

# Value Creation Process

With the Water Treatment Engineering Business Unit remaining at the core, Organo will further expand its role by leveraging its separation and purification, analysis, and manufacturing technologies. The Company will also expand the scope and regions of its businesses—including those beyond water—and constantly provide products and services that promote the creation of value and resolve the challenges that confront industry and society.

## Social issues

- Responding to climate change
- Declining populations in developed countries
- Advancements in technology
- Deepening of globalization
- Growing populations and urbanization in emerging countries
- Further exploration of advanced medical technologies
- Developing medical structures in emerging countries

## Management resources

► See pp. 27–28 for details.

### Intellectual capital

Technology and R&D at the core of Organo

### Human capital

Diverse range of talent with specialized knowledge

### Manufacturing capital

Provide stable supply of water treatment and other equipment

### Financial capital

Stable infrastructure that supports business

### Social capital

Extensive domestic and overseas network

### Natural capital

Contribute to a sustainable global environment

## Business activities

Organo's strengths ► See pp. 7–8 for details.



## Products and services

### Pure and ultrapure water production systems

Equipment that supplies pure water and ultrapure water to various industries, including semiconductors

### Wastewater treatment systems

Environmentally friendly wastewater treatment and recovery facilities

### Energy-saving service solutions

Water treatment energy-saving services that use proprietary technology to reduce power consumption and CO<sub>2</sub> emissions

### Water treatment chemicals and services

Wide range of water treatment chemicals and the ability to propose solutions to achieve optimal water quality

### Water production and supply systems for pharmaceuticals

Domestically produced system that provides a stable supply of high-quality pharmaceutical-grade water

## Goal

Realizing our management philosophy

Organo serves as a valuable partner company by leveraging its leading-edge technologies cultivated through long experience with water treatment, by contributing to the industries that create the future, and by playing a key role in the development of societal infrastructure.

## Value provided

### Social and customer value

#### Realizing a safe, comfortable society

through the development of the Information and Communications Technologies (ICT) infrastructure (semiconductor) industry

#### Contributing to the global environment

by reducing the environmental impact, improving water utilization, cutting energy consumption, minimizing waste, reducing labor, and extending useful life

#### Contributing to the well-being of everyone

by maintaining pharmaceutical manufacturing quality

Employee value  
Creating a company where all employees are energetic and passionate about their work

Shareholder value  
Increasing shareholder returns through continuous growth

## Reinvestment in management resources

## Message from the President



**Masayuki Yamada**

Representative Director and President  
President and Executive Officer  
ORGANO CORPORATION

## Achieving new goals of Medium- to Long-Term Management Plan ORGANO 2030

### Review of Fiscal 2024

Recent years have seen strong demand for water treatment engineering in the electronics industry, serving as a key growth driver for the Organo Group. This remained true in FY2024, with strong demand in the general industrial and social infrastructure sectors. Amidst these conditions, construction on projects already secured—including large-scale projects—in the Plant business is progressing smoothly, and the Service Solutions business and Performance Products Business Unit also saw steady growth. Overall, the Group achieved consolidated net sales of ¥163.2 billion in FY2024, marking a record high for the seventh consecutive period, and operating profit of ¥31.1 billion, a record high for the fourth consecutive period. Despite orders received falling below the initial plan of ¥155.0 billion to ¥151.2 billion, they were up ¥6.8 billion year on year.

In the semiconductor field, which accounts for a large portion of the electronics industry, domestic orders

were down year on year as demand for automotive and power semiconductors became sluggish and large-scale orders were delayed compared with the plan. This decline was offset, however, by robust orders for cutting-edge semiconductors from overseas, including Taiwan.

In last year's Group Report, I mentioned that we are at a critical phase as we transition to a new stage. To ensure the further growth of the Group, we will proactively implement necessary investments and measures to streamline operations, bolster human capital and IT infrastructure, and promote business in newly developed regions. Looking back on FY2024, these initiatives began steadily taking shape, and we are now seeing solid results.

As part of our efforts to streamline operations, we are continuing development of AI for technology transfer through a capital and business alliance with LIGHTz Inc., which started in June 2024, and efforts to

implement this have begun in some business operations. This led to increased accuracy during the initial stage of the engineering process and progress in implementing front-loading to eliminate rework in later stages. As part of our approach to strengthen human capital, we have begun enhancing employee development such as by building a talent development framework, improving engineer training facilities, and boosting IT literacy, in addition to recruiting new employees and experienced workers. We have further expanded our overseas team at the Global Engineering Center in Vietnam, with a focus on local young engineers. As the name suggests, they have become an indispensable force for design work on both domestic and overseas plant projects. Backed by these initiatives, the Group's productivity has steadily improved. The world's economic divide is becoming increasingly pronounced and geopolitical risks are on the rise. As such, there is a growing need for the Company to

secure multiple supply chain routes and augment our risk management and emergency preparedness. To ensure stable growth of our business amid this environment, we recognize the need to diversify the regions in which we do business on a global scale. From the perspective of economic security, we are moving away from relying solely on customer manufacturing sites in Japan, the U.S. and Europe in the electronics industry—the Group's key growth area—and embracing the emerging trend of expansion into previously untapped areas such as India. There is a growing need to operate the Group's engineering resources more dynamically and efficiently. To sum up, while performance overall continued to grow in a favorable demand environment and we made steady progress in implementing initiatives to meet this demand, the business environment became increasingly complex, necessitating a higher level of risk management.



