working styles tailored to individual circumstances—whether for improving productivity or balancing work with childcare or nursing care responsibilities. Looking ahead, we plan to expand these flexible work systems to Group companies as well, with the aim of attracting and retaining diverse talent across the entire Shimadzu Group.

Fostering a Corporate Culture of Independence, Continuous Learning, and Growth

This year marks the 150th anniversary of the Shimadzu Group. Since our founding, we have consistently upheld a corporate culture that places the highest value on people. Our corporate philosophy, "Contributing to Society through Science and Technology," is deeply embedded in our DNA and continues to serve as a guiding principle for all employees.

The Shimadzu Group seeks individuals who possess strong ethical standards, embrace diverse perspectives and areas of expertise, take bold action, follow through to completion, and pursue continuous personal growth. To realize this ideal, we are promoting initiatives under the slogan "Leadership & Diversity" that foster leadership and deepen understanding of diversity. We aim to cultivate a corporate culture grounded in learning and growth, where all employees are encouraged to take the initiative, embrace challenges, and continuously develop themselves—ultimately contributing to the creation of social value.



Human Resources Strategy

Human Resources Strategy Aimed at Creating Corporate Value

3. Global Talent Utilization and Strengthening of Group Governance

In April 2024, the Shimadzu Group established Shimadzu Group Human Resources Management Basic Regulation to strengthen Group-wide governance. These regulations define the mission and management structure for HR across the Group, outlining the fundamental principles and compliance requirements that both the headquarters and Group companies must follow in areas such as talent acquisition, development, and the promotion of diversity, equity, and inclusion (DE&I). To support implementation, a practical checklist has also been developed to guide Group companies in aligning their HR practices with the regulations. Based on these regulations and the checklist, the headquarters and Group companies develop and implement work rules and HR systems from the dual perspectives of value creation and risk management—aiming to achieve sustainable growth and enhance the overall corporate value of the Shimadzu Group.

We have established a forum comprising HR leaders and representatives from Shimadzu Corporation headquarters and its Group companies to facilitate the sharing of information on Group-wide policies and initiatives, companyspecific HR initiatives, and relevant laws and regulations across different countries and regions. This forum serves as a platform to strengthen and optimize HR and talent management throughout the Shimadzu Group.

HR Managers Meeting

In September 2024, HR leaders from the Shimadzu Corporation headquarters and Group companies in Southeast Asia and India convened for the first Regional HR Meeting. The meeting provided a platform for open dialogue aimed at deepening mutual understanding of HR initiatives and policies in each country. At the outset, Palanisamy Prem Anand, President of Shimadzu (Asia Pacific) Pte. Ltd., which oversees the Southeast Asia and India region. highlighted the critical role of HR as a source of competitiveness and a driver

of growth from a sustainability perspective. Discussions followed on topics including talent acquisition and diversity, performance evaluation systems, HR information systems, and other priority initiatives, with a focus on enhancing HR management practices across the region.



4. Promoting Internal Job Posting System to Foster Career Autonomy

We have implemented an internal job posting system that empowers employees to proactively take on new roles, thereby promoting both career autonomy and organizational vitality. This system is designed to support employees in developing broader perspectives and deeper expertise, enabling them to pursue self-directed career growth. Between FY2023 and FY2024, 235 positions were posted, and 75 employees transitioned to new roles through this system. In the current fiscal year, we further enhanced the system by introducing time-limited project-based postings and expanding opportunities to include secondments to Group companies and external organizations. These enhancements offer employees greater exposure to diverse experiences. Through these initiatives, we aim to accelerate employee growth, strengthen the overall competitiveness of our organization, and contribute to sustainable corporate value creation.

5. Recognition Program for Employees Who Embrace Challenges

The Shimadzu Group holds company-wide performance awards to honor individuals, organizations, and teams that have delivered outstanding initiatives and achievements through business activities, serving as role models for all employees. In FY2024, a total of 94 awards were presented. Approximately 180 participants from Japan and overseas gathered at the Kyoto headquarters to celebrate these accomplishments through award ceremonies and accompanying receptions.

In FY2024, we established a new recognition program, the First a Dream Award, to further encourage employees to embrace new challenges. This award honors employees who take bold steps toward realizing their dreams, with the aim of enhancing corporate value by fostering a culture that embraces diverse aspirations and mutual encouragement. We also hosted events that welcomed family and friends, providing opportunities for awardees to share their achievements with those who support them every day. Feedback from participants included comments such as "It was a valuable opportunity to give back to my family" and "It strengthened our sense of teamwork." Through this initiative, we seek to build a culture in which employees are continuously inspired to pursue their dreams—ultimately contributing to long-term corporate value creation.

Launch of the First a Dream Award to Encourage Employee Initiatives

This award recognizes employees' efforts to pursue their dreams and aims to enhance corporate value by embracing diverse aspirations and fostering a culture of mutual encouragement. In FY2024, four projects were selected. Award recipients were presented with original commemorative items crafted using traditional Kyoto techniques and adorned with Futaba-aoi leaves harvested from the Shimadzu Forest in Kyoto. From the next fiscal year onward, award winners will be selected through employee voting.

Examples of Award-Winning Projects in FY2024

- "Initiatives to conserve and restore biodiversity and enhance the Shimadzu brand through industry-academia-government collaboration in forest planting"
- "Initiatives to establish the Shimadzu Tokyo Innovation Plaza as a hub for nextgeneration applied and application technology development"





Human Resources Strategy

Human Resource Development

Developing Talent to Realize Our Strategies

We have launched the Shimadzu Academy to promote the development of executive candidates, business leaders, and advanced experts to realize our business strategies and strengthen our management foundation. To implement cutting-edge technologies in society, it is essential to quickly provide end-to-end solutions—including products and services—learn from both successes and failures, and take the next appropriate action. The Shimadzu Academy offers a curriculum that combines learning and practical experience.

Executive Management Candidate Development

Developing executive management candidates is a key theme for promoting our business strategies and strengthening our management foundation. Since 1997, we have been committed to cultivating executive management candidates who can lead the Shimadzu Group's growth. In FY2023, we launched two new programs: Advanced Management Seminars and Management Seminars. In addition to knowledge acquisition through external programs, we assign candidates to stretch assignments, such as managing Group companies, to combine practical experience with formal learning. These initiatives aim to expand our executive talent pool.

Developing Business Leaders

In order to ensure Shimadzu's advanced technologies are broadly adopted in society, it is important for the Shimadzu Group to develop business leaders who can drive businesses by solving business challenges and leading personnel. Thus, we conduct situational leadership training for management personnel at Shimadzu Corporation and Group companies outside Japan. Overseas Group companies are implementing the Global Manager Training program for newly appointed managers. Starting in FY2024, we are also developing internal instructors and working to roll out the program to domestic Group companies, as part of our efforts to foster business leaders who can drive global operations.

Furthermore, we have newly launched two training programs for developing nextgeneration leaders: "TORINOME" and "MUSHINOME", targeting department and section manager candidates. These programs are designed to help participants quickly acquire the perspectives, management knowledge, and leadership skills required for their next roles. In addition to developing executive management candidates, we are also strengthening the pipeline of successor talent who will play a central role in our business and organizational operations.

Shimadzu Academy Target Size of **Talent Pool** Advanced Management (1) Development of Executive Management Candidates **Executive Officer** Seminars Acquisition of necessary work experience and Approx. 15 people General Manager-level Officer knowledge by each candidate Mentorship by executives, English language training, Management and participation in external training programs Seminars **TORINOME Course General Manager** (2) Development of Business Leaders Approx. 30 people Broadening perspectives and viewpoints necessary for **Manager-level Officer** next-generation leaders Cultivation of required skills and mindset such as **MUSHINOME** Course managerial knowledge, leadership, and understanding Assistant Manager of the company Assistant Manager-level Officer Approx. 50 people

(2) Business Leader Development (Leadership Training)

Enhancing capabilities in team development and organizational management

(3) Advanced Experts Development

Doctoral degree acquisition, advanced certifications. and DX (Digital Transformation) skills

Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy Related Materiality (1) Developing Human Resources

Developing Advanced Experts

The following four types of specialized talent are essential for achieving Shimadzu Group's growth.

- 1. Talent for generating new technologies and business opportunities in cooperation with experts throughout the world
- 2. Talent with development and design capabilities for generating new high-quality products
- 3. Talent for executing advanced managerial processes
- 4. Talent for using data to transform business processes

To develop these specialized personnel, Shimadzu has supported employees through programs that encourage the acquisition of qualifications and provide education and training. Since FY2021, Shimadzu has been working in collaboration with Osaka University to foster young engineers and researchers through doctoral programs by dispatching internally recruited employees to multiple graduate schools. In FY2024, we started a SPARK program for supporting doctoral studies in order to support employees in obtaining doctoral degrees. Furthermore, Shimadzu promotes the acquisition of specialized expertise by certifying advanced national and in-house qualifications with Open Badges. Starting in FY2025, the Open Badge system will be expanded to include employees of domestic Group companies. In the future, these initiatives will be expanded globally, as we work to develop specialized talent worldwide.

Number of Advanced Experts^{*1} and Open Badges

FY2023: 361 (Non-Consolidated), FY2024: 509 (Domestic Consolidated), FY2025 Target: 500 (Domestic Consolidated)*2

- *1: "Advanced experts" refers to employees who hold doctoral degrees, national certifications (such as Professional Engineer, Patent Attorney, Class 1 Mechanical Design Engineer, Class I/ Il Chief Electrical Engineer, Level 4 IT-related qualifications, Attorney-at-Law, Certified Public Accountant, Licensed Tax Accountant, MBA, etc.), or internal certifications such as Business
- *2: The FY2025 target was achieved ahead of schedule in FY2024.







Human Resources Strategy Engagement

Basic Policy

At the Shimadzu Group, we define engagement as the sense of belonging, pride, and motivation to contribute that employees feel toward the company. Enhancing engagement is considered essential for increasing employee motivation and improving the overall performance of the company. By scoring engagement and regularly assessing and improving it, we aim to foster a corporate culture in which each employee proactively embraces challenges and continues to grow.

Message from the President

Overview of Our Strategy to Enhance Engagement

Our strategy to enhance engagement across the Shimadzu Group is built upon four key pillars.



1. Visualizing Data

- We regularly measure and analyze engagement scores to understand the current situation.
- We visualize engagement at the organizational level to identify specific issues.



2. Encouraging Dialogue

- We promote open dialogue among executives and employees, between managers and their teams, and among colleagues to deepen mutual understanding.
- We share regular feedback and action plans aimed at enhancing engagement.



3. Providing Opportunities for Growth

- We offer training programs and career paths that empower employees to learn and grow independently.
- We create more opportunities for challenge to stimulate employees' motivation to grow.



4. Creating a Fulfilling Work Environment

• We foster a comfortable working environment through flexible work styles and initiatives that support work-life balance.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy

Current Situation and Vision

In FY2023, we revised our survey items and evaluation methods. By utilizing a globally standardized platform, we were able to measure organizational and employee conditions from multiple perspectives and gain an objective understanding of our status through benchmarking.

Based on the results of the previous survey, we identified six priority issues strongly correlated with engagement—"opportunities for learning and growth," "career outlook at Shimadzu," "pride in our products and services," "alignment between strategic goals and daily work," "confidence in the company's future," and "support for transformation." We have prioritized these areas in planning and implementation of initiatives. By proactively addressing these challenges, the Shimadzu Group is working toward achieving our KPI of an engagement score of 65% or higher by FY2025.

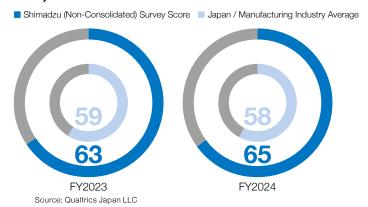
FY2024 Performance and Evaluation

In the FY2024 survey, Shimadzu Corporation's engagement score (positive response rate) reached 65%, a 2-percentage-point increase from the previous year, achieving the KPI target for the current medium-term plan on a non-consolidated basis. In addition, improvements were observed in 70% of the survey items. Two key factors previously identified as challenges for engagement improvement—"career outlook at Shimadzu" and "alignment between strategic goals and daily work"—saw notable improvements of +7 percentage points and +4 percentage points respectively, following targeted initiatives for younger and mid-level employees.

Key Drivers of Engagement at Shimadzu

Challen	Opportunities for Learning ges and Growth / Support for Transformation	Career Outlook at Shimadzu	Pride in Our Products and Services		
Targo Grou	arowing need for enhanced opportunities	Employees face challenges in clarifying their career goals	Among general employees—particularly younger generations—there tends to be a weaker sense of pride in the company.		
Initiati		Supporting career development under the dual-track career grade system (professional and managerial tracks)	Promoting awareness of the company's social contributions through company- wide performance recognition programs	Promoting strategic alignment through management communication Facilitating dialogue between younger employees and senior management or department heads	

Survey Results



Human Resources Strategy Engagement

Efforts to Improve Engagement

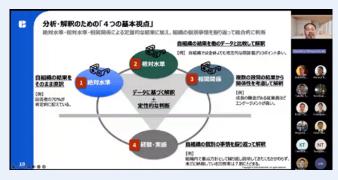
Supporting Self-Directed Career Paths: New Human Resources Framework & Self-Reporting Program

Message from the President

To help employees pursue careers that better leverage their expertise, we renewed our human resources system and introduced a dual-track career path consisting of Professional and Management tracks, which now also apply to certain union-affiliated employee groups. Once employees reach a certain grade level, they can use the self-reporting program to discuss and determine their desired future path together with their supervisors. This framework encourages employees to proactively consider their career direction from an early stage and empowers employees to take ownership of their career development.

Action Workshops for Organizational Leaders

Based on the results of the engagement survey, we held action workshops to help organizational leaders accurately interpret their teams' scores, identify issues, and formulate and implement improvement measures. General managers and above participated in these workshops, where they clarified key issues within their organizations, registered their action plans in the system, and managed their progress through an established tracking mechanism.



Hosting Offsite Meetings with the President

In FY2024, we held four offsite meetings with the President. These meetings provided an open forum for the company's top management and mid-level managers to openly discuss the company's future, their own aspirations, and the challenges involved in achieving them. Each session was attended by 8 to 10 managers, selected through both self-nomination and peer nomination, who engaged directly with the President to discuss operational challenges and receive valuable advice. A wide range of topics were discussed—including new business initiatives, resource constraints, and knowledge transfer—with lively exchanges of ideas among participants. These dialogues have bridged the

perspectives of frontline employees and management, generating new insights and encouraging bold steps toward the future.



Engagement Workshops to Envision Shimadzu's Future

A cross-departmental Archetype Workshop was held to reassess Shimadzu's strengths and weaknesses, gain deeper insight into what differentiates Shimadzu from competitors, and envision an ideal future for each business division. The use of corporate archetypes as a metaphorical framework helped participants visualize complex concepts and uncover overlooked strengths and challenges. The communication across business divisions also allowed participants to share challenges and commonalities, enhancing their understanding of the company's culture. The workshop fostered a sense of ownership in problem-solving and encouraged career mobility across departments, both of which are expected to enhance employee motivation and fulfillment. This initiative marked a meaningful step forward in strengthening employee engagement.





Walking Together with Our Employees: The Challenge of Enhancing Engagement

"We felt a strong sense of urgency as a division following the previous survey results," says Deputy General Manager Iwamoto of the Koichi Tanaka Mass Spectrometry Research Laboratory. The team analyzed the factors behind the low engagement score and identified key drivers: "career development discussions with supervisors," "utilization of skills and abilities," and "alignment between strategic goals and day-to-day tasks." To address these issues, the entire laboratory staff was engaged in improvement efforts. In particular, when it came to strategic goals, what had previously been determined mainly by managers is now openly discussed among all members. Young leaders were invited to join the final decision-making process, which helped foster a greater sense of ownership. As a result, the engagement score improved by 16 percentage points over the past year. Deputy General Manager Iwamoto

reflects, "By thinking and acting together with our team members, we were able to chart a path forward," and he expresses confidence in achieving even greater engagement in the future.



Future Initiatives

Under our current medium-term management plan, we achieved our KPI of a 65% engagement score, demonstrating tangible progress in enhancing employees' job satisfaction and sense of belonging. However, our first unified engagement survey conducted in FY2024 across domestic Group companies revealed a Group-wide score of 54%, underscoring the need for further improvement. In response, we plan to extend the survey to our overseas Group companies in FY2025, with the goal of achieving an engagement score of 65% or higher across the entire Shimadzu Group.

In addition, to improve Group-wide engagement, we will analyze survey results to identify key challenges and implement targeted initiatives tailored to the characteristics of each region and organization. We will also strengthen dialogue with employees and incorporate feedback from frontline employees into our strategies to ensure more effective initiatives. Through these efforts, we aim to foster a work environment where every employee feels comfortable and supported, thereby enabling sustainable growth for the entire Group.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy Related Materiality
 Developing Human Resources

DE&I: Promoting Diversity That Transforms Differences into Strengths (Diversity, Equity & Inclusion)

Diversity Management in the Shimadzu Group

At Shimadzu, DE&I and the promotion of diversity are key pillars of our management strategy, enabling each individual to leverage their unique strengths and expertise to drive innovation that contributes to solving societal challenges. In 2023, we established a global DE&I slogan and formally defined DE&I, incorporating these into the Shimadzu Group Human Resources Management Basic Regulation.



Embrace Differences, Include One and All

Acknowledge and Embrace Differences

The Shimadzu Group includes colleagues with a wide variety of organizational affiliations, perspectives, value structures, experiences, and specializations. We welcome such employee diversity. Our aim is to fully utilize that diversity in order to continue solving challenges in society based on innovation generated in partnership with all stakeholders. Therefore, we will use DE&I to establish an environment where each employee can feel they are contributing to society and the company and can feel proud to be a member of the Shimadzu Group.

Diversity Respecting Differences as Individuality

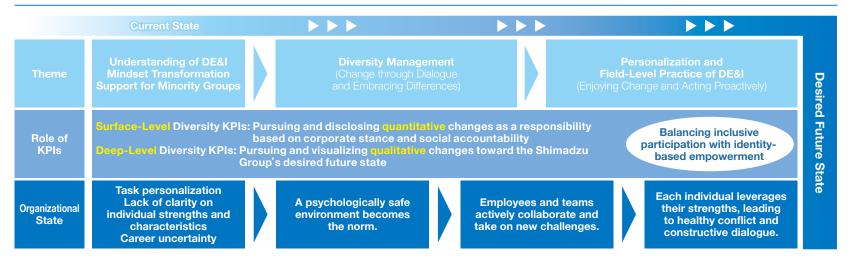
Mutually acknowledge, accept, and respect each other's individual differences, such as gender, age, nationality, race, presence of a disability, experience/career, values, working practices, or specialization, without being biased.

Equity Providing Equitable Opportunities

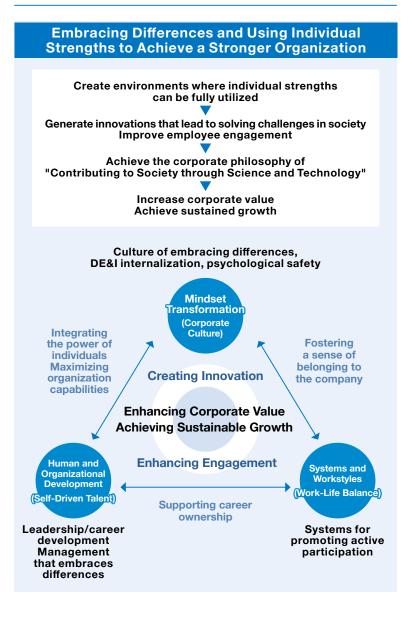
Ensure employees can receive equitable opportunities and resources regardless of their differences or individual characteristics. Provide working environments where each employee can fully benefit from their individual strengths.

Inclusion Empowering Every Employee to Take Pride in the Shimadzu Group Create a psychologically safe open corporate culture where everyone feels free to express themselves and acknowledge each other through dialogue. Ensure each employee feels a sense of contribution, which will generate new ideas and innovation that will lead to the future.

DE&I Promotion Roadmap to Realize Our Corporate Philosophy, Enhance Corporate Value, and Achieve Sustainable Growth



Shimadzu Goals for DE&I (Vision)



DE&I: Leveraging a Diverse Workforce with Knowledge and Experience

Strengthening Diversity Management among Executives and Managers

We are now moving beyond simply securing a diverse workforce and entering the next phase—linking diversity to innovation. Recognizing that individual differences can strengthen the organization, we aim for our executives and managers to take the lead in practicing diversity management. To that end, we are implementing concrete initiatives such as unconscious bias training for executives.

DE&I Training for Managers "Diversity is Power"

This training program is designed to help managers recognize that they themselves are responsible for putting DE&I into practice, and to foster a shared commitment to advancing it with unity and purpose. Following its implementation for presidents and executives of domestic Group companies in FY2024, the program will be rolled out to all managers, starting with general managers.



Strengthening DE&I Initiatives Across Domestic and Overseas Group Companies

To promote diversity as a management strategy, DE&I coordinators have been appointed at Group companies both in Japan and overseas. Each Company identifies its own challenges and sets KPIs for FY2030 along with action plans to achieve them. With the headquarters serving as a central hub for support, the Shimadzu Group is working collectively to realize DE&I.

Diversifying the Decision-Making Levels

Developing Female Candidates for Managerial Positions

Achieving sustainable corporate growth and enhancing value requires leveraging diverse perspectives in management through greater diversity at the decision-making level. In particular, women often face barriers such as wellmeaning but limiting support from supervisors, the loss of growth opportunities due to imposter syndrome, and a lack of diverse role models. Recognizing the need for structured development programs for women from early-career stages to managerial roles, we offer programs such as SHIMADZU Women Next Career Design for mid-level female leaders and Career Step (for assistant managers), as well as the Shimadzu Women Supporting Women program for female managers. In these programs, our president and executives directly share the company's vision and expectations for women's advancement, thereby empowering participants.

Expanding Our Global Workforce

Since 2011, we have been actively hiring non-Japanese employees, and as of today, our workforce includes individuals from 18 countries and regions, with some serving in managerial positions. However, to further accelerate globalization, we recognize the need to increase the diversity of backgrounds among our employees. In addition to strengthening recruitment, we will also promote greater diversity in decision-making roles across various functions, including technology, manufacturing, sales, and administration.

Systematic Initiatives to Develop Female Employees from Early Career to Management

Classification of initiatives	① Strengthening Recruitment	② Enhancing Diversity Management Skills of Managers ③ Skills Development ④ Mindset Transformation					
Target	New Hires	Junior Employees	Pre-Managerial Employees	Managers / Executives			
Vision for 2030	Maintain female new graduate hiring ratio for full-time positions at 30% or higher.	More than 50% of junior employees having a career outlook (self-reported survey)	Maintain equal application rate for managerial exams among men and women. (5-year average at 31% for both genders.)	Managerial ratio of women: 12% (non-consolidated) / 15% (consolidated) Continuous development of executive candidates			
Direction of Initiatives	Strengthen hiring of female STEM talent, including PhD holders. Mid-career hiring	Accelerated career development (creating early career development opportunities and enhancing training before major life events)	Promote understanding of diverse leadership concepts and styles. Skills enhancement Support integrated career planning by supervisors and subordinates.	Recognize themselves as role models to maximize potential and enhance performance. Building networks Deepen DE&I understanding and identify issues beyond gender. Realize effective diversity management.			

The following information is available on our website: https://www.shimadzu.com/sustainability/social/hr/diversity.html

SHIMADZU × Diversity



SHIMADZU Women Next Career Design / Step Program

In these programs, supervisors consult with their subordinates and nominate them for participation. creating opportunities for learning while also conveying their expectations—especially to those who may lack confidence in their career path. After completing the program, participants are encouraged to share their career plans with their supervisors, fostering joint dialogue that has helped raise aspirations for managerial roles.



