

Business Report (Consolidated)

(April 1, 2025 to March 31, 2026)

1. Current State of the OMRON Group

(1) Consolidated Results

General Overview

OMRON Group financial performance for the fiscal year ended March 31, 2026, saw an increase in sales and profits year on year. Net sales in the Industrial Automation Business were solid due to steady capture of firm demand related to generative AI, etc., while other businesses performed well, leading to the year-on-year growth.

Operating income increased year on year, despite a decline in gross profit margin stemming from soaring raw materials prices, rising logistics costs, and the impact of the U.S. tariff policy. However, in addition to sales growth, we made investments for growth in line with the Medium-Term Roadmap SF 2nd Stage through fiscal 2030, as announced on November 7, 2025. At the same time, we controlled fixed costs in line with performance conditions, resulting in the year-on-year increase.

Net income attributable to OMRON shareholders increased significantly compared to the same period in the previous fiscal year, when we posted one-time expenses related to headcount and capacity optimization.

Net sales	JPY 767,400 million, 7.3 percent increase year on year
Gross profit margin	45.7 percent, 0.4 point decrease year on year
Operating income	JPY 59,900 million, 12.1 percent increase year on year
Net income attributable to shareholders	JPY 28,500 million, 75.1 percent increase year on year

Note: In connection with the conclusion of a transfer agreement with a group company of The Carlyle Group during the fiscal year under review, the Device & Module Solutions Business is treated as a discontinued operation in the consolidated statements of income in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 205-20, "Presentation of Financial Statements – Discontinued Operations." Accordingly, the Group's (consolidated) net sales, gross profit margin, and operating income do not include net sales, gross profit margin, and operating income of the said business.

Average exchange rates for fiscal 2025:

USD 1 = JPY 150.3

EUR 1 = JPY 173.9

CNY 1 = JPY 21.1

The average exchange rates for the fiscal year ended March 31, 2026 were USD 1 = JPY 150.3 (appreciated by 2.3 yen from the previous fiscal year), EUR 1 = JPY 173.9 (depreciated by 10.2 yen from the previous fiscal year) and CNY 1 = JPY 21.1 (unchanged from the previous fiscal year).

Overview by division

Sales by Division (Consolidated) (OMRON Group)

Division	Amount (JPY millions)	Share of total (%)	Year-on-year comparison (%)
Industrial Automation Business	409,500	53	12.3 increase
Healthcare Business	145,300	19	0.4 decrease
Social Systems, Solutions and Service Business	144,300	19	0.5 increase
Data Solution Business	51,200	7	19.7 increase
Eliminations & Corporate	17,100	2	-
Total	767,400	100	

Notes: 1. "Eliminations & Corporate" includes the figures of subsidiaries and affiliates outside the scope of the above divisions.

2. In connection with the conclusion of a transfer agreement with a group company of The Carlyle Group during the fiscal year under review, the Device & Module Solutions Business is treated as a discontinued operation in the consolidated statements of income in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 205-20, "Presentation of Financial Statements – Discontinued Operations." Accordingly, the Group's (consolidated) net sales do not include net sales of the said business.

Results by Business Segment

IAB: Industrial Automation Business

Outline of business

With the vision of “Enriching the Future for People, Industries and the Globe by Innovative-Automation,” the Industrial Automation Business (IAB) has contributed to the development of industry by innovating the manufacturing industry around the world with advanced automation, based on the core technology of “Sensing & Control + Think” that OMRON has cultivated thus far. Setting our unique “innovative-Automation”* value creation concept, our aim is to solve rapidly changing social issues mainly in the manufacturing industry with innovative solutions, based on the widest range of control devices in the industrial market, and create social value that contributes to the realization of happiness for working people along with the sophistication of industry.

*“innovative-Automation”

“innovative-Automation” is a value creation concept advocated for by OMRON that creates social value by solving issues at manufacturing sites. It promotes the provision of automation for sustainability that realizes coexistence with the global environment and job satisfaction of people while driving innovation in manufacturing. “innovative-Automation” aims to embody the following three concepts: “Autonomation beyond human abilities” that invites people to take on more creative roles and maximizes both on-site productivity and energy efficiency, “Advanced collaboration between people and machines” that maximizes human potential and allows humans and machines to grow and evolve together, and “Digital engineering transformation” that reproduces manufacturing sites and equipment in digital space, accelerates DX at manufacturing sites, and contributes to business process innovation.

Major products/services

Programmable controllers, motion controllers, sensing devices, industrial camera/code reader devices, inspection systems, safety devices and industrial robots

While global demand for capital investment remained stagnant in EV-related fields, demand related to generative AI continued to be solid. In addition to steadily capturing this investment demand, we continued in line with the plan from the previous fiscal year to develop and release new products to meet customer needs, leading to a significant year-on-year increase.

Operating income improved significantly year on year due to a substantial increase in net sales, despite upfront investments to support future growth and the impact of rising materials and logistics costs.

As a result, net sales for the fiscal year totaled JPY 409,500 million, an increase of 12.3 percent compared with the previous fiscal year, and operating income totaled JPY 42,800 million, an increase of 18.0 percent compared with the previous fiscal year.

HCB: Healthcare Business

Outline of business

The mission of our Healthcare Business (HCB) is “To help realize healthy and comfortable lives for people around the world.” By living up to this mission, we provide healthcare products and services with a focus on usability and accuracy of readings. With the business vision of “Going for Zero—Preventive Care for the Health of Society,” we provide devices and services globally in the fields of cardiovascular and respiratory diseases, as well as pain that affects daily life, leveraging the technology and expertise we have cultivated over the years. OMRON sells devices certified for medical use in various countries and regions, including blood pressure monitors, digital thermometers, and nebulizers (devices that deliver asthma medication through inhalation by patients), in more than 130 countries across the world. Furthermore, in the field of telemedicine, which has been gaining global traction in recent years, we are rolling out remote patient monitoring services (physicians remotely monitor vital signs data collected by patients on a daily basis to facilitate better treatment), primarily in Europe and the United States.

Major products/services

Digital blood pressure monitors, nebulizers, low-frequency therapy equipment, ECGs, oxygen generators, digital thermometers, body composition monitors, pedometers and activity meters, electric toothbrushes, pulse oximeters, massagers, blood glucose monitors, vascular screening devices, remote patient monitoring systems and telemedicine services

Sales in the market for blood pressure monitors, our core product, remained steady in all areas with the exception of China. In the second quarter (July to September 2025) and beyond, sales continued to rise in China year on year with the introduction of new products, despite the impact of sluggish consumption in that country. However, the decline in the first quarter (April to June, 2025) had a significant impact on sales, leading to full-year sales level with the previous fiscal year.

Amid the impact of the U.S. tariff policy and intensified competition in the major price ranges of blood pressure monitors globally, we endeavored to reduce costs and revise our fixed cost structure. However, operating income was significantly lower year on year.

As a result, net sales for the fiscal year was JPY 145,300 million, a decrease of 0.4 percent compared with the previous fiscal year, and operating income totaled JPY 15,400 million, a decrease of 11.8 percent compared with the previous fiscal year.

SSB: Social Systems, Solutions and Service Business

Outline of business

With its mission, “Creating a society in which the people of the world live in safety, security, and comfort,” the Social Systems, Solutions and Service Business (SSB) conducts business that underpins social infrastructure. We provide a wide range of products and systems, including energy-related products, such as storage battery systems and PV inverters; railway station service systems such as automated ticket gates and ticket vending machines; traffic and road management systems; and uninterruptible power supply (UPS) and infrastructure monitoring systems. Furthermore, through our management and service (M&S) solutions, providing integrated services ranging from engineering to operations management and maintenance, we contribute to the stable operation of social infrastructure.

Major products/services

Energy business (storage battery systems, PV inverters), Mobility business (railway station service systems, traffic and road management systems), IoT business (UPS, infrastructure monitoring), M&S business (operations management and maintenance)

The storage battery systems and other businesses within the Energy Solutions Business performed solidly as a result of an increase in needs for captive consumption of renewable energy and subsidy programs, as well as ongoing investments in the industrial and commercial domains as part of accelerated efforts toward carbon neutrality. Demand for capital investment in the Public Transportation System Business remained stable amid recovery in the number of travelers, etc. As a result, net sales increased year on year.

In addition to continued steady net sales, operating income increased significantly year on year as a result of cost reductions in manufacturing costs and price optimization efforts.

As a result, net sales for the fiscal year was JPY 144,300 million, an increase of 0.5 percent compared with the previous fiscal year, and operating income totaled JPY 19,700 million, an increase of 28.6 percent compared with the previous fiscal year.

DSB: Data Solution Business*

Outline of business

With the mission of “Transcending the boundaries of physical products. Transforming OMRON and creating true customer value,” the Data Solution Business is driving the evolution of the entire OMRON Group from manufacturing to a data-driven solutions business. By combining the vast amounts of field data generated by each business unit from devices and components with the data management and solution development capabilities of JMDC Inc., which joined the Group in October 2023, we will address the three social issues outlined in SF2030—“Achievement of Carbon Neutrality,” “Realization of a Digital Society,” and “Extension of Healthy Life Expectancy”—thereby creating new growth businesses.

Major products/services

Data healthcare business, corporate health business, smart M&S (management and service solutions) business, data-based solutions business, and self-reliance support business

JMDC continued to see an increase in the number of IDs issued for the Pep Up health information platform. Transactions also continued to increase with pharmaceutical companies and insurance companies that use anonymous data originating from health insurance associations and medical institutions. As a result, net sales increased significantly year on year.

Despite making steady investments for establishing the Data Solution Business, solid operating income reported by JMDC led to significant year-on-year growth in operating income.

As a result, net sales for the fiscal year totaled JPY 51,200 million, an increase of 19.7 percent compared with the previous fiscal year, and operating income totaled JPY 3,600 million, an increase of 27.6 percent compared with the previous fiscal year.

(Note) Expenses such as amortization of intangible assets identified in connection with the acquisition of JMDC as a consolidated subsidiary are included in this segment.

(2) Capital Investment

The OMRON Group engaged in select and proactive capital investments as necessary, including enhancement of production equipment and investment in bases with the aim of creating future growth, as well as the renewal of IT infrastructure. As a result, total capital investment was JPY 54,259 million, a 7.7 increase from the previous fiscal year.

Capital investment amounts by division were as shown below.

Division	Amount (JPY millions)
Industrial Automation Business	9,180
Healthcare Business	4,057
Social Systems, Solutions and Service Business	6,063
Data Solution Business	2,344
Eliminations & Corporate	24,011
Continuing operations total	45,655
Discontinued operations	8,604
Total	54,259

Notes: 1. "Eliminations & Corporate" includes the figures of subsidiaries and affiliates outside the scope of the above divisions.

2. In connection with the conclusion of a transfer agreement with a group company of The Carlyle Group during the fiscal year under review, the Device & Module Solutions Business is classified as a discontinued operation in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 205-20, "Presentation of Financial Statements – Discontinued Operations."

(3) Capital Procurement

The Group appropriated borrowings from financial institutions and funds raised through issuance of commercial papers for the necessary funds during the fiscal year.

(4) Issues Facing the Company

[OMRON's Basic Management Policies]

Based on the idea that a company is a public entity of society, the OMRON Group pursues a mission to improve lives and contribute to a better society by solving social issues through our businesses. The OMRON Group practices management based on the OMRON Principles to achieve this mission.

[Medium- to Long-term Corporate Management Strategy]

<Overview of Long-Term Vision Shaping the Future 2030>

The OMRON Group engages in business management based on our Long-Term Vision, Shaping the Future 2030 (SF2030), which covers fiscal years 2022 to 2030. As society enters a period of change, we have written a story of our own transformation and the creation of new value in SF2030 to solve social issues and contribute to all stakeholders, including investors. Many new social issues will arise in the future. Working from the perspective of leveraging OMRON Group strengths in automation, our customer assets, and business assets, we identified three social issues for the OMRON Group to address that will have an outsized social impact in the future: (1) Achieving Carbon Neutrality; (2) Realizing a Digital Society; and (3) Extending Healthy Life Expectancy. To solve these issues, we revised the OMRON Group business domains under SF2030, defining social value within these domains. In the Industrial Automation domain, we contribute to advancing manufacturing to support a sustainable society. In the Healthcare Solutions domain, we contribute to the achievement of Zero Events of cardiovascular disease. In the Social Solutions domain, we aim to contribute to the spread and efficient use of renewable energy and the sustainability of the infrastructure supporting a digital society. Under SF2030, we intend to contribute to the creation of sustainable societies and enhance corporate value by integrating our businesses with principles of sustainability.

Reference:

See the Long-Term Vision/Medium-Term Roadmap presentation materials on the Company's official website for more information.

https://www.omron.com/global/en/ir/irlib/sf_info/

<Summary of Structural Reform Program NEXT2025>

In response to fiscal year 2023 financial performance deterioration, the OMRON Group engaged in Structural Reform Program NEXT2025 between April 1, 2024, and September 30, 2025, focusing on the immediate restructuring of the Industrial Automation Business and rebuilding the foundation for profitability and growth. Under NEXT2025, the Company implemented management measures to ensure sustainable sales growth and profitability, as well as to achieve the sustainable enhancement of corporate value.

By promptly addressing the issues that had led to a decline in performance, we charted a course for renewed growth across all business segments, particularly in Industrial Automation. At the same time, we reduced fixed costs approximately 35 billion yen over the two-year period spanning fiscal 2024 and 2025 compared to fiscal 2023, achieving sales and profit growth for a second consecutive year.

However, given that both sales and operating income remain below historical levels, as well as the fact that metrics such as ROIC and ROE remain below the cost of capital, we recognize that the process of rebuilding a foundation for earnings and growth is still a work in progress.

Going forward, we will work to quickly consolidate improvements while continuously addressing fundamental challenges to achieve sustainable, profitable growth. These challenges include transforming our corporate culture to realize a customer-driven approach, rebuilding our foundation for earnings and growth, managing our business portfolio to drive growth, and transforming our business model.

<Overview of the Medium-Term Roadmap SF 2nd Stage (FY2026 – FY2030)>

Based on the achievements and issues of NEXT2025, in April 2026, we began operating under the new Medium-Term Roadmap SF 2nd Stage, which covers the period from fiscal 2026 to fiscal 2030. This roadmap is intended to be a period of transition into a company that achieves new growth through data services by 2030. Under SF 2nd Stage, we will generate strong growth under the policy Trusted Growth - Deepening relationships of trust with customers for transforming into a GEMBA DX company.

Reference:

See the Long-Term Vision/Medium-Term Roadmap presentation materials on the Company's official website for more information.

https://www.omron.com/global/en/ir/irlib/sf_info/

[Management Plan for the Next Fiscal Year]

<Policy and Action Plan for the Next Fiscal Year (FY2026)>

We intend to implement actions during the next fiscal year to complete the plan for the growth of the 13 focus businesses under the company-wide policy of deepening relationships of trust with customers for transforming into a GEMBA DX company.

Financial Targets

(Billions of yen, %)

Financial Targets	FY2026 (IFRS)
Net sales	820.0
Operating income	62.0
ROE	Approx. 5.5%
ROIC	Approx. 4.0%
EPS (yen)	229

Note: 1. The Company classified the DMB (Devices & Module Solutions Business) as a discontinued operation during the current consolidated fiscal year. Accordingly, net sales and operating income exclude the discontinued operation. Targets for ROE, ROIC, and EPS are based on income from continuing operations.
 2. As the OMRON Group intends to adopt IFRS beginning with the first quarter of the fiscal year ending March 31, 2027, the above targets have been prepared in accordance with IFRS.

(5) Financial Assets and Profit and Loss
Consolidated Financial Position and Operating Results

(JPY millions)

	85th term (April 1, 2021 to March 31, 2022)	86th term (April 1, 2022 to March 31, 2023)	87th term (April 1, 2023 to March 31, 2024)	88th term (April 1, 2024 to March 31, 2025)	89th term (April 1, 2025 to March 31, 2026)
Net Sales	762,927	876,082	818,761	715,379	767,351
Operating Income	89,316	100,686	34,342	53,446	59,935
Income before Income Taxes	86,714	98,409	34,953	33,131	52,571
Net Income Attributable to OMRON Shareholders	61,400	73,861	8,105	16,271	28,487
Basic Net Income Attributable to OMRON Shareholders per Share (JPY)	305.65	372.19	41.17	82.63	144.80
Total Assets	930,629	998,160	1,354,729	1,362,459	1,516,263
Shareholders' Equity	665,227	728,473	786,686	771,885	835,885
Shareholders' Equity per Share (JPY)	3,339.64	3,701.08	3,995.04	3,920.30	4,251.07
Return on Equity (%)	9.7	10.6	1.1	2.1	3.5

Notes: 1. The Company prepares its Consolidated Financial Statements in accordance with generally accepted accounting principles in the United States (U.S. GAAP).