## Message from the President

### Key Points in Organo Group Report 2025

The Organo Group has been tackling a host of water and environmental issues, and leveraging its cutting-edge technologies to contribute to the development of industry and social infrastructure. The Group's strengths lie in its advanced separation and purification technologies and supporting analysis technology, as well as expertise and support capabilities in water treatment to deliver solutions at any scale that meet the specifications and performance required by customers in a wide range of fields. Our hope is to continue to be a company that evolves with a vision over the next decade or two, while pursuing technological advancement and accumulating expertise, as well as preserving our corporate culture of sincerely addressing and satisfying customer needs. The increasingly complex global situation is impacting the business environment in various ways, including geopolitical risks and supply chain disruptions. While preparing for these risks, we will

embrace those we deem necessary, and work together as a Group to address challenges and attempt to capitalize on business opportunities to further evolve and grow as a company that contributes to society. This report provides up-to-date, comprehensive information on how the Group creates value and outlines its direction for medium- to long-term growth. It also presents the Group's initiatives for growth investments to strengthen the business foundation, operational innovation through AI utilization, and enhancement of R&D activities, including external collaboration. In addition, it highlights the Group's efforts to enhance human capital, create a comfortable workplace environment, reinforce IT infrastructure, and promote effective data utilization. The Group's water-related businesses are highly compatible with sustainability, and we are working to advance initiatives that contribute to and create

value for society and our customers across a wide range of fields. This report provides information on our sustainability activities, including decarbonization efforts based on Task Force on Climate-related Financial Disclosures (TCFD)

recommendations, as well as initiatives to bolster governance, including our newly established human rights policy. We hope that this report provides all of our stakeholders with a better understanding of the Group.

### Achieving the new Medium- to Long-Term Management Plan ORGANO 2030

It has been five years since we established ORGANO 2030, our 10-year long-term management plan, in 2020, with FY2025 marking the midway point. In FY2024, we achieved the operating profit target of ¥30.0 billion set for FY2030 under ORGANO 2030 ahead of schedule, driven by higher-than-expected investments from customers in the electronics industry—particularly in the semiconductor field—as well as our ability to swiftly adapt to rising costs resulting from higher construction and material costs amid strong demand, and the faster-than-planned growth of the Service Solutions business through the accumulation of plant projects. Based on the Group's current position and expectations for future market conditions and demand trends, we reviewed the performance targets we aim to achieve by FY2030, along with the strategies and measures to achieve them, and accordingly updated our plan in the form of Medium- to Long-Term Management Plan ORGANO 2030.

Under this plan, our performance targets for FY2030 include ROIC as a new indicator, with net sales of ¥250.0 billion, an operating profit ratio of 18% or higher, ROE of 15% or higher, and ROIC of 12% or higher. The key direction for strengthening our business foundation is the enhancement of our business and geographic portfolios. For our business portfolio, we will fortify development resources and external collaboration to create new service solutions and products, with the growth of the Service Solutions business and strengthening of the Performance Products Business Unit as our pillars. Regarding our geographic portfolio, we will continue to expand to new areas where future growth is expected, in addition to developing the U.S. market, which is currently our top priority. To strengthen both our business and geographic portfolios, we will actively pursue inorganic growth opportunities such as M&A and partnerships with other companies.

#### Updated achievement targets of ORGANO 2030

##### Initial plan

Net sales ————— ¥200.0 billion  
Operating profit ————— ¥30.0 billion  
Operating profit ratio ————— 15%  
ROE ————— Stable at 12% or higher



##### Revised plan

Net sales — ¥250.0 billion (FY2024–FY2030 CAGR 7% or higher)  
Operating profit ratio — 15%–18%  
Set 15% as the minimum target, while aiming for 18% or higher  
ROE ————— Stable at 15% or higher  
ROIC ————— 12% or higher

## Message from the President

### Strengthening Our Management Foundation

Strengthening our business foundation is key to growing our business. Given this, the Group sets KPIs to promote its human resource, digital, and financial strategies. Our human resource strategy focuses on both acquiring and developing talent. Specifically, we are promoting the diversification of hiring methods, the implementation of work systems that consider work-life balance, the improvement of the ratio of female managers, the development of individual skill mapping, and the strengthening of employee training. In addition, we are conducting regular employee engagement surveys to gauge the effectiveness of various measures. As the workforce in Japan declines, it is essential to be a company where people want to work. To strengthen our presence overseas, we will further promote the acquisition, training, and recruiting of overseas talent. As our digital strategy is key to both operational and business reform, we established a committee to promote data utilization. Under this committee, implementation meetings and working groups comprising members from various departments discuss and advance initiatives from a range of perspectives, including development of an IT infrastructure, measures to promote data utilization, enhancement of employee IT literacy,

and information security management. Our financial strategy works to improve cash flow, maintain and enhance ROE—a key management indicator—and allocate capital to balance growth investments with shareholder returns. To achieve this, we set appropriate KPIs and hold discussions aimed at linking these to specific measures.