External Recognition for Women's Empowerment and Inclusive **Success for All Employees**

Achieving our ideal vision—"Recognizing differences and transforming individual strengths into organizational power" cannot be accomplished through quantitative efforts alone. We place great importance on creating an environment where every individual can thrive as their authentic self. External evaluations provide not only recognition of our efforts to empower women, but also valuable opportunities to gain a broader perspective on company-wide challenges.



Promoting Understanding of LGBTQ+

We have been continuously working to promote awareness through initiatives such as e-learning and guest lectures, and in FY2023, we established an external consultation service. A company-wide awareness survey revealed that 92% of respondents support the advancement of LGBTQ+ individuals, and we will continue striving to create an environment where everyone can fully maximize their potential.

Actively Hiring and Supporting Employees with Disabilities

A dedicated team has been established within the Human Resources Department at the headquarters to promote the active hiring of persons with disabilities across the entire Group. In centralized workplaces, we have also initiated efforts such as producing recycled paper from used office paper and creating internaluse items that are utilized both within and outside the company.

Future Initiatives

Since launching the project in 2015 and formally establishing a dedicated framework in 2022, we have broadened our focus from women's empowerment to full-scale DE&I promotion across the Shimadzu Group. However, a key challenge remains that DE&I has not yet been fully internalized as a business strategy at the frontline level. To address this, we will strengthen our initiatives and assign DE&I support personnel from the headquarters to help empower local teams to take ownership of these efforts.

Health and Productivity Management

Basic Policy

To realize Shimadzu Corporation's management principle of "Realizing Our Wishes for the Well-being of Mankind and the Earth," it is essential that each and every employee is healthy, safe, and able to work positively and with vitality.

To that end, we believe it is important to create a compassionate and energetic workplace where each employee is mindful of their own health and that of their colleagues, and can maintain both mental and physical well-being. Accordingly, we established a Health Declaration in 2017.

The following information is available on our website:

https://www.shimadzu.com/sustainability/social/human_life/health_management.html



Shimadzu Corporation's Health and Productivity Management

Current Situation and Vision

While Shimadzu Corporation has been recognized for nine consecutive years as a "White 500" company under the Health & Productivity Management Outstanding Organization program, the health issues faced by employees and their families have become increasingly diverse, necessitating the implementation of more effective and multifaceted health initiatives.

Although we have implemented a wide range of health initiatives, they have not led to sufficient improvements in absenteeism caused by physical and mental health issues. In addition to continuing our occupational health activities centered on medical checkups, health guidance, and stress assessments, we believe it is essential to enhance overall organizational health and psychological safety through a population-based approach tailored to Shimadzu's unique organizational culture.

Going forward, we will promote even more advanced health and productivity management by collaborating with external organizations, analyzing and utilizing health-related data, and verifying the effectiveness of our initiatives. Through these efforts, we aim to support the sustained growth of the Shimadzu Group with a distinctive approach to health and productivity management that remains one step ahead.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy / Health and Productivity Management

Related Materiality Contributing to Human Life and Well-Being

FY2024 Performance and Evaluation

We promote health and wellness initiatives focusing on five key themes—exercise, nutrition, sleep, mental well-being, and smoking cessation—to help employees and their families lead vibrant and fulfilling daily lives.

In FY2024, the second year of the medium-term management plan, we focused on maintaining and improving employees' physical and mental health by encouraging participation in health-related events and promoting a smokefree workplace. We also expanded support for family health, leveraging our proprietary technologies. As a result, our overall deviation score in the health and productivity management survey was 65.4, up from 63.5 in 2022 and 65.0 in 2023.

		Target	Actual
 Health and Productivity Management 	: Overall deviation score based on the Health and Productivity Management Survey	65.2	65.4
- Exercise	: Percentage of employees with regular exercise habits (%)	29.4	30.0
- Weight	: Percentage of employees with appropriate body weight (%)	70.5	70.9
- Non-Smoking	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		89.4

We implement a well-balanced range of mental health initiatives, covering primary, secondary, and tertiary prevention. Since 2022, we have strengthened our internal mental health framework by establishing a consultation system with in-house certified psychologists and enhancing various training programs and e-learning resources. In particular, we are committed to improving literacy through targeted education by job level (including self-care and line-care training), regular mental health columns, and support for employees taking the Mental Health Management Certification (line-care level).

In addition, after conducting stress checks, we provide group analysis feedback—including to management—and implement initiatives aimed at improving the workplace environment.

In addition, for domestic Group companies, we regularly hold workshops and training sessions aimed at preventing mental health issues and enhancing overall awareness across the Group, utilizing stress check data and sharing case studies.

Mental Health Initiatives

Four Types of Care	Self-Care	Line Care	Care Using Internal Resources	Care Using External Resources
Key Focus Areas for FY2024	Acquisition and utilization of proper knowledge about self-care	Creating a workplace where employees feel comfortable consulting and managers can respond appropriately in the early stages	Expansion of internal consultation services	Strengthening collaboration with external consultation services and medical institutions
Main Initiatives	Implementation of stress checks E-learning programs for new employees and self-care training (basic level)	Line care training via face-to-face or e-learning Mental Health Management Certification Enhancement of group stress analysis with new programs and individualized feedback	Support from occupational physicians, certified psychologists, and public health nurses Improvement of internal support systems (e.g., systems that encourage consultation) Awareness and communication to promote use of consultation services	Follow-ups to prevent recurrence Return-to-work support through collaboration between external consultants and internal occupational health staff

Health and Productivity Management

Organizing Various Health Promotion Events Such as Walking Challenges

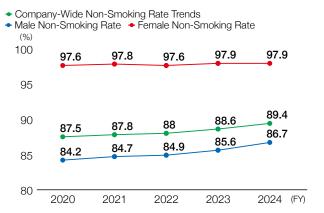
We held walking challenges twice a year using the "kencom" health support app. In addition to regular health checkups, we conducted physical fitness assessments and sit-to-stand tests to improve employees' health literacy. We also organized sleep seminars and other related programs.

Since 2020, the number of participants in health events has increased each year, along with a gradual rise in the percentage of employees with regular exercise habits. In addition, the percentage of employees with an appropriate body weight increased from 69.7% in 2020 to 70.9% in 2024.



Promotion of a Completely Smoke-Free Workplace

In conjunction with World No Tobacco Day designated by the WHO, we held smoking cessation events, distributing nicotine gum and providing awarenessraising materials for smokers. We also collaborated with the Shimadzu Health Insurance Society and in-house medical clinic to offer individualized support programs, including smoking cessation outpatient services. In preparation for the full implementation of a smoke-free campus in April 2025, we have expanded the number of full-day no-smoking days (Swan Days). As a result of these efforts, the overall non-smoking rate has reached 89.4%.



Expansion of Family Health Support

We have provided subsidies for breast cancer screening using our proprietary dedicated breast PET system, Elmammo Avant Class, for female employees aged 40 and over, as well as female spouses aged 40 and over. In addition, since FY2024, we have expanded subsidies for the MCI Screening Plus test, which assesses the risk of mild cognitive impairment (MCI), to cover not only employees aged 40 and over but also their family members.

Furthermore, in FY2024, we began offering subsidies for health checkups for dependents, in collaboration with the Shimadzu Health Insurance Society, as part of our efforts to enhance family health support.

Future Initiatives

While some targets for FY2024 were achieved, there is still room for improvement in addressing presenteeism and absenteeism—key ultimate goals of our health and productivity management efforts. To tackle these challenges, we aim to enhance employee well-being by visualizing health conditions through data analysis and conducting correlation analysis of various health indicators, thereby enabling the prediction and prevention of productivity loss.

Furthermore, health and productivity management should not be limited to Shimadzu Corporation alone, but must be promoted across the entire Shimadzu Group. Each Group company is expected to contribute to enhancing corporate value by actively engaging in initiatives to further maintain and improve employee health.

Health & Productivity Management Alliance

In promoting health and productivity management, Japanese industry faces three major challenges: improving employee health, enhancing the financial soundness of health insurance societies, and contributing to the reduction of healthcare costs. To address these social issues, eight companies—Ajinomoto Co., Inc.; SCSK Corporation; OMRON Corporation; Kirin Holdings Company, Limited; Shimadzu Corporation; JMDC Inc.; Nippon Life Insurance Company; and Sumitomo Mitsui Banking Corporation (listed in Japanese alphabetical order)—jointly established the Health and Productivity Management Alliance on June 30, 2023. Later, Nomura Research Institute, Ltd. joined the Alliance, bringing the total to nine member companies.

Through collaboration between the corporate members and health insurance societies, the alliance will execute data-driven issue-specific solutions and evaluate various initiatives. By steadily repeating the PDCA cycle based on a Data Health Plan, the alliance will collaboratively create models for health and productivity management and solutions for generating results and then ensure their broad adoption in industry.

Main Activities

- 1. Evaluation indicators for health and productivity management
- 2. Health and productivity management assessments based on data analysis
- 3. Information platform for various health-related solutions
- 4. Study groups and seminars

Related Materiality Contributing to Human Life and Well-Being

Human Resources Strategy

Message from the Director in Charge of Diversity and Health Management



Message from the President

OCI. 2007	General Manager, Export Management Department, Shimadzu international, Inc.
Oct. 2013	General Manager, Export Management Department, Shimadzu International, Inc. and
	concurrently Senior Manager, Business Process Re-engineering Unit, Business Systems
	Management Department
Jan. 2014	Representative Director, President, Shimadzu International, Inc.
Jun. 2017	Corporate Officer, General Manager, Public Relations Department
Apr. 2019	Corporate Officer, General Manager, Corporate Communication Department
Apr. 2021	Managing Executive Officer in charge of Human Resources, Diversity Management, and
	Health Management
Apr. 2024	Managing Executive Officer in charge of Legal Affairs, Diversity Management, and Health

With an Eye to the Future, Assessing the Needs of Our Customers and Solving Challenges in Society

The Shimadzu Group has embraced the pursuit of planetary health (well-being of mankind and the Earth). In our medium-term management plan, we intend to be an innovative company that solves social issues with global partners. To realize this vision, we believe it is essential to build an organization that leverages diversity and fosters a workplace where employees can stay healthy, feel engaged, and thrive. Accordingly, we are advancing initiatives in both diversity management and health and productivity management as key components of our overall strategy.

Review of Two Years of the Medium-Term Management Plan

Under our medium-term management plan, we have advanced initiatives tailored to attributes such as gender, age, disability, and nationality, while promoting DE&I by leveraging the unique strengths of each individual. On a non-consolidated basis, we are promoting initiatives to support women's advancement, with the goal of achieving a 6% ratio of women in management positions by FY2025. As of March 2025, the ratio reached 5.8%, exceeding the target of 5.6%. In our engagement survey, the non-consolidated inclusion index also received a strong score of 59%, surpassing the 2025 target of 50% or higher. Shimadzu has been recognized as a Nadeshiko Brand, and received

a 3-Star Eruboshi ranking, a Platinum Kurumin, and a Work with PRIDE Silver award. Further, DE&I initiatives have been launched in earnest across the Group as a whole. In FY2024, the percentage of Group companies that established DE&I KPIs reached 78%, significantly exceeding the target of 50%.

Challenges in Promoting DE&I Understanding and Practicing Diversity Management

Current challenges include: (1) promoting understanding of DE&I, and (2) implementing diversity management at the workplace level.

Understanding of women's advancement initiatives is gradually improving. However, feedback suggests that support systems in the workplace remain insufficient. Management plays a central role in building an organization that harnesses the strengths of every individual. Ensuring that managers fully understand DE&I, internalize its importance, and practice inclusive leadership is a top priority. These efforts began with DE&I management training. In FY2024, the program was launched for the presidents of Group companies in Japan. In FY2025, the training will be extended to managerial-level employees at Shimadzu Corporation, beginning with general managers. The program helps participants identify their own biases and obstacles, and supports the ongoing implementation of the DE&I initiatives they designed during the training. The goal is to drive DE&I through a three-step approach: knowledge, awareness, and action. We are also implementing supervisor-participation programs to support the development of future female management candidates.

Promoting diversity management requires the engagement and understanding of all stakeholders. To advance DE&I across the organization, we are conducting unconscious bias training for executives and hosting interactive workshops that encourage openness to differences and collaborative thinking. These efforts aim to deepen understanding of DE&I across all organizational levels and advance diversity management.

Shimadzu Group's Vision for DE&I

While DE&I promotion faces headwinds in North America, they remain a critical focus in Japan. In a societal context where male-dominated organizational structures and traditional gender role expectations still persist, promoting women's participation continues to be one of the key pillars of our DE&I strategy. However, we recognize the need to go beyond numeric targets. It is equally important to refine our initiatives through the lens of talent development and by fostering genuine inclusion.

Our vision for DE&I is to enhance employee engagement and support the mutual growth of both the Shimadzu Group and its employees. We aim to achieve this by improving the quality of strategic, operational, and managerial

Medium-Term Management Plan: Strengthening Seven Management Foundations: Human Resources Strategy / Health and Productivity Management

decision-making through the active involvement of diverse talent and the cultivation of cognitive diversity. At the same time, we strive to drive innovation with a forward-looking perspective.

Advancing Health and Productivity Management to the Next Level

In recent years, social challenges such as the declining birthrate, aging population, and the growing strain on long-term care and health insurance systems have become increasingly serious. In response, the Shimadzu Group raised the retirement age to 65 in FY2024. We are actively working to create a healthy and secure working environment, while also supporting the maintenance and improvement of health for both our employees and their families.

In addition to supporting health-related events and health and productivity management initiatives at our domestic Group companies, we have introduced a health examination subsidy program that utilizes Shimadzu's proprietary healthcare technologies. Leveraging the strengths of our healthcare business, we offer services such as screening tests for mild cognitive impairment (MCI) and examinations using our dedicated breast PET system, providing direct benefits to our employees and their families.

However, verifying the effectiveness of these health initiatives remains a challenge. To address this, we are analyzing past health data and employee survey results to gain a clearer understanding of physical and mental health levels and to assess the impact of our programs. Based on these insights, we are implementing targeted measures to address health issues at both the individual and organizational levels. Looking ahead, we will further enhance data-driven evaluation and promote evidence-based health and productivity management, while strengthening external collaborations to advance health and productivity management that remains one step ahead.

Aiming to Foster a Corporate Culture Where DE&I Is Second Nature

We believe that the ideal state of DE&I is one in which it is fully embedded in our corporate culture—where leveraging the strengths of each individual happens naturally, without the need to explicitly refer to it. While achieving this will take time, we are committed to pursuing it with steadfast determination. We aim to sustainably enhance our corporate value and promote the well-being of our employees, in order to meet the expectations of our stakeholders.

Environmental Strategy

Environmental Management

Addressing a Wide Range of Environmental Issues to Promote Sustainable Social Development and Growth

Medium-Term Management Plan: Strengthening Seven Management Foundations: Environmental Management Related Materiality

Contributing to Well-being of the Earth

The Shimadzu Group's Five Environmental Initiatives (Eco-First Pledge)

1. Initiatives to Address Climate Change 81

We are actively introducing renewable energy sources such as solar power and installing smart meters to visualize energy usage. At the same time, we are promoting energy-saving initiatives and working to reduce environmental impact across the entire supply chain.

2. Initiatives to Establish a Recycling-Oriented Society 85

We are steadily promoting the 3Rs (Reduce, Reuse, and Recycle) and maintaining a recycling rate of 99% for waste generated at domestic production sites and research facilities. We are also undertaking initiatives such as using liquid waste containers made from material-recycled plastic packaging materials generated in our own operations.

3. Developing and Providing Products and Services That Help Protect the Global Environment 86

We are addressing environmental development challenges in areas such as energy and sustainability by offering technologies and products that contribute to carbon neutrality. We also pursue product miniaturization and recyclability to reduce environmental impacts throughout the product life cycle.

4. Activities to Conserve Biodiversity 87

We engage in a wide range of activities in collaboration with local communities, educational institutions, and organizations, such as a forest planting project to preserve biodiversity and environmental education programs in schools.

5. Proactive Environmental Activities by All Employees 87

Every employee actively engages in various environmental initiatives as a member of "Shimadzu, a company committed to environmental contribution."



As an Eco-First Company, Shimadzu Engages in Advanced and Unique Environmental Initiatives

In October 2020, Shimadzu Corporation was certified as an Eco-First Company. The Eco-First Program is a certification system under which companies pledge their environmental initiatives—such as climate change measures and waste and recycling strategies—to the Minister of the Environment. Companies recognized as top environmental leaders are selected based on their innovation, uniqueness, and ripple effects in the environmental field. As of June 2025, 94 companies across various industries have been certified as Eco-First Companies.

The Eco-First Promotion Council, formed by certified companies, has been chaired by our Chairman, Ueda, since April 2022. By further enhancing and evolving the Council's activities, we aim to raise broader public awareness of the significance and value of the Eco-First Program, while also contributing to the resolution of environmental issues through the pursuit of advanced, original initiatives and stronger inter-company collaboration.



1. Initiatives to Address Climate Change

Initiatives for Building a Decarbonized Society

In April 2022, the Shimadzu Group set a target to achieve net-zero CO₂ emissions from business activities by 2050, and is strengthening its efforts. Our interim targets are at least 85% reduction in FY2030 and at least 90% in FY2040 compared to FY2017. We have also set a target of reducing CO₂ emissions from the use of Shimadzu products at customer sites, which account for at least 70% of CO₂ emissions by other companies related to Shimadzu Group activities, by at least 30% in FY2030 compared to FY2020. The CO₂ emission reduction target above for FY2030 was approved as the 1.5° C level of the Science Based Targets (SBT) in November 2022. In March 2021, the Shimadzu Group joined the RE100 Initiative and switched to using electricity generated from renewable energy sources (renewable energy) at all major Shimadzu locations within and outside Japan. As a result, 87% of the Group's total electricity consumption in FY2024 was generated from renewable energy sources.

Message from the President

- Reduce CO₂ emissions from Shimadzu Group business activities to net-zero level by FY2050.
- As interim targets, reduce CO₂ emissions from Shimadzu Group business activities by at least 85% by FY2030 and at least 90% by FY2040, compared to FY2017 levels.
- Reduce CO₂ emissions from customers using the products sold by the Shimadzu Group by at least 30% by FY2030 compared to FY2020.

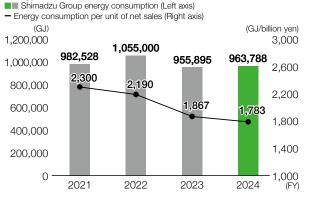
In FY2024, total energy consumption by the Shimadzu Group in Japan and overseas increased by 0.8% year on year to 963,788 GJ. However, energy intensity improved by 4.3% to 178.8 GJ per 100 million yen in sales. Meanwhile, CO₂ emissions were reduced by 13.3% year on year (an 81.7% reduction compared to the baseline year of FY2017), amounting to 9,030 t-CO₂. CO₂ emissions intensity per 100 million yen in sales improved by 17.6% to 1.7 t-CO₂.

In addition to implementing initiatives based on the knowledge gained from installing smart meters and diagnosing energy usage, we will also install solar power equipment and use renewable energy to continue contributing toward building a decarbonized society.

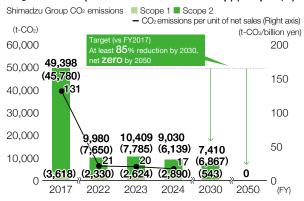
Shimadzu Group CO₂ Emissions (Scope 1 and 2, Japan and Overseas)

FY2024	Coope 1	Scope 2				
F12024	Scope 1	Market-based	Location-based			
Total	2,871 t-CO ₂	6,361 t-CO ₂	46,877 t-CO ₂			

Energy Consumption (Worldwide Shimadzu Group) (Scope 1, 2)



CO₂ Emissions (Worldwide Shimadzu Group) (Scope 1, 2)



The following information is available on our website https://www.shimadzu.com/sustainability/ approach/environmental/warming.html

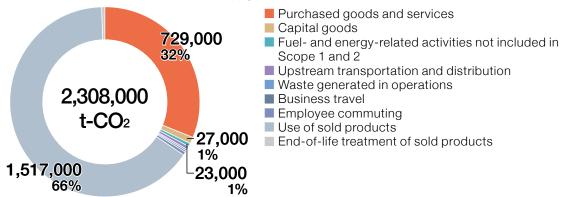


Preventing Global Warming

Reduction of CO₂ Emissions Across the Supply Chain (Scope 3)

We are also strengthening our efforts to reduce CO₂ emissions across the supply chain. In particular, we aim to reduce Scope 3 emissions by collaborating with suppliers to lower environmental impact throughout the entire product life cycle. Since 2021, we have been encouraging our suppliers to undergo energy-saving assessments, with 38 companies participating by FY2024. These assessments have supported their efforts to reduce greenhouse gas emissions. We will continue to strengthen communication with our business partners and strive to contribute to the realization of a sustainable society.

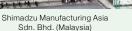
Greenhouse Gas Emissions in the Entire Supply Chain (Scope 3)



Environmentally Conscious Building Design and Use of Solar Panels

We incorporate a variety of environmentally conscious features into our buildings, including natural ventilation systems, daylighting with illuminance sensors, radiant air conditioning systems, and the proactive use of locally sourced timber. We also strive to reduce CO₂ emissions and electricity consumption by installing solar panels and LED lighting.







Shimane Shimadzu Corporation (Shimane, Japan)



SHIMADZU Future Collaboratory (Kyoto, Japan)

1. Initiatives to Address Climate Change

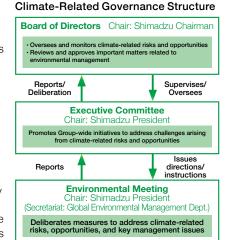
Initiatives for Climate Change Response in Line with the TCFD Framework

The Shimadzu Group considers environmental issues to be among the most critical management challenges. In particular, we are actively addressing climate change by working to reduce CO₂ emissions throughout our business activities, including across the supply chain. This includes promoting innovation through Green Transformation (GX) and delivering environmentally conscious products and solutions. We also disclose relevant information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and are strengthening our response accordingly.

Governance

The Shimadzu Group discusses climate-related risks and opportunities, as well as measures to resolve management-related issues, at the "Environmental Meeting" (chaired by the President and held twice a year), a subcommittee specializing in environmental issues.

Discussions are reported to the Executive Committee, and are also reported to and discussed by the Board of Directors, thereby ensuring appropriate monitoring and supervision by the Board. The Board of Directors also deliberates and decides on important matters



Message from the President

related to Shimadzu's environmental management.

The Global Environmental Management Department is the main body that identifies individual climate change risks that could affect the Shimadzu Group's business, strategy, and finance. In assessing the risks, Shimadzu identifies risks that are highly significant to the Group by assessing the degree and timing of the impact with reference to climate change scenarios issued by the International Energy Agency (IEA) and other organizations. The results of the identification and assessment are discussed and confirmed by the Environmental Meeting.

Strategy for Addressing Climate Change

1. Identifying Climate-Change Risks and Opportunities

When identifying climate-related risks and opportunities that could affect Shimadzu Group's businesses, strategies, or finances, we identify and organize climate change-induced drivers expected to have a large impact on Shimadzu businesses in two global scenarios: one in which carbon reduction efforts result in a 1.5° C temperature increase, and the other in which current global warming trends increase temperatures by 4°C.

	Climate Change Driver	Other Climate-Related Drivers			
Green (GX)		Materials	rials Industry H		Other Climate-nelated Drivers
4°C warming scenario			• Strengthening of social infrastructure	• Increase in infectious diseases due to rising temperatures	• Increased frequency and severity of wind and flood disasters
1.5°C warming scenario	Decarbonization and widespread use of CO ₂ -free fuels Increased ratio of renewable energy Transition to electric vehicles Implementation of CO ₂ capture and utilization Expansion of biomass resource use	Lighter and stronger materials Growing demand for batteries and energy storage systems	Modal shift and decarbonization of logistics Strengthening of digital and social infrastructure for carbon neutrality		Introduction and enhancement of carbon pricing Rising product prices in energy-intensive industries Growing adoption and demand for environmentally conscious products Acceleration of technology development and competition

Using the climate change-induced drivers, the main risks and opportunities for the Shimadzu Group regarding climate change were identified and evaluated in terms of timeframe and impact level based on the International Energy Agency (IEA) climate change scenarios and other factors. The results are summarized in the "List of Main Risks/Opportunities for Shimadzu Businesses" below.