Operating income is presented as gross profit less selling, general and administrative expenses and research and development expenses. Restructuring expenses, loss on impairment of goodwill, other expenses (income), net, income taxes, and share of loss (profit) of entities accounted for using equity method are not deducted.

2. In connection with the conclusion of a transfer agreement with a group company of The Carlyle Group during the fiscal year under review, the Device & Module Solutions Business is classified as a discontinued operation in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 205-20, "Presentation of Financial Statements – Discontinued Operations," and profit/loss from the said business are presented separately in the consolidated statements of income. Accordingly, the figures for the 88th term are restated.

Non-Consolidated Financial Position and Operating Results

(JPY millions)

	85th term (April 1, 2021 to March 31, 2022)	86th term (April 1, 2022 to March 31, 2023)	87th term (April 1, 2023 to March 31, 2024)	88th term (April 1, 2024 to March 31, 2025)	89th term (April 1, 2025 to March 31, 2026)
Net Sales	310,989	369,498	259,328	254,027	293,308
Ordinary Income (loss)	42,084	103,108	(8,260)	72,918	19,571
Net Income (loss)	23,250	91,106	15,792	(37,109)	27,242
Net Income (loss) per Share (JPY)	115.74	459.09	80.21	(188.47)	138.47
Total Assets	606,482	596,309	680,668	589,968	680,412
Net Assets	277,159	333,265	319,545	258,136	264,678
Net Assets per Share (JPY)	1,391.42	1,693.19	1,622.75	1,311.04	1,346.08

(6) Principal Subsidiaries

(As of March 31, 2026)

Division	Name	Capital (JPY millions)	Parent ownership (%)	Principal business
Industrial Automation Business	OMRON KANSAI- SEIGYO Corporation	310	100.0	Sale of industrial automation control equipment
Healthcare Business	OMRON HEALTHCARE Co., Ltd.	5,021	100.0	Healthcare and medical devices
Social Systems, Solutions and Service Business	OMRON SOCIAL SOLUTIONS Co., Ltd.	5,000	100.0	Social systems
Device & Module Solutions Business	OMRON RELAY & DEVICES Co., Ltd.	300	100.0	Electronic components for home appliances and communications devices
Data Solution Business	JMDC Inc.	25,167	54.2	Data solution
Industrial Automation Business	OMRON ELECTRONICS LLC	(Thousands of U.S. dollars) 9,015	100.0	Sale of industrial automation control equipment
Headquarters and others, and Industrial Automation Business	OMRON EUROPE B.V.	(Thousands of Euro) 16,883	100.0	Regional management of business, and supervision of industrial automation business in Europe
Headquarters and others	OMRON (CHINA) Co., Ltd.	(Thousands of CNY) 1,468,771	100.0	Regional management of business in China
Headquarters and others, and Industrial Automation Business	OMRON ASIA PACIFIC Pte. Ltd.	(Thousands of U.S. dollars) 23,471	100.0	Regional management of business and supervision of industrial automation business in Southeast Asia
Headquarters and others, and Industrial Automation Business	OMRON ELECTRONICS KOREA Co., Ltd.	(Thousands of South Korean won) 950,000	100.0	Regional management of business and supervision of industrial automation business in South Korea

The OMRON Group consists of 163 consolidated subsidiaries including the above companies.
There are no unconsolidated subsidiaries.

(7) Principal Places of Business, etc.

(As of March 31, 2026)

OMRON	Headquarters (Head Office)	Shimogyo-ku, Kyoto
	Tokyo Office (Branch Office)	Minato-ku, Tokyo
	Places of Business	Nagoya Office (Nishi-ku, Nagoya City), Kusatsu Office (Kusatsu City, Shiga Pref.), Ayabe Office (Ayabe City, Kyoto Pref.), Katsuragawa Office (Muko City, Kyoto Pref.), Osaka Office (Kita-ku, Osaka City)
	Research Site	Keihanna Technology Innovation Center (Kizugawa City, Kyoto Pref.)
Subsidiaries	Japan	OMRON KANSAI-SEIGYO Corporation (Kita-ku, Osaka City) OMRON HEALTHCARE Co., Ltd. (Muko City, Kyoto Pref.) OMRON SOCIAL SOLUTIONS Co., Ltd. (Minato-ku, Tokyo) OMRON RELAY & DEVICES Co., Ltd. (Yamaga City, Kumamoto Pref.) JMDC Inc. (Minato-ku, Tokyo)
	Overseas	OMRON ELECTRONICS LLC (Illinois, U.S.A.) OMRON EUROPE B.V. (Hoofddorp, the Netherlands) OMRON (CHINA) Co., Ltd. (Beijing, China) OMRON ASIA PACIFIC Pte. Ltd. (Singapore) OMRON ELECTRONICS KOREA Co., Ltd. (Seoul, South Korea)

Consolidated Net Sales Composition Ratio by Region

(JPY billions)

Japan	The Americas	Europe	Greater China	Southeast Asia and others	Direct export	Total
348.7	73.3	116.8	144.1	82.0	2.5	767.4
45%	10%	15%	19%	11%	0%	100%

Note: Major countries and regions belonging to categories other than Japan

(1) The Americas the United States, Canada, Brazil

(2) Europe the Netherlands, the United Kingdom, Germany, France, Italy, Spain

(3) Greater China China, Hong Kong, Taiwan

(4) Southeast Asia and others Singapore, South Korea, India, Australia

Note: In connection with the conclusion of a transfer agreement with a group company of The Carlyle Group during the fiscal year under review, the Device & Module Solutions Business is classified as a discontinued operation in the consolidated statements of income in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 205-20, "Presentation of Financial Statements – Discontinued Operations." Accordingly, consolidated net sales by region do not include net sales of the said business.

(8) Employees**OMRON Group Employees (Consolidated)**

(As of March 31, 2026)

Number of employees	Change from March 31, 2025
26,050	Decrease of 564 employees

Note: Number of employees refers to full time employees (people assigned by the OMRON Group to work outside the OMRON Group are excluded; people assigned from outside the OMRON Group to work within the OMRON Group are included).

OMRON Group Employees by Region (Consolidated)

(As of March 31, 2026)

Japan	The Americas	Europe	Greater China	Southeast Asia and others	Total
11,430	1,180	1,736	6,638	5,066	26,050
44%	5%	7%	25%	19%	100%

Note: Major countries and regions belonging to categories other than Japan

- (1) The Americas the United States, Canada, Brazil
- (2) Europe the Netherlands, the United Kingdom, Germany, France, Italy, Spain
- (3) Greater China China, Hong Kong, Taiwan
- (4) Southeast Asia and others Singapore, South Korea, India, Australia

(9) Major Lenders

Lender	Amount lent
MUFG Bank, Ltd.	JPY 70,858 million
Sumitomo Mitsui Banking Corporation	JPY 32,466 million
Mizuho Bank, Ltd.	JPY 23,746 million
The Bank of Kyoto, Ltd.	JPY 22,126 million

(10) Other Important Matters Regarding the Current State of the OMRON Group

At the Board of Directors meeting held on March 30, 2026, the Company resolved to transfer the business operated by the Company's Device & Module Solutions Company ("DMB") to OMRON Devices Co., Ltd, a subsidiary of the Company, ("Succeeding Company"), through an absorption-type company split ("Absorption-Type Company Split"), to execute the transfer, within the OMRON Group ("Group"), of shares and assets related to this business currently held by Group companies in countries and regions worldwide ("Intra-Group Reorganization"), and to transfer all shares of the Succeeding Company to TCG2602 Co., Ltd. ("SPC #2"), a wholly owned subsidiary of TCG2601 Co., Ltd. ("SPC #1"), which has been established by The Carlyle Group (including its affiliate companies and other related entities, "Carlyle") ("Share Transfer"). The Company hereby announces that, effective March 30, 2026, it has concluded an absorption-type company split agreement with the Succeeding Company and a share transfer agreement with SPC #2.

With regard to DMB, while the high-capacity relay market is expanding rapidly as end products become increasingly environmentally friendly, with electric vehicles (EVs) as a prime example, new players—notably local Chinese competitors—are emerging. This requires us to make business decisions with greater speed and to further expand investment if we are to outpace them and be the first to capture market opportunities. Given these changes in the external environment, the Company has been engaging in discussions on how we can build an autonomous business operation system and ensure sustainable growth for DMB, including through potential partnerships with external parties. Although the spin-off of DMB is expected to enhance decision-making speed, we have also recognized the need to make investments more promptly and on a larger scale than initially anticipated, which has led us to the conclusion that it would be optimal to sell DMB to Carlyle. This will not only create the optimal growth environment for DMB, but will also enable our company to further concentrate investments to accelerate the business portfolio restructuring set out in the Medium-Term Roadmap SF 2nd Stage announced in November 2025 - namely, to expand the 13 focus businesses centered on IA (Industrial Automation) across the Device business and the Data Service business.

Since opening its Tokyo office in 2000, Carlyle has continuously expanded its operations in the Japanese market, accumulating extensive experience and expertise through numerous successful investments in Japan, thereby demonstrating a long-term commitment to the Japanese market. Carlyle has deep industrial expertise and supports businesses in this sector from strategy development through execution, including international expansion and the strengthening of business foundations and operations. In light of this, the Company has concluded that Carlyle is the right partner for DMB's business expansion after the spin-off.

After the Share Transfer, the Company plans to take a stake in SPC #1 so that its shareholding ratio will be 5%. By doing so, the Company will support the Succeeding Company's steady switchover to a new process as an independent company, while appropriately ensuring opportunities for the Succeeding Company and Group companies to collaborate in sales activities.

1. Effective date of the Absorption-Type Company Split: July 1, 2026 (subject to change)
2. Execution date of the Share Transfer: October 1, 2026 (subject to change)

2. Stock Information (As of March 31, 2026)

(1) Total Number of Issuable Shares 487,000,000 shares

(2) Total Number of Shares Issued 206,244,872 shares
(including 8,880,146 shares of treasury stock)

(3) Number of Shareholders 50,336

(4) Major Shareholders (Top Ten Shareholders)

Shareholder	Number (thousands of shares)	Percentage Held (%)
The Master Trust Bank of Japan, Ltd. (trust account)	42,412	21.49
Custody Bank of Japan, Ltd. (trust account)	20,393	10.33
The Bank of Kyoto, Ltd.	7,069	3.58
STATE STREET BANK AND TRUST COMPANY 505103	4,875	2.47
MOXLEY AND CO LLC	4,474	2.27
JAPAN ACTIVATION CAPITAL I L.P.	4,386	2.22
OMRON Employee Stockholding Association	4,032	2.04
Nippon Life Insurance Company	3,640	1.84
JAPAN ACTIVATION CAPITAL II L.P.	3,388	1.72
JP MORGAN CHASE BANK 385781	2,818	1.43

- Notes: 1. The percentage of shares is calculated excluding treasury stock.
2. Although the Company holds 8,880 thousand shares of treasury stock (the ratio to a total of shares issued: 4.31%), it is excluded from the above list of major shareholders.
3. On July 22, 2025, Mitsubishi UFJ Financial Group, Inc. filed an amendment to the major shareholding status report, which is open to public, stating that its three group companies held 8,645 thousand shares of the Company (representing 4.19% of the total number of shares issued) as of July 14, 2025. However, the Company has not been able to confirm the number of shares substantially possessed by the three group companies, and therefore they are not included in the above list of major shareholders.
4. On September 3, 2025, Nomura Asset Management Co., Ltd. filed an amendment to the major shareholding status report, which is open to public, stating that its two group companies held 15,898 thousand shares of the Company (representing 7.71% of the total number of shares issued) as of August 29, 2025. However, the Company has not been able to confirm the number of shares substantially possessed by the two group companies, and therefore they are not included in the above list of major shareholders.
5. On September 3, 2025, BlackRock Japan Co., Ltd. filed an amendment to the major shareholding status report, which is open to public, stating that its six group companies held 10,917 thousand shares of the Company (representing 5.29% of the total number of shares issued) as of August 29, 2025. However, the Company has not been able to confirm the number of shares substantially possessed by the six group companies, and therefore they are not included in the above list of major shareholders.
6. On September 19, 2025, Sumitomo Mitsui Trust Asset Management Co., Ltd. filed an amendment to the major shareholding status report, which is open to public, stating that its two group companies held 16,747 thousand shares of the Company (representing 8.12% of the total number of shares issued) as of September 15, 2025. However, the Company has not been able to confirm the number of shares substantially possessed by the two group companies, and therefore they are not included in the above list of major shareholders.

(5) Breakdown of Shareholders by Type of Owner

Financial Institutions	Treasury Stock	Securities Companies	Other Domestic Companies	Foreign Investors	Individuals and Others	Total
40%	4%	3%	5%	35%	13%	100%

Note: Shareholders who only own odd-lot (less than one trading unit) shares are excluded from the table.

(6) Shares Issued to the Company's Officers as Compensation for the Execution of Duties in the Fiscal Year under Review

The breakdown of stock compensation issued during the fiscal year under review is as follows.

	Number of shares	Number of recipients
Directors (excluding Outside Directors)	31,072	8
Outside Directors	—	—
Audit & Supervisory Board Members	—	—

- Notes:
1. The shares issued during the fiscal year under review consist of shares granted as medium-to-long-term, performance-linked compensation (stock compensation) for four fiscal years from fiscal 2021 to fiscal 2024.
 2. The shares issued to Directors (excluding Outside Directors) include shares granted to the three Directors who retired at the close of the 86th Ordinary General Meeting of Shareholders held on June 22, 2023.
 3. In addition to the above shares, shares were issued based on points awarded during tenure as Executive Officer.
 4. Regarding the Company's stock compensation, the trust shall grant the Company's shares corresponding to the points awarded. The eligible persons shall receive the Company's shares corresponding to 50% of the number of points granted (odd-lot shares shall be rounded off), and with respect to the Company's shares corresponding to the number of remaining points, an amount of money equivalent to the converted value of such Company's shares shall be paid after conversion under the trust. The shares for which monetary payments have been made through this conversion are not included in the number of shares in the above table.

3. Stock Acquisition Rights of the Company

None applicable.

4. Directors and Audit & Supervisory Board Members

(1) Names and Other Information of Directors and Audit & Supervisory Board Members

Title	Name	Areas of Responsibility and Significant Concurrent Positions, etc.
Chairman of the Board	Yoshihito Yamada	Chairman of the Board of Directors Vice Chairman of the Corporate Governance Committee Member of the CEO Selection Advisory Committee Outside Director of NEC Corporation Outside Director of J. FRONT RETAILING Co., Ltd. Outside Director of Mitsubishi UFJ Securities Holdings Co., Ltd.
Representative Director	Junta Tsujinaga	President CEO
Representative Director	Kiichiro Miyata	Executive Officer and Executive Vice President CTO Member of the Compensation Advisory Committee
Director	Masahiko Tomita	Senior Managing Executive Officer CHRO, CRO and Senior General Manager, Global Human Resources and Administration HQ Member of the Personnel Advisory Committee
Director	Shizuto Yukumoto	Vice Chairman of the CEO Selection Advisory Committee Vice Chairman of the Personnel Advisory Committee Vice Chairman of the Compensation Advisory Committee Member of the Corporate Governance Committee Outside Director of YAMABIKO CORPORATION
Outside Director	Takehiro Kamigama [Outside Executive] [Independent Officer]	Chairman of the CEO Selection Advisory Committee Chairman of the Corporate Governance Committee Member of the Personnel Advisory Committee Member of the Compensation Advisory Committee Chief Consultant of Contemporary Amperex Technology Japan KK External Director of SoftBank Corp. (retired in June 2025) Outside Director of the Board of KOKUYO Co., Ltd. External Director of Nippon Sheet Glass Co., Ltd.
Outside Director	Izumi Kobayashi [Outside Executive] [Independent Officer]	Chairman of the Personnel Advisory Committee Member of the CEO Selection Advisory Committee Member of the Compensation Advisory Committee Member of the Corporate Governance Committee Outside Director of ANA HOLDINGS INC. (retired in June 2025) Outside Director of Mizuho Financial Group, Inc. (retired in June 2025) Independent Director of Fujitsu Limited

Title	Name	Areas of Responsibility and Significant Concurrent Positions, etc.
Outside Director	Yoshihisa Suzuki [Outside Executive] [Independent Officer]	Chairman of the Compensation Advisory Committee Member of the CEO Selection Advisory Committee Member of the Personnel Advisory Committee Member of the Corporate Governance Committee Advisory Member of ITOCHU Corporation Outside Director of the Board of Kyowa Kirin Co., Ltd. Outside Member of the Board of JFE Holdings, Inc.