### Sustainability Activities

The Organo Group's business has a key role to play in building a sustainable society. The foundation of the Group's sustainability efforts lies in contributing to environmental and resource conservation by providing facilities that enable the use and reuse of the precious resource of water, as well as facilities that recover valuable materials from wastewater, leveraging our advanced separation and purification technologies and analysis technology. We also possess advanced technologies for the recovery, purification, and reuse

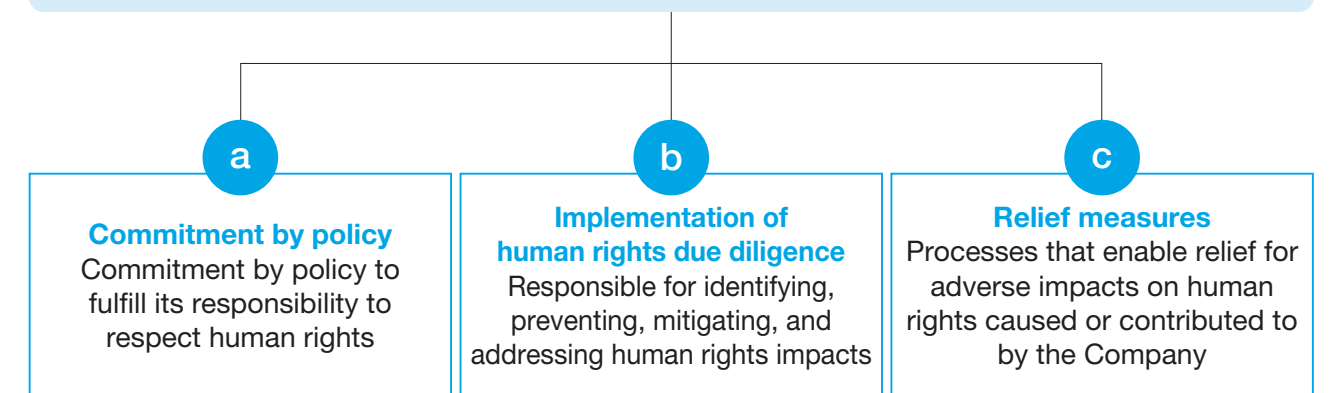
of organic solvents without distillation, significantly contributing to reducing CO<sub>2</sub> and conserving energy in the manufacturing industry. This development of environmentally friendly products and services is one of Company's material issues, and we are actively promoting further R&D in this area. In terms of specific sustainability activities, we are promoting decarbonized management in line with TCFD recommendations and we are working to reduce Scope 1, 2, and 3 emissions. The Group sells

large-scale facilities, so it is challenging to reduce Scope 3 emissions. Nevertheless, we will strive to establish targets, reduce emissions, and monitor the results. On the social and governance front, we established a human rights policy in FY2024. Respect for human rights is a fundamental part of doing business. As such, we have declared our commitment to respecting human rights in accordance with the UN's Guiding Principles on Business and Human Rights. Going forward, we will promote initiatives to prevent and mitigate adverse impacts on human rights in line with the overall picture of corporate human rights initiatives outlined in these principles.

We established a Risk Management Committee that identifies the Group's risks and uses a four-quadrant matrix to classify them into operational, investment, emerging, and business strategy execution risks. The Committee then evaluates the impact and likelihood of realization and uncertainty for each classification, and the Group proceeds with countermeasures as necessary. In addition to formulating a business continuity plan (BCP) to minimize damage and ensure business continuity in the event of a large-scale disaster such as a major earthquake, we are working to improve the effectiveness of our BCP by preparing for emergency situations and implementing education and training.

### Summary of the Company's Human Rights Initiatives

#### Initiatives to prevent and mitigate adverse human rights impacts from business operations



### To Our Stakeholders

Next year marks our 80th anniversary. While the Group continues to enjoy strong performance, we will not rest on our laurels. We will steadily implement the investments and measures set out in the Medium- to Long-Term Management Plan ORGANO 2030 and continuously strengthen our business and management foundations to enable us to achieve significant growth toward 2030 and beyond, with the aim of becoming a 100-year company.