	Climate Change-Induced Drivers Timeframe		Main Risks for Shimadzu	Impact Level	Main Opportunities for Shimadzu	Impact Level
	Introduction and strengthening of carbon pricing	Medium term	Increased burden of carbon pricing	Moderate 3	Increase in demand for energy-efficient and related products	Moderate
	Rising product prices in energy- intensive industries	Short term	Rising procurement costs for steel and other materials	Moderate	-	
	Decarbonization and spread of CO ₂ -free fuels Short term		Decline in demand for products used in energy, power generation, and fossil fuel sectors	Moderate	Growing demand for quality management-related products for hydrogen, ammonia, and biofuels, etc.	Large
	Increase in the ratio of renewable energy	f renewable Short term Decline in demand for products related to fossil energy		Moderate	Increased demand for products supporting installation, efficiency inprovement, and maintenance of wind, solar, and biomass power generation systems, etc.	Moderate 2
Tra	Expansion of demand for batteries and energy storage systems Short term -		-	-	Greater demand for development and evaluation products for high- performance batteries and solid-state batteries	Large
	Implementation of CO₂ capture and utilization - Medium term -		-	Rising demand for chemical evaluation products for CO ₂ capture research and methanol production through methanation	Moderate	
ransition	Expansion of biomass resource use	Medium term -		-	Growing demand for evaluation and quality assurance products for bioplastics, biomass-derived carbon materials, and biomass resources	Moderate
ă	Lighter and stronger materials Short term -		-	-	Increased demand for materials testing machines and surface analysis equipment related to lighter and stronger transport components	Moderate
	Transition to electric vehicles Short term Decline in demand for gasoline vehicle components			Low	Demand growth for evaluation products for motors and semiconductors used in electric vehicles	Moderate 2
	Modal shift and decarbonization of logistics Medium term		Decline in demand for aircraft-related products	Moderate	Higher demand for energy-efficient products for large vehicles such as trains and ships	Low
	Strengthening digital infrastructure for an electrified society	Short term	-	-	Increased demand for semiconductor-related products due to growth in information and communications industries	Moderate
	Customers' greater focus on environment-conscious procurement	Short term	-	-	Growing demand for environmentally superior products such as "Eco- Products Plus"	Moderate
	Acceleration of technology development and competition	Short term	Loss of sales opportunities due to development failure or delays	Moderate	Rising investment in competitive and profitable research and development areas	Moderate
코	Increased frequency and severity of wind and flood disasters	Short term	Damage caused by disasters at business sites or supply chain disruptions	Moderate	-	-
Transition	Strengthening of social infrastructure	Short term	-	-	Greater demand for various infrastructure testing machines related to restoration and renewal of social infrastructure	Large
9	Rising temperatures (increase in diseases and patients)	Long term	-	-	Increased demand for diagnostic imaging systems due to a rise in infectious diseases	Low

^{*} Estimated timing of impact on Shimadzu's business. Short-term: Within 3 years; Medium-term: Within 3 to 10 years; Long-term: Over 10 years

^{*}The level of impact is classified into three categories—Low, Moderate, and High—based on a combination of qualitative assessment and financial thresholds: for revenue, "Low" refers to less than 500 million yen, "Moderate" to 500 million to less than 5 billion yen, and "High" to 5 billion yen or more; for costs, "Low" refers to less than 50 million yen, "Moderate" to 50 million to less than 500 million yen, and "High" to 500 million yen or more.

1. Initiatives to Address Climate Change

We have conducted scenario analyses on (1) the growing demand for analytical and measuring instruments and (2) the expanding demand for industrial machinery, specifically, industrial furnaces for the advanced ceramics field, as indicated in the above table. For details, please refer to our website.

https://www.shimadzu.com/sustainability/environmental/climate.html

(3) Scenario Analysis on Carbon Pricing

As the global transition toward carbon neutrality accelerates, the introduction and strengthening of carbon pricing schemes is anticipated in many countries. In response to this trend, we conducted a scenario analysis to assess the potential financial impact of carbon pricing on our business. The analysis focused on (a) carbon pricing costs associated with Scope 1 and 2 emissions, and (b) increased procurement costs associated with Scope 3 Category 1 emissions.

(a) Carbon Pricing Costs Associated with Scope 1 and 2 Emissions

	-					
Analyzed Risk	We analyzed the financial burden associated with our Scope 1 and 2 emissions. In particular, we focused on the difference in carbon pricing costs depending on whether decarbonization measures are implemented.					
Assumptions and Methodology	Future carbon pricing costs were calculated using the formula shown below. We estimated the differences in these costs under various climate change scenarios. Carbon pricing cost = Emissions under each scenario × Carbon price per unit under each scenario *Current scenario: IEA STEPS (Stated Policies Scenario); Decarbonization scenario: IEA NZE (Net Zero Emissions by 2050 Scenario)					
Analysis	Under the emissions trajectory illustrated in the figure below, the difference between taking action to meet reduction targets and not taking action is: In 2030, the estimated difference is approximately 400 to 700 million yen. In 2050, the estimated difference is approximately 1 to 2.5 billion yen. This difference can be regarded as a potential cost that could be avoided or reduced in the future by promoting and continuing reductions in Scope 1 and 2 emissions. CO ₂ Emissions Illustrative Emissions Trajectory					
Results	Emissions Trajectory Without Decarbonization Efforts Net-Zero Aligned Emissions Trajectory 2017 2030 2040 2050					

(b) Increased Procurement Costs Associated with Scope 3 Category 1 Emissions

Analyzed Risk	The impact of carbon pricing on upstream GHG emissions in the supply chain (Scope 3 Category 1: purchased goods and services) was analyzed as a risk of increased procurement costs passed on by suppliers to Shimadzu.
Assumptions and Methodology	Based on our procurement costs, supplier pass-through rates (with reference to external sources), and carbon pricing per climate change scenario, we estimated the future annual increase rate in procurement costs. *Current scenario: IEA STEPS (Stated Policies Scenario); Decarbonization scenario: IEA NZE (Net Zero Emissions by 2050 Scenario)
Analysis Results	The annual increase rate in procurement costs due to carbon pricing from 2030 to 2050 remained below 10% under both scenarios. However, under the decarbonization scenario, the impact of rising carbon prices is greater, highlighting the increasing importance of decarbonization efforts across the entire supply chain.

2. Impact on Shimadzu's Business, Strategy, and Finance under Climate Change Scenarios

Results from analyzing the impacts on Shimadzu businesses, strategies, and finances for a decarbonization scenario (1.5 $\,^{\circ}$ C warming scenario) and the current scenario (4° C warming scenario) are summarized below.

warming scenario

In industries that rely on fossil fuels—such as energy, power generation, and transportation—there is concern that the shift toward a decarbonized society may lead to

a decline in demand for our products. On the other hand, investment in research and development as well as production facilities and infrastructure related to clean energy, batteries, and new materials is progressing across various industries, and increased demand for our analytical and measuring instruments used in R&D is anticipated.

4℃ warming scenario

As physical risks intensify, enhancing the resilience of social infrastructure has become an urgent priority. This is expected to drive increased demand for the development

and supply of various testing machines used in infrastructure reinforcement and renewal. In the medical field, changes in the market environment are also anticipated, such as the geographic spread of vector-borne diseases due to rising temperatures. Conversely, physical risks may also have a direct negative impact on our business operations, including potential disruptions to the supply chain that could lead to the suspension of our activities.

Impact on Shimadzu's Business, Strategy, and Finance under Climate Change Scenarios

Shimadzu is working to reduce CO₂ emissions in its business activities by actively promoting energy conservation and utilizing renewable energy, and the actual amount of CO₂ emissions in FY2024 was 9,030 tons. We also provide products and services to a variety of industries, including pharmaceuticals, medical, environmental, energy, semiconductor, and materials, making us unique in that we serve a broad base of client industries. As a result, we believe it is very unlikely that a contraction in any particular industry would have a significant impact on Shimadzu finances.

On the other hand, the scenario analysis on carbon pricing revealed that the progress of global climate change measures could have a certain financial impact on Shimadzu. In particular, under the decarbonization scenario (IEA NZE), there is a risk of increased carbon pricing costs associated with Scope 1 and 2 emissions. However, it was found that steadily reducing emissions toward achieving net-zero by 2050 could significantly mitigate carbon pricing costs after 2030.

In addition, regarding the increase in procurement costs associated with Scope 3 Category 1 emissions, although the annual rate of increase in procurement costs due to carbon pricing remains below 10% from 2030 to 2050 under the decarbonization scenario, it was found that the impact is greater under the decarbonization scenario, where carbon prices are expected to rise. Therefore, in addition to reducing emissions through collaboration with suppliers and switching to low-carbon materials, it is also important to promote eco-friendly product design by adopting lighter structures, actively using recycled materials, and reducing the number of components, thereby contributing to emissions reduction across the entire supply chain.

Although opportunities from climate change are expected in various industries and fields in both the "1.5°C warming scenario" and the "4°C warming scenario," we recognize that efforts to realize the "1.5°C warming scenario" will lead to a reduction in risks for society as a whole. Therefore, Shimadzu is working to achieve the 1.5°C target through its business activities. Specifically, Shimadzu designs all its products to be environmentally friendly, such as by making them more energy efficient, and continues to increase the percentage of Eco-Products Plus products that offer particularly high environmental performance. We also continue to invest in the development and supply of products that contribute to climate change mitigation and adaptation. Overall, we believe that our business, strategy, and finance can remain resilient to climate change by appropriately seizing climate change opportunities and achieving sustainable growth through the actions and initiatives outlined in the transition plan on the following page.

1. Initiatives to Address Climate Change

3. Transition Plan for Achieving a Decarbonized Society Mitigation of Climate Change (Achieve 1.5° C Target)

To achieve the 1.5° C target specified by the Paris Agreement, the Shimadzu Group has set a target of net-zero CO₂ emissions from business activities by 2050 and is actively working to reduce CO₂ emissions accordingly. In addition. to reduce CO₂ emissions in our supply chain, we have set a reduction target regarding CO₂ emissions from the use of Shimadzu products at customer sites. Targets, performance, and progress for these measures are monitored and overseen under the Climate Change Governance system and reviewed and updated on a regular basis.

Capitalizing on and Maximizing Opportunities

Shimadzu is committed to strategically developing and supplying products that support both climate change mitigation and adaptation, while helping our customers advance decarbonization in their operations. These initiatives form part of our broader efforts to achieve sustainable growth. In response to evolving market needs, we will continue to enhance our development infrastructure and supply systems. Our key policies and action plans for each major business field are outlined in the section titled "Shimadzu Group's Policies and Plans for Initiatives in Each Business Field to Build a Decarbonized Society" (see right).

Hydrogen Energy for a Decarbonized Society

Hydrogen does not emit CO2 when burned. It can be produced using a variety of methods. such as water electrolysis and steam reforming, making it a promising next-generation clean energy source. Our technologies are being utilized to support these hydrogen-related applications.



Message from the President

Impurity Analysis in Accordance with Hydrogen Fuel Quality Standards for FCVs:

Gas Chromatograph (GC), Gas Chromatograph–Mass Spectrometer (GC-MS)

Leak Testing for Raw Material Storage and Transport Tanks: Hydrogen Leak Detector, MAIVIS Ultrasonic Flaw Detector

Strength Testing in Hydrogen Environments:

Precision Universal Testing Machine, Fatigue and Durability Testing Machine









Gas Chromatograph Precision Universal Portable Hydrogen Testing Machine Leak Detector

Shimadzu Group's Policies and Plans for Initiatives in Each Business Field to Build a Decarbonized Society

Business Field		Policies and Plans for Shimadzu Group Initiatives
	Biomanufacturing	We will establish and standardize quality evaluation methods for biofuels, which are expected to play a key role in the transition from fossil fuels. In addition, we will develop standardized evaluation methods for biodegradable plastics and offer analytical and measurement solutions to support the anticipated growth in the use of bio-based and biodegradable plastics and chemicals.
Green Transformation (GX)	Energy	We will offer various types of chromatographs for quality control analysis of hydrogen manufacturing processes and oil production by microalgae. For onshore and offshore wind power generation, we will develop and offer testing, inspection, and safety monitoring instruments for maintaining and managing equipment. We will contribute to wood biomass-based electricity generation by offering moisture analyzers that support efficient operation and X-ray fluorescence spectrometers for investigating the presence of hazardous substances in incineration ash. In response to the growing demand for bioethanol, we will offer gas chromatographs and elemental analysis instruments for quality control.
	Environment and Regulations	We will offer TOC solid sample measurement systems for the development and evaluation of CO ₂ absorbing concrete, and surface analysis and powder evaluation technologies for the research and development of CO ₂ adsorbents for CO ₂ capture and storage (CCS). In addition, gas chromatographs will be offered for the evaluation of methanol and other substances produced from CO ₂ in CO ₂ capture, utilization, and storage (CCUS).
Material	Next-Generation Mobility Materials	We will contribute to the development of all solid-state batteries by offering X-ray evaluation technologies such as nondestructive X-ray systems and fluorescent X-ray analyzers for R&D and quality control, and gas chromatographs for analyzing the gases they generate. As the market for gasoline-powered vehicles shrinks and the number of electric vehicles increases, we will introduce new products for electric vehicles, such as motor balancers. We will support the development of stronger and lighter materials with material testing machines and surface analysis technology. For bioplastics development, we will offer material testing machines, thermal analyzers, various chromatographs, and elemental analysis instruments for quality control.
Industry	Semiconductors	In response to the expanding markets for screen films for flat panel displays, smart devices and semiconductors, we will develop turbomolecular pumps, which are essential for their manufacture, and prepare adequate production capabilities with the aim of achieving the number-one global market share.
stry	Industrial Machinery	We will continue to develop glass fiber winders for wind power generation blades. Regarding delivery pumps used in the petrochemical industry, we will release new high-efficiency models designed for biodegradable plastics.

Indicators and Targets

1. Reducing CO₂ Emissions

The Shimadzu Group aims to reduce CO₂ emissions from business activities to net-zero (carbon neutral) by 2050.

FY2050 Target

- Reducing CO₂ emissions from business activities to net-zero.
- Increasing the percentage of renewable energy use to 100%.

FY2040 Target

 Reducing CO₂ emissions from business activities by at least 90% compared to FY2017.

FY2030 Target

- Reducing CO₂ emissions from business activities by at least 85% compared
- Reducing CO₂ emissions from the use of products sold by the Shimadzu Group by at least 30% compared to FY2020 levels.
- * Obtained SBT "1.5° C level" validation for this goal.

Shimadzu Group CO₂ Emission Reduction Targets are Validated at the SBT 1.5° C Level

https://www.shimadzu.com/news/9v_wri8ctm13xwu5.html

2. Development and Promotion of Environmentally Certified Products

The Shimadzu Group is working to reduce environmental impact by enhancing the environmental performance of its products. We certify products that demonstrate superior environmental performance compared to previous models as Eco-Products Plus, and feature them in brochures and other materials. We also provide ECO Simulation Software on our website, enabling customers to compare the running costs and estimated CO₂ emission reductions when replacing existing products with newer models. This allows for the visualization of both cost savings and environmental contributions. The Shimadzu Group views the promotion of environmentally advanced products as a business opportunity. By helping our customers reduce their CO₂ emissions through the use of our products, we are contributing to progress toward a carbon-neutral society.

The following information is available on our website:

https://www.shimadzu.com/sustainability/environmental/climate.html

TCFD Measures for Addressing Climate Change



2. Initiatives to Establish a Recycling-Oriented Society

Message from the President

Initiatives for a Circular Economy

A variety of business models are being explored to shift from a linear economy, based on mass production, mass consumption, and mass disposal, to a circular economy that extends the value of products and resources and minimizes the amount of waste generated.

Using Sustainable Materials to Reduce Environmental Impact

To support the transition to a circular economy, we are promoting the adoption of sustainable materials in new products and the replacement of materials in existing products and components, through the cross-departmental Sustainable Materials Promotion Committee, which aims to enhance our value as a company committed to solving environmental challenges. The Committee is advancing the use of biomass and recycled materials, and driving efforts to accelerate the shift toward a circular economy.

In FY2024, we adopted a biomass-based plastic for the inlet protection cap of our turbomolecular pumps, and successfully used recycled PC/ABS and other materials in the exterior components of the latest UV-Vis spectrophotometer, the UV-1900i Plus. In the future as well, we will continue achieving the transition to a circular economy specified in the medium-term management plan by reducing the amount of petroleum-based plastics used and the quantity of CO₂ emitted.



Inlet and Outlet Protection Cap for Turbomolecular Pump



UV-Vis Spectrophotometer UV-1900i Plus

Reducing Environmental Impact through Closed-Loop Recycling

Recycling

Since FY2022, to reduce the use of polyethylene, a type of plastic, we have been converting used packaging materials into pellets and mixing them with virgin pellets to produce polyethylene containers with a 30% recycled content, which are used as waste liquid collection containers at our plant at the Head Office. Ryukoku University has also joined this resource circulation initiative since FY2023. We signed a comprehensive partnership agreement with the University to promote a recycling-oriented society, and are working together on the transition to a circular economy through activities such as co-hosting seminars.



Plastic packaging materials generated daily



Recycled into plastic waste liquid containers used in business operations

Recycling Resources

Promoting Proper Waste Disposal and Recycling

In FY2024, the total amount of waste generated from major domestic sites and research institutes was 5,741 tons, a 3.9% increase from the previous year. Of this, general waste amounted to 2,313 tons, representing a 5.0% year-on-year increase. This was due to an increase in waste liquid associated with changes in certain processes.

Industrial waste from plastic-containing products, in accordance with the Plastic Resource Circulation Act, totaled 445.0 tons—down from 458.7 tons in the previous year—achieving a 97% year-on-year level and meeting the target. We are also advancing efforts such as material recycling of plastic packaging materials.

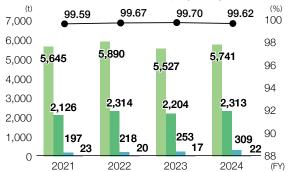
We have set a target of maintaining a recycling rate of 99% or higher, defined as (total waste - final landfill disposal) ÷ total waste. In FY2024, we achieved a recycling rate of 99.62%, marking the 15th consecutive year of meeting the target. Additionally, the waste-to-sales intensity based on consolidated net sales was 1.1 tons per 100 million yen in FY2024, achieving our target of 1.2 tons or less. Our group is committed to the efficient use of the Earth's limited resources and to the establishment of a circular society. At each workplace, we appoint Eco and Industrial Waste Leaders who promote compliance with laws and

regulations as well as the 3Rs (Reduce, Reuse, Recycle). As an example, in February 2024, we introduced "PaperLab," an in-office waterless dry papermaking system. It is used to recycle confidential documents into 100% recycled paper, which is then repurposed into employee business cards and novelty items such as promotional giveaways.

In addition, we have established internal rules and procedures to promote waste separation and recycling, manage manifests, and conduct on-site audits of waste disposal contractors.

Trends in Waste Generation and Recycling Rate (Manufacturing, Research, and Major Manufacturing Subsidiary Locations in Japan)

- Unwanted material emissions (Left axis) Waste generated (Left axis) Hazardous waste (specified industrial waste) (Left axis)
- Final landfill disposal volume (Left axis) Recycling rate (Right axis)



The following information is available on our website:

https://www.shimadzu.com/sustainability/environmental/circularity.htm

Waste Management

Water Management

Reducing Water Usage and Managing Effluent Water Properly

We are committed to reducing water usage by utilizing rainwater for watering green areas and by adopting water-saving equipment. In FY2024, total water consumption by the Shimadzu Group in Japan and overseas was 340,000 m³, a 1.5% increase compared to the previous year. However, water consumption per unit of net sales improved to 63.0 m³ per 100 million yen, a 3.6% year-on-year improvement. Our medium-term goal is to reduce water consumption per unit of consolidated net sales by 5% by FY2030 compared to FY2020 levels. As of FY2024, we have made a 0.8% progress toward achieving this target.

Factory effluents are controlled to voluntary standards that are stricter than required by laws or regulations. At major manufacturing and research facilities in Japan, effluent water is monitored using a real-time wastewater monitoring system built with online water quality analyzers (TOC-4200) and operated via the cloud. We will continue to implement initiatives that contribute to the sustainable use of resources.

Water Supply Consumption (Domestic and Overseas Shimadzu Group)

■ Water usage in Japan (Left axis) ■ Water usage outside Japan (Left axis)

 Water usage per unit of net sales (Right axis) (m/billion yen) 340 700 350 320 66 66 300 277 663 652 650 250 646 53 200 600 150 274 268 100 224 550 50 500 2021 2022 2023 2024 (FY)

Report on Effluent Violation

There were no violations related to wastewater in either FY2024 or FY2023.

In FY2022, Shimadzu Corporation's Seta Works (Otsu City, Shiga Prefecture) was notified by Otsu City that effluent discharged from the site contained a concentration of n-hexane extract (42 mg/L) exceeding the regulatory limit specified in the Sewerage Act (30 mg/L or less).

An investigation identified the source as wastewater discharged from the kitchen. In response. (1) a request was made to the kitchen contractor to take thorough measures to prevent contamination with oil, etc., and (2) measures were taken to clean the pipes in the kitchen systems. These actions were reported to Otsu City. Continued follow-up monitoring confirmed the effectiveness of the measures, and a monthly cleaning schedule for the kitchen was established and has been regularly implemented to resolve the issue.

The following information is available on our website:

https://www.shimadzu.com/sustainability/environmental/water.html

Water Management



3. Developing and Providing Products and Services That Help Protect the Global Environment

Eco-Friendly Design Across All Products

Environmental Considerations in Product Development

The Shimadzu Group is committed to reducing the environmental impact of its products throughout the supply chain by promoting environmentally conscious design. Designers and developers review each item in our Product Design Guidelines, and during the review process for new products, one of the evaluation criteria is whether the new product reduces environmental impact compared to previous models. In this way, we are actively advancing the ecofriendliness of all our products.

Criteria in Environmental Design Guidelines



The Eco-Products Plus certification requirements are that the product must meet one or more of the six requirements shown in the figure on the right.

The amount of CO₂ emissions reduced by the use of Eco-Products Plus products sold to customers during a year is defined as the CO₂ reduction contribution, and this amount in FY2024 was 11,579 tons.

The cumulative contribution of CO₂ reductions due to Eco-Products Plus models during the past 10 years was 71,390 tons. In addition, we have set a medium-term target of increasing the ratio of Eco-Products Plus to product sales to 30% by 2030, and the actual result for FY2024 was 22%.

We will continue contributing to the environment by offering products that support carbon neutrality, the development of a recycling-oriented society, and improvements in the working environment.

Certified Eco-Products Plus Products



Brevis GC-2050



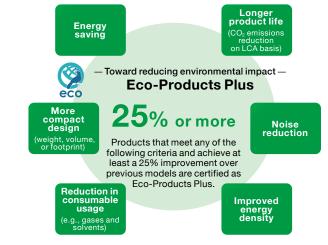
TMP-B70







Energy Dispersive X-ray Fluorescence Spectrometer ALTRACE

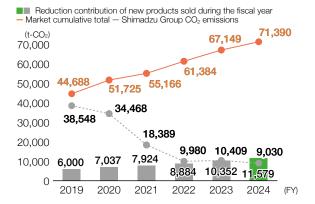


* For further information, please visit our website.