Title	Name	Significant Concurrent Positions, etc.
Audit & Supervisory Board Member	Toshio Hosoi	
Audit & Supervisory Board Member	Hiroto Iwasa	
Outside Audit & Supervisory Board Member	Hiroshi Miura [Outside Executive] [Independent Officer]	Member of the Corporate Governance Committee Representative CPA of Global Management Advisory Office Outside Audit & Supervisory Board Member of AZ-COM MARUWA Holdings Inc. (retired in June 2025) Executive Director of ORIX JREIT Inc. (retired in November 2025) Outside Director of MonotaRO Co., Ltd. Outside Audit & Supervisory Board Member of Toyota Boshoku Corporation
Outside Audit & Supervisory Board Member	Yumiko Ichige [Outside Executive] [Independent Officer]	Member of the Corporate Governance Committee Partner, Nozomi Sogo Attorneys at Law Outside Director of ASKUL Corporation Outside Audit & Supervisory Board Member of Idemitsu Kosan Co., Ltd. Outside Director of Astemo, Ltd.

Notes: 1. For Outside Directors Takehiro Kamigama, Izumi Kobayashi and Yoshihisa Suzuki, and Outside Audit & Supervisory Board Members Hiroshi Miura and Yumiko Ichige, the Company has provided notification as Independent Officers to Tokyo Stock Exchange, Inc. Details of “The Company’s policy regarding the independence of Outside Executives” are described on pages 19 to 20 of Reference Materials for the General Meeting of Shareholder.

2. Mr. Takehiro Kamigama concurrently served as External Director of SoftBank Corp. (retired in June 2025), with which the Group has a business relationship that includes sales of products. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the SoftBank Group. Furthermore, Mr. Kamigama concurrently serves as Outside Director of the Board of KOKUYO Co., Ltd. (“KOKUYO”), with which the Group has a business relationship that includes operational consignment. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the KOKUYO Group.
3. Ms. Kobayashi concurrently served as Outside Director of Mizuho Financial Group, Inc. (retired in June 2025), with which the Group has a business relationship that includes consignment of consulting services. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the Mizuho Financial Group. Ms. Izumi Kobayashi concurrently serves as Independent Director of Fujitsu Limited (“Fujitsu”), with which the Group has a business relationship that includes system licensing. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the Fujitsu Group.
4. Mr. Yoshihisa Suzuki serves as Advisory Member of ITOCHU Corporation (“ITOCHU”), with which the Group has a business relationship that includes sales of products. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the ITOCHU Group. Mr. Yoshihisa Suzuki serves as Outside Director of the Board of Kyowa Kirin Co., Ltd. (“Kyowa Kirin”), with which the Group has a business relationship that includes sales of medical data services. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the Kyowa Kirin Group. Mr. Yoshihisa Suzuki serves as Outside Member of the Board of JFE Holdings, Inc. (“JFE Holdings”), with which the Group has a business

relationship that includes system operation and maintenance. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the JFE Holdings Group.

5. Mr. Hiroshi Miura concurrently serves as Outside Director of MonotaRO Co., Ltd. (“MonotaRO”), with which the Group has a business relationship that includes sales of products. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the MonotaRO Group.
6. Ms. Yumiko Ichige concurrently serves as Outside Director of ASKUL Corporation (“ASKUL”), with which the Group has a business relationship that includes sales of products. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the ASKUL Group. Ms. Yumiko Ichige concurrently serves as Outside Audit & Supervisory Board Member of Idemitsu Kosan Co., Ltd. (“Idemitsu Kosan”), with which the Group has a business relationship that includes sales of products. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the Idemitsu Kosan Group. Ms. Yumiko Ichige concurrently serves as Outside Director of Astemo, Ltd. (“Astemo”), with which the Group has a business relationship that includes sales of products. However, such transactions account for less than 1% of the consolidated net sales of the Group and those of the Astemo Group.
7. There are no special relationships between the Company and significant concurrent employers of other Outside Executives.
8. Mr. Hiroshi Miura has years of working experience as a certified public accountant in an auditing firm, and has considerable knowledge regarding finance and accounting.
9. Changes in Audit & Supervisory Board Members’ positions in the fiscal year under review are as follows.
(Appointment) At the 88th Ordinary General Meeting of Shareholders held on June 24, 2025, Mr. Hiroto Iwasa and Ms. Yumiko Ichige were newly elected and appointed as Audit & Supervisory Board Members.
(Retirement) At the close of the 88th Ordinary General Meeting of Shareholders held on June 24, 2025, Mr. Shuji Tamaki and Mr. Tadashi Kunihiro retired from the position of Audit & Supervisory Board Member, due to the expiry of their terms.
10. Executive Officers as of April 1, 2026 are as follows.

Title	Name	Position
* President	Junta Tsujinaga	CEO
* Executive Vice President	Kiichiro Miyata	CTO
* Senior Managing Executive Officer	Masahiko Tomita	CHRO, CRO and Senior General Manager, Global Human Resources and Administration HQ
Senior Managing Executive Officer	Seiji Takeda	CFO and Senior General Manager, Global Strategy HQ
Managing Executive Officer	Seigo Kinugawa	CIO and Senior General Manager, Global Business Process and IT Innovation HQ
Managing Executive Officer	Tsutomu Igaki	Senior General Manager, Global Corporate Communications & Engagement HQ and Sustainability Executive
Managing Executive Officer	Kenji Eda	Senior General Manager, Global Procurement, Quality and Logistics HQ Senior General Manager - Americas, Industrial Automation Company
Managing Executive Officer	Katsuhiko Shikata	President and CEO, OMRON SOCIAL SOLUTIONS Co., Ltd.
Managing Executive Officer	Masahiko Ezaki	Company President, Device & Module Solutions Company
Managing Executive Officer	Motohiro Yamanishi	Company President, Industrial Automation Company
Managing Executive Officer	Ayumu Okada	President and CEO, OMRON HEALTHCARE Co., Ltd.
Managing Executive Officer	Hidetaka Ishihara	CDXO and Senior General Manager, Data Solution Business HQ
Managing Executive Officer	Masayuki Yamamoto	Senior General Manager, Global Solution Sales Division HQ, Industrial Automation Company and Senior General Manager - China, Industrial Automation Company
Executive Officer	Jian Xu	President and CEO, OMRON (CHINA) CO., LTD.
Executive Officer	Taisuke Tateishi	President and CEO, OMRON FIELD ENGINEERING Co., Ltd.
Executive Officer	Virendra Shelar	President and CEO, OMRON EUROPE B.V. and Senior General Manager, Global Business

Title	Name	Position
Executive Officer	Masaki Suwa	Operation and Service Division HQ, Industrial Automation Company Senior General Manager, Strategic R&D Initiative HQ and President and CEO, OMRON SINIC X Corp.
Executive Officer	Toyoharu Tamoi	Senior General Manager, Global Finance and Accounting HQ
Executive Officer	Yukitaka Kamio	Senior General Manager, Global Sales & Marketing Division HQ, Device & Module Solutions Company
Executive Officer	Yoshichika Tanabe	Senior General Manager, Global Risk Management and Legal HQ
Executive Officer	Yusuke Muramatsu	Deputy Senior General Manager, Global Business Process and IT innovation HQ and General Manager, Corporate Systems PJ Global Office
Executive Officer	Tsunetoshi Oba	Senior General Manager, Product Business Division HQ, Industrial Automation Company
Executive Officer	Kotaro Suzuki	General Manager, Corporate Planning Department, Global Strategy HQ
Executive Officer	Yasuto Ikuta	Chief Business Transformation & Operating Officer, Industrial Automation Company
Executive Officer	Satomi Somekawa	Senior General Manager, Board of Directors Office

Note: Executive Officer marked with * concurrently serve as Director.

(2) Summary of Details of Indemnity Agreements and Directors and Officers Liability Insurance Contracts

1) Summary of Details of Indemnity Agreements

The Company has concluded an indemnity agreement with Mr. Yoshihito Yamada, Mr. Junta Tsujinaga, Mr. Kiichiro Miyata, Mr. Masahiko Tomita, Mr. Shizuto Yukumoto, Mr. Takehiro Kamigama, Ms. Izumi Kobayashi, Mr. Yoshihisa Suzuki, Mr. Toshio Hosoi, Mr. Hiroto Iwasa, Mr. Hiroshi Miura and Ms. Yumiko Ichige, which indemnifies them for expenses in Article 430-2, Paragraph 1, Item 1 of the Companies Act and for losses in Item 2 of the same paragraph within the limits stipulated by laws and regulations. However, there are certain exemptions, such as no compensation for liability arising from actions taken with knowledge that they are in violation of laws and regulations.

2) Summary of Details of Directors and Officers Liability Insurance Contracts

The Company has entered into a directors and officers liability insurance contract with an insurance company under Article 430-3, Paragraph 1 of the Companies Act for all the Directors, Audit & Supervisory Board Members and officers of the Company and its subsidiaries as insured persons, and the Company and some subsidiaries bear the full amount of all insurance premiums for the insured persons.

In the event of a claim for damages submitted by a shareholder or a third party, the said insurance contract shall compensate for damages including compensation for damages and legal expenses to be borne by the insured persons.

As a measure to ensure that the properness of the performance of duties by the insured is not impaired, compensation for damages arising from intentional or criminal acts taken by the insured are not covered by the insurance contract.

(3) Compensation of Directors and Audit & Supervisory Board Members

1) Policy on Determining Amount of Compensation, etc., and Methods Used for Calculation

The Company has a Compensation Advisory Committee to increase objectivity and transparency with respect to the compensation of Directors. The Compensation Advisory Committee is composed of members the majority of whom are Outside Directors, and is chaired by an Outside Director. The Company determines the Compensation Policy for Directors by resolution of the Board of Directors based on discussions by and recommendations from the Compensation Advisory Committee.

The amount of compensation for each Director is determined by resolution of the Board of Directors, within the scope of the aggregate amount of compensation, etc. for Directors set by resolution of the General Meeting of Shareholders, in light of discussions by and recommendations from the Compensation Advisory Committee based on the above policy.

In addition, the amount of compensation for each Audit & Supervisory Board Member is determined by discussions among Audit & Supervisory Board Members, based on the Compensation Policy for Audit & Supervisory Board Members, which has been set forth through discussions among Audit & Supervisory Board Members, within the scope of the aggregate amount of compensation, etc. for Audit & Supervisory Board Members set by resolution of the General Meeting of Shareholders.

The Company's Compensation Policy for Directors, Overview of Compensation Structure for Directors and Compensation Policy for Audit & Supervisory Board Members are as described in the following pages.

2) Amount of Compensation of Directors and Audit & Supervisory Board Members

(JPY millions)

Title	Number (Persons)	Base Salary	Short-term Performance-Linked Compensation (Bonuses)	Medium-to-long-term, Performance-Linked Compensation (Stock compensation)	Aggregate Compensation
Directors [Outside Directors]:	8 [3]	353 [56]	302 [—]	463 [11]	1,118 [67]
Audit & Supervisory Board Members [Outside Audit & Supervisory Board Members]:	6 [3]	120 [36]	— [—]	— [—]	120 [36]
Total [Outside Executives included in total]:	14 [6]	473 [92]	302 [—]	463 [11]	1,238 [103]

Notes: 1. The amounts include compensation paid to two (2) Audit & Supervisory Board Members who retired at the close of the 88th Ordinary General Meeting of Shareholders held on June 24, 2025.

2. The maximum limit of the aggregate compensation of Directors was set at JPY 35 million per month (by resolution of the 63rd Ordinary General Meeting of Shareholders held on June 27, 2000; the said resolution pertained to seven (7) Directors). The amounts of base salaries for each Director are determined by resolution of the Board of Directors based on discussions by and recommendations from the Compensation Advisory Committee.

3. The maximum limit of the aggregate compensation of Audit & Supervisory Board Members was set at JPY 11 million per month (by resolution of the 81st Ordinary General Meeting of Shareholders held on June 19, 2018; the said resolution pertained to four (4) Audit & Supervisory Board Members). The amount of base salary for Audit & Supervisory Board Members is determined by discussions among Audit & Supervisory Board Members.

4. The maximum limit of Directors' bonuses was set at JPY 600 million per year (by resolution of the 81st Ordinary General Meeting of Shareholders held on June 19, 2018; the said resolution pertained to five (5) Directors). The amount of bonus for each Director is calculated based on the targets and actual results of operating income, net income, and ROIC for the 89th term (fiscal year ended March 31, 2026), and determined by resolution of the Board of Directors based on discussions by and recommendations from the Compensation Advisory Committee. Each indicator's actual results include the results of the DMB (Devices & Module Solutions Business), which is classified as a discontinued operation. The actual result of operating income was JPY 63,600 million. For the results of net income and ROIC, please refer to the graphs of trends in the consolidated performance (page B-12; available in Japanese only).

5. The 88th Ordinary General Meeting of Shareholders held on June 24, 2025 made a resolution: the maximum limit of money to be contributed by the Company is JPY 1.6 billion (including JPY 60 million for Outside Directors), and the maximum limit of the number of the Company's shares to be granted and delivered as sales proceeds ("grant(ing), etc.") is 534,000 shares (including 20,000 shares for Outside Directors) during the two fiscal years from fiscal 2025 to fiscal 2026. The said resolution pertained to eight (8) Directors (including three (3) Outside Directors). Stock compensation comprises the performance-linked component and the non-performance linked component. Outside Directors will be granted only the non-performance-linked component. Regarding stock compensation, the Company shall award points to Directors calculated according to a prescribed formula, and the trust shall grant, etc. the Company's shares corresponding to the points awarded during a certain period to the Directors. The final calculation of the number of points to be granted and the actual delivery will be carried out after the end of the covered period from fiscal 2025 to fiscal 2026, but the expenses of stock compensation, as indicated above, are associated with the points granted during the fiscal year under review. The amount of stock compensation for each Director is calculated based on the sustainability evaluation (reduction of greenhouse gas emissions, engagement survey indicators) targets and achievements, as well as the corporate value evaluation (relative TSR), and determined by resolution of the Board of Directors based on discussions by and recommendations from the Compensation Advisory Committee.
6. No Directors of the Company received any employee wages other than their compensation as Directors.

Compensation Policy for Directors

1) Basic policy

- The Company shall provide compensation sufficient to recruit as Directors exceptional people who are capable of putting the OMRON Principles into practice.
- The compensation structure shall be sufficient to motivate Directors to contribute to sustainable enhancement of corporate value.
- The compensation structure shall maintain a high level of transparency, fairness, and rationality to ensure accountability to shareholders and other stakeholders.

2) Structure of compensation

- Compensation for Directors shall consist of a base salary, which is fixed compensation, and performance-linked compensation, which varies depending on the Company's performance.
- The compensation composition ratio of performance-linked compensation to base salary shall be determined according to each Director's role and responsibility.
- Compensation for Outside Directors shall consist of a base salary and non-performance-linked stock compensation, reflecting their roles and the need for maintaining independence.

3) Base salary

- The amount of a base salary, paid monthly, shall be determined by taking into account the salary levels of other companies, as surveyed by a specialized outside organization.

4) Performance-linked compensation

- As short-term performance-linked compensation, the Company shall provide bonuses linked to yearly performance indicators, and to the degree of achievement of performance targets. Bonuses shall be paid as a lump sum after the conclusion of the fiscal year.
- As medium- to long-term performance-linked compensation, the Company shall grant stock compensation linked to the improvement in corporate value (value of stock).
- Stock compensation shall be paid after the Director retires.
- The Company shall determine the target amounts for short-term performance-linked compensation and medium-to-long-term, performance-linked compensation based on the target pay mix specified according to each Director's role and responsibility.

5) Governance of compensation

- The compensation composition, compensation composition ratio, level of the base salary, as well as performance indicators and evaluation methods of performance-linked compensation shall be determined based on the deliberations and recommendations of the Compensation Advisory Committee.
- The amount of compensation for each Director shall be determined by a resolution of the Board of Directors reflecting the deliberations and recommendations of the Compensation Advisory Committee.

Overview of Compensation Structure for Directors

(1) Compensation composition ratio

Compensation consists of a “base salary” (fixed compensation) and compensation according to Company performance, namely “short-term performance-linked compensation (bonuses)” and “medium-to-long-term, performance-linked compensation (stock compensation).” The ratio of compensation consisting of performance-linked compensation compared to base salary has been determined for each role:

$$\text{Base salary} : \text{Short-term performance-linked compensation (bonuses)} : \text{Medium-to-long-term, performance-linked compensation (stock compensation)} = 1 : 1 : 1.7^*$$

*Referring to President and CEO, the ratio is based on the assumption that the performance targets are set as 100% for each performance-linked compensation

(2) Base salary

A base salary is paid monthly to Directors as fixed compensation. Base salaries are determined for each role by taking into account the salary levels of officers at other companies (benchmarked companies of the same industry and scope selected by the Compensation Advisory Committee), as surveyed by a specialized outside organization.