In addition, we will continue to actively advance sustainability activities and promote business activities under a strengthened governance structure. Going forward, the Group will continue to work together to become a company that meets the expectations of all its stakeholders. We thank you for your continued understanding and support.

# Medium- to Long-Term Management Plan ORGANO 2030

## Updated Medium- to Long-Term Management Plan ORGANO 2030

Based on our performance up to FY2024 and projected demand trends, we have revised the performance targets to be achieved by FY2030 in our medium- to long-term management plan. Having considered changes in the business environment and with the aim of realizing our vision, we have also updated our measures as needed. Through both organic and inorganic initiatives, we will strengthen our business and geopolitical portfolios for global expansion, including expanding our presence in the U.S.

**FY2030**  
Aspire to become  
a global partner  
company

**FY2027**

Expand new  
businesses and  
regions of  
operation

**FY2025**

- Expansion into the U.S.
- Expand overseas development of water treatment chemicals and other performance products
- Enhance and deploy new service solutions

- Aspire to be a partner of top companies in the advanced semiconductor field
- Aspire to be the company of choice for water treatment chemicals and functional materials in differentiated specified fields
- Achieve sustainability goals
- See pp. 25–26 for details.

## Updated achievement targets of ORGANO 2030

### Initial plan

Net sales — ¥200.0 billion  
Operating profit — ¥30.0 billion  
Operating profit ratio — 15%  
ROE — Stable at 12% or higher

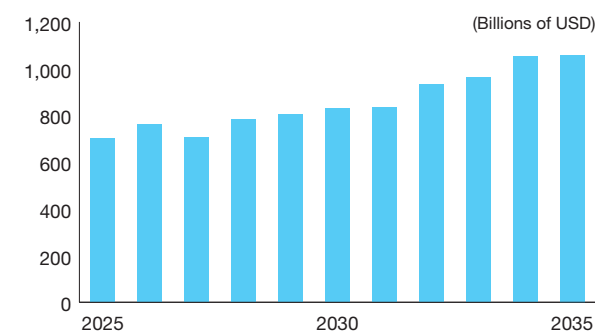
### Revised plan

Net sales — ¥250.0 billion (FY2024–FY2030 CAGR 7% or higher)  
Operating profit ratio — 15%–18%  
Set 15% as the minimum target, while aiming for 18% or higher  
ROE — Stable at 15% or higher  
ROIC — 12% or higher

## Awareness of the business environment

- The semiconductor market is expected to grow until 2035 due to increased demand for cutting-edge semiconductors for AI and other applications. As a result, growth is forecast in demand for products such as semiconductor materials and electronic components.
- Against the backdrop of geopolitical risks including tensions between the U.S. and China and the Taiwan issue, a global reconstruction of semiconductor supply chains is underway, and production bases will be diversified from Asia to places such as the United States and Europe.

### Semiconductor Market Forecast (Organo prediction based on WSTS\* forecast)

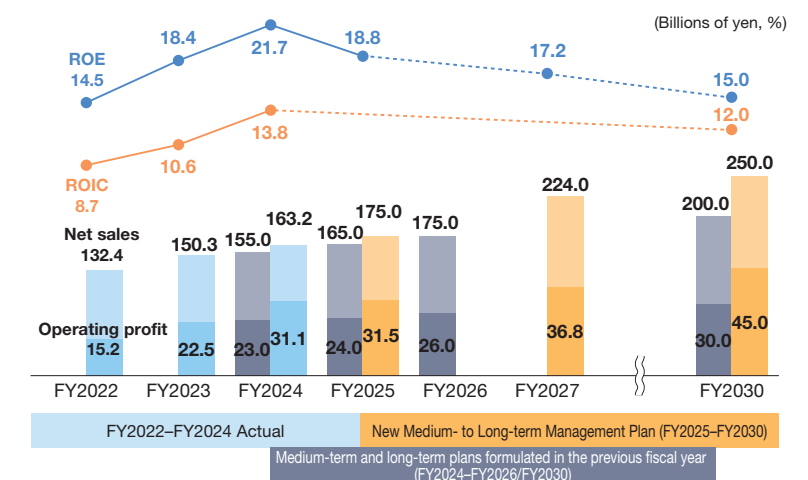


\* WSTS: World Semiconductor Trade Statistics

## Accelerating investment for future growth

### Despite a temporary profit slowdown

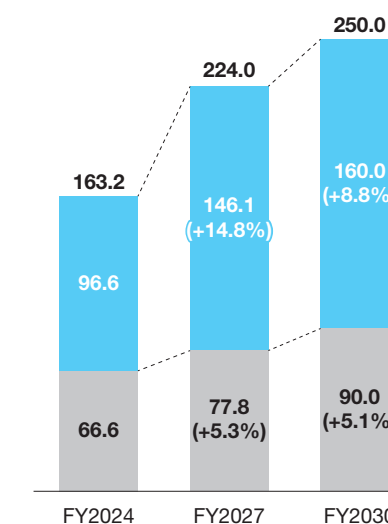
Over the past several years, demand has continued to grow at a rate exceeding our supply capacity, and our biggest challenge for growth has been strengthening our engineering structure. In addition to increasing personnel through the hiring of new graduates and experienced workers, continuous investment for growth is essential in enhancing the efficiency in engineering operations, and we are making steady progress in this area. Although this plan includes some conservative estimates, we recognize that this growth investment may temporarily slow profitability. We believe, however, that it is a necessary preparation period for growth in the future.