FY2024 Contribution to CO₂ Emissions Reduction

11,579 t-CO₂

Shimadzu Group CO₂ Emissions and Contribution to CO₂ Emissions Reduction



The following information is available on our website: https://www.shimadzu.com/sustainability/environmental/

Eco-Products Plus Environmentally Friendly Certified Products

-Designed to Reduce Global Environmental Impact-

Smart Eco Lab

The Shimadzu Group offers a wide range of products and services to support the construction and setup of laboratories. Smart Eco Lab introduces solutions that help achieve both "Smart" (enhanced productivity) and "Eco" (reduced environmental impact) in customers' laboratories. It showcases various solutions, including a variety of products, systems, and technologies that promote automation and reduce CO2 emissions.

Supercritical Fluid Chromatography

Environmentally and operator-friendly analytical methods

Supercritical Fluid Chromatography (SFC) is an environmentally friendly analytical technique. Because it primarily uses supercritical carbon dioxide, it consumes less organic solvent, thereby reducing both analysis costs and energy consumption. As a result, it helps minimize environmental impact and enables more sustainable analysis.



Greenhouse Gas Analyzer GHG reduction in the agricultural sector

In the agricultural sector, research aimed at reducing greenhouse gas (GHG) emissions is progressing, and there is growing demand for gas chromatographs (GCs) capable of simultaneously measuring multiple GHGs.

The Greenhouse Gas Analyzer is a GC designed to measure GHGs related to climate change, capable of simultaneously measuring three components: carbon dioxide (CO2), methane (CH4). and nitrous oxide (N2O). It enables high-precision, high-efficiency GHG analysis required for Green Transformation (GX)-related research.



The following information is available on our website:

https://www.shimadzu.co.jp/environment/smart-eco-lab/

Smart Eco Lab



4. Activities to Conserve Biodiversity

Message from the President

Contributing to the Conservation of Biodiversity

Biodiversity Conservation Activities Rooted in Local Communities

The Shimadzu Forest, an 8,000m² site developed within the Head Office and Sanjo Works (Kyoto City, Kyoto Prefecture), is planted with approximately 1,100 plants and trees of 100 different types including local native species, and is used as a relaxation space for customers and employees.

Under the Japan Habitat Evaluation and Certification Program (JHEP), a system administered by the Ecosystem Conservation Society-Japan that objectively evaluates and certifies efforts to conserve and restore biodiversity, we obtained the highest AAA rating in 2015, renewed the certification in 2020 and maintained the rating through the second renewal in 2025. We also contribute to establishing an ecological network of green spaces established within the urbanized Kyoto City as a resting place for biological organisms based on a survey in which the presence of expected wild species was also confirmed.

In the Shimadzu Forest, we conserve and cultivate plants that support Kvoto's traditional culture, such as Futaba Aoi and Hio-gi as well as rare native species associated with Kyoto, including Fujibakama and Kikutanigiku. Futaba Aoi is traditionally used in the Aoi Festival—one of Kyoto's three major festivals but its population has been declining in recent years due to environmental changes and grazing by deer and wild boars. To support the preservation of this species, we have been returning cultivated Futaba Aoi from the Shimadzu Forest to Kamigamo Shrine since 2017. Furthermore, since 2022, volunteer employees have also begun growing Futaba Aoi at their homes, further expanding our preservation activities.



Futaba Aoi in the Shimadzu Forest



Return of Futaba Aoi to its native habitat by volunteer employees and their families

The following information is available on our website:

https://www.shimadzu.com/sustainability/environmental/biodiversity.html

Conservation of Biodiversity



In FY2019, we introduced the SOFIX (Soil Fertility Index) for visualizing soil improvement by analyzing biological characteristics such as microbial activity and have been promoting soil cultivation based on the use of science and technology.



Shimadzu Forest (aerial view)

Certified as a Nationally Certified Sustainably Managed Natural Site

In March 2025, the Shimadzu Forest at the Head Office and Sanjo Works was certified by Japan's Ministry of the Environment as a Nationally Certified Sustainably Managed Natural Site. This certification is part of a national system recognizing areas where biodiversity is conserved through private-sector initiatives and other efforts. Certified sites, excluding those overlapping with nationally designated protected areas, are registered in the international database as Other Effective area-based Conservation Measures (OECMs). These sites directly contribute to Japan's achievement of the 30by30 conservation target.

We will continue to steadily protect and restore rare species while working to create a rich forest that supports and promotes biodiversity. Our goal is to develop a forest that contributes to the conservation and restoration of biodiversity, where humans and wildlife can coexist in harmony.



Certification Ceremony for the Nationally Certified Sustainably Managed Natural Site



5. Proactive Environmental **Activities by All Employees**

Supporting Activities as an Environmentally Responsible Company

Since 2008, Shimadzu volunteers and others have been participating on an ongoing basis in the Shimadzu Forest Planting Project in Nantan City, Kyoto Prefecture, in support of the Kyoto Model Forest Association's initiatives. Various environmental initiatives are also being undertaken by Shimadzu Group companies outside Japan. In China, we have been supporting the Mother River Conservation Project since 2010, engaging in afforestation activities to protect water and soil and restore vegetation in the basins of the Yellow and Yangtze Rivers, as well as participating in tree-planting events organized by the Suzhou New District Government. We are also contributing to environmental conservation efforts in other countries: supporting local afforestation activities in India and Uruguay, and participating in river cleanup projects within special economic zones in the Philippines.

In addition, we support environmental education through activities such as delivering on-site environmental classes at elementary schools and dispatching lecturers to environmental seminars.











The following information is available on our website: https://www.shimadzu.com/sustainability/environmental/support.html

External Support Activities



TNFD Commitment to Natural Capital and Biodiversity

What is TNFD?

In June 2021, the Taskforce on Nature-related Financial Disclosures (TNFD) was established. This is an international organization that establishes a framework for private companies and financial institutions to appropriately assess and disclose risks and opportunities related to



natural capital and biodiversity, including air, water, minerals, soil, plants, and animals. The TNFD was conceived at the 2019 World Economic Forum Annual Meeting in Davos as a follow-up framework to the Task Force on Climate-related Financial Disclosures (TCFD). It aims to establish a disclosure framework for nature-related risks in order to transition to a "naturepositive" society that halts and reverses the loss of natural ecosystems.

Our economic activities depend on benefits (ecosystem services) obtained from natural capital such as air, water, minerals, soil, plants and animals. For example, we obtain a variety of benefits from physically supplying water, metals, and other substances, from forests mitigating wind or flood damage, and from microorganisms cleaning water quality. To continue receiving such benefits, it is essential to maintain a balance between a variety of biological organisms (biodiversity). Therefore, understanding the relationship between business activities and the dependence and impact on natural capital, including biodiversity, and then reducing negative impacts on nature while increasing positive impacts is important from the perspective of corporate sustainability.

Under the Shimadzu Group Sustainability Charter, our Group has identified "Contributing to the Well-being of the Earth," including biodiversity, as a key material issue (materiality). From the perspective of this materiality, we assess, address, and disclose the impacts of natural capital on our business activities and impacts of our business activities on natural capital in accordance with the recommendations of the TNFD. In July 2024, we expressed our support for the TNFD recommendations and registered as a TNFD Adopter^{*1}. In FY2024, we conducted analysis and evaluation based on the LEAP approach, covering our entire value chain (upstream, direct operations, and downstream).

*1 Organizations or companies that have declared their intention to disclose information in accordance with the TNFD recommendations.

Governance

The Shimadzu Group deliberates on nature-related risks and opportunities, as well as measures to resolve management issues, at the Environmental Meeting (chaired by the President and which meets twice a year), a subcommittee focused solely on environmental issues. Discussions are reported to and discussed by the Executive Committee, which oversees the execution of these deliberations.

The Corporate Code of Ethics, which serves as a behavioral guideline for employees, stipulates respect for individual human rights, and prohibits discrimination on the basis of race, gender, language, nationality, religion, physical disability, beliefs, or any other reason as one of its core principles. Based on this principle of respect for human rights, we also address any human rights risks identified in nature-related business activities, such as the procurement and use of resources, by taking actions that respect human rights.

In January 2025, we also established our Multi-Stakeholder Policy, to build trust-based relationships with our stakeholders. We actively engage in smooth, two-way communication with them regarding all aspects of our business activities. For details on our stakeholder engagement, please refer to the information below.

Risk and Impact Management

Our Group conducted analysis and evaluation in accordance with the LEAP approach. Specifically, we carried out the identification of nature-related risks and opportunities across three levels—local operation, product/service, and corporate—based on materials published by the TNFD. In identifying risks and opportunities at the local operation level, we evaluated the dependencies and impacts on nature across each phase of the value chain—upstream, direct operations, and downstream—and assessed the resulting risks and opportunities. We organized and analyzed nature-related dependencies and impacts using the results from the ENCORE tool 2 and the specific characteristics of our business operations. For business activities with particularly high levels of dependency or impact, we identified high-priority regions for further

analysis and response, assessed local dependencies and impacts in those areas, and then considered and formulated appropriate response measures. For risks and opportunities at the product/service and corporate levels, we estimate macro-environmental changes based on the scenarios proposed by the TNFD and use them to identify relevant risks and opportunities. The identified risks and opportunities were qualitatively assessed based on the potential magnitude of their financial impact, and we considered and formulated appropriate response measures accordingly.

In addition, management of dependencies and impacts on nature—such as wastewater and waste management—is carried out at each site. The Global Environmental Management Department regularly leads the identification and assessment of nature-related risks and opportunities and examines appropriate response strategies. The Environmental Meeting discusses and reviews these assessment results, contributing to the company-wide risk management framework. *2 A tool that visualizes how the economy depends on and impacts nature and how environmental changes can generate business risks.

Strategy

• Dependence/Impact

The heat map below visualizes the results of our analysis of the Shimadzu Group's dependencies and impacts on nature. The impact-related heat map indicates that, in addition to the effects on nature from water pollution in our direct operations, significant impacts are also likely to result from land-use change and non-GHG air pollution occurring upstream in the value chain.

Table: Heat Map of Dependencies on Nature

Table: Heat Map of Impacts on Nature

		Upstream	Direct Operations	Downstream		Upstream	Direct Operations	Downstream
		Mining of metal ores and petroleum Manufacturing of metal materials Manufacturing of electronic components	Manufacturing of precision instruments	Sales of precision instruments Product use and waste management by users		Mining of metal ores and petroleum Manufacturing of metal materials Manufacturing of electronic components	Manufacturing of precision instruments	Sales of precision instruments Product use and waste management by users
Provisioning Services	Water supply				Land use change			
isio/	Genetic resources				Freshwater ecosystem alteration			
ning es	Biomass supply				Marine ecosystem alteration			
	Pollination				Water use			
₽	Soil and sediment retention				Other resource use			
g.	Flow regulation				Non-GHG air pollution			
stm	Purification of solid waste				Water pollution			
en	Water purification				Soil pollution			
≦	Flood regulation				Solid waste			
ain	Air purification				Disturbance			
Adjustment/Maintenance	Soil quality regulation				■:High ■:Moderate ■:L	ow/not applicab	le	
anc	Maintenance of ecosystems				- Triigii - Twodorato	-ow/not applicab	10	
	Local climate regulation							
è	Biological control							
Services	Rainfall pattern regulation							
Š	Storm mitigation							
	Noise reduction							

■:High ■:Moderate ■:Low/not applicable

TNFD Commitment to Natural Capital and Biodiversity

Analysis and Evaluation of Priority Areas

Direct Operations

As our direct operations are considered to have a potentially significant impact on water quality, we identified high-priority production sites for analysis and response based on factors such as ecosystem integrity, biodiversity significance, water stress, and volume of wastewater. We then investigated the current environmental impact status at those selected sites. The results revealed that these sites regularly measure the concentration of wastewater and discharge it into sewage systems in accordance with voluntary standards that are more stringent than legal or regulatory requirements. Our business activities are built on relationships of trust with stakeholders, including local communities, and we consider building such trust as both a corporate responsibility and an essential element for enhancing corporate value. We will continue our efforts to reduce environmental impact, engage in two-way communication with stakeholders, and actively address social issues related to our business activities.

Upstream

In the upstream portion of the value chain, changes in land use and non-GHG air pollution from activities such as iron ore and bauxite mining and oil extraction are considered to have a relatively significant impact. To address this, we identified regions with a high priority for analysis and response by estimating environmental impacts based on EXIOBASE⁻³ and other publicly available data, and conducted studies on the environmental and social implications in those areas. The studies confirmed that in some regions associated with iron ore mining, there are social concerns over significant environmental burdens, including land-use change and associated environmental impacts. In light of these risks, we have established internal rules requiring that all new products generate less life cycle environmental impact than their predecessors. In addition, while our Green Procurement Standards apply directly to suppliers, we also specify requirements such as the proactive use of recycled materials. We view these initiatives not only as measures to reduce environmental impact further upstream in the value chain, but also as mechanisms that function to mitigate such burdens. Furthermore, we are developing proprietary technologies that facilitate resource recycling, and we consider these technological innovations to contribute to reducing the environmental burden associated with resource extraction.

*3 A model that integrates the Multi-Regional Environmentally Extended Supply-Use Table (MR-SUT) and Multi-Regional Input-Output Table (MR-IOT) to estimate environmental impacts based on industry and region.

Risks and Opportunities

Based on the results of our assessments of dependencies and impacts, regional analyses, and scenario analyses, the table on the right outlines the nature-related risks and opportunities considered to have a significant financial impact on our company. We are also actively eliminating or reducing the use of hazardous substances, and promoting the procurement of parts and materials with lower environmental impacts. These efforts are believed to help mitigate liability and reputational risks associated with negative impacts on nature, as well as avoid policy-related risks. We are also engaged in forest planting initiatives around our production facilities, and we believe such initiatives contribute to ecosystem conservation and, ultimately, to reducing physical risks by maintaining and enhancing ecosystem services.

We provide environmental analyzers that support the monitoring of natural conditions and the impacts on nature caused by water pollution, soil contamination, air pollution, and other environmental factors.

Specifically, this includes online total nitrogen and total phosphorus analyzers that can measure total nitrogen and phosphorus levels in effluent water, atomic absorption spectrophotometers that can analyze the metals in soil, gas chromatograph mass spectrometer systems and high-performance liquid chromatographs that can analyze PM2.5 particulates, and Fourier transform infrared (FTIR) spectrophotometer plastic analysis systems that can analyze microplastics. If stricter nature-related regulations or environmental impact reduction plans are introduced in the future, we believe that demand for our analytical instruments—a key product of Shimadzu—will increase.

We will continue to stay abreast of trends related to chemical substances that may become subject to future regulations,

and collaborate with organizations such as NEDO (New Energy and Industrial Technology Development Organization) and the U.S. EPA (Environmental Protection Agency) to develop new measurement methods, with the aim of creating nature-related opportunities.

Table: Nature-Related Risks Considered to Have a High Financial Impact on Business Activities

Risk Category	Nature-Related Risks				
	Increased costs and reduced earnings due to disasters such as flooding at business sites				
Physical (Acute and Chronic)	Increased procurement costs for raw materials due to disasters such as flooding at supplier sites				
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Operational disruptions or relocations caused by water shortages, leading to increased costs and reduced earnings				
	Operational disruptions or relocations due to stricter regulations on water use and related costs				
Transition (Policy)	Increased compliance costs due to stricter regulations on the use of hazardous chemical substances with high environmental impact				
	Increased costs associated with regulatory tightening on the use of plastics at our business sites and in our supply chain				
Transition (Market)	Higher procurement costs for raw materials due to stricter environmental requirements in the supply chain				
Transition (Liability)	Costs related to penalties or remediation due to pollution incidents				
Transition (Reputation)	Costs arising from reputational damage due to water use or water pollution in local communities				

Table: Nature-Related Opportunities Considered to Have a High Financial Impact on Business Activities

Opportunity Category	Nature-Related Opportunities
Sustainability Performance Opportunity Category (Ecosystem Protection, Restoration, and Regeneration)	Reduced disaster response costs due to the restoration of ecosystems' flood and disaster mitigation functions through forest and river ecosystem protection, restoration, and regeneration near our and our suppliers' sites
	Stabilization and reduction of water procurement costs due to improved quantity and quality of water resources through ecosystem protection, restoration, and regeneration
Business Performance	Increased earnings from rising demand for environmental monitoring equipment and sampling devices
(Products/Services)	Increased earnings from rising demand for environmentally friendly products with low environmental impact

Shimadzu Integrated Report 2025

Message from the President

Environmental Strategy: Environmental Management

TNFD Commitment to Natural Capital and Biodiversity

Strategy for Addressing Nature-related Issues (Dependencies, Impacts, Risks, and Opportunities)

As part of our environmental management initiatives, we require, through internal regulations, that all new products have a lower environmental impact over their life cycle compared to conventional products. In addition, we certify and offer products with exceptional environmental performance under the Eco-Products Plus designation.

As part of our environmental management initiatives, we also promote the Shimadzu Forest Planting Project. In February 2025, the Shimadzu Forest located at our Sanjo Works was certified by the Ministry of the Environment as a Nationally Certified Sustainably Managed Natural Site. These activities not only contribute to nature conservation, but are also expected to help mitigate flood risks in surrounding areas by enhancing the soil's water retention capacity.

Under our medium-term management plan for FY2023 through FY2025, we have set forth our aim of 'contributing to the "Well-being of the Earth" through analytical and measuring technologies and production process control technologies' as a means of creating social value.

Advancing Nature Positive through the Power of Science

Nature Positive is a new global goal that not only aims to halt the loss of natural environments, but also to restore biodiversity and increase natural capital. Shimadzu supports scientifically grounded ecosystem conservation through its analytical and measuring technologies, contributing to the realization of a sustainable society.

High-Performance Liquid Chromatograph Mass Spectrometer System (LC-MS)

It enables high-sensitivity detection of trace environmental contaminants, including per- and polyfluoroalkyl substances (PFAS). It evaluates trace levels of pesticides, heavy metals, pharmaceuticals, and other contaminants in the environment, contributing to ecosystem impact assessments and effective risk management.

Gas Chromatograph (GC)

It analyzes volatile organic compounds (VOCs) to assess air quality in natural environments such as forests and wetlands. This enables a scientific understanding of the health of habitats for living organisms.

ICP Mass Spectrometry System (ICP-MS)

It performs elemental analysis of soil and plants to evaluate soil nutrient levels and the presence of heavy metal contamination. This information is used to assess vegetation health and measure the effectiveness of restoration efforts.

Fourier Transform Infrared Spectrophotometer (FTIR)

It identifies microplastics to understand the extent of microplastic pollution in rivers and oceans. It also enables quantitative assessment of their impact on ecosystems.



Featured in the Ministry of the Environment's "Good Practices for Reducing Microplastics" Collection MAP-100: Microplastic Automatic Preparation Device

Shimadzu's Microplastic Automatic Preparation Device (product name: MAP-100), which automatically collects microplastics from environmental water samples, was featured in the "Good Practices for Reducing Microplastics" publication issued by Japan's Ministry of the Environment. This publication compiles initiatives and technologies from Japanese companies that contribute to the prevention of microplastic generation, prevention of discharge, development of alternatives, recovery, and public awareness. In FY2024, 19 companies were selected for inclusion.

Launched in 2023, the MAP-100 is the world's first dedicated preparation system that automates the extraction and recovery of microplastics from environmental water sources such as oceans, rivers, and lakes. Prior to analysis by instruments, it is essential to remove impurities



Microplastic Automatic
Preparation Device "MAP-100"

and substances adhering to the surface of the samples, and by automating this previously manual preparation process, it improves operational efficiency, reproducibility, and safety, making it widely used by research institutions involved in environmental water monitoring.

We will continue contributing to the well-being of the Earth by providing technologies and products that support research on microplastics.

Measurement Index and Target

Shimadzu quantitatively determines the concentration of pollutants in effluent water, the quantity of water used, the quantity of hazardous and nonhazardous waste substances discharged, the recycling rates, and other values as nature-related indices. In particular, effluent water is monitored continuously so that corrective measures can be implemented quickly if any of the indices exceed voluntary control standards that are stricter than required by laws or regulations. Thus, Shimadzu is committed to precisely determining and mitigating any impacts of water pollution.

For more details on our environmental impact data, please refer to the information below. https://www.shimadzu.com/sustainability/environmental/data.html

In addition, our medium-term target for water usage is to reduce the water consumption per unit of consolidated net sales by 5% compared to FY2020 levels by FY2030. In FY2024, we achieved an improvement of 0.8%. Aiming for sustainable resource use, we have set a target of maintaining a recycling rate of 99.6% or higher at our domestic manufacturing and development sites. In FY2024, we achieved a recycling rate of 99.62%, meeting our target. Furthermore, we aim to achieve more than 10 cumulative adoptions of sustainable materials across different products by FY2025. In FY2024, we adopted three new cases, bringing the cumulative total to six. Going forward, we will continue to develop targets and conduct monitoring based on the TNFD recommendations.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Reinforcing Corporate Governance

Related Materiality I Reinforcing Corporate Governance

Corporate Governance: Basic Concept

Basic Policy

The Shimadzu Group considers corporate governance as a fundamental framework that underpins corporate management, enabling swift and bold decision-making while ensuring transparency, fairness, and enhanced vitality in management. Accordingly, we are actively working to establish and enhance our corporate governance systems.

In December 2015, Shimadzu formulated the Corporate Governance Policy (hereinafter, "CG Policy") as a declaration of its approach to faithfully implementing the Corporate Governance Code (hereinafter, "CG Code") in practice.

In addition to strengthening governance initiatives, Shimadzu regularly reviews the CG Policy in light of internal developments and changes in the external environment, with the aim of continually improving the effectiveness of its governance practices.

Corporate Governance Policy

- 1. Appropriate Collaboration with Stakeholders
- 2. Ensuring the Rights and Equal Treatment of Shareholders
- 3. Ensuring Timely and Transparent Disclosure of Information
- 4. Constructive Dialogue with Shareholders
- 5. Responsibilities of the Board of Directors, etc.

The following information is available on our website: https://www.shimadzu.com/ir/governance/policy.html

CG Policy

https://www.shimadzu.com/ir/governance/report.html

CG Report



Corporate Governance Initiatives

Shimadzu continues to fully comply with all of the fundamental principles and supplementary principles of the CG Code, including those applicable exclusively to companies listed on the Prime Market.

Below are the key corporate governance initiatives implemented by Shimadzu in FY2024.

Implementing Sustainability Management Initiatives (See p.23)

Under the Shimadzu Group Sustainability Charter and the Sustainability Management Implementation Policy, KPIs have been set for each department, marking the launch of sustainability management initiatives across the Group. As part of these efforts, in May 2022, the existing Corporate Code of Ethics was revised and reestablished as the Shimadzu Group Corporate Code of Ethics to enhance compliance and corporate ethics throughout the Group. At the same time, to foster greater awareness of ethical and compliance standards, we published the Shimadzu Group Corporate Ethics Code of Conduct Handbook, which outlines the standards of conduct that all employees are expected to follow in their daily work.

Furthermore, in June 2022, we established the Shimadzu Group Sustainability Management Regulations to clarify the framework and organizational structure for promoting sustainability management initiatives.

As a result, the Shimadzu Group Sustainability Meeting has been positioned as the highest deliberative body for sustainability management. Together with existing bodies such as the Risk Management and Corporate Ethics Board and the Environmental Meeting, it promotes sustainability management initiatives across the entire Shimadzu Group.

To provide institutional investors with a clearer understanding of these initiatives, we held the first Shimadzu Group Sustainability Management Briefing in October 2024. We will continue to offer such opportunities to further promote our efforts and enhance information disclosure.

The following information is available on our website:

https://www.shimadzu.com/sustainability/index.html

SUSTAINABILITY

Reinforcing Group Governance

In February 2023, we established the Shimadzu Group Management Basic Regulation, which defines the fundamental principles and operational guidelines for Group management. This initiative is designed to build a framework that enables the Shimadzu Group to operate as a unified entity and achieve sustainable growth through appropriate and efficient group management.