(3) Short-term performance-linked compensation (bonuses)

Bonuses are paid as a lump sum after the fiscal year concludes to Directors excluding Outside Directors as short-term performance-linked compensation, which is linked to yearly performance indicators and the degree of achievement of performance targets. Director bonuses vary according to the achievement of operating income, net income, and ROIC targets defined in the annual operating plan.

$$\text{Base amount for each position} \times \left(\text{Performance score (Operating income 50\%, net income 50\%)} \times \text{ROIC score} \right) = \text{Short-term performance-linked compensation (bonuses)}$$

(4) Medium-to-long-term, performance-linked compensation (stock compensation)

Stock compensation is paid as medium-to-long-term, performance-linked compensation to Directors. Stock compensation comprises the performance-linked component (60%), which is linked to the degree of achievement of the performance targets for the covered period, and the non-performance-linked component (40%), which aims for retention and motivation to improve share prices over the medium- to long-term, and is paid under the condition of a certain term of service. (Outside Directors receive non-performance-linked compensation only.) Stock component is paid after the Director retires.

The performance-linked component varies within a certain range depending on the degree of achievement of performance targets, etc., in the covered period.

$$\text{Base amount for each position} \times \left(\text{Corporate value evaluation: 80\%} + \text{Sustainability evaluation: 20\%} \right) = \text{Performance-linked component}$$

	Evaluation weight	Evaluation Indicators	Target value (for the end of FY2026)
Corporate value evaluation	80%	● Relative TSR ^{*1}	100%
Sustainability evaluation	20%	● Reduction of greenhouse gas emissions (internal target)	-33% ^{*2} from FY2016
		● Employee engagement score (global) ^{*3} of the employee engagement survey ^{*4} Evaluation based on the average of the results for FY2025 and FY2026	67.5 points

- *1 Indicator that compares total shareholder return (TSR) of OMRON in the covered period to the percentage change of TOPIX, dividends included (Relative TSR = TSR ÷ Percentage change of TOPIX, dividends included)
- *2 The reduction ratio has been recalculated based on the new standards following a review of the scope of data included in the base year.
- *3 The “employee engagement score (global)” is the average percentage of positive responses in the three categories, “fulfilment,” “inclusion,” and “well-being,” (a total of 9 questions) of the employee engagement survey VOICE, multiplied by 100.
- *4 A survey designed to measure the level of employee engagement and the factors that influence it

In the event that an individual Director in question engages in serious misconduct during their term of service, and such misconduct harms the Company, the Compensation Advisory Committee will deliberate and make a recommendation. Based on this discussion and recommendation, the Board of Directors shall resolve to limit the payment of stock-based compensation.

(5) Performance indicators of performance-linked compensation

The performance indicators for short-term performance-linked compensation (bonuses) were set from the short-term management plan’s indicators for financial targets.
 The performance indicators for medium- to long-term performance-linked compensation (stock compensation) were set from the indicators for corporate value evaluation and sustainability evaluation toward the realization of medium- to long-term, sustainable corporate development.

Compensation Policy for Audit & Supervisory Board Members
<p>1) Basic policy</p> <ul style="list-style-type: none"> • Compensation shall be sufficient to recruit exceptional people who are capable of performing the duties of Audit & Supervisory Board Members entrusted by shareholders. • The compensation structure shall maintain a high level of transparency, fairness, and rationality to ensure accountability to shareholders and other stakeholders. <p>2) Structure of compensation</p> <ul style="list-style-type: none"> • Compensation for Audit & Supervisory Board Members shall consist of a base salary only, reflecting their roles and the need for maintaining independence. <p>3) Base salary</p> <ul style="list-style-type: none"> • The amount of a base salary, paid monthly, shall be determined by taking into account the salary levels of other companies, as surveyed by a specialized outside organization. <p>4) Governance of compensation</p> <ul style="list-style-type: none"> • The amount of compensation for each Audit & Supervisory Board Member shall be determined through discussions by Audit & Supervisory Board Members.

(4) Items Related to Outside Executives

1) Concurrent Positions as Executive Director or Outside Executive of Other Companies

As listed in “(1) Names and Other Information of Directors and Audit & Supervisory Board Members” (pages 15 to 16).

2) Main Activities in the Past Fiscal Year

	Name	Main Activities
Outside Directors	Takehiro Kamigama	Attended all 12 of the 12 Board of Directors meetings held during the period, and exercised oversight functions particularly in terms of the Company's technical management and product quality, drawing on his experience and insights gained through his experience as a corporate manager at a globally operating manufacturing company. He currently serves as Chairman of the CEO Selection Advisory Committee, Chairman of the Corporate Governance Committee, Member of the Personnel Advisory Committee, and Member of the Compensation Advisory Committee.
	Izumi Kobayashi	Attended all 12 of the 12 Board of Directors meetings held during the period, and exercised oversight functions particularly in terms of the Company's diversity and geopolitical risks, drawing on her experience and insights gained through her tenure as a corporate manager at private financial institutions and a representative of an international development financial institution. She currently serves as Chairman of the Personnel Advisory Committee, and Member of the CEO Selection Advisory Committee, Member of the Compensation Advisory Committee, and Member of the Corporate Governance Committee.
	Yoshihisa Suzuki	Attended all 12 of the 12 Board of Directors meetings held during the period, and exercised oversight functions particularly in terms of the Company's M&A and alliances, and monetization of new businesses, etc., drawing on his experience and insights gained through his experience as a corporate manager at a globally operating general trading company. He currently serves as Chairman of the Compensation Advisory Committee, Member of the CEO Selection Advisory Committee, Member of the Personnel Advisory Committee, and Member of the Corporate Governance Committee.

	Name	Main Activities
Outside Audit & Supervisory Board Members	Hiroshi Miura	Attended all 12 of the 12 Board of Directors meetings and all 13 of the 13 Audit & Supervisory Board meetings held during the period, made statements particularly in terms of the Company's finance and accounting as necessary from an expert's perspective as a certified public accountant to ensure the legality and appropriateness of decision-making by the Board of Directors. In accordance with the audit policy and plan determined by the Audit & Supervisory Board, he periodically exchanged opinions with CEO, held interviews with Directors and Executive Officers, and exchanged information with the Accounting Auditor. He currently serves as Member of the Corporate Governance Committee.
	Yumiko Ichige	Attended all 9 of the 9 Board of Directors meetings and all 9 of the 9 Audit & Supervisory Board meetings held during the period, and made statements particularly in terms of corporate governance, including group governance, and compliance as necessary from an expert perspective as a lawyer to ensure the legality and appropriateness of decision-making by the Board of Directors. In accordance with the audit policy and plan determined by the Audit & Supervisory Board, she periodically exchanged opinions with CEO, and held interviews with Directors and Executive Officers, and exchanged information with the Accounting Auditor. She currently serves as Member of the Corporate Governance Committee.

Note: Ms. Yumiko Ichige was newly elected as an Audit & Supervisory Board Member at the 88th Ordinary General Meeting of Shareholders held on June 24, 2025, and assumed office thereafter, her attendance at the Board of Directors meetings and the Audit & Supervisory Board meetings indicates the Board of Directors meetings and the Audit & Supervisory Board meetings held on and after June 24, 2025.

3) Summary of Details of Limited Liability Agreements

The Company has established a provision in its Articles of Incorporation for limited liability agreements with Outside Directors and Outside Audit & Supervisory Board Members to ensure that they can adequately fulfill their expected roles. Based on this provision in the Articles of Incorporation, the Company has entered into limited liability agreements with all of the Outside Directors and Outside Audit & Supervisory Board Members based on the relevant provision of the Articles of Incorporation. These agreements limit their liability for damages with respect to the liabilities of Article 423-1 of the Companies Act to JPY 10 million or the minimum liability amount prescribed in Article 425-1 of the Companies Act, whichever is higher, when the Outside Director or Outside Audit & Supervisory Board Member has performed his duties in good faith and has not been grossly negligent.

5. Accounting Auditors

(1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Amount of Compensation of Accounting Auditors for the Fiscal Year Ended March 31, 2026

1)	Total amount of compensation to be paid to the Accounting Auditor by the Company and its subsidiaries	JPY 616 million
2)	Of the total amount in 1), total amount to be paid by the Company and its subsidiaries as compensation for audit certification services	JPY 616 million
3)	Of the total amount in 2), amount of compensation as Accounting Auditor to be paid by the Company	JPY 560 million

- Notes: 1. The amount of audit compensation under the Companies Act and the amount of audit compensation for the audit of financial statements, interim Review and audit of the Internal Control System under the Financial Instruments and Exchange Law are not separated in the audit contract between the Company and the Accounting Auditor, and cannot be separated practically. Therefore, the amount in 3) is stated as the total of these.
2. The Audit & Supervisory Board, upon confirmation and deliberation of the plans for the Accounting Auditor's audit for the fiscal year, which had been explained by the Accounting Auditor and the relevant internal divisions, the records of the previous fiscal year's audit, the performance status of the audit by the Accounting Auditor, and the grounds for calculation of compensation estimation, judged them to be appropriate and gave consent to the amount of compensation to be paid to the Accounting Auditor.
3. Among the Company's principal consolidated subsidiaries, JMDC Inc., OMRON ELECTRONICS LLC, OMRON EUROPE B.V., OMRON (CHINA) Co., Ltd., OMRON ASIA PACIFIC Pte. Ltd. and OMRON ELECTRONICS KOREA Co., Ltd. receive audits by an auditor other than the Accounting Auditor of the Company.
4. The amount of compensation paid to the Company's Accounting Auditor for the fiscal year under review includes compensation related to audits and other services for the comparative period under International Financial Reporting Standards (IFRS).

(3) Contents of Services other than Services of Article 2-1 of the Certified Public Accountants Act (Non-Audit Services)

None applicable

(4) Policy for Dismissal or Non-Reappointment of Accounting Auditor

The Company may dismiss or decline to reappoint the Accounting Auditor for any of the following reasons:

- 1) If deemed necessary, such as in cases where the execution of duties by the Accounting Auditor has been disrupted, the Audit & Supervisory Board determines the contents of the proposal for the dismissal or non-reappointment of the Accounting Auditor to be submitted to the general meeting of shareholders.
- 2) If the Audit & Supervisory Board judges that the Accounting Auditor falls under any of the numbered items in Article 340-1 of the Companies Act, it dismisses the Accounting Auditor with the consent of all Audit & Supervisory Board Members. In such cases, the Audit & Supervisory Board Member who has been selected by the Audit & Supervisory Board will report the fact of and the reason for the dismissal of the Accounting Auditor at the first general meeting of shareholders convened after the dismissal of the Accounting Auditor.

6. Systems and Policies of the Company

(1) Corporate Principles of the OMRON Group

In 1959, Kazuma Tateishi, the Company’s founder, set forth “To improve lives and contribute to a better society” as Our Mission for the OMRON Group. Subsequently, the spirit of Our Mission was developed into the corporate principles of the OMRON Group, and has been revised in line with the changing times, while serving as the driver as well as the unifying force for business development leading to countless innovations and contributing to the development of society and the improvement of people’s lives. Moreover, we added the practice of the corporate principles to our Articles of Incorporation in 2022 and clarified that the continued practice of the corporate principles remains the foundation of the OMRON Group’s management.

As a global company, the OMRON Group aims to create a better society through the resolution of various social issues globally. Toward achievement of this goal, it is becoming increasingly important that all employees around the world take action based on an understanding of our stance towards the corporate principles. The OMRON Group is reinforcing efforts to put the corporate principles into practice on a global scale.

Going forward, the OMRON Group will contribute to the development of society and the improvement of people’s lives by practicing the corporate principles as it aims for sustained improvements in corporate value.

Our Mission

To improve lives and contribute to a better society

Our Values

- **Innovation Driven by Social Needs**
Be a pioneer in creating inspired solutions for the future.
- **Challenging Ourselves**
Pursue new challenges with passion and courage.
- **Respect for All**
Act with integrity and encourage everyone’s potential.

(2) Management Philosophy of the OMRON Group

The OMRON Group has declared the following Management Philosophy to all stakeholders, representing the OMRON Group’s stance and way of thinking towards management to put the corporate principles into practice through business. It will continue to evolve the Management Philosophy according to the demands of the times and society.

Management Philosophy

**We believe a business should create value for society through its key practices.
We are committed to sustainably increasing our long-term value by putting Our Mission and Values into practice.**

- We uphold a long-term vision and solve social issues through our business.
- We operate as a truly global company through our fair and transparent management practices.
- We cultivate strong relationships with all of our stakeholders through responsible engagement.

(3) Corporate Governance of the Company

Basic Stance for Corporate Governance of the Company

At the OMRON Group, corporate governance is defined as the system of processes and practices based on the OMRON Principles and the OMRON Management Philosophy. The system is intended to ensure transparency and fairness in business and speed up management decisions and practices. This is done by connecting the entire process from oversight and supervision all the way to business execution in order to boost the OMRON Group's competitive edge. OMRON's corporate governance also involves building such a system and maintaining its proper function. The ultimate objective is to achieve sustained enhancement of corporate value by earning the support of all stakeholders.

Reasons for OMRON's Selection of its Current Corporate Governance System

The Company has chosen to adopt the organizational structure of a "Company with Audit & Supervisory Board."

The Board of Directors strives toward sustained improvements in the OMRON's Group corporate value by exercising oversight functions over the overall management through the election of Directors, Audit & Supervisory Board Members and Executive Officers; the determination of compensation for Directors and Executive Officers; and making important operational decisions.

The Audit & Supervisory Board and the Audit & Supervisory Board Members work to secure the integrity of the OMRON Group and the sustained improvement of corporate value by conducting audits on legality and appropriateness of Directors' duties, and the fulfillment of the Board of Directors' oversight obligations. In addition, each Audit & Supervisory Board Member can exercise his/her authority on his/her own as a single-person organ in which the power of final decision-making is given to one person. This allows them to play a crucial role in strengthening internal controls.

Furthermore, to enhance the oversight functions of the Board of Directors, four voluntary advisory committees are attached to the Board of Directors. The CEO Selection Advisory Committee, the Personnel Advisory Committee and the Compensation Advisory Committee are chaired by an Outside Director, and the majority of each committee should be composed of Outside Directors. The CEO Selection Advisory Committee, in particular, is dedicated to the deliberation and nomination of candidates for CEO, which is the top-priority matter in management oversight. In addition, the Corporate Governance Committee, established for the purpose of enhancing corporate governance, is also chaired by an Outside Director, and comprises Outside Directors, Outside Audit & Supervisory Board Members and non-executive internal Directors. Through these unique initiatives, the Company has established and adopted a system that enhances the transparency and objectivity of management's decision-making process.

By incorporating the best aspects of the corporate governance system of a so-called "Company with Committees (Nomination, etc.)" in this way, we have created the kind of hybrid corporate governance structure that we feel is most appropriate for OMRON as a Company with Audit & Supervisory Board.

OMRON Corporate Governance Policies

In accordance with this basic stance for Corporate Governance, the Company has set forth the corporate governance policies (the "Policies"). Since establishing the Management Personnel Advisory Committee in 1996, the Company has spent more than 25 years formalizing and strengthening its systems of corporate governance. The Company intends to continue its pursuit of ongoing improvement of corporate governance to achieve sustainable enhancement of corporate value.

Corporate Governance Initiatives (Reference)

	1999	2003	2011	2023		
Corporate Philosophy	1959: OMRON Corporate Motto 1990: OMRON Principles	1998: Revised	2006: Revised	2015: Revised	2022: Stated in the Articles of Incorporation	
OMRON Corporate Governance Policies				2015: Established		
Chairman of the Board	Representative Director and President		2003: Representative Director and Chairman	2012: Chairman of the Board		
President	1987: Yoshio Tateishi		2003: Hisao Sakuta	2011: Yoshihito Yamada		2023: Junta Tsujinaga
Separation of management oversight and business execution	30 Directors	1999: Revised the Articles of Incorporation, setting number of board members to 10 or fewer		2017: Abolished Directors with title (excluding Chairman of the Board)		
		1999: Adopted executive officer system		2017: Positioned president as an executive officer		
Advisory Board	1999: Advisory Board					
Outside Directors		2001: One Outside Director	2003: Two Outside Directors (seven Directors)	2015: Three Outside Directors (eight Directors)		
Audit & Supervisory Board Member (Independent)	1998: One member	1999: Two members	2003: Three members (four Audit & Supervisory Board Members)	2011: Two members (four Audit & Supervisory Board Members)		
Advisory and other Committees	1996: Management Personnel Advisory Committee	2000: Personnel Advisory Committee				
		2003: Compensation Advisory Committee				
		2006: CEO Selection Advisory Committee				
		2008: Corporate Governance Committee				

[Organizational Structure]

The OMRON Group has chosen to adopt the organizational structure of “Company with Audit & Supervisory Board” as stipulated by the Companies Act. To strengthen the functions of the Board of Directors, four advisory committees are in place, namely the CEO Selection Advisory Committee, the Personnel Advisory Committee, the Compensation Advisory Committee and the Corporate Governance Committee. By incorporating the best aspects of the governance system of a “Company with Committees” as well, the OMRON Group has established and adopted a hybrid type governance structure.