## Plans and Measures by Segment

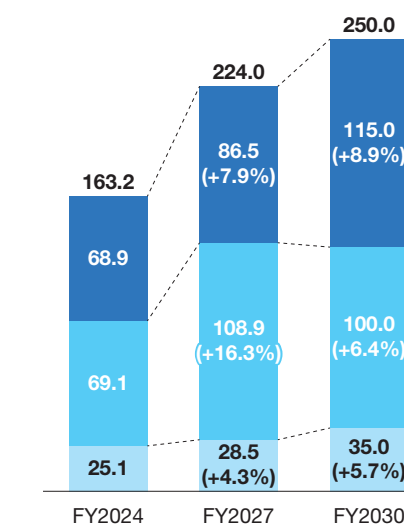
### Net Sales by Market

Electronics Industry Other



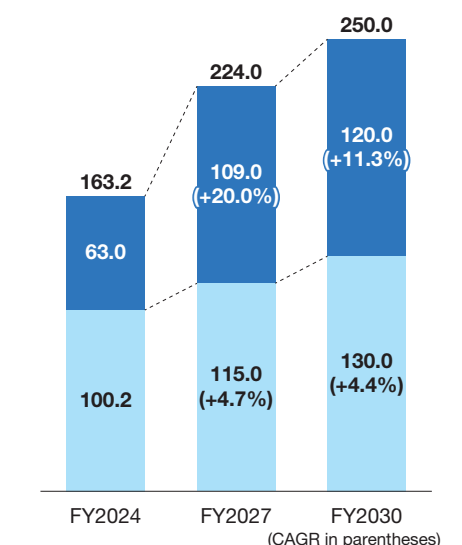
### Net Sales by Business Field

Service Solutions Plant Performance Products



### Net Sales by Region

Overseas Domestic (Billions of yen)



- To promote business expansion, technological innovation, and area expansion with the electronics industry as a growth driver, we will engage in strengthening our engineering systems, developing next-generation technologies, and expanding into new regions.
- We will build a service network for facilities delivered domestically and overseas, and strengthen our proposal capabilities that lead to resolving the challenges of our customers such as energy conservation, decarbonization, and labor saving.
- We will expand the Performance Products Business Unit, a stable revenue source, to the U.S. and other regions, and reduce the volatility of business performance due to plant projects affected by fluctuations in capital investment trends.
- We will actively invest in human capital and R&D in line with our business growth strategy to accelerate expansion, while also considering M&A as one of the means to achieve this.
- We will contribute to achieving sustainability of our customers and society through our business activities.



# Financial Strategy



**Tetsushi Honda**

Managing Director and Executive Officer  
President of Corporate Management and Planning

## Review of Fiscal 2024

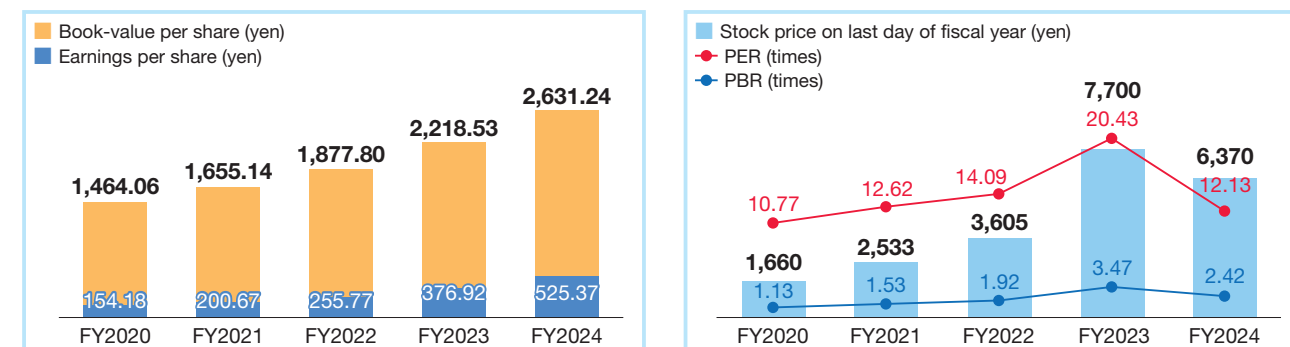
The Company's business performance continues to be strong overall, supported by increased semiconductor demand related to generative AI in the electronics industry—our core market—and by expanding capital investment in cutting-edge semiconductors. Amidst these circumstances, the Company has been working to bolster production and delivery capacity by receiving and delivering large-scale projects both domestically and overseas, investing in DX initiatives aimed at improving the efficiency of plant engineering processes, and promoting measures for global development and utilization of human resources. We have increased our investment in owned-facility services, utilizing borrowings in addition to cash on hand, and have also worked to boost shareholder returns. We need, however, to strengthen and expand our cash-generating capacity, capital efficiency, and various investments and shareholder returns to achieve further growth.