In addition, the overseas regional corporate headquarters—primarily those in China and Asia—play a central role in utilizing the auditing tools developed by the Head Office in Japan to formulate and carry out audit-visit plans. By verifying compliance with the Shimadzu Group Management Basic Regulation and ensuring proper rule implementation at each Group company, we are working to prevent improper procedures and practices.

The following information is available on our website: https://www.shimadzu.com/ir/governance/index.html

Corporate Governance



Shimadzu Integrated Report 2025

Message from the President

Story of Sharing Values and Collaboration

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Corporate Management

Corporate Governance

Corporate Governance System

The Board of Directors consists of a majority of outside directors (four out of seven), enhancing the transparency and objectivity of management.

Inside directors, familiar with business operations and circumstances within the company, and outside directors, who have extensive experience, knowledge, skills, and insights, discuss issues from various perspectives, so that decisions can be appropriately made and monitored regarding strategies and policies for increasing medium- and long-term corporate value. A more diverse group of outside directors is appointed mainly from candidates with extensive corporate management experience in a wide range of industries and with diverse work histories.

A system of corporate auditors is employed to audit the legality and appropriateness of management operations, with two internal and two outside Audit & Supervisory Board members. The Audit & Supervisory Board and its members attend Board of Directors meetings, where they proactively execute auditing functions, such as by expressing their opinions or exchanging views with directors or administrative corporate executive officers.

The President, administrative corporate executive officers, and the Executive Committee are designated as the bodies for appropriately and promptly executing administrative processes based on decisions made by the Board of Directors.

The following information is available on our website:

https://www.shimadzu.com/ir/governance/organization.html

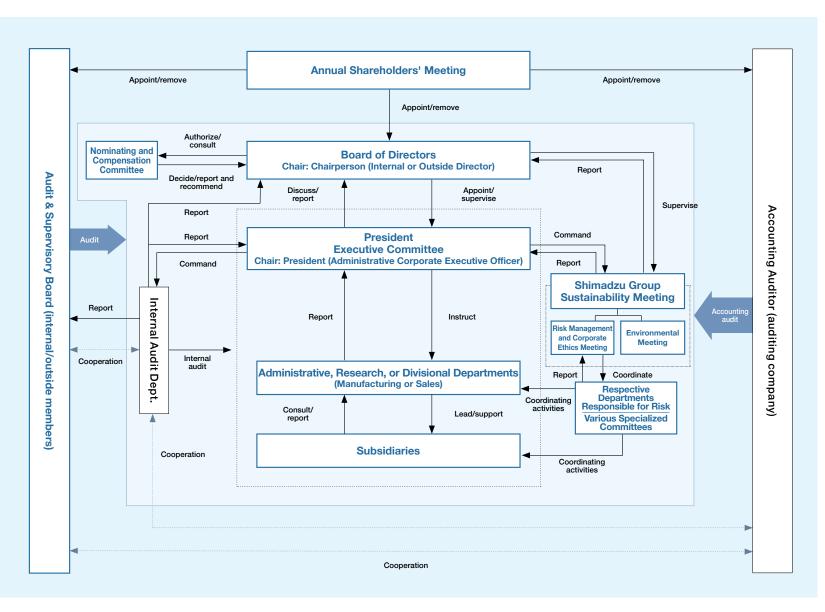
Corporate Governance System



Medium-Term Management Plan: Strengthening Seven Management Foundations: Reinforcing Corporate Governance

Related Materiality III Reinforcing Corporate Governance

Corporate Governance System



Corporate Management

Corporate Governance

Profiles of Directors and Audit & Supervisory Board Members (As of June 27, 2025)



Directors

Representative Director, Chairman of the Board Teruhisa Ueda

Chair of the Board of Directors

Outside Director of Meiji Yasuda Life Insurance Company Outside Director, Mitsubishi UFJ Financial Group, Inc.

Apr. 1982 Joined Shimadzu Corporation

Jun. 2007 Corporate Officer

Jun. 2007 Deputy General Manager, Analytical & Measuring Instruments Division

Jun. 2011 Director, Member of the Board

Jun. 2011 General Manager, Analytical & Measuring Instruments Division

Jun. 2013 Managing Executive Officer

Jun. 2014 Senior Managing Executive Officer

Jun. 2015 President and Representative Director

Jun. 2015 CEO

Apr. 2022 Chairman and Representative Director (current)

Apr. 2022 Chairman of the Board (current)

Jul. 2023 Outside Director, Meiji Yasuda Life Insurance Company (current)

Jun. 2025 Outside Director,

Mitsubishi UFJ Financial Group, Inc. (current)

2 Representative Director, President Yasunori Yamamoto

CEO

Apr. 1983 Joined Shimadzu Corporation Oct. 2003 Coordination Manager, Testing Machines Business Unit, Analytical & Measuring Instruments Division

Jun. 2013 President, Shimadzu Europa GmbH (Germany)

Jun. 2014 Corporate Officer

Jun.2017 Managing Executive Officer

Jun. 2017 In charge of Manufacturing,

Corporate Information & Communications Technology, and CS Management

Jun. 2017 Deputy in charge of Corporate Research and Development
Apr. 2020 In charge of Corporate Strategy Planning and

Corporate Communications

Jun. 2020 Director, Member of the Board

Apr. 2021 Senior Managing Executive Officer

Apr. 2021 CFO

Apr. 2022 President and Representative Director (current)

Apr. 2022 CEO (current)



Corporate Management

Corporate Governance

Director, Senior Managing Executive Officer Akira Watanabe

CFO, in charge of Corporate Strategy Planning and Corporate Communications

Apr. 1985 Joined Shimadzu Corporation Apr. 2009 General Manager of Turbo Molecular Pump Business Unit and concurrently Deputy General Manager of Sales & Marketing Department, Semiconductor Equipment Division

(currently Industrial Machinery Division) Apr. 2011 General Manager of Sales & Marketing Department and concurrently General Manager of Turbo Molecular Pump Business Unit. Semiconductor Equipment Division

Jun. 2013 Deputy General Manager of the Semiconductor Equipment Division, concurrently General Manager of Sales & Marketing Department and General Manager of Turbo Molecular Pump Business Unit

Jun. 2016 Corporate Officer

Jun. 2016 General Manager, Industrial Machinery Division

Apr. 2019 Managing Executive Officer

Apr. 2020 General Manager, Industrial Machinery Division and concurrently General Manager, Fluidics Systems Division

Apr. 2022 Senior Managing Executive Officer (current) Apr. 2022 CFO and in charge of Corporate Strategy Planning and Corporate Communications

Jun. 2022 Director, Member of the Board (current) Apr. 2025 Senior Managing Executive Officer in charge of Risk Management, Global Environmental Management (GX), and Corporate Transformation (CX) (current)

Outside Director Nobuo Hanai

Outside Director of Perseus Proteomics Inc. Outside Director of Noile-Immune Biotech Inc.

Apr. 1976 Joined Kyowa Hakko Kogyo Co., Ltd. (currently Kyowa Kirin Co., Ltd.)

Jun. 2006 Executive Officer, Kyowa Hakko Kogyo Co., Ltd.

Apr. 2009 Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd.

Jun. 2009 Director of the Board, Managing Executive Officer, Kyowa Hakko Kirin Co., Ltd.

Mar, 2010 Director of the Board, Senior Managing Executive Officer, Kvowa Hakko Kirin Co., Ltd.

Mar. 2012 Executive Director of the Board, President and Chief Executive Officer, Kyowa Hakko Kirin Co., Ltd.

Mar. 2018 Executive Director of the Board, Chairman and Chief Executive Officer, Kyowa Hakko Kirin Co., Ltd.

Mar. 2019 Director of the Board, Chairman, Kyowa Hakko Kirin Co., Ltd. (retired in Mar. 2020)

Jun. 2020 Director, Member of the Board, Shimadzu Corporation (current)

Mar. 2021 Outside Director, Perseus Proteomics Inc. (current)

Mar. 2024 Outside Director, Noile-Immune Biotech Inc. (current)

Outside Director Yoshiyuki Nakanishi

Outside Director of The Japan Steel Works, Ltd. **Outside Director of IHI Corporation**

Apr. 1978 Joined Dainippon Printing Ink Manufacturing Co., Ltd. (currently DIC Corporation)

Apr. 2010 Corporate Officer, DIC Corporation

Jun. 2011 Director, DIC Corporation

Apr. 2012 Representative Director, President and CEO, DIC Corporation

Jan. 2018 Chairman of the Board of Directors. **DIC Corporation**

Jun. 2020 Outside Director.

The Japan Steel Works, Ltd. (current) Jun. 2020 Outside Director, IHI Corporation (current)

Jan. 2021 Director, DIC Corporation Mar. 2021 Advisor, DIC Corporation

(retired in Mar. 2023) Jun. 2021 Director, Member of the Board, Shimadzu Corporation (current)

Outside Director Nami Hamada

Cofounder and Managing Director, Mile High Capital Inc. Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc.

Outside Director (Audit Committee Member, Nomination Committee Member, Compensation Committee Member), MetLife Inc.

Jul. 1992 Joined Shearson Lehman Brothers Holdings Inc. Oct. 1996 Vice President, Lehman Brothers Holdings Inc.

Jun. 1999 Senior Vice-President, Lehman Brothers Holdings Inc.

May 2004 Representative Director. HDH Advisors Japan Ltd.

Dec. 2006 Principal, HDH Capital Management Pte. Ltd

Mar. 2009 Cofounder and Managing Director, Mile High Capital Inc. (current)

Aug. 2017 Director, Ecoplexus Japan K.K.

Feb. 2019 Chief Operating Officer, Vesper Group Japan K.K.

Mar. 2019 Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc. (current)

May 2020 Outside Director (Audit Committee Member). MetLife Inc.

Jun. 2022 Outside Director (Audit Committee Member. Nomination Committee Member, and Compensation Committee Member), MetLife Inc. (current)

Jun. 2022 Director, Member of the Board, Shimadzu Corporation (current)

Outside Director Mie Kitano

SynFiny Advisors Partner

Apr. 1991 Joined Procter & Gamble Far East, Inc. (currently The P&G Japan Limited)

Oct. 1995 Global Purchasing Manager, Procter & Gamble European Services GmbH

Jun. 1997 Manager, Asia Beauty Care Purchasing Group, Procter & Gamble Far East, Inc.

Apr. 2000 Manager, Global Beauty Care/Innovation Purchasing Group, The Procter & Gamble Company

May 2003 Associate Director, Global Corporate Purchases-HR/BCP/ Sustainability, The Procter & Gamble Company

May 2005 Associate Director for Chemical Purchases (Asia), Procter & Gamble Far East, Inc.

Apr. 2008 Associate Director Integrated E2E Supply Chain, Procter & Gamble Japan K.K. (currently The Procter & Gamble Japan Limited)

Sep.2010 Senior Director External Relations Communications/ Sustainability, Procter & Gamble Japan K.K. (retired in Nov. 2013)

Dec.2013 Head of Communications, CSR & Advocacy, Eli Lilly Japan K.K.

Jan. 2016 Head of Corporate Affairs Japan, Executive Officer, Associate Vice President, Eli Lilly Japan K.K. (retired in Dec. 2021)

Mar. 2022 Partner, SynFiny Advisors (current) Jun. 2024 Director, Member of the Board, Shimadzu Corporation (current)

Audit & Supervisory Board Members

Audit & Supervisory Board Member Makoto Kovazaki

Jan. 1991 Joined Shimadzu Corporation

Apr. 2011 General Manager, Business Planning Department, Shimadzu International Trading (Shanghai) Co., Ltd. (currently Shimadzu (China) Co., Ltd.)

Jun. 2012 General Manager, Corporate Strategy Planning Department, Shimadzu Corporation

Apr. 2016 President and Representative Director. Shimadzu GLC Ltd. Apr. 2019 Senior Manager, Audit & Supervisory Board

Members' Office, Shimadzu Corporation Jun. 2019 Audit & Supervisory Board Member (current)

Audit & Supervisory Board Member Yoichi Yamada

Apr. 1998 Joined Shimadzu Corporation

May. 2008 President, Shimadzu Instruments (Suzhou) Co., Ltd.

Oct. 2012 General Manager, Testing Machines Business Unit, Analytical & Measuring Instruments Division

Apr. 2015 General Manager, Testing Machines Production Department, Analytical & Measuring Instruments Plant, Analytical & Measuring Instruments Division

Apr. 2019 General Manager, CS Management Department

Apr. 2023 General Manager, Legal Department Jun. 2025 Audit & Supervisory Board Member (current)

Outside Audit & Supervisory Board Member Tsuyoshi Nishimoto

Partner of Hibiya Park Law Offices Outside Director (Audit & Supervisory Committee Member), Enigmo Inc. Statutory Auditor of Broadleaf Co., Ltd.

Oct. 2000 Registered as attorney-at-law

Dec.2002 Joined Hibiya Park Law Offices (current) Jan. 2011 Statutory Auditor of Enigmo Inc.

Mar. 2018 Statutory Auditor of Broadleaf Co., Ltd. (current) Jun. 2020 Audit & Supervisory Board Member,

Shimadzu Corporation (current) Apr. 2022 Outside Director (Audit & Supervisory Committee Member), Enjamo Inc. (current)

Outside Audit & Supervisory Board Member Yuka Hayashi

Representative of Hayashi CPA Office Vice President and Representative Director, Hayashi Management

Outside Director (Audit & Supervisory Committee Member), Harima Chemicals Group, Inc.

Sep.1985 Joined Minato Audit Corporation (now Ernst & Young ShinNihon LLC)

Apr. 1991 Registered as a Certified Public Accountant Aug.1998 Joined Century Audit Corporation (now Ernst & Young ShinNihon LLC) (currently Partner) Jul. 2010 Senior Partner (currently Partner), ShinNihon

LLC (now Ernst & Young ShinNihon LLC) Sep.2015 Member of the Governance Council, Ernst & Young ShinNihon LLC

Sep.2019 Member of the Audit Committee, Vice-Chair of the Governance Council, Ernst & Young ShinNihon LLC

Jul. 2022 Representative, Hayashi Certified Public Accountant Office (current)

Jul. 2022 Executive Vice President and Representative Director, Hayashi Management Consultant Co., Ltd. (current)

Jul. 2022 Outside Director (Audit & Supervisory Committee Member), Harima Chemicals Group, Inc. (current)

Jun. 2023 Audit & Supervisory Board Member, Shimadzu Corporation (current)

Corporate Management Corporate Governance

Profiles of Corporate Officers (As of June 27, 2025)

Executive Officers



Representative Director, Chairman of the Board Teruhisa Ueda

Chair of the Board of Directors



Representative Director, President Yasunori Yamamoto

Message from the President

CEO



Director, Senior Managing Executive Officer Akira Watanabe

In charge of Risk Management, Global Environmental Management (GX), Corporate Transformation (CX)



Senior Managing Executive Officer Katsuaki Kaito

In charge of Manufacturing and CS Management In charge of DX/IT Strategy Deputy in charge of Human Resources



Senior Managing Executive Officer Koki Aoyama

Managing Director, Shimadzu (Hong Kong) Ltd.



Managing Executive Officer Yoshino Kajitani

In charge of Legal Affairs and Diversity Management In charge of Health Management



Managing Executive Officer Shigenori Aoyama

CHRO, In charge of General Administration, Internal Control Deputy in charge of Risk Management



Managing Executive Officer Shunei Matoba

In charge of Corporate Marketing General Manager, Sales & Marketing Division General Manager, Tokyo Office



Managing Executive Officer Masami Tomita

General Manager, Analytical & Measuring Instruments Division



Managing Executive Officer Kiyohito Sonoki

General Manager, Medical Systems Division



Managing Executive Officer Yoshiaki Maeda

In charge of Corporate Strategy Planning and Corporate Communications, Standardization Strategy (CSO)



Managing Executive Officer **Takahiro Nishimoto**

СТО



Managing Executive Officer Komei Arakane

CFO

Corporate Management Corporate Governance

Corporate Officers



Senior Corporate Officer Masahiko Tanaka

General Manager, Industrial Machinery Division General Manager, Fluidics **Systems Division**



Corporate Officer Susumu Yamamoto

General Manager, Aircraft Equipment Division



Message from the President

Corporate Officer Naomi Okazaki

Deputy General Manager, Analytical & Measuring Instruments Division (in charge of SCOE)



Corporate Officer Wataru Tajima

Deputy General Manager, Sales & Marketing Division General Manager, International Sales Department



Corporate Officer Shiqeki Morimoto

Deputy General Manager, Sales & Marketing Division General Manager, Sales & Marketing Promotion Unit



Corporate Officer Yoshiaki Hirao

President. Shimadzu Europa GmbH



Corporate Officer Takeaki Inoue

Deputy General Manager, Analytical & Measuring Instruments Division (In charge of Quality Assurance)



Corporate Officer Kazuya Suzuki

Deputy General Manager, Medical Systems Division (in charge of Sales, Marketing, and Service) General Manager, Global Marketing Department, Medical Systems Division



Corporate Officer Palanisamy Prem Anand

Managing Director, Shimadzu (Asia Pacific) Pte. Ltd.



Corporate Officer Kaoru Ihara

General Manager, Human Resources Department



Corporate Officer Manabu Sakamoto

Managing Director, Shimadzu Analytical (India) Pvt. Ltd. Managing Director, Shimadzu India Pvt. Ltd.



Corporate Officer Toshiyuki Kawano

General Manager. Technology Research Laboratory



Corporate Officer Akira Okubo

General Manager, DX·IT Strategy Management



Corporate Officer Yasuo Miyauchi

Deputy General Manager, Sales & Marketing Division General Manager, Global Sales Strategy Department



Corporate Officer Haruhiko Miyagawa

Deputy General Manager, Analytical & Measuring Instruments Division (In charge of R&D) General Manager, R&D Department



Corporate Officer Takashi Inoue

Deputy General Manager, Analytical & Measuring Instruments Division (In charge of Global Innovation) Vice President, Shimadzu Scientific Instruments, Inc.



Corporate Officer Takashi Ishii

Deputy General Manager, Aircraft Equipment Division Head of Shimadzu Aircraft Equipment, Shimadzu Precision Instruments, Inc.



Corporate Officer Patrick G. Fromal

President, Shimadzu Scientific Instruments, Inc.

Corporate Management Corporate Governance

Directors' Skill Matrix

Basic Policy

The composition of the Shimadzu Board of Directors is determined based on achieving a size and diversity appropriate for deploying businesses, the given business environment, and other factors. Shimadzu is expanding its four business segments (Analytical & Measuring Instruments, Medical Systems, Aircraft Equipment, and Industrial Machinery) globally based on the corporate philosophy "Contributing to Society through Science and Technology." In particular, by integrating technologies from both Analytical & Measuring Instruments and Medical Systems, we are working to create new businesses that leverage our strengths in the healthcare field.

From the perspective of managing the company in that way, in order to achieve a good balance between decision-making for executing important business activities based on extensive discussion by the Board of Directors and functions for appropriately supervising and auditing such business execution, currently the following areas of knowledge and experience are considered important for the Board of Directors—company management, international experience, technology/IT, sales/ marketing, finance/accounting, compliance/risk management, and personnel/human resources development. Directors are nominated from candidates with appropriate knowledge and experience in the above areas. The above areas of knowledge and experience will continue to be reassessed based on external business conditions and company circumstances.

Name		Knowledge/Experience of Directors									
		Company Management	International Experience	Technology/ IT	Marketing/ Sales	Finance/ Accounting	Compliance/ Risk Management	Personnel/ Human Resources Development			
	Teruhisa Ueda		•	•	•	•		•	•		
	Yasunori Yamamoto		•	•	•		•	•	•		
₽	Akira Watanabe			•		•	•				
Directors	Nobuo Hanai	Outside Director	•	•	•			•	•		
κi	Yoshiyuki Nakanishi	Outside Director	•	•		•		•	•		
	Nami Hamada	Outside Director	•	•			•		•		
	Mie Kitano	Outside Director		•				•	•		
Aud Bo	Makoto Koyazaki			•		•					
Audit & Supervisory Board Members	Yoichi Yamada			•	•	•		•			
	Tsuyoshi Nishimoto	Outside Director		•				•			
	Yuka Hayashi	Outside Director					•	•			

Note: The above is not intended as a complete list of knowledge and experience held by members of the Board of Directors and Audit & Supervisory Board.

Reasons for Appointing Outside Directors and Audit & Supervisory Board Members, and Description of Main Activities

Outside Director	Category	Independent	Officer Name	Reasons for Appointment and Overview of Duties with Respect to Expected Role	Attendance during FY2024	
	Reappointed	Independent Officer	Nobuo Hanai	Based on his extensive management experience as a CEO of a major Japanese pharmaceutical company and global knowledge about R&D and the pharmaceutical industry in Japan and throughout the world, he actively expresses views and offers recommendations that strengthen the decision-making and supervisory functions of the Board of Directors. Also, as a member of the Nominating and Compensation Committee, he participates in discussions about improving the transparency and fairness of director appointment/removal and compensation decisions. He was appointed because of his anticipated role in contributing to sustainable growth and increasing the corporate value of the Shimadzu Group based on his knowledge of major markets.	Attended 13 of 13 Board of Directors meetings Attended 6 of 6 Nominating and Compensation Committee meetings	
Out	Reappointed	Independent Officer	Yoshiyuki Nakanishi	He has extensive management experience as a top executive of a global chemical company and extensive knowledge of the chemical industry, management strategy, manufacturing, sales and marketing, etc., both in Japan and abroad, which enables him to make proactive comments and proposals that contribute to strengthening the decision-making and supervisory functions of the Board of Directors. Also, as a member of the Nominating and Compensation Committee, he participates in discussions about improving the transparency and fairness of director appointment/removal and compensation decisions. He was appointed because of his anticipated role in contributing to sustainable growth and increasing the corporate value of the Shimadzu Group based on his knowledge of major markets.	Attended 13 of 13 Board of Directors meetings Attended 6 of 6 Nominating and Compensation Committee meetings	
Outside Director	Reappointed	Independent Officer	Nami Hamada			
	Reappointed	Independent Officer	Mie Kitano	In addition to her extensive international business experience at foreign-owned consumer goods and pharmaceutical companies, she brings significant expertise in procurement and other supply chain matters, human resource development and diversity, and corporate social responsibility (CSR). Drawing on this expertise, she actively contributes to enhancing the decision-making and oversight functions of the Board of Directors. She also serves as a member of the Nominating and Compensation Committee, where she participates in discussions aimed at improving the transparency and fairness of executive appointments, dismissals, and compensation. She was appointed in anticipation of her valuable advice regarding global Shimadzu Group businesses, supply chain management, ESG strategies, and other issues and in anticipation of appropriately supervising the execution of business operations based on her extensive knowledge.	Attended 10 of 10 Board of Directors meetings Attended 5 of 5 Nominating and Compensation Committee meetings (subsequent to assumption of a Director, Board of Shimadzu Corporation)	
Outside Audit & Supervisory Board Member	ı	Independent Officer	Tsuyoshi Nishimoto	He actively offers his opinions at meetings of the Board of Directors and other relevant forums, based on his extensive expert knowledge and experience as a lawyer. He gathers information from internal control departments, Group companies, and other relevant sources, regarding the development and effectiveness of internal control systems across both domestic and overseas Group companies, and offers input on matters such as the implementation of mergers and acquisitions, thereby contributing to the enhancement of governance within the Shimadzu Group. Based on his experience and accomplishments, we believe that he is qualified to serve as an Audit & Supervisory Board Member and have elected him to this position.	Attended 13 of 13 Board of Directors meetings Attended 17 of 17 Audit & Supervisory Board meetings	
Supervisory ember	-	Independent Officer	Yuka Hayashi	Based on her extensive experience and knowledge as a certified public accountant, she actively offers her opinions at Board of Directors meetings and other situations. She has been contributing to improving governance of the Shimadzu Group by gathering information from internal control departments and other sources to provide opinions regarding ensuring the financial health of the Shimadzu Group. Based on her experience and accomplishments, we believe that she is qualified to serve as an Audit & Supervisory Board Member and have elected her to this position.	Attended 13 of 13 Board of Directors meetings Attended 17 of 17 Audit & Supervisory Board meetings	

Criteria for Evaluating Effectiveness

Corporate Management Corporate Governance

Board of Directors

Activities of the Board of Directors

The Board of Directors discusses, resolves, and reports on important matters in accordance with laws and regulations, the Articles of Incorporation, and the rules of the Board of Directors. The following is a summary of specific matters considered by the Board of Directors during the fiscal year under review.