[Roles and Responsibilities of the Board of Directors]

The Board of Directors recognizes its fiduciary responsibility to shareholders and assumes the responsibility of sustainably improving the OMRON Group’s corporate value through appropriate exercise of its authority.

- To fulfill the above responsibilities, the Board of Directors exercises oversight functions over the overall management in order to ensure fairness and transparency of management practices. The Board of Directors does so through election of Directors, Audit & Supervisory Board Members, and Executive Officers. It also determines compensation for Directors and Executive Officers, and makes important operational decisions.
- The Board of Directors determines and discloses significant management visions and policies, including:
 - Sustainability policies, material sustainability issues and targets (including climate change risk initiatives based on frameworks such as TCFD)
 - Key business strategies for focused domains (including the business portfolio)
 - Technology strategies/intellectual property strategies, human resource strategies
- The Board of Directors selects significant management visions and policies as focus themes while responding to changes in the business environment and continuously exercising its oversight functions.
- The Board of Directors determines the policy for the operation of the Board of Directors and focus themes every year based on the evaluation of the Board of Directors’ effectiveness and exercises its oversight functions.
- The Board of Directors is also responsible for seeking timely explanations when Audit & Supervisory Board Members, Accounting Auditors or the Internal Audit Division have discovered and pointed out fraud within the OMRON Group or pointed out deficiencies or problems.

[Composition of Board of Directors]

- Management oversight and business execution are kept separate and a majority of the Board of Directors shall consist of Directors who are not involved with business execution.
- At least one-third of the Board of Directors shall consist of Outside Directors.
- The Board of Directors shall consist of diverse members who possess the experience, specialized knowledge and insights necessary to realize the OMRON Group's management vision and shall ensure diversity without distinction as to gender, nationality, international experience, or age.
- The Board of Directors' skill matrix shall be disclosed.
- The CEO Selection Advisory Committee dedicated to the deliberation and nomination of candidates for CEO, which is the top-priority matter in management oversight, is attached to the Board of Directors. The Personnel Advisory Committee concerns the nomination and personnel evaluation of Directors, Audit & Supervisory Board Members, and Managing Executive Officers, and the Compensation Advisory Committee concerns the remuneration of Directors and Executive Officers.
- The CEO Selection Advisory Committee, the Personnel Advisory Committee and the Compensation Advisory Committee are chaired by an Outside Director, and the majority of each committee should be composed of Outside Directors.
- The President and CEO does not belong to any advisory committee.
- The Corporate Governance Committee, established for the purpose of enhancing corporate governance, is also to be chaired by an Outside Director, and comprises Outside Directors, Outside Audit & Supervisory Board Members and non-executive internal Directors.
- The lead Outside Director assumes the position of chair of the Corporate Governance Committee.

[Chairman of the Board of Directors]

- To clarify the oversight function of Directors, the Chairman of the Board of Directors without authority to represent the company will take on the position of chairman of the Board of Directors meeting.
- The Chairman of the Board of Directors should not be involved with business execution.
- The Chairman of the Board of Directors shall strive to facilitate free, open, and constructive discussions to take place at Board of Directors meetings.

[Audit & Supervisory Board]

(1) Roles and Responsibilities of the Audit & Supervisory Board

The Audit & Supervisory Board recognizes its fiduciary responsibility to shareholders, ensures the soundness of the Company for sustainable improvement of corporate value, and acts in the common interest of shareholders.

- The Audit & Supervisory Board strives to develop a system to ensure the effectiveness of audits by each Audit & Supervisory Board Member.
- The Audit & Supervisory Board cooperates with Outside Directors and the Internal Audit Division.
- The Audit & Supervisory Board exchanges opinions with Outside Directors and provides information obtained through audit activities.
- The Audit & Supervisory Board appropriately fulfills its role of appointing and dismissing Audit & Supervisory Board Members and Accounting Auditors and exercising authority related to audit compensation.
- The Audit & Supervisory Board determines the compensation for Audit & Supervisory Board Members through discussion, within the scope of the sum of compensation amounts for all Audit & Supervisory Board Members set by resolution of the general meeting of shareholders. Compensation for Audit & Supervisory Board Members shall be limited to a base salary in light of their roles.

(2) Chairman of the Audit & Supervisory Board

- The Audit & Supervisory Board appoints a Chairman from among the Audit & Supervisory Board Members by its resolution.
- The Chairman of the Audit & Supervisory Board executes duties entrusted to him/her by the Audit & Supervisory Board. However, he/she shall not interfere with the exercise of authority by each Audit & Supervisory Board Member.

(3) Relationship with the Accounting Auditor and the Internal Audit Division

The Audit & Supervisory Board cooperates with the Accounting Auditor and the Internal Audit Division to ensure a system capable of conducting sufficient and appropriate audits.

- The Audit & Supervisory Board formulates the evaluation criteria and selection criteria for Accounting Auditors and checks their independence and expertise.

- The Audit & Supervisory Board requests an explanation from the Accounting Auditor as to whether the Accounting Auditor complies with the quality control standards necessary to properly conduct accounting audits.
- The Audit & Supervisory Board seeks timely explanations when the Accounting Auditor or the Internal Audit Division have discovered and pointed out fraud within the OMRON Group or pointed out deficiencies or problems.
- The Audit & Supervisory Board conducts interviews with the Accounting Auditor and the President.
- The Audit & Supervisory Board holds regular meetings with the Accounting Auditor and the Internal Audit Manager every quarter and in the final month of the period.

[Advisory Committees]

(1) The CEO Selection Advisory Committee

In accordance with the relevant rules, the CEO Selection Advisory Committee is intended to bolster the management oversight function of the Board of Directors by enhancing transparency, objectivity and timeliness of the decision-making process regarding nomination of candidates for CEO.

- The CEO Selection Advisory Committee evaluates performance of the President and CEO annually and appoints the President and CEO for the next fiscal year.
 - In the case of reappointment, the CEO Selection Advisory Committee appoints the President and CEO for the next fiscal year based on the evaluation factoring in his/her performance, etc., and makes recommendations to the Board of Directors.
 - In the case of replacement, the CEO Selection Advisory Committee appoints the President and CEO for the next fiscal year based on the CEO succession planning, etc., and makes recommendations to the Board of Directors.
- The CEO Selection Advisory Committee annually deliberates about CEO succession planning and contingent succession planning to take over the position in emergency situations and makes recommendations to the Board of Directors.
- Based on the CEO Selection Advisory Committee's recommendations, the Board of Directors determines the candidate and sets a proposal to be resolved at the general meeting of shareholders.

(2) The Personnel Advisory Committee

In accordance with the relevant rules, the Personnel Advisory Committee is intended to bolster the management oversight functions of the Board of Directors by enhancing transparency, objectivity and timeliness of decision-making process regarding nomination of candidates for Directors, Audit & Supervisory Board Members and Executive Officers.

- The Personnel Advisory Committee deliberates and sets criteria for the selection of Directors, Audit & Supervisory Board Members and Executive Officers.
- To swiftly respond to the need for global-scale growth and greater competitive strength, as well as significant changes in the business environment, the Personnel Advisory Committee shall ensure diversity in the Board of Directors, Audit & Supervisory Board and among Executive Officers in terms including work experience, specialized knowledge, insights, gender, nationality, international experience, and age.
- The Personnel Advisory Committee receives reports from the Chairman of the Board of Directors on results of interviews with each Director, in order to evaluate each Director.
- In response to consultation from the Chairman of the Board of Directors (for Directors), who has been entrusted by the Audit & Supervisory Board (for its Members), and from the CEO (for Managing Executive Officers), the Personnel Advisory Committee deliberates on personnel evaluation of such executives in accordance with the selection criteria established by the committee. Also considered is the degree of implementation of the OMRON Principles, achievement of performance targets, etc. Based on these, the Personnel Advisory Committee makes recommendations to the Board of Directors.
- The Personnel Advisory Committee checks the succession planning for management executives (CFO, CTO, etc.)
- Based on the Personnel Advisory Committee's recommendations, the Board of Directors determines the proposition regarding the election of Directors to be resolved at the general meeting of shareholders.
- Based on the Personnel Advisory Committee's recommendations, the Board of Directors, with the consent of the Audit & Supervisory Board, determines the proposition regarding the election of Audit & Supervisory Board Members to be resolved at the general meeting of shareholders.
- The propositions regarding the election of Directors and Audit & Supervisory Board Members shall describe and explain brief personal records of the candidates (including current posts and duties at OMRON for candidates for Directors), reasons for nominating the candidates, and other important posts assumed by the candidates.

(3) The Compensation Advisory Committee

In accordance with the relevant rules, the Compensation Advisory Committee is intended to bolster the management oversight function of the Board of Directors by increasing transparency and objectivity in determining compensation amounts for each Director and Executive Officer.

- The Compensation Advisory Committee discusses the Compensation Policy for Directors and makes recommendations to the Board of Directors. Based on these, the Board of Directors determines the Compensation Policy for Directors.
- The Compensation Advisory Committee deliberates on the Compensation Policy for Executive Officers.
- In response to consultation from the Chairman of the Board of Directors (for Directors), and from the CEO (for Executive Officers), and based on the above-mentioned policies, the Compensation Advisory Committee deliberates on compensation composition, compensation composition ratio, the level of the base salary, as well as the performance indicators and evaluation methods of performance-linked compensation for Directors and Executive Officers.
- Compensation for Directors based on the above-mentioned deliberation is as follows:
 - Compensation for Directors shall consist of a base salary, which is fixed compensation, and performance-linked compensation, which varies depending on performance.
 - The compensation composition ratio of performance-linked compensation to base salary shall be determined according to each Director's role and responsibility.
 - Compensation for Outside Directors shall consist of a base salary and non-performance-linked compensation, reflecting their roles and the need for maintaining independence.
 - The amount of a base salary, paid monthly, shall be determined by taking into account the salary levels of other companies, as surveyed by a specialized outside organization.
 - Performance-linked compensation comprises short-term performance-linked compensation and medium- to long-term performance-linked compensation. As short-term performance-linked compensation, the Company shall provide bonuses linked to yearly performance indicators, and to the degree of achievement of performance targets. Bonuses shall be paid as a lump sum after the conclusion of the fiscal year. As medium- to long-term performance-linked compensation, the Company shall grant stock compensation linked to the improvement in corporate value (value of stock). Stock compensation shall be paid after the Director retires.
 - The Company shall determine the basic amount of short-term performance-linked compensation and medium- to long-term performance-linked compensation based on the compensation composition ratio set forth according to roles and responsibilities.
- Based on the Compensation Advisory Committee's recommendations, the Board of Directors determines the amount of compensation for each individual Director within the scope of the sum of compensation amounts for all Directors set by resolution of the general meeting of shareholders.

(4) Corporate Governance Committee

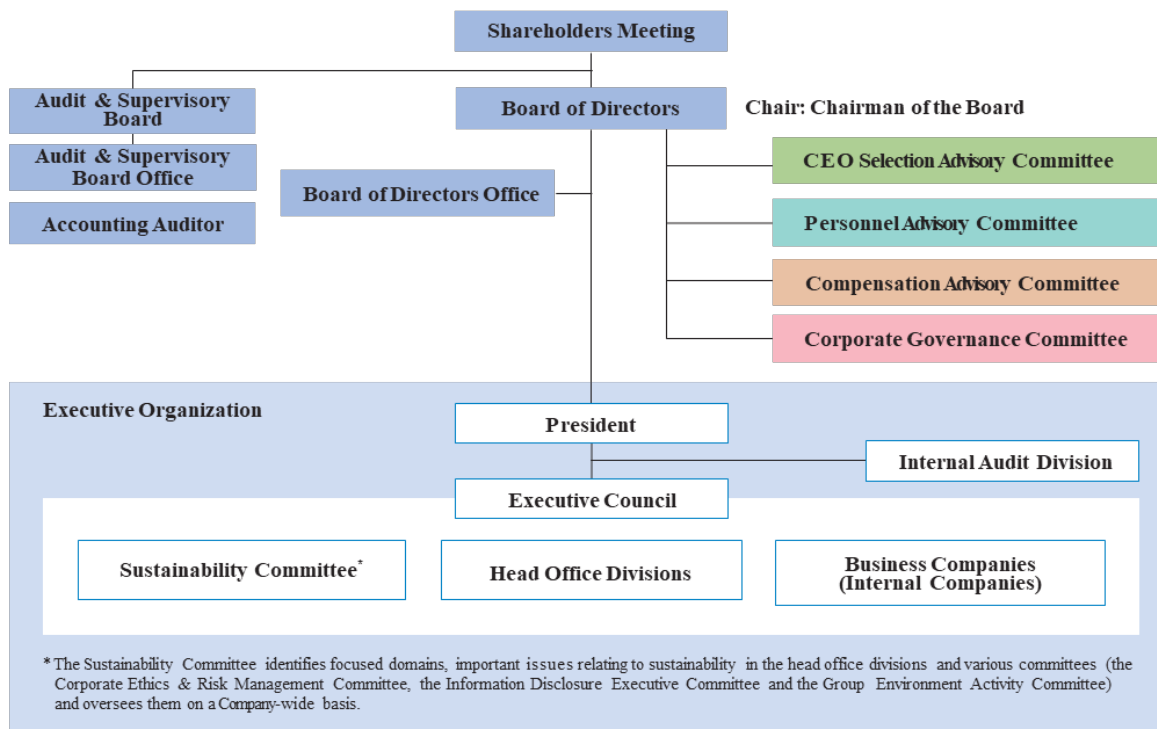
In accordance with the relevant rules, the Corporate Governance Committee is intended to enhance the transparency and fairness of management practices from the standpoint of all stakeholders and continuously take steps to enhance corporate governance from a medium- and long-term perspective.

- The Corporate Governance Committee evaluates the composition, operation, and effectiveness of the Board of Directors, and reports the results of evaluation to the Board of Directors.
- The Corporate Governance Committee draws up "Independence Requirements for Outside Executives" and makes recommendations to the Board of Directors.
- Regarding corporate governance-related matters other than the above, the Corporate Governance Committee, in response to consultation from the Board of Directors or the Chairman of the Board of Directors, makes recommendations to the Board of Directors.

For the entire text of the OMRON Corporate Governance Policies, please refer to the website below.

<https://www.omron.com/global/en/about/corporate/governance/policy/>

OMRON's Corporate Governance Structure



The following four committees are established under the umbrella of the Board of Directors for transparency and objectivity of management decisions. Outside Directors chair these committees, and the President and CEO does not belong to them as a Member. Details of Advisory Committees are described on pages 32 to 33. The Advisory Committees deliberate about and make recommendations on the following items in response to consultation from the Board of Directors, etc.

【The CEO Selection Advisory Committee】

A committee that specializes in selection of the President and appoints a candidate for the President and CEO for the next fiscal year, and deliberates about CEO succession planning and contingent succession planning to take over the position in emergency situations.

【The Personnel Advisory Committee】

A committee to set criteria and policies relating to the selection of Directors, Audit & Supervisory Board Members and Executive Officers. The committee also deliberates about candidates.

【The Compensation Advisory Committee】

A committee to deliberate about compensation policies, compensation levels and compensation amounts for Directors and Executive Officers.

【The Corporate Governance Committee】

A committee to discuss measures required to ensure the continuous proper execution of the corporate governance regime and measures to improve the fairness and transparency of management activities.

Advisory Committee Members in Fiscal 2025

Position	Name	CEO Selection Advisory Committee	Personnel Advisory Committee	Compensation Advisory Committee	Corporate Governance Committee
Chairman of the Board	Yoshihito Yamada	□			○
Representative Director	Junta Tsujinaga				
Representative Director	Kiichiro Miyata			□	
Director	Masahiko Tomita		□		
Director	Shizuto Yukumoto	○	○	○	□
Outside Director	Takehiro Kamigama ♦	⊗	□	□	⊗
Outside Director	Izumi Kobayashi ♦	□	⊗	□	□
Outside Director	Yoshihisa Suzuki ♦	□	□	⊗	□
Audit & Supervisory Board Member	Toshio Hosoi				
Audit & Supervisory Board Member	Hiroto Iwasa				
Outside Audit & Supervisory Board Member	Hiroshi Miura ♦				□
Outside Audit & Supervisory Board Member	Yumiko Ichige ♦				□

Notes: ⊗ Chairperson ○ Vice-Chairperson □ Committee Member ♦ Independent Officer

Status of initiatives towards improving the Board of Directors' effectiveness

1. Overview of initiatives towards improving the Board of Directors' effectiveness

In order to ensure transparency and fairness in business management and speed up management decisions and practices so as to achieve sustained growth and enhance corporate value over the medium to long term, the Company reinforces the supervisory functions of the Board of Directors.

The Company performs the evaluation of the Board of Directors' effectiveness for the purpose of examining actual contribution made by the Board of Directors, identifying issues, devising countermeasures and promoting improvement, in order to ensure that corporate governance effectively functions. This evaluation is conducted by the Corporate Governance Committee chaired by an Outside Director and comprising Outside Directors and Outside Audit & Supervisory Board Members (hereinafter "Outside Executives"), as well as non-executive internal Directors.