## Initiatives to Enhance Corporate Value

The Company is working to stabilize its earnings base by expanding the Service Solutions and Performance Products businesses—steady sources of revenue—while carefully managing project profits. It is important to ensure a safe, sound financial foundation that can withstand unforeseen circumstances, such as a sudden decrease in orders or deterioration in project profitability—as well as fluctuations in cash flow—and to achieve the optimal balance between capital efficiency and shareholder returns.

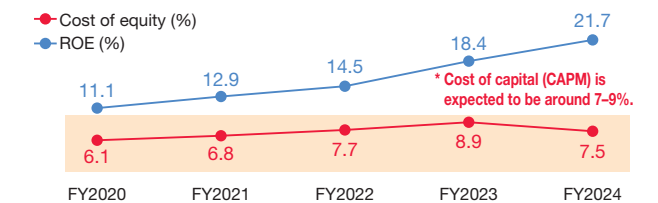
To achieve this, it is essential to improve profitability and efficiency and utilize financial leverage to improve ROE. While the current cost of capital is presumed to be around 7 to 9%, in recent years, the ROE has greatly exceeded the cost of capital due to improved profitability. In addition, we are focusing on measures to return profits to shareholders, such as continued dividend increases, and strengthening investor relations (IR) activities, and the stock price has trended upward, significantly improving PER and PBR. Due to stock market turmoil caused by the tariff policy of the U.S. and other factors in FY2024, the stock price declined but the PBR remained at more than 2x. In our medium- and long-term management plan ORGANO 2030, we aim to establish a system that enables us to stably record an ROE of 15% or higher, have established policies for profitability, efficiency, and financial leverage, and are aiming for further improvement. While profitability improved significantly in FY2024 due to improved profit margins in the Water Treatment Engineering business, we will continue to work to expand our relatively high-margin Service Solutions and Performance Products businesses to stabilize our revenue base. Meanwhile, in terms of efficiency, we are working to shorten the cash conversion cycle (CCC) such as by improving payment terms and

## Per-share Indexes and Trends in Stock Price, PER, and PBR

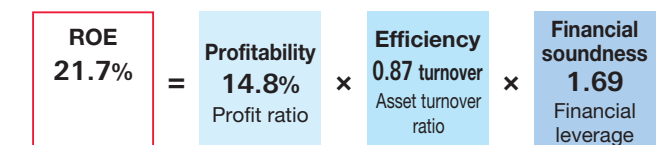


reducing inventories. These efforts are still in progress and we recognize that there remains room for improvement. Furthermore, while we are actively investing in capacity expansion including increased personnel expenses, we must further expand investment in areas such as inorganic growth through M&A. Through these initiatives, we aim to improve our ability to generate cash. And, while ensuring sufficient financial soundness, we will expand growth investments by utilizing financial leverage, such as borrowings.

## Cost of Capital and ROE



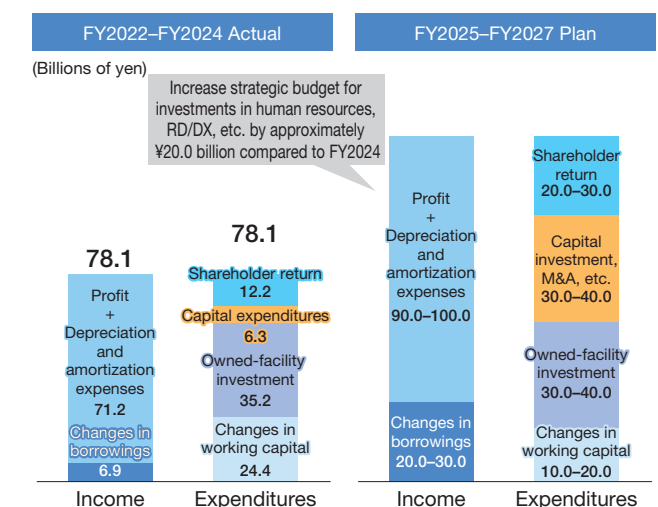
## Breakdown of ROE (FY2024)



\* Cost of capital is calculated based on CAPM ( $R_f + \beta (R_m - R_f)$ ) (Figures are for FY2024)  
 $R_f$  (risk-free rate): Yield on long-term government bonds (10-year): 1.50%  
 $\beta$  ( $\beta$  value): Stock price volatility (5 years, monthly, levered): 1.16  
 $R_m$  (market risk premium): 6.67%