Major Matters Discussed by the Board of Directors during the Last Fiscal Year

- Progress of implementing business strategies specified in the medium-term management plan (FY2023 to FY2025) and reinforcing the management base
- Discussion on the business portfolio
- Building a global foundation for growth aimed at strengthening Shimadzu Group management
- Review of strategic investments necessary for business growth
- Establishment and revision of rules related to the introduction of a short-term performance-linked stock compensation system
- Acquisition of treasury stock

Evaluating the Effectiveness of the Board of Directors

Every year, we analyze and evaluate the effectiveness of the directors and auditors who make up the Board of Directors. Again this year, we conducted an independent survey for assessing effectiveness. The survey covered the same following three topics as last year, but some of the questions were revised: 1. Changes over time, 2. New issues since the previous year, 3. Future revisions. Based on the survey results, the Board of Directors held discussions focusing on areas in need of improvement. The following and the items on the right are a summary of the results of the effectiveness evaluation based on discussions at the Board of Directors.

Summary

The assessment found that improvements were made compared to the previous year and the overall evaluation was generally positive, but that further improvements are required.

The Board of Directors is contributing appropriately to monitoring and deliberating the progress of business strategies and the medium-term management plan. In addition, the composition of our Board of Directors includes diverse members with extensive experience and deep insight, and we believe that maintaining an environment where active discussions can take place from a wide range of perspectives is one of the Board's strengths.

Compared to the previous year, progress was made in providing information to the Board of Directors regarding dialogue with shareholders and investors, increasing opportunities for exchange of views between outside directors and accounting auditors/ internal audit departments, and expanding opportunities for discussions on business strategies and risk management. On the other hand, challenges remained regarding the selection of agenda items and improvements to meeting materials for more efficient deliberations. As this fiscal year marks the formulation of the new medium-term management plan, we will work to further improve operations to enable more in-depth discussions on important agenda items.

Results from Evaluating the Effectiveness of the Board of Directors

Criteria for Evaluating Effectiveness	FY2024 (Applicable Year: FY2023)					
Composition of the Board of Directors	The Board's size of 12 members and its composition—half of whom are outside directors—received a positive evaluation for its effectiveness. We will continue discussions on the Board's structure to ensure it contributes to strategic monitoring and the strengthening of governance.					
Operation of Board of Directors Meetings	The evaluation identified room for improvement in the allocation of discussion time, selection of agenda items, and the quality of materials for the Board of Directors. To operate the Board of Directors with a greater emphasis on high-level, comprehensive discussions, we will pay close attention to the selection of agenda items, time allocation for deliberations, and scheduling. In addition, by improving materials to be scenario-based, concise, and focused on key discussion points, we aim to ensure sufficient time is allocated to important agenda items that contribute to enhancing corporate value.					
Roles and Responsibilities of the Board of Directors	The roles and responsibilities of the Board of Directors were evaluated as being appropriately fulfilled. Areas identified as requiring continued focus included overseas and regional strategies, Group governance and risk management, and the business portfolio. We will continue to work on these as important themes.					
Self-Assessment by Directors	All members of the Board of Directors were found to be aware of Shimadzu's basic philosophy and their expected roles, engaged in lively discussions based on their diverse backgrounds, and effective.					
Support for and Cooperation with Directors and Audit & Supervisory Board Members	Information sharing and alignment of understanding between outside directors and Audit & Supervisory Board members, as well as ensuring opportunities for exchanging views and sharing information between outside directors and accounting auditors/internal audit departments, are being conducted appropriately. We will also systematically promote initiatives to enhance outside directors' knowledge and understanding of the company by ensuring opportunities for dialogue with employees and other means.					
Dialogue with Shareholders and Investors	The provision of information regarding the company's dialogue with shareholders and institutional investors was evaluated as being appropriately conducted. We will continue to enhance information sharing regarding executive IR activities and will continue working to ensure opportunities for dialogue with shareholders and institutional investors.					

Corporate Management

Corporate Governance

Activities of the Board of Directors and Outside Audit & Supervisory Board Members

Outside Directors and Outside Audit & Supervisory Board Members engage in activities aimed at promoting Shimadzu's sustainable growth and enhancing its corporate value over the medium to long term.

Participation as a Speaker at the Sustainability Management Briefing

In October 2024, Director Hanai participated as a speaker at a Sustainability Management Briefing held for institutional investors. Speaking from the perspective of an Outside Director, Director Hanai shared insights on Shimadzu's management challenges and initiatives, such as efforts to improve capital efficiency and enhance development capabilities.



Scene from the Presentation at the Sustainability Management Briefing

Participation in DE&I-Related Events

In March 2025, Directors Hamada and Kitano participated in a networking event with female employees held in conjunction with International Women's Day. Through group workshops, they offered advice on challenges and concerns related to day-to-day work.



Group Photo with Participants of the Networking Event

Presentation at the Global Manager Training

In January 2025, Director Hamada delivered a presentation during the Global Manager Training program for newly appointed managers of overseas Group companies. In her speech, she emphasized the importance of driving transformation by pursuing diversity and sharing best practices.



Scene from the Presentation at the Global Manager Training

Visit to Manufacturing Sites and Offices

To deepen their understanding of our business, Directors Hanai, Nakanishi, Hamada, and Kitano, as well as Audit & Supervisory Board Members Nishimoto and Hayashi, visited the Medical Systems Plant and Aircraft Equipment Plant in June 2024. In July and August of the same year, Director Kitano also visited the Shimadzu Tokyo Innovation Plaza and the Technology Research Laboratory.



Scene from the Visit to the Medical Systems Plant

Criteria for Independence of Outside Directors and Audit & Supervisory Board Members

If none of the following conditions apply, Outside Directors and Outside Audit & Supervisory Board members (including candidates) shall have independence from Shimadzu, with no risk of a conflict of interest with general shareholders.

- (1) Major supplier of Shimadzu (a company that received payments from Shimadzu equivalent to 2% or more of their annual consolidated sales revenue during the previous fiscal year) or an executive officer of that company
- (2) Major customer of Shimadzu (a company that paid Shimadzu an equivalent of 2% or more of Shimadzu's annual consolidated sales revenue during the previous fiscal year) or an executive officer of that company
- (3) Consultant, accounting expert, or legal expert (including persons affiliated with a corporation, association, or other organization that received applicable assets) who receives any substantial monetary or asset compensation from Shimadzu other than the designated director compensation (monetary or asset compensation equivalent to 10 million yen or more, excluding the director compensation, received during the previous fiscal year)
- (4) Persons for which any of the conditions (1) to (3) applied within the past year
- (5) Relatives within the second-degree kinship to a person listed in 1. through 3. below (excluding those without importance).
- 1. A person indicated in (1) to (4)
- 2. An executive officer of a Shimadzu subsidiary (including directors who are not executive officers, when Outside Audit & Supervisory Board members are designated as independent directors)
- 3. A person that served as an executive officer indicated in 2. or as a Shimadzu executive officer within the last year (including directors who are not executive officers when Outside Audit & Supervisory Board members are assigned as independent directors)

Corporate Management Corporate Governance

Nominating and Compensation Committee

Activities of the Nominating and Compensation Committee

Shimadzu established the Nominating and Compensation Committee as an optional advisory body to the Board of Directors to strengthen the independence, objectivity, and accountability of the Board of Directors. This committee resolves and deliberates on matters related to nominating and compensation in accordance with the committee rules. During the fiscal year under review, the committee's specific deliberations included the items in the table below.

Main Activities of the Nominating and Compensation Committee during the Last Fiscal Year

- Policy for composition of the next Board of Directors and corporate officers
- •Succession plan for the next President/CEO
- Candidates for outside directors
- Executive changes

• Fixed compensation and short-term performance-linked compensation for the current fiscal year

•Issues and Reassessment of Director and Audit & Supervisory Board Member Compensation

Evaluating the Effectiveness of the Nominating and Compensation Committee

In addition to evaluating the effectiveness of the Board of Directors, a survey about the effectiveness of the Nominating and Compensation Committee has been conducted annually since 2019, the year when the committee was established. Survey questions primarily involve (1) the CEO successor training plan and (2) management incentives. Evaluation results have been generally positive.

Composition of Nominating and Compensation Committee

The Nominating and Compensation Committee is composed of representative directors and outside directors, with a majority of the members consisting of outside directors. The independence of nominating and compensation is increased by generally appointing an independent outside director as the committee chair.

Members of the Nominating and Compensation Committee

Chairperson: Nobuo Hanai (Outside Director) Members: Yoshiyuki Nakanishi (Outside Director) Nami Hamada (Outside Director) Mie Kitano (Outside Director)

(Representative Director, Chairman of the Board)

Yasunori Yamamoto

Teruhisa Ueda

(Representative Director, President)

Policy on Method for Deciding Director and Audit & Supervisory Board Member Compensation

Shimadzu's executive compensation regulations stipulate the procedures for determining the compensation of directors, Audit & Supervisory Board members, and executive officers with specific responsibilities, as well as the compensation structure. In addition, a "Policy on Method for Deciding Director and Audit & Supervisory Board Member Compensation" is also established upon resolution by the Board of Directors based on the deliberations and reports of the Nominating and Compensation Committee.

Compensation for Directors and executive officers with specific responsibilities is decided by Nominating and Compensation Committee members appointed by the Board of Directors within the range decided at the Annual Shareholders' Meeting. Then the results are reported to the Board of Directors. Compensation for Audit & Supervisory Board members is decided through discussion with the Audit & Supervisory Board members.

Director and Audit & Supervisory Board Member Compensation System

Compensation for directors (excluding outside directors) and executive officers with specific responsibilities (collectively referred to as "Director or Officer" below) comprises monetary compensation that includes a base amount and a short-term performance-linked compensation amount that varies with performance, plus non-monetary stock compensation, while also taking into consideration the management duties of the Director or Officer with respect to expanding our business results during each fiscal year and increasing medium- and long-term corporate value.

Compensation for outside directors only includes a base compensation amount decided based on their expected roles and duties as an outside director. Compensation for Audit & Supervisory Board members only includes a base compensation amount decided based on their duties.

Compensation Classification	Internal Director	Outside Director	Audit & Supervisory Board Member	Remarks
Base Compensation	0	0	0	From the perspective of deciding compensation based on objective information, while also providing a level that is sufficient to enable recruiting talented human resources, compensation is decided based on the candidate's current position and intended role, using the compensation offered by similar companies (group of benchmark companies of a similar size and in a similar type of business), to be determined by a survey performed by an outside specialist company, as an important reference level.
Compensation Linked to Short-Term Performance	0	_	_	Compensation is decided based on overall consideration of the year-on-year growth rate of consolidated net sales and operating income, an evaluation of the performance of the specific department the executive officer with specific responsibilities is in charge of, and a personal evaluation.
Stock Compensation	0	-		This compensation is provided to share value with the shareholders, increase the incentive for expanding performance and increasing corporate value. It comprises a short-term performance-linked portion and a medium/long-term performance-linked portion. Short-Term Performance-Linked Portion This is a portion of short-term performance-linked compensation included as stocks. It is provided to directors or others in the form of stocks that can only be transferred at a specific time each year. The transfer restriction on those stocks is lifted when the director or other recipient retires. The ratio of stocks provided is decided by the Nominating and Compensation Committee on a case-by-case basis. Medium/Long-Term Performance-Linked Portion For directors, for example, the number of shares provided for each position is decided based on the degree to which performance targets specified were achieved in the final year of the medium-term management plan. Compensation can vary within the 50 to 200% range, given the degree of target achievement is determined based on target values for consolidated net sales and operating income as performance indicators. If a director or other employee commits a serious violation of their job duties or company regulations, they will forfeit their right to benefit from scheduled issues of stock and a system is established to charge a monetary amount equivalent to the stock value provided.

Director and Audit & Supervisory Board Member Compensation Status (FY2024)

		Monetary Compen	sation (million yen)	Stock Compensa			
	Number of Directors and Audit &	Fixed Compensation	Performanc	e-linked Compensation	(million yen)		
Classification	Supervisory Board Members	Base Compensation	Short-term Performance-linked Part	Short-term Performance-linked Part	Medium- and Long- term Performance- linked Part ²	Total	
Director (Internal)	4	200	141	16	15	374	
Audit & Supervisory Board Member (Internal)	2	55	-	-	-	55	
Outside Director	5	59	-	-	-	59	
Outside Audit & Supervisory Board Member	2	24	_	-	-	24	
Total	13	339	141	16	15	512	

3. Employee salaries for officers concurrently serving as employees are not listed as there is nothing applicable.

The above includes compensation paid to one outside director who retired on June 26, 2024.
 The stock compensation (medium/long-term performance-linked portion) is a performance-based compensation and non-monetary compensation system that provides a quantity of stock every three years based on the extent to which the performance targets for the final year of the medium-term management plan were achieved. The compensation value indicated above is based on the recorded expense calculated by multiplying the number of points attributable to directors (excluding outside directors) for the given fiscal year by the market stock price, assuming a trust purchased Shimadzu stock. However, actual stock compensation is determined after the medium-term

Corporate Management

Corporate Governance

Executive Sessions

To provide an opportunity to periodically meet and freely discuss issues, exchange views, share circumstances, and so on, executive sessions are held between Outside Directors and Outside Audit & Supervisory Board members, or between Outside Directors and Audit & Supervisory Board members after Board of Directors meetings are finished.

Message from the President

For the purpose of the sessions to provide information to executive management and the Board of Directors, Outside Directors and Outside Audit & Supervisory Board members express their respective views on Shimadzu issues and exchange views with accounting auditors about improving internal controls. In addition, informational presentations regarding Shimadzu products and services are offered, mainly to newly appointed outside directors, in conjunction with personnel involved in those products and services in order to promote a deeper understanding of Shimadzu business operations. Recent meetings for exchanging views are indicated below.

Among Outside Directors and Outside Audit & Supervisory Board Members

- Roundtable discussion with the President/CEO
- Roundtable discussion on group governance
- Roundtable discussion on employee engagement



Discussion among Outside Directors and Outside Audit & Supervisory Board Members

Among Outside Directors and Audit & Supervisory Board Members

- Roundtable discussion on Audit & Supervisory Board Members' site visits
- Roundtable discussion with the accounting auditors



Discussion with the Accounting Auditors

Cross-Shareholdings

1. Policy on Cross-Shareholdings

Shimadzu holds stocks that it judges will contribute to increasing medium- and long-term corporate value, from a management strategy perspective. Each year, the Board of Directors verifies the appropriateness of holdings, by confirming whether the overall scale of cross-shareholdings is appropriate and then confirming whether the holdings of individual stocks are appropriate for the given objectives for holding the respective stocks and whether the benefits and risks from holding the stocks are commensurate with the corresponding cost of capital and other factors. Based on the above holding policy, we reduced our holdings by ± 1.3 billion in FY2024 by divesting two stocks that were deemed to have insufficient strategic significance as a result of the review.

2. Stocks Held by Shimadzu for Reasons Other Than Net Investment Purposes

The number of stocks held for purposes other than net investment and their total amount recorded on the balance sheet are as follows.

Number of Stocks (Stock types)

	FY2019	FY2020	FY2020 FY2021		FY2023	FY2024	
Unlisted Stocks	30	30	30	30	28	30	
Stocks Not Unlisted	36	30	24	22	22	20	

Value of Stocks Included on Balance Sheet

(Million yen)

	FY2019 FY20		FY2021	FY2022	FY2023	FY2024
Unlisted Stocks	525	519	612	1,530	1,381	2,467
Stocks Not Unlisted	10,418	11,907	11,405	10,426	13,054	9,261

As of March 31, 2025, in addition to the stocks listed above, we also held eight deemed shareholdings totaling ¥31.098 billion.

3. Scale of Listed Equity Holdings by Shimadzu

As of March 31, 2025, the total number of listed stocks held by Shimadzu, including deemed holdings, was 20, with a total book value of ¥40.36 billion, representing 6.0% of consolidated total assets and 8.1% of consolidated net assets.

4. Shareholder Voting Criteria

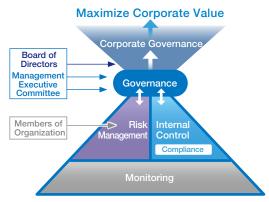
Shimadzu exercises voting rights for all cross-shareholdings subject to a vote if doing so is judged to increase shareholder value. To ensure we exercise our voting rights appropriately, we check the content of each proposal being voted on based on decision criteria specified for each proposal, such as appropriation of retained earnings, appointment of directors or Audit & Supervisory Board members, or establishment of measures to defend against a takeover. For issues involving particularly serious concerns, such as a social scandal, we consider our vote very carefully.

Corporate Management

Reinforcing Corporate Governance (Enhancing Integrated Risk Management)

Basic Policy

As an important organizational framework within the Shimadzu Group, we have established an integrated system for promoting risk management (countermeasures for risks related to our businesses), compliance and internal controls (mitigation of risks in the execution of duties), and monitoring. By also utilizing digital transformation (DX), we aim to achieve our management strategies and business objectives, thereby maximizing our corporate value.



Ensuring Compliance

Basic Policy

The Shimadzu Group is committed to obtaining applicable permits and licenses and complying with applicable laws and regulations, such as security trade controls, anti-bribery laws, and competition laws, established by governments in respective regions and countries for Shimadzu's various businesses deployed around the world.

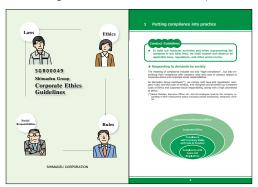
In addition to compliance with laws and regulations, Shimadzu is also committed to behavior consistent with international norms. We have established the Shimadzu Group Corporate Code of Ethics that specifies ethical standards to be shared and complied with by directors and employees, in accordance with Shimadzu's corporate philosophy, the management principle, and Shimadzu Group Sustainability Charter. We practice the Shimadzu President's policy of "prioritize compliance above all else."

- Security trade controls: Implementing appropriate import/export controls based on control policies for maintaining international peace and security.
- Preventing bribery and anti-competitive practices: Forbidding the bribing of public officials or inappropriate entertainment or gift-giving to suppliers or other relevant parties in the private sector.

Promotional Activities

The Shimadzu Group has created a Corporate Ethics and Code of Conduct Handbook that summarizes the essential elements of the Corporate Code of Ethics in an easy-to-understand form and prevents compliance problems through group training, e-learning, and other teaching activities to teach and instill the content of the handbook.

- Further promoting the 11 Conduct Guidelines: In addition to our ongoing annual efforts to put compliance into practice and respect for human rights and diversity, we conduct training on themes such as sustainable economic growth through business activities, solving social issues, delivering reliable products and services, contributing to society, and preserving the global environment.
- Individualized training for overseas subsidiaries: We provide anti-bribery training tailored to individual overseas Shimadzu Group companies and competition law training for the entire Shimadzu Group.



Assessing Awareness of Ethics and Compliance

To assess the level of ethics and compliance awareness within each organization and workplace, we conduct periodic questionnaire surveys administered by external experts. Then respective organizations and workplaces will discuss the results from that analysis and implement corresponding improvements. Improvement measures to be applied broadly to all organizations throughout the Shimadzu Group are included within control activities by the departments specifically responsible for the respective risks and various committees.

Initiatives at Respective Workplaces

On the Shimadzu Group Compliance Day held every July since 2011, employees reflect on incidents that have occurred during the past year. On this day, employees discuss things they noticed during their daily work to identify any issues that could potentially become compliance violations and prevent problems before they occur. In FY2022, a learning system was introduced at Medium-Term Management Plan: Strengthening Seven Management Foundations: Reinforcing Corporate Governance Related Materiality III Reinforcing Corporate Governance

Shimadzu Corporation and Group companies in Japan. This system helps personnel at each workplace learn the knowledge (methods, regulations, procedures, etc.) and values required to perform their work properly, improve the quality of their work, and build their capacities. Each workplace team used teaching materials provided by departments responsible for respective risks. As a result, the Shimadzu Group conducted over 18,000 workplace learning sessions in FY2024.

Going forward, we will extend these initiatives from Japan to our overseas Group companies.

In addition, as part of these initiatives, we began efforts in FY2024 to prevent the recurrence of past issues at the workplace level in order to reduce operational risks.

By continuing such learning sessions for many years, we aim to foster a positive culture within the Shimadzu Group.

Establishment of Internal Whistleblowing Hotlines

To prevent corporate ethics issues and ensure their early detection and resolution, the Shimadzu Group has established internal and external whistleblowing hotlines for consultation and reporting. These are communicated to all Group employees, temporary staff, and contractor personnel working within the company. The external whistleblowing hotlines are an independent reporting channel where outside attorneys receive reports and Audit & Supervisory Board members conduct investigations, ensuring separation from executive management.

FY2024, there were 164 cases of the contact points being used for consultation or notification. In addition to protecting whistleblowers, we have also established measures to conduct necessary investigations, implement corrective actions, and prevent recurrence.

Internal Controls (Risk Management in Business Execution)

Basic Policy

The Shimadzu Group has established internal control systems to ensure that the duties of executives and employees are executed in compliance with laws and regulations, as well as the Articles of Incorporation, and that operations are conducted appropriately and efficiently. We will continue to strengthen these systems by identifying changes in the business environment and making improvements without being constrained by conventional thinking or past methods.

Corporate Management

Reinforcing Corporate Governance (Enhancing Integrated Risk Management)

Internal Control Systems

To ensure business processes are executed appropriately and efficiently, we have established systems to ensure compliance with all applicable regulations governing our operations. This includes clarifying job authority and establishing systems to quickly and accurately convey Shimadzu Group information, thereby increasing management transparency. If a violation occurs, a description of the violation, disciplinary actions, and other relevant information are quickly shared throughout the Shimadzu Group to prevent similar violations from recurring.

Furthermore, while strictly protecting personal and confidential information, relevant information is disclosed outside Shimadzu whenever appropriate, either via public relations, investor relations, the website, or other means. A Shimadzu Group Management Basic Regulation was specified that summarizes the basic principles for Shimadzu Group's governance and corresponding management requirements. By continuously establishing and strengthening systems for understanding and managing the management circumstances throughout the Shimadzu Group, we ensure that the Group operates appropriately and efficiently.

Establishing Internal Controls for Financial Reporting

Based on implementation standards specified by the Japanese Financial Services Agency, the Shimadzu Group has established the Regulation for Establishing Internal Control over Financial Reporting to specify a basic framework for internal controls. This framework aims to achieve business objectives by improving the efficacy and effectiveness of business practices, ensuring the reliability of financial reports, promoting compliance with laws, regulations, and other requirements for business activities, and protecting assets. Recognizing the importance of creating and disclosing appropriate financial reports, establishing and implementing internal controls is considered a company-wide challenge. We constantly evaluate internal controls to maintain and improve their effectiveness and implement improvements (remedial measures) to resolve any deficiencies identified. In terms of the scope of controls, we focus on companies and business processes with the highest importance or greatest potential risks to improve effectiveness in actual practice.