Furthermore, in light of not only these evaluation results but also the business environment, etc., the Board of Directors determines the operation policy and focus themes of the Board of Directors for the next fiscal year. The Board of Directors formulates annual plans based on this operation policy and conducts its activities accordingly.

In this way, by establishing a PDCA cycle (evaluation → consideration of improvement measures → plan formulation → execution → re-evaluation), the Company will continuously strive to enhance the Board of Directors' supervisory functions and promote the evolution of governance that contributes to the enhancement of corporate value.

2. Results of evaluation of the Board of Directors' effectiveness for fiscal 2025

The evaluation of the Board of Directors' effectiveness for fiscal 2025 was led by the Corporate Governance Committee. In addition to the conventional self-evaluations*, the Committee engaged a third-party evaluation agency, Board Advisors Japan, Inc. (hereinafter referred to as "the evaluation organization"), to enhance objectivity and provide a multifaceted evaluation. Based on the results of the evaluation by the evaluation agency, it was confirmed that the effectiveness of the Company's Board of Directors has been ensured. In addition, the following were cited as characteristics (strengths) of the Company's Board of Directors: "a sincere commitment to corporate governance is maintained," "the CEO Selection Advisory Committee is functioning effectively," and "open and frank discussions are taking place."

Meanwhile, based on the results of the third-party evaluation and self-evaluations, the following issues were recognized as necessary for the Company's Board of Directors to advance further and sustainably enhance corporate value and achieve medium- to long-term growth.

- Further enhancement of the Board of Directors' supervisory functions
- Further evolution of constructive dialogue and discussion between the "supervisory" side and the "executive" side, contributing to enhancement of corporate value
- Enhancement of discussions of the Board of Directors from a medium- to long-term perspective

Going forward, we will continue working to enhance the operation of the Board of Directors as a monitoring board that contributes to the enhancement of corporate value. At the same time, as we proceed with our consideration of a transition to an organizational structure including a company with a Nominating Committee, etc., we will evolve the role, composition, and nature of discussions of the Board of Directors and strive to further improve governance.

* The conventional self-evaluation criteria included "results of Board of Directors review" "monthly questionnaires to Directors and Auditors & Supervisory Board Members," and "minutes of Board of Directors meetings."

2-1. Details of issues identified by the evaluation of the Board of Directors' effectiveness for fiscal 2025

Further enhancement of the Board of Directors' supervisory functions

- The Company's Board of Directors has evolved in its pursuit of becoming a monitoring board. However, with a view to achieving medium- to long-term enhancement of corporate value through the implementation of the Medium-Term Roadmap SF 2nd Stage*, we have come to recognize the need to further enhance the supervisory functions and delegate greater authority to the executive side in order to expedite decision-making. Accordingly, we have shared the view that consideration should not be limited to the sophistication of operations based on the current organizational structure (a company with an audit & supervisory board), but should also encompass the nature of the organizational structure to be adopted.

* This is the medium-term management plan (hereinafter referred to as the "roadmap") covering the period from fiscal 2026 to fiscal 2030 toward the realization of the long-term vision SF2030.

- It was pointed out that while the executive side has high expectations for the Board of Directors' advice on medium- to long-term strategies, the Board of Directors is strongly focused on risk management. Such differences in perception and perspective sometimes influence how discussions proceed and where priorities are placed.

Further evolution of constructive dialogue and discussion between the "supervisory" side and the "executive" side, which contribute to the enhancement of corporate value

- We recognized the importance of further developing not only discussions between explainers and questioners, but also discussions among the members of the Board of Directors (many-to-many discussion).
- While site visits by Outside Directors are considered valuable, there was a shared view that there is room for innovation beyond the established framework.

Enhancement of discussions of the Board of Directors based on a medium- to long-term perspective

- We have deepened our understanding of the importance of further enhancing discussions looking to the future, including discussions on growth strategies and risks from a medium- to long-term perspective.
- We shared the understanding that further efforts are needed to optimize the level of detail and granularity of the materials and to tailor the framing of agenda items according to the theme.
- In addition to enhancing discussions from investors' perspectives, we confirmed the importance of providing Directors with timely and appropriate information regarding the Company's valuation in the capital markets and incorporating the views of the capital markets into our discussions.

2-2. Themes to be addressed in fiscal 2026 based on the effectiveness evaluation

Further enhancement of the Board of Directors' supervisory functions

- We will proceed with considering a transition to an organizational structure including a company with a Nominating Committee, etc.
- Based on the division of roles between “supervision” and “execution,” we will further evolve this approach.
- We will work to further delegate authority to the executive side and strengthen governance of execution to facilitate swift and decisive decision-making.

Further evolution of constructive dialogue and discussion between the “supervisory” side and the “executive” side, which contribute to the enhancement of corporate value

- We will enhance opportunities for communication between the “supervisory” side and the “executive” side.
- We will work to improve meeting procedures to facilitate discussions among Directors, and further enhance the opinions and advice from Outside Directors from a medium- to long-term and comprehensive perspective.
- We will strengthen the secretariat that supports the Board of Directors.

Enhancement of discussions of the Board of Directors based on a medium- to long-term perspective

- We will further enhance discussions that contribute to the enhancement of corporate value from the perspective of capital markets and investors, and strengthen mechanisms for understanding and utilizing the information necessary for such discussions.
- We will set agendas around company-wide key initiatives aimed at achieving the roadmap.

3. Policy for the operation and focus themes of the Board of Directors for fiscal 2025

< Board of Directors Operational Policy for Fiscal 2025 >

The Board of Directors will strengthen discussions on growth strategies with the aim of enhancing corporate value from a medium- to long-term perspective.

<Focus Themes>

- Formulation of a roadmap for achieving the long-term vision and strengthening of implementation capabilities
- Strengthening of the ability to respond to changes arising from geopolitical risks and opportunities
- Accomplishing of the structural reform program

Background of the establishment of the policy for the operation and focus themes of the Board of Directors for fiscal 2025

The Board of Directors considered enhancing corporate value in the medium to long term to be of paramount importance, and identified the formulation of a roadmap for realizing the long-term vision and strengthening of implementation capabilities as key priorities in order to strengthen discussions on growth strategies and enhance implementation capabilities. Furthermore, we confirmed that accomplishing the structural reform program is essential to reliably produce results such as changes in business structure and improvements in profitability, and that we will continue to place great importance on monitoring its progress.

4. Achievements of the Board of Directors

4-1. Focus themes

Focus theme: Formulation of a roadmap for achieving the long-term vision and strengthening of implementation capabilities

■ Main contents of discussions at the meeting of the Board of Directors and Informal Meeting

Agenda items	Contents (reports and discussions)
1) Medium-Term Roadmap SF 2nd Stage	<ul style="list-style-type: none"> - The Board of Directors held multiple discussions with the business execution division regarding the formulation of a roadmap for achieving the long-term vision. In the early stages, in view of stakeholders' expectations of the Company, the "vision" for fiscal 2030, and "ambitious goals," discussions were held on the direction for restructuring the company-wide business portfolio and the mechanisms for achieving it. - Subsequently, based on the fundamental challenges to growth, discussions were held on the approaches to ensure the successful implementation of these strategies and on capital allocation, as well as on concretization of the Group policies and core strategies. Based on these discussions, the roadmap was updated and approved and adopted by the Board of Directors on November 7, 2025. - A lively discussion was also held on how to craft messages for the capital markets, taking into account the future communication plans and the narrative for external announcements. - Furthermore, as part of concrete measures for restructuring the company-wide business portfolio, multiple discussions were held regarding key proposals for the spin-off and sale of specific businesses, taking into account the medium- to long-term strategy and capital efficiency.
2) Medium-Term Roadmap SF 2nd Stage of each Business Company	<ul style="list-style-type: none"> - The Board of Directors received briefings from the heads of each Business Company regarding growth scenarios, business plans, and strategies for priority businesses aimed at achieving the roadmaps formulated by each Business Company. To deepen understanding of the strategies for realizing the long-term vision, and from the perspective of accelerating growth, discussions were held on whether anything had been overlooked, as well as potential risks to the realization of the growth scenarios.

Focus theme: Strengthening of the ability to respond to changes arising from geopolitical risks and opportunities

■ **Main contents of discussions at the meeting of the Board of Directors and Informal Meeting**

Agenda items	Contents (reports and discussions)
1) Short-term Management Plan for fiscal 2025	- At the Board of Directors meeting held on April 3, 2025, about the “budget (draft) for fiscal 2025,” discussions were held on the impact of the U.S. tariff policy on the Company’s costs and the impact of the risk of additional tariffs. The business execution division re-analyzed the impact of the additional tariffs on customer demand and reflected the anticipated effects of the tariff policy in the budget. Furthermore, regarding the disclosure of net sales and operating income, the Board of Directors deliberated on a proposal from the business execution division to disclose them in a range format, and approved it at the Board of Directors meeting held on May 8, 2025.
2) Global economic trends surrounding Japan (Focusing on the U.S., China, and India)	- The Board of Directors received a lecture by an economist on the theme of “Global economic trends surrounding Japan” and exchanged opinions. The lecture covered a wide range of topics from multifaceted perspectives, including “the latest developments in U.S.-China relations,” “the impact of China’s 15th Five-Year Plan on the Japanese and global economies,” “the U.S. intervention in Venezuela,” and “the current state and future outlook of the Indian economy.” - In the subsequent session for exchange of opinions, discussions were held on the preparations the Company should make in light of these external conditions, as well as strategies for turning them into opportunities for growth. Specifically, opinions included the importance of building relationships with leading companies in industrial clusters and developing products that meet market and customer needs in order to achieve further growth in the Chinese market.

Focus theme: Accomplishing of the structural reform program

■ **Main contents of discussions at the meeting of the Board of Directors and Informal Meeting**

Agenda items	Contents (reports and discussions)
1) Progress of the structural reform program	- At the Board of Directors meeting held on April 3, 2025, Representative Director Junta Tsujinaga noted that one year had passed since the launch of the structural reform program “NEXT2025.” He explained that all five management initiatives had moved from the “planning and design phase” to the “implementation and execution phase” and were progressing as planned. - Feedback from employees was shared following the signing of the joint venture agreement with transcosmos inc., which was announced on February 10, 2025, as part of the reorganization of our shared services. - In light of this, the Board of Directors shared the recognition that it is important for the management team to continue to take the lead, maintain open communication, and foster a sense of unity.
2) Summary of the Structural Reform Program NEXT2025	- At the Board of Directors meeting held on October 7, 2025, Representative Director Junta Tsujinaga reported a summary of Structural Reform Program NEXT2025. In the summary, he provided an overview of “business performance trends,” “the status of key performance indicators,” and “the results and challenges of the five measures implemented in the structural reform program.” - Furthermore, he presented the policy of continuing to focus on “further improvement of fixed-cost productivity” and “thorough implementation of customer-driven management” toward the roadmap.

4-2. Important items other than focus themes

Agenda items	Contents (reports and discussions)
1) Sustainability promotion activities	<ul style="list-style-type: none"> - The Board of Directors received a report on the summary of the company-wide sustainability initiatives for fiscal 2025 and confirmed that progress was made as planned on the priority “environmental and human rights themes,” following the transfer of sustainability promotion functions to the executive side. - Regarding the status of discussions on greenhouse gas emission reduction targets in the roadmap, the policies, such as revising the scope of the base year and expanding the scope of data collection, were confirmed. - Furthermore, in light of developments in international legal regulations regarding “business and human rights” and the increasing human rights risks associated with child labor, forced labor, and the impact of conflicts, the Board of Directors deliberated on the revision of the “OMRON Human Rights Policy” and approved and adopted it.
2) Results of the engagement survey	<ul style="list-style-type: none"> - The Board of Directors confirmed how the various human resources initiatives implemented in preparation for the launch of the roadmap have been reflected in the results of the engagement survey. - In light of this, a lively discussion was held regarding the correlation between survey results and performance outcomes, as well as the differences in evaluation results between managers and non-managerial employees. - Furthermore, the Board of Directors confirmed the engagement score targets for fiscal 2030 and fiscal 2026, as well as the key initiatives for human resources policies in fiscal 2026.
3) Progress of construction of the Corporate IT System	<ul style="list-style-type: none"> - The Board of Directors received a report on the progress of the ERP implementation scheduled for April 2026 in Japan* and July 2026 in Europe, and confirmed that preparations for the launch are proceeding smoothly in both regions. - It also confirmed that risk mitigation measures and an immediate response system are in place in preparation for the launch, and discussed the expected benefits of the ERP implementation.

* ERP implementation in Japan was completed in April.

4-3. Other major agenda items at Board of Directors meetings

*Excluding items for regular resolutions

Major agenda items for items to be resolved
<ul style="list-style-type: none"> • Approval of the proposal regarding Directors’ compensation and the revision of the “Compensation Policy for Directors” to be submitted to the 88th Ordinary General Meeting of Shareholders • Approval of the Board of Directors Operational Policy and Focus Themes • Approval of additional contributions to the trust for the performance-linked stock grant plan and amendments to the share granting rules • Approval of the policy for spinning off the Device & Module Solutions Business • Signing of a share transfer agreement regarding the sale of the Device & Module Solutions Business and approval of the spin-off of the Device & Module Solutions Business • Approval of the scheduled commencement of a tender offer for Matsuya R&D Co., Ltd. • Approval of revisions to the Independence Requirements for Outside Executives

Major agenda items for items to be reported	
	<ul style="list-style-type: none"> • Report on the status of operation of the internal control system • Regular report on risks • Report on the results of internal audit activities and the plan for fiscal 2025 • Report on the results of the reassessment of the ESG assessment and future action policy • Progress report on the business plan of JMDC Inc. • Prior report for the sale of shares of OBI*¹ in the DMB*² mobility business • Report on consideration concerning the Device & Module Solutions Business • Report on the results of audits by the Audit & Supervisory Board for fiscal 2024 and the audit plan for fiscal 2025 • Report on making iCARE Co., Ltd. a wholly owned subsidiary • Report on M&A considerations for strengthening business competitiveness of HCB*³ (Prior report for the scheduled commencement of a tender offer for Matsuya R&D Co., Ltd.)

*1 OMRON Automotive Electronics Italy S.r.l

*2 Device & Module Solutions Business

*3 Healthcare Business

5. Results of initiatives for increasing effectiveness

Informal Meeting	
Purpose	The meeting was set up as a forum to discuss business strategies and business issues, etc. in an early phase or to consult and exchange opinions on specific themes. Moreover, as an opportunity for sharing the latest case studies and trends that the Board of Directors must be aware of, the meeting helps Outside Executives to deepen their understanding and the business execution division to resolve their issues.
Structure	Determined depending on themes; some meetings are attended by all Directors and Audit & Supervisory Board Members, while others may be attended only by Outside Executives.
Number of meetings held	9
Major initiatives	<ul style="list-style-type: none"> • Medium-Term Roadmap SF 2nd Stage • Evolution of data solutions • Corporate governance aimed at strengthening our earnings ability • Medium-Term Roadmap SF 2nd Stage of each Business Company • Strengthening core technologies that support our 13 focus businesses • Global economic trends surrounding Japan

Outside Executives' and top Executives' opinion exchange meeting	
Purpose	Opportunities are provided for the exchange of opinions between Outside Executives and top Executives, which leads to an improvement in understanding of the Company's business and organizational culture.
Number of meetings held	1
Major initiatives	<ul style="list-style-type: none"> Free discussion between Outside Executives and CXOs: "Regarding the Medium-Term Roadmap SF 2nd Stage"

Interviews by the Chairman of the Board of Directors	
Purpose	The Chairman of the Board of Directors holds individual interviews with Directors and Audit & Supervisory Board Members once a year to discuss improvement plans related to the operation of the Board of Directors.
Number of meetings held	1 for each (for a total of 11) *Individual interviews with all Directors and Audit & Supervisory Board Members

Board of Directors review	
Purpose	Outside Executives conduct a review of the Board of Directors immediately after meetings of the Board of Directors. Outside Executives sharing amongst themselves what they felt, issues and improvements immediately following meetings of the Board of Directors leads to the improvement of the evaluation of the Board of Directors.
Number of meetings held	12

Observation of Executive Council meetings	
Purpose	Outside Executives may observe Executive Council meetings (management meetings by Executives), as fully understanding the situation of the business execution division will lead to the expansion of the breadth and depth of discussions at the Board of Directors meetings.
Initiatives	<ul style="list-style-type: none"> Agenda of Executive Council Meeting is sent to Outside Executives before the meeting every month. Outside Executives monitor online the agenda item they want to observe. Meeting minutes are sent to members of the Board of Directors every month.