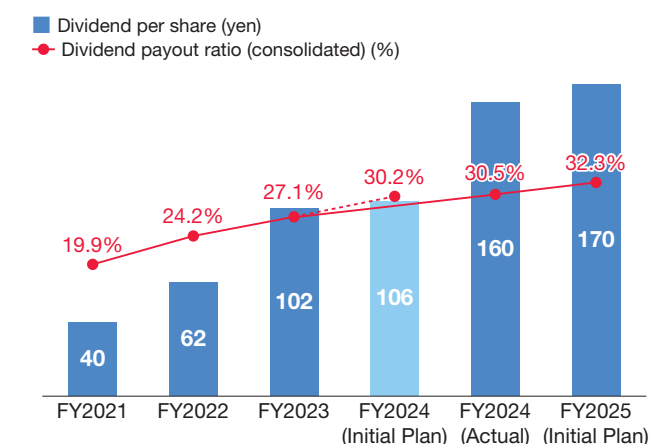
## Capital Allocation

Over the three years from FY2022 to FY2024, we allocated substantial funds to investments in owned-facility services. Other growth investments were limited, however, and challenges remain regarding working capital efficiency. Over the three years from FY2025 to FY2027, we expect revenue growth through sales expansion and full-scale recovery of owned-facility service revenue, and through measures such as borrowings and shortening of the CCC, we plan to actively expand growth investments, including personnel expenses, DX and R&D investments, capital expenditures, and M&A, and we expect increased investment in owned-facility services. In addition, regarding shareholder returns, we plan to continue increasing dividends and improving the dividend payout ratio (consolidated).



## Shareholder Return Measures

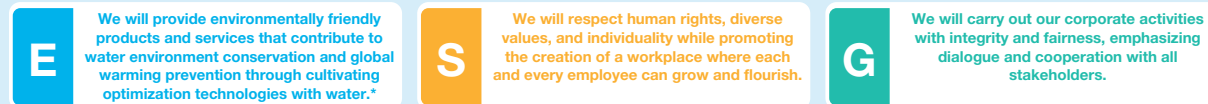
The Company regards the return of profits to shareholders as one of its most important management issues. The Company's basic policy is to provide stable, continuous dividends, and it strives to distribute profits while taking into account the status of earnings. Specifically, we aim to continue to increase dividends while maintaining a consolidated dividend payout ratio of 30% or more, and we will strive to balance the expansion of growth investments with the strengthening of shareholder returns. In FY2024, we increased the annual dividend from ¥106 in our initial plan to ¥160 (consolidated dividend payout ratio: 30.5%) due to an upward revision of our business performance. For FY2025, the plan calls for continued increasing dividends to ¥170 (consolidated dividend payout ratio: 32.3%). In addition, we will examine shareholder returns other than dividends, taking into account factors such as trends in stock price and business performance.



# Sustainability Management

## Sustainability Policy

Organo Corporation, together with its stakeholders, aims to realize a sustainable society and enhance corporate value for the future.



\* 'Cultivating optimization technologies with water' means the pursuit of technologies in separation, purification, analysis, and engineering related to water treatment, and the combination of these technologies to provide optimal systems and services that meet the needs of society.

The Group Sustainability Policy serves as the guiding principle to enhance the sustainability of the business activities of the Organo Group and contribute to achieving a sustainable society and global government. We are integrating our medium- and long-term management plans with this policy to promote management that links business activities to ESG initiatives. We will provide products and services that contribute to our customers' sustainability, water environment conservation, and global warming prevention by solidifying the foundation of our business through comprehensive compliance and strengthened governance, and by developing cutting-edge technologies cultivated through long experience with water treatment.

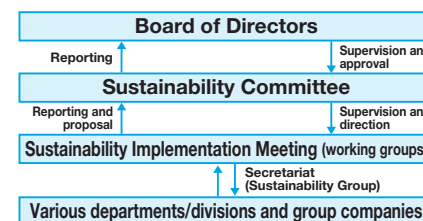
## Sustainability Promotion System

The Group established the Sustainability Committee as an organization to plan, propose, and implement measures to promote sustainability management. We also established the Sustainability Implementation Meeting, which promotes specific measures as the implementation organization of the Committee.

The Sustainability Implementation Meeting creates working groups in response to prevailing sustainability issues, and working group members are assembled from relevant business units and group companies to work on resolving issues. As of October 2025, the Sustainability Implementation Meeting had four working groups, with each one focused on separate initiatives (measures to calculate and reduce GHG emissions, measures to achieve SDGs, promotion of CSR procurement, and response to TCFD recommendations).

The progress status of the measures implemented by the Sustainability Implementation Meeting are reported to the Sustainability Committee, which discusses and deliberates on issues and reports to the Board of Directors, the supervisory and approval authority.