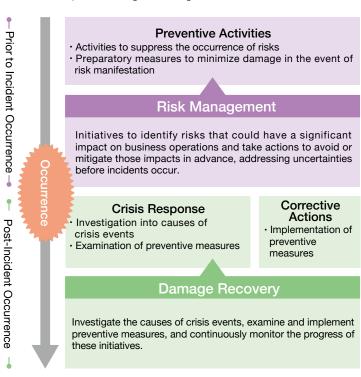
Activities to Expand the Scope of Controls (to Non-Applicable Group Companies)

After all Group companies assess risks using a checklist of key risks related to corporate controls and business processes, administrative departments at the headquarters conduct interviews with each Company to verify their assessments. The results are analyzed, and control measures are implemented to reduce the likelihood of risks materializing, thereby preventing potential issues.

Risk Management (Risk Countermeasures Related to Businesses)

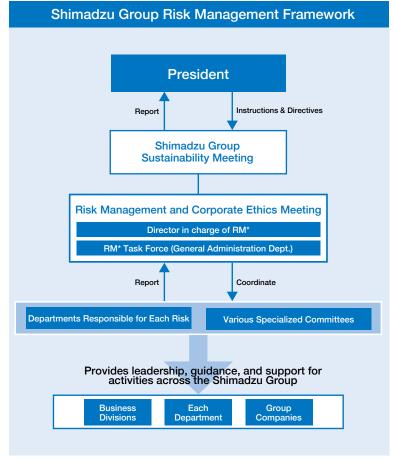
Basic Policy

Risk management is essential for achieving business continuity and progress while fulfilling the company's social responsibilities. Shimadzu Group activities for appropriately managing business risks include preventing the occurrence of risks, quickly resolving any urgent risk events, minimizing damages, identifying causes, and deploying recurrence prevention measures horizontally throughout the Group as soon as possible. Those activities are specified in the Shimadzu Group Risk Management Regulation.



Risk Management and Ethics System

To ensure consistent risk management across the entire Group, the Risk Management and Corporate Ethics Meeting is held twice a year under the chairmanship of the President of Shimadzu Corporation. To discuss the progress of addressing risks at each level (common prioritized risks across the Group, key risks specific to each Group company, and operational risks at the workplace level), and to enable autonomous and effective implementation by each organization and workplace, guidance and support are provided by departments and various committees responsible for respective risks under the supervision of the officer in charge of risk management.



^{*} RM: Risk Management

Corporate Management

Reinforcing Corporate Governance (Enhancing Integrated Risk Management)

Promotional Activities

Prevention Activities

We drive the cycle of risk management activities by addressing and monitoring risks based on periodic risk identification and assessment results. To prevent serious incidents during Shimadzu Group's business activities that may lead to a degradation of corporate value by violating societal expectations or disrupting business operations, management personnel and departments responsible for respective risks play a central role in identifying, assessing, and prioritizing risks. To ensure that each risk is controlled appropriately, Shimadzu has established systems dedicated to implementing company-wide countermeasures for higher-priority risks.

In FY2025, we will focus on addressing two globally significant and highpriority risks: cyber security risks and delays in new product development. For region-specific and company-specific risks, each Group company will conduct risk assessments, identify key risks, and implement countermeasures accordingly. The risk management department at the headquarters will also provide guidance and support to promote these activities.

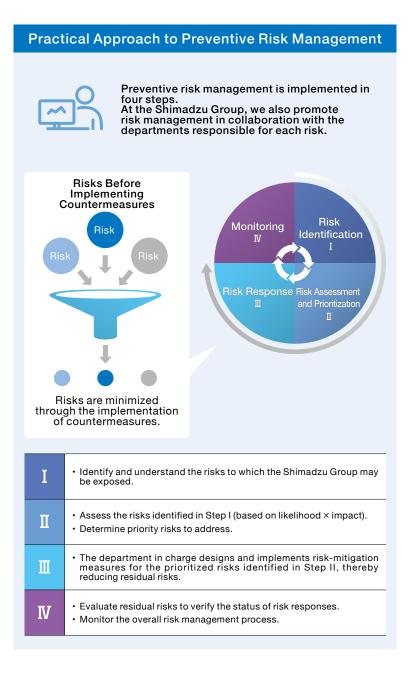
To ensure continuous risk management across the Group, we provide training to relevant personnel at both the headquarters and Group companies.

Responding to Urgent Incidents

An emergency communication system has been established to ensure any urgent incidents are handled appropriately. Based on the general rule to communicate the first report as soon as possible, if necessary, a response task force, chaired by the President, is established to implement response measures.

Deployment of Recurrence Prevention Measures

In the event of a serious risk incident, we take steps to ensure recurrence is prevented and that similar misconduct never happens again. We promote initiatives that encourage departments to recognize their own risks and implement countermeasures through workplace discussions and e-learning.



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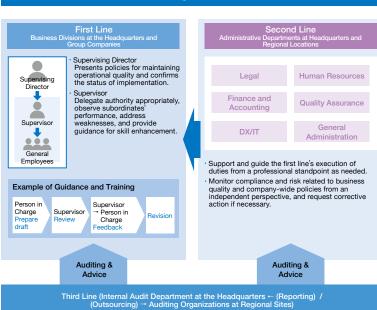
Basic Policy

The Shimadzu Group systematically and continuously reviews and evaluates the effectiveness of risk management, internal controls, and compliance activities across all three lines of defense—business divisions, administrative departments, and audits.

Framework for Strengthening Monitoring

The regional corporate head offices established outside Japan—mainly involving local organizations in China, Asia, and North America—are taking the lead in using audit tools developed by the headquarters in Japan to formulate and implement audit visit plans. In accordance with the Shimadzu Group Management Basic Regulation, we verify how rules are implemented at each Group company, which helps prevent inappropriate procedures and other issues. By conducting internal audits, we identify potential risks within the Group and contribute to the prevention of future problems.

Monitoring Framework



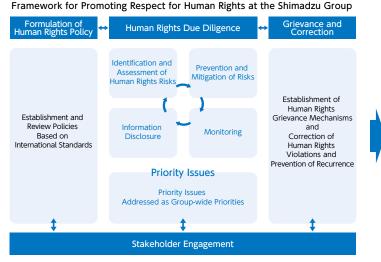
Corporate Management **Human Rights**

Shimadzu Group's Approach to Human Rights

Human rights are the fundamental rights inherent to all individuals, enabling them to live with dignity and pursue well-being.

At the Shimadzu Group, we recognize that respecting the human rights of all stakeholders involved in our business activities is fundamental to our corporate operations. Guided by international norms and government guidelines, we have established a framework for promoting respect for human rights. This includes our human rights policy, human rights due diligence, and grievance mechanisms and corrective action.

We have also identified priority human rights risks that require particular attention. Through training and education, we strive to mitigate potential negative impacts, while regularly monitoring progress and ensuring appropriate disclosure.



Medium-Term Management Plan: Strengthening Seven Management Foundations: Reinforcing Corporate Governance

Related Materiality Reinforcing Corporate Governance

The following information is available on our website:

https://www.shimadzu.com/sustainability/social/human rights.html#01

Respect for Human Rights



Corporate Philosophy: Contributing to Society through Science and Technology Management Principle: Realizing Our Wishes for the Well-being of Mankind and the Earth Sustainability Charter Harmony with the Earth, Society, and People Addressing Social Issues Acting Responsibly as a through Our Business Member of Society Activities 1. Sustainability of the Global Environment and Society 2. Sustainable Growth of the Shimadzu Group's Business Activities 3. Enhancing Employee Health and Engagement

Shimadzu Group Human Rights Policy

Shimadzu Corporation and its Group companies (hereinafter referred to as the "Shimadzu Group") believe that respecting the human rights of all stakeholders involved in the Shimadzu Group's business is fundamental to its corporate activities. The Shimadzu Group understands the requirements of international norms on respect for human rights and has established the Shimadzu Group Human Rights Policy (hereinafter referred to as the "Policy") as the highest code of conduct for respecting human rights.

Under this Policy, we will respect the human rights of all stakeholders, aim to "Contributing to Society through Science and Technology," which is our corporate philosophy, and promote corporate activities to "Realizing Our Wishes for the Wellbeing of Mankind and the Earth," which is our management principle.

■1. Scope of Application

- 1.1. This Policy applies to all officers and employees of the Shimadzu Group.
- 1.2. The Shimadzu Group also expects its suppliers, distributors, and other business partners to support and engage in activities that respect human rights based on this Policy.
 - *Officers: Internal and external directors, audit & supervisory board members, and other officers appointed under delegation agreements
- Employees: All individuals employed by the company, including secondees and temporary staff.

2. International Norms

- 2.1. The Shimadzu Group understands and respects the content of the following international norms on respect for human rights.
- 2.1.1. United Nations (UN) Guiding Principles on Business and Human Rights (UNGPs)

- 2.1.2. International Labour Organization (ILO) "ILO Declaration on Fundamental Principles and Rights at Work"
- 2.1.3. UN International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights)
- 2.1.4. OECD Action Guidelines for Multinational Enterprises
- 2.2. The Shimadzu Group understands and respects each country's national action plans established under the UNGPs.
- 2.3. Shimadzu has signed the United Nations Global Compact and supports the "Ten Principles of the United Nations Global Compact."

3. Activities

- 3.1. The Shimadzu Group will carry out the following activities to respect human rights.
- 3.1.1. Human rights due diligence (identification and assessment of human rights risks across corporate activities, selection and monitoring of priority issues, and prevention and mitigation of risks)
- 3.1.2. Establishing grievance mechanisms, remedying human rights violations, and preventing recurrence
- 3.1.3. Education and training for Shimadzu Group officers, employees, business partners, etc.
- 3.1.4. Dialogue with stakeholders
- 3.1.5. Transparent information disclosure

This Policy was established by resolution of the Board of Directors of Shimadzu Corporation. Please refer to the full text on the website

Governance and Promotion Structure

- The Shimadzu Group has established the Shimadzu Group Human Rights Committee under the Risk Management and Corporate Ethics Meeting, which is a specialized body of the Shimadzu Group Sustainability Meeting.
- The Board of Directors oversees the Group's human rights initiatives through regular reports from the Shimadzu Group Sustainability Meeting.
- The Human Rights Committee is composed of the general managers of departments relevant to human rights issues—including Risk Management, Human Resources, Procurement, Legal, and Sustainability Management and is responsible for coordinating human rights initiatives both within and outside the company.



Corporate Management Human Rights

Human Rights Due Diligence

The department responsible for each risk takes the lead in implementing initiatives, while the Human Rights Committee monitors progress in preventing and mitigating negative impact.

Message from the President

1. Identification and Assessment of Human Rights Risks

With reference to international norms and government guidelines, we identify risks that companies should respect and assess them based on two axes: their impact on human rights and their relevance to our business activities. Led by the Human Rights Committee, we also consider input from external experts and the circumstances of Group companies when identifying and assessing potential adverse impacts related to human rights.

Based on this assessment, human rights risks that require priority action are discussed at the Sustainability Meeting and designated as priority issues.

Key Human Rights Risks by Stakeholder

Stakeholders	Key Human Rights Risks Various forms of harassment Occupational health and safety Freedom of association Discrimination (in hiring and placement) Insufficient or unpaid wages Excessive or unfair working hours					
Employees						
Supply Chain	Child labor Forced labor Bribery and corruption Operations in conflict-affected areas Various forms of harassment Infringement of intellectual property					
Customers	Consumer safety and the right to information Bribery and corruption Various forms of harassment Right to privacy					
Local Communities	Climate change-related issues Freedom of residence and movement Infringement of indigenous and local community rights Discrimination (race and ethnicity)					

2. Prevention and Mitigation of Risks

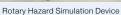
We are implementing various initiatives to mitigate human rights risks.

■Safe and Healthy Work Environment (Occupational Health and Safety)

Since 1921, the Shimadzu Group has designated "Factory Safety Day," reflecting our belief that ensuring a safe and hygienic workplace is inseparable from corporate activities. We continue to promote occupational health and safety initiatives. In addition to complying with occupational health and safety laws and internal regulations, we provide education programs—including transferring safety knowledge from experienced employees to younger generations—and conduct thorough risk assessments.

Recent trends in workplace accidents show that about one-third involve inexperienced employees with less than five years of service. To prevent incidents caused by insufficient training or experience, we provide safety education and hazard prediction training for new employees and beginners. As part of these efforts, we conduct training sessions using safety experience devices—including VR systems that simulate workplace accidents—and provide targeted programs for high-risk departments to enhance hazard awareness.







Hazard Prediction Training Programs for Focused Departments

3. Monitoring

The responsible departments take the lead in implementing initiatives. Key Performance Indicators (KPIs) are established for these activities, and the Human Rights Committee monitors progress.

4. Information Disclosure

Information related to human rights is disclosed appropriately through our Integrated Report, external websites, and other channels.

Human Rights Initiatives in the Supply Chain

To promote responsible procurement practices, we have established the Shimadzu Group CSR Procurement Guidelines, which set out the requirements we ask our suppliers to understand and comply with.

The Guidelines consist of five categories, including human rights and labor. Based on these, we conduct assessments of our business partners and provide support for improvement where necessary.

The following information is available on our website:

 $https://www.shimadzu.com/sustainability/social/human_rights.html\#01$

Respect for Human Rights



■ Prohibition of Forced Labor and Child Labor

Throughout all stages of our business activities, the Shimadzu Group eliminates child labor, forced labor, and human trafficking, while promoting activities that take sustainability into consideration.

In addition to self-assessments, we confirm and improve implementation status through supplier communications such as interviews. The results of these assessments are used as reference criteria in the selection of business partners.



On-site Supplier Communications

The following information is available on our website:

https://www.shimadzu.com/about/procurement/index.html

Sustainable Procurement



Establishing Grievance Mechanisms

To prevent, detect at an early stage, and address issues related to corporate ethics, including human rights, we have established reporting channels both inside and outside the company.

These channels are available to all Group employees, temporary staff, and subcontractor employees working within our facilities, and reports may be submitted anonymously.

In FY2024, a total of 164 reports were received across the Group. In accordance with applicable laws, we protect whistleblowers, conduct necessary investigations, and implement corrective measures and recurrence prevention.

In addition, we have established grievance mechanisms specifically for human rights matters, enabling us to accept complaints from stakeholders—including suppliers and customers without direct business relationships with us, as well as members of local communities.

Education

The Shimadzu Group has formulated the Shimadzu Group Corporate Ethics and Code of Conduct Guidelines, which summarize the key elements of our corporate ethics regulations.

These Guidelines identify human rights, compliance practices, and respect for diversity as key themes, and we provide ongoing training on these topics every year.

In FY2024, we also provided training on human rights in the supply chain to 51 overseas Group companies, achieving a 100% participation rate.

Corporate Management

Message from the Director in Charge of Risk Management

Director, Senior Managing Executive Officer In charge of Risk Management, Global Environmental Management (GX), and Corporate Transformation (CX)



Message from the President

Career Overview

4. 4005	half of Obligation Constraints
Apr. 1985	Joined Shimadzu Corporation
Apr. 2009	General Manager of Turbo Molecular Pump Business Unit, Semiconductor Equipment
	Division, and Deputy General Manager of Sales & Marketing Department, Semiconductor
	Equipment Division
Apr. 2011	General Manager, Sales & Marketing Department and concurrently General Manager,
	Turbo Molecular Pump Business Unit, Semiconductor Equipment Division
Jun. 2013	Deputy General Manager of Semiconductor Equipment Division, General Manager of
	Sales & Marketing Department and Turbo Molecular Pump Business Unit, Semiconductor
	Equipment Division
Jun. 2016	Corporate Officer, General Manager of Industrial Machinery Division
Apr. 2019	Managing Executive Officer, General Manager of Industrial Machinery Division
Apr. 2020	Managing Executive Officer, General Manager of Industrial Machinery Division and General
	Manager of Fluidics Systems Division
Apr. 2022	Senior Managing Executive Officer, CFO, in charge of Corporate Strategy Planning and
	Corporate Communications
Jun. 2022	Director, Member of the Board (current)
Apr. 2025	Senior Managing Executive Officer in charge of Risk Management, Global Environmental
	Management (GX), and Corporate Transformation (CX) (current)

Lessons Learned from Compliance Issues at Shimadzu Medical Systems

In 2022, our Group faced significant issues due to misconduct at our domestic subsidiary, Shimadzu Medical Systems Corporation, which caused significant inconvenience to our stakeholders. Currently, the company is working on reforming its organizational culture and building systems to monitor human resource policies and business processes aimed at enhancing employee satisfaction. Simultaneously, the entire Shimadzu Group is committed to raising compliance awareness further and working diligently to prevent any recurrence of such misconduct.

Summary of the Second Year of the Medium-Term Management Plan and Future Outlook

Our Group is promoting risk management (measures related to management and business operations) and compliance/internal controls (responses to operational risks) in an organic and integrated manner. Through our efforts until FY2024, we have implemented necessary measures regarding economic security (supply chain) and labor safety. In FY2025, we will focus on addressing the following two high-impact risks that are common globally:

- The first is cybersecurity. We will establish defenses against cyberattacks and ensure we have a recovery system in place to minimize the impact on our business in the event of an attack.
- The second is the delay in new product development. We will formulate effective measures in collaboration with the business divisions.

Additionally, for region-specific and individual company risks, each Group company will conduct risk assessments and set priority initiatives to advance countermeasures. In implementation, members from the relevant departments at Shimadzu headquarters will participate to provide guidance and support to facilitate activities. In the final year, FY2025, we will strengthen and improve the Group's overall risk management system and internal control framework to enhance our sustainable corporate structure.

Challenges and Solutions

There are two challenges to address in strengthening our sustainable corporate structure:

- The first challenge is to leverage the lessons learned from risk incidents that have occurred to ensure effective prevention of recurrence. In FY2024, there were some significant risk incidents. If we had actively communicated within the organization to recognize potential risks and implemented preemptive measures, these incidents might have been prevented. As a countermeasure, we will expand initiatives to recognize risks in our departments and take action through workplace discussions and e-learning, extending these efforts from Japan to our overseas Group companies.
- The second challenge is to enhance the activity levels of each Group company to increase the effectiveness of risk reduction. To achieve this, headquarters will continue to provide education on risk management, compliance, and internal controls to each Group company in collaboration with the corporate headquarters responsible for governance in each region, as well as training through inter-Group exchanges. Furthermore, the regional corporate headquarters will strengthen its function to support the initiatives of subsidiary Group companies by promoting the development of key personnel in each region.

Medium-Term Management Plan: Strengthening Seven Management Foundations:
Reinforcing Corporate Governance Related Materiality Reinforcing Corporate Governance

Risk Management in Daily Operations

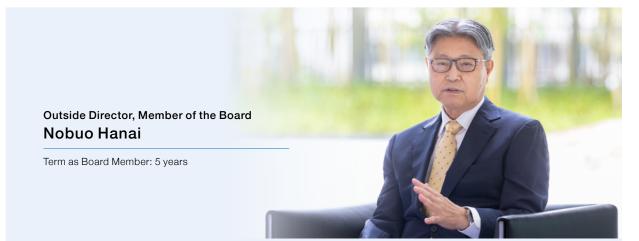
We believe that compliance is ensured through fostering and maintaining a corporate culture that prioritizes ethics throughout the Group. To do this, it is essential to enhance psychological safety in the workplace, enabling employees to raise questions or concerns without hesitation, allowing us to identify issues early and prevent them from escalating into risk events. We will create an environment where communication flows freely in all directions, enhance employee engagement, and promote risk management in daily operations.

Promotion of Sustainability Management

Our Group upholds the corporate philosophy of "Contributing to Society through Science and Technology" and the management philosophy of "Realizing Our Wishes for the Well-being of Mankind and the Earth", and we practice sustainable management as outlined in our Sustainability Charter. Recognizing existing risks as well as new risks arising from rapidly changing global conditions, it is my role to implement appropriate countermeasures, foster a governance-oriented ethical corporate culture, and develop the human resources necessary to realize these goals. I will promote ongoing efforts toward building a more governance-driven global system.

Corporate Management

Messages from Outside Directors



Shimadzu Doesn't Need to Be "Cool"

It is a great honor for me to serve as an outside director in this milestone year of Shimadzu Corporation's 150th anniversary in 2025. This occasion has also renewed my commitment to contributing to Shimadzu's continued growth. At the same time, it offered me a valuable opportunity to reflect on the company's history of scientific and technological pursuit that has led to the creation of numerous groundbreaking products. In recent years as well, Shimadzu has continued to develop outstanding products—particularly analytical instruments—by leveraging its strong technological capabilities. This global growth has undoubtedly drawn attention from competitors, who are likely studying the strengths and weaknesses of Shimadzu's products in detail. Coming from a pharmaceutical background, I recall how, during the research and development phase of new drugs, we would closely analyze patent information and thoroughly investigate competing candidates to develop superior medicines. In that light, Shimadzu's competitors are likely conducting in-depth research into the company's core offerings—especially liquid chromatographs and mass spectrometers—before launching their own products. Such competition is only natural in a global market. If Shimadzu were to avoid this competition altogether, it would have to shift focus to blue ocean niche markets. On the one hand, there is data indicating that the contribution of new products to sales has recently declined, which is a cause for concern. If this decline is due to product strength, it is even more troubling. Developing new products is a steady, hands-on process—built on persistent and unglamorous effort. That is why I believe Shimadzu doesn't need to be "cool." The company's 150-year history is a testament to that very spirit.

Medium-Term Management Plan: Strengthening Seven Management Foundations: Reinforcing Corporate Governance

Related Materiality (III) Reinforcing Corporate Governance



Outside Director, Member of the Board Yoshiyuki Nakanishi

Term as Board Member: 4 years

More Agile Responses to Rapidly Changing Circumstances

In March 2025, Shimadzu Corporation marked a significant milestone: celebrating its 150th anniversary. I would like to take this opportunity to pay my respects to the outstanding pioneering spirit of the founder, Genzo Shimadzu, and those who preceded us. Currently, our performance shows signs of a slight downturn in the growth trend that has continued over the past few years. While we are incorporating proactive research investments and the risks associated with U.S. tariff policies, urgent measures are needed.

Two key issues I raised in this column last year—Group governance and the development of a new core IT system have shown some progress. In particular, the group governance framework has been established with a fourlocation system, and I expect that further enhancements in management oversight will follow.

As we assess the progress of the current medium-term management plan, which concludes in FY2025, it is evident that each business division is sincerely working toward the strategies and tactics set forth. However, I remain somewhat uncertain as to whether these efforts are truly converging into a broader movement driving overall business growth. In other words, while each tactic is precisely crafted, I sometimes sense that there is a risk of becoming so focused on the "individual trees" or the tactics that we lose sight of the "forest" or our vision as a whole. The business environment is changing constantly. To produce rational results, it is necessary to efficiently allocate not only the traditional "people, goods, and capital" but also "time." Rather than taking an all-encompassing approach, I believe it is sometimes necessary to swiftly reevaluate policies to enable more selective and focused resource allocation.

This is the fifth time I have written this message, and I have shared a variety of perspectives over the years. As I have consistently stated in closing, I will continue to offer recommendations that not only support proper monitoring of business execution risks, but also promote faster and more dynamic business development.

Corporate Management Messages from Outside Directors



Outside Director, Member of the Board Nami Hamada

Term as Board Member: 3 years

Turning a Once-in-a-Century Transformation into an Opportunity —Carrying Forward 150 Years of Progress into the Future

In 2025, Shimadzu Corporation celebrates a major milestone: its 150th anniversary. At a historic turning point following the Meiji Restoration, founder Genzo Shimadzu closed the family's Buddhist altar fittings business and boldly embarked on a new venture driven by his deep interest in and pursuit of science and technology.

Today, Shimadzu has evolved into a company that secures stable cash flows through the growth of its recurring business. This stability serves as a solid foundation for future growth and empowers the company to take "calculated risks" in pursuit of innovation.

We are now living in an era often described as a "once-in-a-century transformation." Amid this wave of dramatic change, we are presented with a valuable opportunity to rediscover the entrepreneurial spirit that defined the company's early days and to reassess our individual roles and the structure of our organization. This 150th anniversary should serve as a starting point for such transformation.