Outside Executives' and Accounting Auditors' opinion exchange meeting	
Purpose	Sharing the Accounting Auditors' perspective with Outside Executives helps strengthen supervisory and audit functions. In addition, through this initiative, a relationship has been established whereby Outside Executives can exchange information directly with the Accounting Auditors regarding risk information and other matters.
Number of meetings held	1
Major initiatives	<ul style="list-style-type: none"> Potential risks at OMRON from the perspective of the Accounting Auditors

On-site visits	
Purpose	Opportunities are provided for Outside Executives to visit major bases, exhibitions, etc. and participate in in-house events, which leads to an improvement in understanding of the Company's business and organizational culture.
Number of meetings held	1
Initiatives	<ul style="list-style-type: none"> Visited the head office of JMDC Inc.

6. Results of initiatives by the Advisory Committees

CEO Selection Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chair	Mr. Takehiro Kamigama, the lead Outside Director
Committee composition	<ul style="list-style-type: none"> The majority shall be Outside Directors The two internal Directors shall be non-executive internal Directors (the President and CEO is not a member of the committee)
Number of meetings held	1
Attendance rate	100%
Matters deliberated and matters reported	<ul style="list-style-type: none"> Deliberation on candidates for CEO Deliberation on a CEO successor candidate in the event of a crisis in fiscal 2026 Succession planning for the President and CEO
Comments from the chair	President Tsujinaga has successfully implemented the structural reform program and has now reached the stage where he must shift into high gear to move on to the next phase. I would like him to demonstrate even greater leadership in this regard.

Personnel Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chair	Ms. Izumi Kobayashi, Outside Director
Committee composition	<ul style="list-style-type: none"> The majority shall be Outside Directors The Chairman of the Board of Directors and the President and CEO are not members of the committee
Number of meetings held	6
Attendance rate	100%
Matters deliberated and matters reported	<ul style="list-style-type: none"> Deliberation on the members of each Advisory Committee for fiscal 2025 Deliberation on appointment/dismissal of Senior Executive Officers Deliberation on updating the talent pool list of Outside Director candidates and the way forward Deliberation on the selection criteria for Executives for fiscal 2026 (90th term) Deliberation on the selection of Director candidates and the Alternative Audit & Supervisory Board Member candidate to be submitted to the 89th Ordinary General Meeting of Shareholders Deliberation on the selection of Senior Executive Officer candidates for fiscal 2026 and reporting on the appointment of Executive Officers Reporting on succession planning for management executives (CFO, CTO, CHRO) for fiscal 2026 Reporting on Outside Directors' assumption of office as outside executive of other companies Reporting on Outside Director candidates
Comments from the chair	At meetings of the Personnel Advisory Committee for fiscal 2025, discussions were held and resolutions were passed regarding the future executive structure, specifically the composition of Outside Directors and a review of the candidate pool based on that composition, as well as a review of the selection criteria for Executive Officers to better align with changes in business and society. Furthermore, we exchanged opinions on the CXO training plan proposed by the executive side and considered how to establish a management system that can respond to future business and environmental changes.

Compensation Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chair	Mr. Yoshihisa Suzuki, Outside Director
Committee composition	<ul style="list-style-type: none"> The majority shall be Outside Directors The Chairman of the Board of Directors and the President and CEO are not members of the committee
Number of meetings held	6
Attendance rate	100%
Matters deliberated and matters reported	<ul style="list-style-type: none"> Deliberation on bonus amounts for Directors for fiscal 2024 and reporting on bonus amounts for Executive Officers for fiscal 2024 Deliberation on the number of shares for stock compensation to Directors for the fiscal years from fiscal 2021 to fiscal 2024 and reporting on the number of dilutive shares. Deliberation on the compensation tables for Directors and Executive Officers for fiscal 2025 Deliberation on the revision of the rules regarding congratulatory and condolence payments for Directors and Audit & Supervisory Board Members. Deliberation on the revision of the share granting rules (from fiscal 2025 to fiscal 2026) Reporting on the number of shares of stock compensation for Executive Officers for fiscal years from fiscal 2021 to fiscal 2024 Reporting on the results of share acquisitions related to the performance-linked stock grant plan Deliberation on the evaluation criteria for Director bonuses and reporting on the evaluation criteria for Executive Officer bonuses for fiscal 2025 Deliberation on the Director compensation and Executive Officer compensation tables for fiscal 2026
Comments from the chair	We believe that the compensation plan has played its role appropriately during the structural reform period. In fiscal 2026, taking into account the transition to an organizational structure being considered toward the achievement of SF2030 2nd Stage, we will proceed with the consideration of a compensation plan that will contribute to OMRON's renewed growth and enhancement of corporate value.

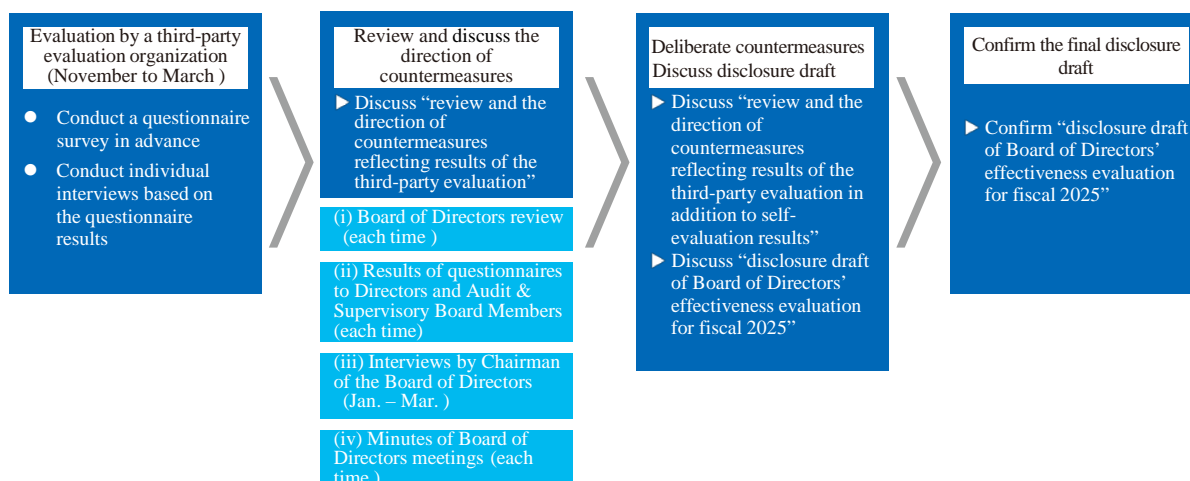
Corporate Governance Committee	
Members	Seven members (three Outside Directors, two Outside Audit & Supervisory Board Members and two non-executive internal Directors)
Chair	Mr. Takehiro Kamigama, the lead Outside Director
Committee composition	<ul style="list-style-type: none"> The majority shall be Outside Executives (Outside Directors and Outside Audit & Supervisory Board Members) Directors engaged in business executions are not members of the committee
Number of meetings held	5
Attendance rate	100%
Matters deliberated and matters reported	<ul style="list-style-type: none"> Deliberation on final draft of the evaluation of the Board of Directors' effectiveness in fiscal 2024 Discussion on the Board of Directors Operational Policy and Focus Themes (draft) for fiscal 2025 Discussion on "evolution of OMRON's Corporate Governance" Deliberation on revising the Independence Requirements for Outside Executives
Comments from the chair	With a view to further evolving into a monitoring board, we have begun considering the transition to a new organizational structure. By delegating authority to the executive side, we aim to further accelerate the process and build a governance system that is even better suited to OMRON.

[Reference] Methods of Evaluation of the Board of Directors' effectiveness for fiscal 2025

The process of the evaluation of the Board of Directors' effectiveness and the evaluation items for fiscal 2025 are as described below.

(1) Summary of evaluation process

The evaluation of the Board of Directors' effectiveness for fiscal 2025 was conducted from a multifaceted perspective by introducing a third-party evaluation in addition to the self-evaluations that have been implemented in the past, which include “(i) Results of Board of Directors review,” “(ii) Results of questionnaires to Directors and Audit & Supervisory Board Members,” “(iii) Interviews by the Chairman of the Board of Directors,” and “(iv) Minutes of Board of Directors meetings.”



- (i) Results of the Board of Directors review conducted by Outside Executives immediately after meetings of the Board of Directors
- (ii) Results of self-evaluations based on questionnaires to all Directors and Audit & Supervisory Board Members conducted after meetings of the Board of Directors
- (iii) Results of individual interviews of all Directors and Audit & Supervisory Board Members conducted by the Chairman of the Board of Directors
- (iv) Minutes of each Board of Directors meeting

- Furthermore, regarding the evaluation results provided by the third-party evaluation organization, the Board of Directors held thorough discussions. After clarifying the strengths and issues of the Company's Board of Directors, as well as key points for future improvement, all members of the Board of Directors shared the recognition. Such recognition is reflected in the themes to be addressed in fiscal 2026 and in the improvements to the operation of the Board of Directors described in this document.

(2) Summary of questionnaire items from a third-party evaluation organization

A questionnaire survey was conducted regarding the overall evaluation, the composition of the Board of Directors, the operation of the Board of Directors, the deliberations of the Board of Directors, the support system, various committees, the executive structure, and the content of discussions.

Status of initiatives toward improving the Audit & Supervisory Board’s effectiveness

In light of the transition to the Medium-Term Roadmap SF 2nd Stage, the Audit & Supervisory Board has newly established its mission, vision, and principles of conduct.

Mission

The Audit & Supervisory Board bears in mind its fiduciary responsibility to shareholders and works to secure the integrity of the OMRON Group toward sustainable enhancement of corporate value, and acts for the common interests of the shareholders.

Vision

1. Building on compliance audits (Audit Ver. 1.0) and risk-based audits (Audit Ver. 2.0), we identify the root causes of management issues, including those related to corporate culture, and propose solutions (Audit Ver. 3.0) (with a view to incorporating future-oriented audits (Audit Ver. 4.0) in the future).
2. We propose and promote the integrated establishment of “Management Audit (1)” and “Internal Control System (2)”
 - (1) Proactive management audits that encourage risk-taking for growth
 - (2) Establishing an internal control system that facilitates organic coordination of the three-way audits and addresses increasingly sophisticated risks

Principles of Conduct

1. By leveraging the “single-person system of Audit & Supervisory Board Members,” the “expertise of Outside Audit & Supervisory Board Members,” and the “information-gathering capabilities of full-time Audit & Supervisory Board Members,” we will work as a team to achieve results that contribute to the Company’s sound growth.
2. Maintaining high ethical standards and integrity, we build relationships of trust through dialogue with management and frontline staff, and encourage proactive behavioral change.
3. Being mindful of the diverse perspectives of stakeholders, we identify the root causes of management issues and support actions that shape the future of management.

1. Results of activities of the Audit & Supervisory Board in fiscal 2025

1-1. Status of the activities of the Audit & Supervisory Board

In fiscal 2025, the Audit & Supervisory Board established three priority audit items and carried out its activities based on its mission, vision, and the principles of conduct. Audit & Supervisory Board Members attended various important meetings such as Board of Directors meetings and Executive Council meetings*, engaged in dialogues with Business Company (BC) heads and key division heads, visited domestic and overseas sites, and actively exchanged information with auditors of other companies.

* Executive Council meeting: Management meeting chaired by the President and attended by Executive Officers

Priority audit items	Overview of audit activities
Monitoring the progress of the structural reform program	In addition to attending important meetings, in fiscal 2025, Audit & Supervisory Board Members particularly expanded dialogue with the heads of key divisions of BCs, and confirmed the progress, results, and issues of structural reforms from the perspectives of “avoiding,” “changing,” and “deciding” as an evaluation of management’s decision-making ability.
Monitoring the progress of the medium- to long-term strategy	Through discussions at Board of Directors meetings, etc., the Audit & Supervisory Board reviewed the progress of the medium-term management plan and the issues, and considered the ideal governance structure for realizing the growth strategy.
Monitoring enhancement of the internal control system	Through the exchange of opinions with the President and the Director in charge, the Audit & Supervisory Board considered initiatives to strengthen the structure and confirmed the status of the establishment and implementation of the internal control system. Furthermore, a three-way audit meeting (Audit & Supervisory Board Members, Accounting Auditors, and internal audit division) was held quarterly to deepen the shared recognition of risks.

1-2. Status of operation of the Audit & Supervisory Board

Audit & Supervisory Board meetings are held monthly prior to Board of Directors meetings. Including ad hoc meetings held as needed, a total of 13 Audit & Supervisory Board meetings were held. In accordance with applicable laws and regulations, the Articles of Incorporation, and the Audit & Supervisory Board Regulations, the Audit & Supervisory Board deliberates on, resolves, reports on, and discusses important matters related to auditing. In addition to Audit & Supervisory Board meetings, informal meetings of Audit & Supervisory Board Members were held to facilitate an open exchange of views on the themes described below and other matters.

Audit implementation plan for fiscal 2025

Audit & Supervisory Board's milestones toward fiscal 2030

Vision of the Audit & Supervisory Board

Evolution of Governance

Report on the results of on-site visits and discussions with the executive side

2. Evaluation of the Audit & Supervisory Board's effectiveness for fiscal 2025

2-1. Method of evaluation of the Audit & Supervisory Board's effectiveness for fiscal 2025

For fiscal 2025, the degree of achievement was confirmed regarding the Audit & Supervisory Board's priority audit items, its mission and vision, and of the status of operation of the Audit & Supervisory Board, and self-evaluations were conducted by establishing indicators for multifaceted evaluation of the evolution of the Audit & Supervisory Board. The Audit & Supervisory Board also received comments from the Board of Directors and took them into consideration

2-2. Results of evaluation of the Audit & Supervisory Board's effectiveness for fiscal 2025

After comprehensive evaluation of the status of initiatives for priority audit items, coordination among the Audit & Supervisory Board Members, and the status of dialogue with Directors and executive divisions, it was judged that the Company's Audit & Supervisory Board's effectiveness is generally ensured.

It was confirmed that information sharing and coordination among Audit & Supervisory Board Members are appropriately in place, that constructive dialogue with Directors and executive divisions is taking place, and that audits of the priority audit items are conducted appropriately as described in the table below.

Whereas Directors expressed their opinion that communication with the Audit & Supervisory Board is smooth, there are calls for more opportunities for discussion, and such feedback will be incorporated into future activities of the Audit & Supervisory Board.

Results of evaluation of the Audit & Supervisory Board's effectiveness for fiscal 2025 and focus areas

	Focus areas for fiscal 2025	Effectiveness evaluation results for fiscal 2025	Focus areas for fiscal 2026
Structural reform program / Medium- to long-term strategy	As the Company is implementing the structural reform program and medium- to long-term growth strategies, confirm the status of on-site reforms (especially, a customer-oriented organizational culture) from the perspectives of “avoiding,” “changing,” and “deciding,” etc.	<ul style="list-style-type: none"> • With regard to the structural reform program and medium- to long-term growth strategies, progress, results, and issues were grasped through the Board of Directors, etc., and the Audit & Supervisory Board had in-depth discussions. • Discussions were held with Directors on management issues grasped through on-site visits and dialogue with executive divisions, and the recognition of issues related to implementation capabilities and corporate culture was shared. • The Audit & Supervisory Board considered the ideal governance structure for realizing the growth strategy and made recommendations to the Board of Directors. 	<ul style="list-style-type: none"> • Continue to monitor the issues following the structural reform program and confirm the effectiveness of the medium- to long-term strategy. • Regarding the management issues for which the recognition has been shared, confirm whether they contribute to behavioral changes on the executive side and to outcomes. • Express opinions from the perspective of strengthening governance toward evolution into a monitoring board.
Enhancement of the internal control system	Confirm the progress of organizational enhancement, such as clarification of the roles and responsibilities of executive divisions involved in the internal control system, the implementation status by executive divisions, and the effectiveness of the internal control system.	Discussions were held with the President and the Director in charge regarding the establishment of a structure based on the appointment of a CRO to enhance the internal control system, as well as the division of roles across each line of business and the strengthening of the first line (business execution divisions), and the basic approach and the outline were organized. In addition, to the method of coordination for the three-way audits and the future direction were shared among the three parties.	In line with the progress of the detailed design of the internal control system and the formulation and implementation of the execution plan, confirm whether each line is evolving and whether the system is becoming firmly established in day-to-day operations. In addition, monitor whether it contributes to business performance and risk mitigation.

(4) Systems to Ensure that Execution of Directors' Duties Conforms to Laws and the Articles of Incorporation and Other Systems to Ensure Appropriateness of Operations (Basic Policy on Establishment of Internal Control System) and Overview of Operational Status of Internal Control System

Basic Policy on Establishment of Internal Control System

Based on the Companies Act and the Ordinance for Enforcement of the Companies Act, the Company has set the Internal Control System of the Company and its subsidiaries ("the OMRON Group") as follows, provided, in light of respecting their corporate culture and independence in management, publicly traded subsidiaries may set their own internal control system if it is so decided by their board of directors. The operational status of such an individual internal control system shall be monitored according to the basic policy for Internal Control System of the OMRON Group.