The Sustainability Committee is required to meet at least twice a year, and it may meet on an ad hoc basis when there are urgent matters to be considered. In FY2024, the committee met a total of five times.



## Material Issues

### Identification Process

<b>Keyword extraction</b>	Extracted candidates for material issues from management philosophy, long-term management vision, ORGANO 2030 (long-term management plan), medium-term management plan, business strategies, business environment, ESG valuation standards, GRI Standards (international guidelines related to sustainability)
<b>Assessment of importance</b>	Organized the extracted material issue candidates by "achieving continuous business growth" and "establishing a business foundation," in accordance with the framework of ORGANO 2030, assessed these in terms of the importance to the Company based on the relationship with stakeholders, risks and opportunities, value of providing products and services, and contribution to social issues, and hypothesized material issues
<b>Assessment of validity</b>	Assessed validity through discussions with the Sustainability Implementation Meeting and Sustainability Committee and through interviews with outside experts
<b>Identification of material issues</b>	Board of Directors determined the material issues

Material Issues

<https://www.organo.co.jp/english/company/sustainability/concept/>



## List of Material Issues

Scope of data: In principle, domestic and overseas group companies, but for exceptions, scope of data is listed for individual items.

Material issues			Index (KPI)	Reference year	Goals for FY2030	Results for FY2024	Reference page	
Achieve continuous business growth	1) Contribute to a sustainable global environment	• Address water resource issues	Amount of wastewater treated by newly delivered Organo systems and discharged by plants	2023	Total 60 million m³	Total 27,967,395 m³	p. 64	
		• Protect biodiversity	Amount of water collected and reused by newly delivered Organo systems	2023	Total 250 million m³	Total 30,066,145 m³	p. 64	
		• Respond to climate change	Rate of reduction of Scope 1 and 2 CO₂ emissions according to science-based target (SBT) presentation method*¹	2021	42% total emissions reduction (compared with reference year)	38% reduction*²	p. 62	
			Rate of reduction of Scope 3 CO₂ emissions according to science-based target (SBT) presentation method*¹	2021	20% reduction in GHG emissions per gross profit (compared with reference year)	35% reduction*²	p. 62	
		• Expansion of environmentally friendly products and services	Volume of CO₂ reduced by applying Organo technology and products	2023	Total 32,000 t-CO₂	Total 6,296 t-CO₂	–	
		• Promotion of the 3Rs	Volume of sludge reduced by applying Organo technology and products	2023	Total 10,000 t	Total 3,975 t	p. 65	
	2) Provide high value-added products and services by leveraging technological capabilities	Number of developed environmentally friendly products and services that add value by solving customer's sustainability issues	2023	Two per year	Eight per year (Target: Organo)	p. 65		
	Establish a business foundation	3) Strengthen governance and ensure compliance	• Promote occupational safety and health	Number of serious lost-time injuries*³	2022	Zero per year	Number of serious lost-time injuries: 4	p. 66
• Strengthen compliance			Completion rate of compliance-related training for participants enrolled at the end of the previous fiscal year	2022	100%	Of the 46 required courses, 38 courses had a 100% completion rate; 8 courses had less than a 100% completion rate	p. 57	
• Respect human rights			Completion rate of human-rights-related training for participants enrolled at the end of the previous fiscal year	2022	100%	Completion rate of human rights e-learning course: 100% (Target: Organo, domestic group companies)	p. 67	
• Strengthen risk management			PDCA implementation rate for key risks identified by the Company	2022	100%	100% implementation	p. 55	
4) Create a workplace where diverse human resources can play an active and rewarding role				Number of females in managerial positions (domestic group companies)	2022	50	26	p. 44
				Training expense per employee (all group employees including those overseas)	2022	¥100,000 per person	¥82,753 per person	p. 43
				Number of employees exceeding the annual legal overtime limit*⁴ * Domestic group companies only	2022	Employees with 600 hours per year: 0	Employees with 600 hours per year: 1	p. 44
5) Strengthen supply chain management				Number of main suppliers in compliance with Organo Group Supply Chain CSR Promotion Guidebook	2022	Number of companies in compliance: 300 or more	Number of companies surveyed: 100	p. 69

<sup>\*1</sup>: Criteria for calculating carbon dioxide emissions set forth by the Science Based Targets initiative (SBTi), an initiative requiring companies to set science-based carbon emission reduction targets.

<sup>\*2</sup>: The scope of actual results used as the basis for calculating the change had previously excluded certain group companies; beginning in FY2024, however, all domestic and overseas group companies have been included. In line with this change, the total emissions for the reference year have also been revised to include all domestic and overseas group companies (see pp. 62–63).

<sup>\*3</sup>: Four or more days out of work

<sup>\*4</sup>: This does not indicate that the upper limit (special clause) stipulated in Agreement 36 has been exceeded.