In FY2024, the second year of the medium-term management plan, Shimadzu faces a challenging profit environment, with stock prices having dropped significantly from their peak. Nonetheless, initiatives such as the launch of a global employee engagement survey and the establishment of an R&D center in the U.S.—both forward-looking efforts are commendable achievements. Preparations are also steadily progressing toward establishing a local production framework in India, in anticipation of the country's rapidly expanding business opportunities.

However, improving profitability through a business portfolio review and expanding recurring business will require a more strategic perspective and bold organizational reforms. Rather than managing everything centrally from the Kyoto headquarters, I believe Shimadzu can become even stronger by empowering the teams closest to the customers to demonstrate stronger leadership.

A new medium-term management plan will begin in FY2026. The Board of Directors will fulfill its responsibilities with high expectations, ensuring appropriate capital allocation to realize transformation and growth that will carry Shimadzu into the next 100 years.



Deepening ESG Strategy and Strengthening Execution Capabilities

In 2025, as Shimadzu Corporation celebrates its 150th anniversary since its founding, I am honored to contribute to this occasion as an outside director. I feel increasingly that deepening our ESG strategies and enhancing our execution capabilities are vital to achieving sustainable business growth and long-term corporate value improvement in a changing social environment.

In particular, to accelerate growth not only in Japan but also globally, it is essential to acquire and develop global talent, promote leadership roles, and advance DE&I-diversity, equity, and inclusion. By respecting diversity and maximizing individual differences and strengths as organizational assets, Shimadzu can leverage its outstanding scientific technology to create new products and services that accurately meet local needs abroad.

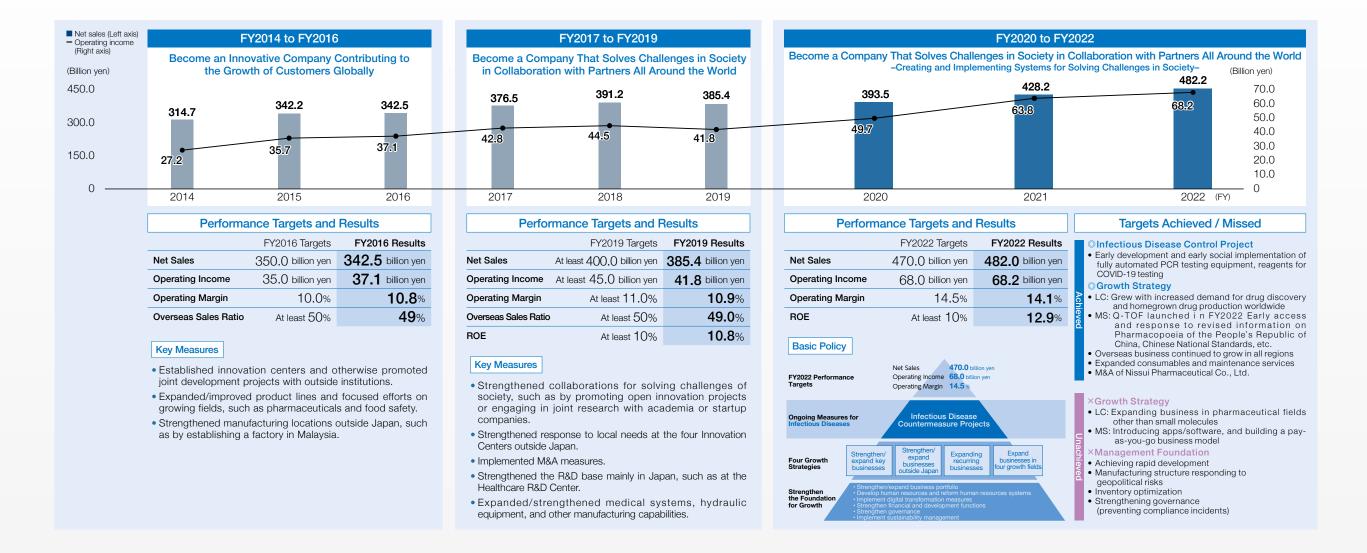
The Board of Directors functions as a vibrant and open forum where diverse perspectives are actively discussed, and proposals are made. In addition, by enhancing information provision through prior briefings for outside directors and visits to factories and business sites, transparency is ensured, supporting rational and fair decision-making as well as appropriate risk-taking. Going forward, I believe that further enhancing the structure that concentrates discussions on critical themes will improve the quality of deliberations and advance both sound governance and operational efficiency within the Board.

As an outside director, I am committed to strengthening governance from an impartial standpoint and fulfilling my responsibilities toward realizing a sustainable future.

Review of Previous Three-Year Medium-Term Management Plan

Message from the President

We set a medium-term management plan every three years. We aim to share our medium- to long-term business strategy with all stakeholders and strive for sustainable growth and improvement in corporate value for the Shimadzu Group.



Key Financial Data Over the Past 11 Years

Message from the President

(Millions of yen)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Fiscal Year											
Net sales	314,702	342,236	342,479	376,530	391,213	385,443	393,499	428,175	482,240	511,895	539,047
Gross profit	127,028	140,386	136,409	149,833	157,169	152,430	156,192	178,615	200,959	220,842	234,443
Selling, general and administrative expenses	99,838	104,683	99,319	107,011	112,688	110,584	106,450	114,809	132,739	148,088	162,722
R&D expenses	13,610	13,995	14,597	15,536	16,555	16,890	15,672	16,257	18,970	21,504	28,871
Operating income	27,189	35,701	37,089	42,822	44,480	41,845	49,742	63,806	68,219	72,754	71,721
Capital expenditures	13,571	12,098	12,876	17,187	21,711	17,676	14,471	16,357	22,512	22,480	22,949
Depreciation and amortization	7,951	9,425	9,546	10,591	11,506	13,256	15,536	16,205	17,524	18,551	19,895
Profit attributable to owners of parent	18,445	23,899	26,473	29,838	32,523	31,766	36,097	47,290	52,048	57,038	53,776
Cash Flow Overview											
Cash flows from operating activities	40,245	32,348	29,608	41,215	29,454	39,509	63,801	63,367	48,303	30,127	52,002
Cash flows from investing activities	(15,678)	(13,101)	(12,304)	(11,072)	(22,897)	(16,062)	(13,860)	(6,044)	(34,509)	(15,998)	(23,173)
Free cash flows (from operating and investing activities)	24,567	19,247	17,303	30,143	6,557	23,447	49,941	57,323	13,794	14,129	28,829
Cash flows from financing activities	(33,197)	(11,689)	(7,294)	(7,902)	(10,819)	(26,185)	(13,033)	(15,658)	(19,418)	(21,098)	(48,409)
Financial Position at Fiscal Year-End											
Total assets	339,832	349,798	375,354	418,548	437,190	437,618	497,459	560,528	618,869	673,962	672,177
Cash and cash equivalents	38,422	43,508	52,762	75,090	70,842	66,683	106,855	155,319	153,734	159,234	137,190
Outstanding interest-bearing debt	24,668	19,150	18,611	18,636	17,537	2,111	1,743	1,709	1,532	1,618	1,372
Shareholders' equity	195,912	214,734	235,342	258,464	282,962	305,395	323,267	359,073	396,415	436,850	447,163

^{*} The above R&D expenses include manufacturing-related costs in addition to the research and development expenses disclosed in the Securities Report.

^{*} Figures are rounded to the nearest million yen.

Key Financial Data Over the Past 11 Years

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
											(yen)
Per-Share Information											
Net income	62.55	81.05	89.79	101.26	110.41	107.84	122.52	160.49	176.64	193.54	183.55
Net assets	711.38	745.13	818.56	908.76	977.35	1,027.87	1,138.67	1,293.60	1,437.19	1,670.49	1,723.88
Dividends	13.00	18.00	20.00	24.00	28.00	30.00	34.00	48.00	54.00	60.00	66.00
Payout ratio (%)	20.8	22.2	22.3	23.7	25.4	27.8	27.8	29.9	30.6	31.0	36.0
											(%)
Key Financial Indicators											
Gross profit margin	40.4	41.0	39.8	39.8	40.2	39.5	39.7	41.7	41.7	43.1	43.5
Operating margin	8.6	10.4	10.8	11.4	11.4	10.9	12.6	14.9	14.1	14.2	13.3
Return on equity (ROE)	9.4	11.1	11.5	11.7	11.7	10.8	11.3	13.2	12.9	12.5	10.9
Return on assets (ROA)	5.4	6.9	7.3	7.5	7.6	7.3	7.7	8.9	8.8	8.8	8.0
Equity ratio	61.7	62.8	64.3	64.0	65.9	69.2	67.4	68.0	68.4	73.1	74.1
Price-earnings ratio (PER)	21.4	21.8	19.7	29.5	29.0	26.4	32.7	26.4	23.4	21.9	20.3
Overseas sales ratio	49.8	50.9	48.6	50.2	50.4	49.0	50.8	53.0	56.2	57.9	56.5

Key Non-Financial Data Over the Past 6 Years

Message from the President

FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
13,182	13,308	13,499	13,898	14,219	14,481
5,485	5,549	5,692	5,860	6,084	6,182
8.5	9.2	10.2	10.9	11.1	12.3
		65.7	67.5	68.8	68.6
		88.4	97.2	95.7	95.6
		74.9	75.8	75.8	75.9
		28.6	45.1	54.9	59.9
			324	361	509
7,062	6,423	6,776	7,275	7,964	8,554
u Group)					
938,760	916,828	982,528	1,055,000	955,895	963,788
2,436	2,330	2,295	2,188	1,867	1,788
38,548	34,468	18,389	9,980	10,409	9,030
100	88	43	21	20	17
19.3	20.0	20.7	20.9	21.4	21.5
3.5	4.1	4.1	4.8	5.2	5.8
3.1	4.3	4.6	7.9	8.5	8.4
140	124	85	96	134	152
	13,182 5,485 8.5 7,062 u Group) 938,760 2,436 38,548 100 19.3 3.5 3.1	13,182 13,308 5,485 5,549 8.5 9.2 7,062 6,423 4 Group) 938,760 916,828 2,436 2,330 38,548 34,468 100 88 19.3 20.0 3.5 4.1 3.1 4.3	13,182 13,308 13,499 5,485 5,549 5,692 8.5 9.2 10.2 65.7 88.4 74.9 28.6 7,062 6,423 6,776 Group) 938,760 916,828 982,528 2,436 2,330 2,295 38,548 34,468 18,389 100 88 43 19.3 20.0 20.7 3.5 4.1 4.1 3.1 4.3 4.6	13,182 13,308 13,499 13,898 5,485 5,549 5,692 5,860 8.5 9.2 10.2 10.9 65.7 67.5 88.4 97.2 74.9 75.8 28.6 45.1 324 7,062 6,423 6,776 7,275 2 Group) 938,760 916,828 982,528 1,055,000 2,436 2,330 2,295 2,188 38,548 34,468 18,389 9,980 100 88 43 21 19.3 20.0 20.7 20.9 3.5 4.1 4.1 4.8 3.1 4.3 4.6 7.9	13,182

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Female new graduate hire rate (%)	37.1	31.5	25.9	24.0	26.9	29.6
Mid-career hires (number)	31	22	29	51	58	39
Female mid-career hire rate (%)	58.1	90.9	55.2	41.2	19.0	38.5
Employee turnover ⁻⁴ (number)	34	37	34	36	32	31
Turnover rate (%)	1.0	1.1	1.0	1.0	0.9	0.9
Average years of service	18.1	18.2	18.3	18.4	18.0	18.1
Male	18.8	19.0	19.3	19.4	18.2	19.0
Female	15.0	14.8	14.8	14.8	14.2	14.8
Average monthly overtime (hours) Management	29.4	30.3	30.6	31.7	29.9	29.0
Labor union members	6.8	2.4	5.0	7.4	8.6	9.1
Telecommuting Rate (%)		31.0	28.0	25.0	20.0	19.0
Annual leave taken ^{*5} (%)	72.7	66.0	68.0	75.7	80.1	70.3
Management	50.1	47.0	45.8	52.8	58.4	49.1
Labor union members	78.8	70.8	74.6	82.2	86.1	76.2
Male childcare leave rate ^{*1} (%)	13.1	22.7	44.6	56.7	65.5	70.6
Female childcare leave rate ^{*6} (%)	100.0	100.0	100.0	100.0	100.0	100.0
Female return-to-work rate after childcare leave 7 (%)	95.7	96.9	100.0	100.0	100.0	100.0

^{*1 &}quot;Number of employees who took childcare leave during the fiscal year" / "Number of employees whose spouse gave birth during the fiscal year" (calculated as the ratio of taking childcare leave, etc., under Article 71-4-1 of the Enforcement Regulations of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (1991 Ministry of Labor Ordinance No. 25))

^{*2} Holders of a doctoral degree and other advanced national-level qualifications (such as Professional Engineer, Patent Attorney, Class 1 Mechanical Design Engineer, First and Second Class Electrical Chief Engineer, IT certifications equivalent to Level 4, Lawyer, Certified Public Accountant, Tax Accountant, MBA, etc.), as well as holders of internal qualifications.

^{*3} Number of new graduates actually hired on April 1 of each fiscal year

^{*4} Number of voluntary resignations (excluding retirements due to age, deaths, layoffs, and secondments). The turnover rate is calculated as "number of resignations" / "number of employees at the end of the previous fiscal year."

^{*5} Number of annual leave days taken during the fiscal year divided by the number of days granted in the same fiscal year

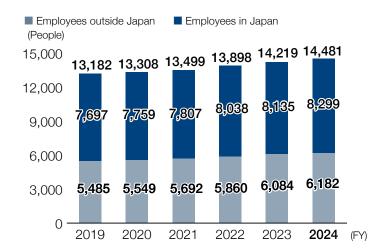
^{*6} Percentage of employees who began childcare leave by the end of the fiscal year among those who gave birth during the year prior to the applicable fiscal year

^{*7} Percentage of employees who actually returned to work among those who had completed childcare leave and were scheduled to return to work during the year prior to the applicable fiscal year

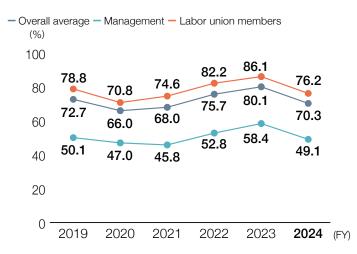
Key Non-Financial Data Over the Past 6 Years

Message from the President

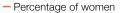
Number of Employees (Consolidated)



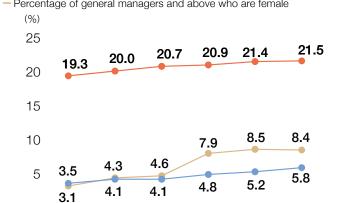
Percentage of Annual Leave Taken (Non-Consolidated)



Percentage of Female Employees (Non-Consolidated)



Percentage of managers and above who are female
 Percentage of general managers and above who are female



2021

2023

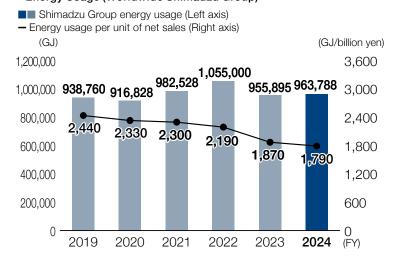
2024 (FY)

2022

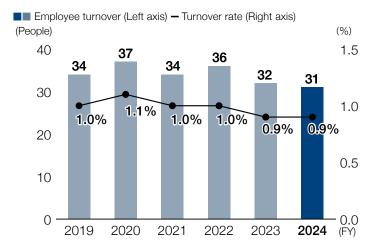
Energy Usage (Worldwide Shimadzu Group)

2020

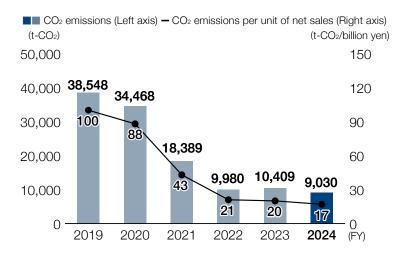
2019



Employee Turnover and Turnover Rate (Non-Consolidated)



CO₂ Emissions from Energy Usage (Worldwide Shimadzu Group)



Number

115

Corporate Overview

The following information is available on our website:

https://www.shimadzu.com/about/ profile.html

Message from the President

Corporate Overview



Corporate Profile (as of March 31, 2025)

Name Shimadzu Corporation

Foundation March 1875 Incorporated as September 1917 a Limited Company

Address of Head Office

1 Nishinokyo Kuwabara-cho, Nakagyo-ku, Kyoto 604-8511,

Japan Phone: +81-75-823-1111

Capital 26,648,899,574 yen

Number of Employees 3,687 (non-consolidated) 14,481 (consolidated)

Number of Consolidated

Subsidiaries

23 (in Japan) 58 (outside Japan)

Major Business Offices

Head Office 1 Nishinokyo Kuwabara-cho, Nakagyo-ku, Kyoto

Offices Tokyo and Kansai (Osaka)

Branches Sapporo, Tohoku (Sendai City), Tsukuba, Kitakanto (Saitama City), Yokohama,

Shizuoka, Nagoya, Kyoto, Kobe, Hiroshima, Shikoku (Takamatsu City), and

Kyushu (Fukuoka City)

Plants/Works Sanjo and Murasakino (Kyoto City), Atsugi (Atsugi City), Hadano (Hadano

City), Seta (Otsu City), and Shimadzu Logistics Center Kyoto (Muko City)

Research Laboratories/

Facilities

Technology Research Laboratory (Seika-cho, Soraku-gun, Kyoto City) Koichi Tanaka Mass Spectrometry Research Laboratory (Kyoto City)

Healthcare R&D Center (Kyoto City)

SHIMADZU Future Collaboratory (Seika-cho, Soraku-gun, Kyoto Prefecture)

Shimadzu Tokyo Innovation Plaza (Kawasaki City)

Stock Information

Status of Stocks

Total Number of Shares of 800,000,000 Common Stock Authorized

Total Number of Shares of 296,070,227 Common Stock Issued

Number of Shareholders 37.252

Prime Market of Tokyo Stock Stock Listing Exchange

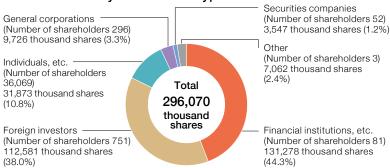
TSE Code 7701

Mitsubishi UFJ Trust and Banking Shareholder Registry Administrator

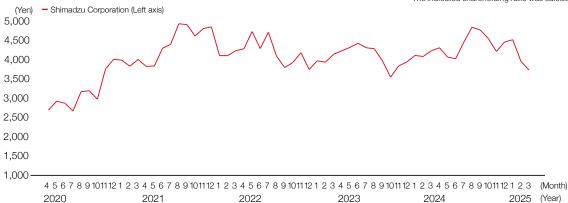
Corporation

Accounting Auditor Deloitte Touche Tohmatsu LLC

Ratio of Shares by Shareholder Type



Stock Price (Tokyo Stock Exchange)



The following information is available on our website: https://www.shimadzu.com/ir/stock/

Stock Information



Major Shareholders (Ten Largest)

Shareholder Name	of Shares Owned (Thousands of Shares)	Shareholding Ratio (%)		
The Master Trust Bank of Japan, Ltd. (Trust Account)	41,824	14.47		
Meiji Yasuda Life Insurance Company	20,742	7.18		
Custody Bank of Japan, Ltd. (Trust Account)	13,773	4.77		
STATE STREET BANK AND TRUST COMPANY 505223	12,270	4.25		
BNYM AS AGT / CLTS NON TREATY JASDEC	8,128	2.81		
MUFG Bank, Ltd.	7,672	2.65		
Taiyo Life Insurance Company	7,041	2.44		
National Mutual Insurance Federation of Agricultural Cooperatives	6,269	2.17		
STATE STREET BANK AND TRUST COMPANY 505103	5,319	1.84		
STATE STREET BANK AND TRUST COMPANY 505001	5,116	1.77		
* The Company holds 7 050 672 shares	of treasury stock whi	ich are evoluded from		

^{*} The Company holds 7,059,672 shares of treasury stock, which are excluded from the list of major shareholders above.

^{*} The indicated shareholding ratio was calculated excluding treasury stock.

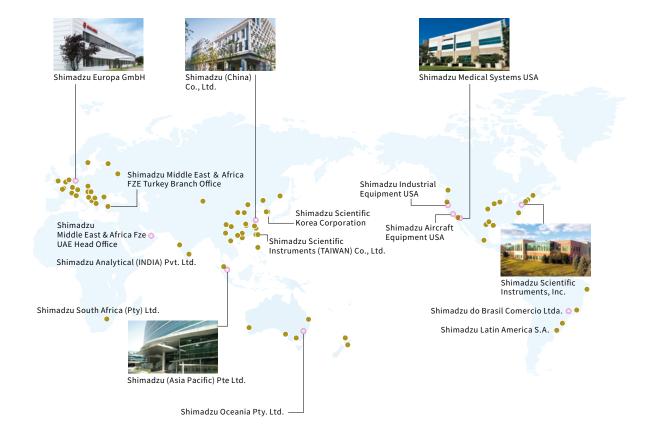
Shimadzu Group Companies and Global Locations

Message from the President

Main Locations Outside Japan

Sales and Service Structure

- Regional Headquarters
- Sales and Services



The following information is available on our website: https://www.shimadzu.com/links/location.html

Shimadzu Group



Manufacturing and R&D Organizations

- Application development
- Manufacturing
- Research and development



External Evaluation

Major ESG Index Inclusions





FTSE Blossom Japan Index



IPX-NIKKEI 400

FTSE Blossom Japan Sector Relative Index



Message from the President

Member 2023/2024 Platinum Career Index

2025 CONSTITUENT MSCI JAPAN

2025 CONSTITUENT MSCI JAPAN

ESG SELECT LEADERS INDEX

EMPOWERING WOMEN INDEX (WIN)







External Evaluations, Awards, and Certifications



TERMS AND CONDITIONS











Key Initiatives Participated in by Shimadzu Corporation













CLIMATE GROUP

The following information is available on our website: https://www.shimadzu.com/ir/stock/evaluation.html

External Evaluation



Received the SDGs Strategy/Economic Value Award at the Nikkei SDGs Management Grand Prix

On November 26, 2024, the award ceremony for the 6th Nikkei SDGs Management Grand Prize, organized by Nikkei Inc., was held. Shimadzu Corporation received the SDGs Strategy/Economic Value Award for the first time. The award recognized our efforts to address health and environmental challenges through our products, including the detection of per- and polyfluoroalkyl substances (PFAS), which affect ecosystems, and the analysis of microplastic components.

The Nikkei SDGs Management Grand Prize is awarded to the most outstanding company that demonstrates a high-level balance between contributing to the United Nations Sustainable Development Goals (SDGs) through its business activities and enhancing corporate value. In addition to the top honor, the Nikkei SDGs Grand Prize, one company is selected for each of the following category awards: the SDGs Strategy/Economic Value Award, the Social Value Award, and the Environmental Value Award.

This award is based on the results of the Nikkei Sustainable Management Survey. In the SDGs Management category of this survey, Shimadzu received high evaluations in both the SDGs Strategy/Economic Value field and Environmental Value field, earning the highest rating of ***** (deviation score of 70 or higher). In addition, in the decarbonization management category of GX500, which focuses on Green Transformation (GX), Shimadzu's concrete initiatives for reducing greenhouse gas emissions and its efforts in energy conservation and renewable energy utilization were highly rated. As a result, our ranking improved significantly from 54th place in the previous survey to 4th.



President Yamamoto (right) receives the SDGs Strategy/Economic Value Award on behalf of Shimadzu Corporation (Tokyo, November 26, 2024).



High-Performance Liquid Chromatograph Mass Spectrometer System for PFAS Analysis



MAP-100: Microplastic Automatic Preparation Device for Microplastic Extraction and Collection

Shimadzu Corporation

https://www.shimadzu.com/