1. System to Ensure that Execution of Duties by Directors and Employees of the OMRON Group Conforms to Laws and Regulations and the Articles of Incorporation

- (1) The OMRON Group Management Policies and the OMRON Group Rules have been established to ensure transparency, fairness and the global nature of management in the OMRON Group, as well as serve as the management base for conducting appropriate and timely decision-making.
- (2) The key theme of "socially responsible corporate management" is promoting corporate ethics and compliance whereby the Company complies with laws and regulations in carrying out business activities. In particular, the Company has devoted every effort to prevent anti-competitive activities such as cartel, bribery, and other significant risks from occurring.
- (3) The Company has familiarized its officers and employees with the OMRON Group Rules for Ethical Conduct as specific action guidelines for practicing "socially responsible corporate management" and enforces strict compliance.
- (4) The Company appoints an executive in charge of corporate ethics and compliance and establishes the Corporate Ethics & Risk Management Committee as an organization to promote corporate ethics and compliance. As specific activities, the President himself issues instructions on corporate ethics and compliance, providing opportunities to disseminate awareness. In addition, the Committee conducts regular training and education for officers and employees on anti-competitive activities such as cartel and bribery as well as on corporate ethics and compliance.
- (5) The Company has set up a whistleblower hotline both inside and outside the Company to receive reports of acts that are, or could potentially be, in violation of the OMRON Group Rules for Ethical Conduct, work rules or laws. In accordance with laws and internal company rules, the content of these reports is protected as confidential, and employees may not be given unfavorable treatment for making such reports.
- (6) With the aim of realizing highly transparent management, the Company positions information disclosure as an important task, and has established an Information Disclosure Executive Committee directly under the President to promote the disclosure. The Committee engages in activities to ensure the accuracy, timeliness and completeness of information disclosure across the OMRON Group, and proactively makes disclosure to the public according to the standard set out by the Group.
- (7) The Company has set up an internal control department directly under the President to conduct operational audits.
- (8) To ensure the propriety of the OMRON Group's financial reporting, a system has been established that enables reports to be submitted appropriately in accordance with laws and regulations through measures such as monitoring by the Internal Audit Division after each division conducts its own review of maintenance and operation of business processes.
- (9) The OMRON Group's policy on exclusion of antisocial forces is defined in the OMRON Group Management Policies and the OMRON Group Rules for Ethical Conduct.

2. System for Storage and Management of Information Related to Execution of Directors' Duties

- (1) Under the Board of Directors Rules, the minutes of Board of Directors meetings are recorded and kept for 10 years.
- (2) Under the Management Rules, which state the basic policy and principles for Group management and decision making, decision reports are issued for decisions on significant issues. Decision reports, minutes of Executive Council meetings, and other important documents showing the state of execution of duties are preserved and managed in accordance with laws and internal company rules.

3. Regulations and Other Systems Concerning Loss Risk Management of the OMRON Group

- (1) The Company will engage in risk management integrating all activities that entail risks on a global scale, to ensure the Company's survival and to secure the achievement of corporate objectives while fulfilling its corporate social responsibility.
- (2) The Company will strive to avoid, mitigate and transfer risk of loss through collecting information on and conducting analysis of risks while taking countermeasures against them, in accordance with the OMRON Group Rules for Integrated Risk Management.
- (3) Significant risks for the OMRON Group shall be designated, and Group-wide response measures across all internal companies shall be determined at Executive Council meetings.
- (4) When a crisis occurs, the Company makes reports, transmits information, and assembles the necessary response teams in accordance with the procedures specified in the OMRON Group Rules for Integrated Risk Management.

4. Systems to Ensure Efficient Execution of Duties by Directors of the OMRON Group

- (1) The Company uses the Executive Officer system and keeps the number of Directors small to ensure substantive discussion and swift decision making at Board of Directors meetings.
- (2) In addition to the Board of Directors, the Company has an Executive Council, which discusses and decides on significant business execution issues within the scope of the President's authority.
- (3) The Company uses an internal company system, and promotes faster decision making and efficient business operations by delegating substantial authority to the President of each internal company.
- (4) The OMRON Group performs its duties in accordance with the division of duties and scope of decision-making authority set forth based on a concept of proper control and prompt decision making as basic principles.
- (5) The OMRON Group establishes a medium-to-long-term management plan. In order to substantiate this management plan, it formulates a business plan in each fiscal year.

5. System to Report to the Company on Matters concerning Execution of Duties by Directors of Subsidiaries

Information regarding operational results, financial status and other significant matters of subsidiaries must be reported to respective superior units responsible for the management of subsidiaries in accordance with the internal regulations, etc.

6. Systems to Ensure Effectiveness of Audit Performed by Audit & Supervisory Board Members

- (1) An Audit & Supervisory Board Office with dedicated full-time support staff has been established to assist Audit & Supervisory Board Members in performing their duties. The staff members of the Audit & Supervisory Board Office perform their work under the supervision and instruction of the Audit & Supervisory Board Members.
- (2) Personnel evaluations, appointments and transfers of the staff of the Audit & Supervisory Board Office are carried out with the consent of the Audit & Supervisory Board.
- (3) A system is in place for Directors, Audit & Supervisory Board Members and employees of the OMRON Group and those who have been reported from any of them to immediately report to Audit & Supervisory Board Members of the Company regarding incidents of material violations of laws and/or Articles of Incorporation, misconduct within the OMRON Group, or information relating to potential risk of significant loss to the company, in accordance with predetermined regulations and procedures. Notwithstanding these, the Audit & Supervisory Board Members of the Company may request reports from Directors and employees of the OMRON Group at any time as needed. The Company shall not treat whistleblowers in an unfair way for reporting wrongdoing.
- (4) When Audit & Supervisory Board Members request for advance payment of expenses pertaining to the execution of their duties in accordance with Article 388 of the Companies Act, the Company shall handle the request in a prompt manner.
- (5) As a mechanism for securing an effective audit by Audit & Supervisory Board Members, systems are in place for the Audit & Supervisory Board to hold periodic interviews of Directors and Executive Officers, periodically exchange views with the President, periodically exchange information with Accounting Auditors, and receive operational reports from Executive Officers. In addition, the Manager of the Internal Audit Division is invited to Audit & Supervisory Board meetings and makes internal audit reports.
- (6) Half or more of the Audit & Supervisory Board Members are Outside Audit & Supervisory Board Members, including legal professionals such as attorneys and Certified Public Accountants, or individuals with extensive knowledge of finance and accounting, to enhance audit objectivity and effectiveness.

(7) Audit & Supervisory Board Members attend and state their opinions at Board of Directors meetings as well as Executive Council meetings and other important meetings.

Overview of Operational Status of Internal Control System

The Company, in accordance with the Basic Policy stated above, operates an Internal Control System, and the following is an overview of the operational status of said System for the fiscal year under review.

1. Initiatives towards compliance and risk management

The OMRON Group has promoted integrated compliance and risk management activities through the Corporate Ethics & Risk Management Committee.

The OMRON Group has reinforced its capabilities to respond to change through a department directly under the President that promotes and thoroughly enforces such activities.

(1) Compliance

The OMRON Group has familiarized its officers and employees with the OMRON Group Rules, which are the common management basis for the Group, and conducted the necessary trainings. In particular, the month of October was designated Corporate Ethics Month, and various initiatives have been implemented including sending messages from the President to the officers and employees in Japan and overseas, offering compliance training for such things as cartel prevention and bribery prevention, and familiarizing officers and employees with the whistleblower system. Whistleblower hotlines have been established and are in operation at the major bases in Japan and overseas. Additionally, the Information Disclosure Executive Committee convened regular meetings in order to ensure the accuracy, timeliness and completeness of disclosures, while trainings were held for the prevention of insider trading. Furthermore, the Internal Audit Division conducted operational audits on the divisions of the OMRON Group on a risk basis.

(2) Risk management

Based on the OMRON Group Rules for Integrated Risk Management, risks influencing the OMRON Group are identified each year from a global perspective, and upon analyzing such risks, critical risks for the OMRON Group are designated by the Executive Council. The OMRON Group confirmed the progress made on risk countermeasures with the Corporate Ethics & Risk Management Committee on a quarterly basis and systematically promoted its risk management initiatives. Additionally, concerted efforts were made by the field and management in order to implement measures to respond to changes in the internal and external environments, namely the appointment of risk managers at the Group companies in Japan and overseas, who utilized the global network to share daily risk information and to quickly organize response to risks.

During the fiscal year under review, we focused on strengthening “defensive governance” to reinforce the foundation that supports risk-taking necessary to realize the strategies outlined in the Medium-Term Roadmap SF 2nd Stage. Specifically, we established the position of Chief Risk & Compliance Officer to oversee “integrated risk management,” “internal control,” “compliance,” and “monitoring,” and to ensure that these functions operate in a coordinated manner. Through such coordination, we developed a framework in which the internal control system functions in an integrated and effective manner. Furthermore, to ensure the proper and effective operation of the internal control system, we formulated the “Policy on the Operation of Internal Control System” and clarified the roles and responsibilities of the three lines of defense.

2. Initiatives to ensure the appropriateness of operations

The Company preserves and manages important documents related to the execution of Directors’ duties in accordance with the Board of Directors Rules and other rules related to information management. The Company has reduced the number of Directors in order to ensure substantive discussion of the Board of Directors, as well as uses the Executive Officer System and the internal company system to promote faster decision making and efficient business operations by delegating substantial authority to the President of each internal company. At the monthly Executive Council meetings, significant business execution issues are discussed and decided within the scope of the President’s authority. The OMRON Group has also established a system which ensures proper control and prompt decision-making by clearly setting forth the applicable division of duties, decision-making authority and reporting rules.

During the fiscal year under review, the Company improved the promptness of decision-making and increased the speed of management by continuously improving the quality of discussions at Executive Council meetings in response to drastic changes in the environment.

3. Initiatives to ensure the effectiveness of audits by Audit & Supervisory Board Members

The Company has established an Audit & Supervisory Board Office independent from business execution to assist the Audit & Supervisory Board Members in performing their duties and has also appointed the necessary staff members to the Office. The Audit & Supervisory Board Office holds periodic interviews of Directors and Executive Officers, periodically exchange views with the President, periodically exchange information with Accounting Auditor, and receive operational reports from Executive Officers. Audit & Supervisory Board Members also attend and state their opinions, as necessary, at Board of Directors meetings as well as Executive Council meetings and other important meetings. Furthermore, each year, the Audit & Supervisory Board evaluates its own effectiveness. Please refer to pages 46-48 for the status of initiatives towards improving the Audit & Supervisory Board's effectiveness.

(5) Cash Allocation Policy and Shareholder Returns Policy

OMRON submits proposals to the general meeting of Shareholders regarding decisions on dividends from retained earnings, with the exception of interim dividends, which are decided by resolution of the Board of Directors based on the provisions of the Articles of Incorporation. In addition, the Company has established the following basic policy regarding the distribution of profits to shareholders, including shareholder returns.

Cash Allocation Policy

- 1) Implement a resource allocation strategy centered on business investments to create new value from a medium- to long-term perspective. Our top priority is to invest in the key businesses that drive sustainable growth, with particular emphasis on Industrial Automation Business (IAB), the Company's highest strategic priority.
- 2) In addition to providing stable and sustainable dividends, we will conduct share repurchases in a flexible manner, taking into comprehensive consideration the Group's future funding requirements, business performance, share price levels, and overall financial position.
- 3) While the primary sources of funds for investments and shareholder returns will be retained earnings and sustainably generated operating cash flow, we will also actively utilize external financing, particularly for M&A activities. In addition, to ensure access to funding regardless of financial market conditions, we will continue to maintain a sound financial position.

Shareholder Return Policy

- 1) Prioritize the investments necessary for value creation from a medium to long-term perspective, while targeting an annual dividend target based on a shareholder equity dividend ratio (DOE) of approximately 3%. Taking historical dividend payments also into account, we intend to ensure stable and continuing shareholder returns.
- 2) After executing the investments and profit described above, we will distribute retained earnings accumulated over the long term to shareholders through flexible measures, including share repurchases as appropriate.

(6) Other Policies, etc.

Basic Strategy for Capital Policy

- 1) To maintain and improve shareholder value, the OMRON Group will implement management practices by taking into consideration the adequate target levels for return on invested capital (ROIC), return on equity (ROE), and earnings per share (EPS). To prepare for rapid fluctuations in economic conditions, we will also set the equity ratio target at a level sufficient for maintaining a corporate credit rating that enables raising of funds without regard to monetary market conditions.
- 2) With respect to capital policy that results in a change of control or in significant dilution, the Board of Directors will make a rational decision by fully taking into consideration the effects it would have on the aforementioned ROIC, ROE, and EPS.
- 3) If the OMRON Group implements a fund raising program that will result in significant dilution, the use of the fund and its collection plan will be fully examined and deliberated at a meeting of the Board of Directors before making a resolution, and sufficient explanation will be given to investors and shareholders.

Anti-Takeover Measures

No anti-takeover measures are in place at the OMRON Group.

Constructive Dialogue with Shareholders

The OMRON Group strives to contribute to sustainably increasing its corporate value through dialogue with shareholders. Additionally, we will release our basic policy for the development of systems and initiatives for facilitating constructive dialogue with shareholders (the "Basic Policy").

For the Basic Policy, please refer to the website below.

<https://www.omron.com/global/en/about/corporate/governance/policy/>

Consolidated Financial Statements

Consolidated Balance Sheets

(JPY millions)

Item	89th term (As of March 31, 2026)	(Reference) 88th term (As of March 31, 2025)	Item	89th term (As of March 31, 2026)	(Reference) 88th term (As of March 31, 2025)
ASSETS			LIABILITIES		
Current Assets:	676,108	539,713	Current Liabilities:	370,249	233,494
Cash and cash equivalents	166,541	131,951	Notes and accounts payable — trade	86,677	78,020
Notes and accounts receivable — trade	169,633	157,718	Short-term debt	121,668	20,372
Allowance for doubtful receivables	(1,047)	(877)	Accrued expenses	44,120	39,950
Inventories	154,215	140,773	Income taxes payable	10,063	5,463
Current assets of discontinued operations	127,242	67,687	Short-term operating lease liabilities	12,521	11,490
Other current assets	59,524	42,461	Current liabilities of discontinued operations	40,553	25,341
Property, Plant and Equipment, net:	103,072	97,658	Other current liabilities	54,647	52,858
Investments and Other Assets:	737,083	725,088	Deferred Income Taxes	14,403	13,752
Right-of-use assets under operating leases	44,649	39,342	Termination and Retirement	4,952	6,969
Goodwill	374,211	361,065	Benefits		
Other intangible assets	130,375	114,344	Long-term debt	75,910	119,088
Investments in and advances to affiliates	13,034	15,799	Long-term operating lease	31,110	27,041
Investment securities	48,665	41,107	liabilities		
Leasehold deposits	7,110	7,175	Long-term liabilities of		
Prepaid pension costs	97,218	64,247	discontinued operations		
Deferred income taxes	14,067	24,122	Other Long-Term Liabilities	19,077	18,272
Long-term assets of discontinued operations	—	49,456	Total Liabilities	515,701	428,027
Other assets	7,754	8,431	NET ASSETS		
			Shareholders' Equity:	835,885	771,885
			Common stock	64,100	64,100
			Capital surplus	99,932	100,161
			Legal reserve	32,313	29,471
			Retained earnings	555,680	550,485
			Accumulated other comprehensive income:	154,358	97,632
			Foreign currency translation adjustments	121,981	88,186
			Pension liability adjustments	32,377	9,446
			Treasury stock, at cost	(70,498)	(69,964)
			Noncontrolling Interests	164,677	162,547
			Total Net Assets	1,000,562	934,432
Total Assets	1,516,263	1,362,459	Total Liabilities and Net Assets	1,516,263	1,362,459

Notes: 1. The amounts above are rounded to the nearest million JPY.

2. The Company classified the DMB (Devices & Module Solutions Business) as a discontinued operation. Accordingly, we have reclassified the consolidated balance sheets for the previous fiscal year. For more details on the discontinued operation in question, see Discontinued Operations (only available in Japanese).

Consolidated Statements of Income

(JPY millions)

Item	89th term (April 1, 2025 to March 31, 2026)	(Reference) 88th term (April 1, 2024 to March 31, 2025)
Net sales	767,351	715,379
Cost of sales	416,350	385,092
Gross profit	351,001	330,287
Selling, general and administrative expenses	245,398	236,881
Research and development expenses	45,668	39,960
Restructuring expenses	2,617	23,795
Loss on impairment of goodwill	—	11,725
Other expense (income), net	4,747	(15,205)
Income from continuing operations before income taxes	52,571	33,131
Income taxes	13,466	15,356
Current	22,934	20,523
Deferred	(9,468)	(5,167)
Share of loss of entities accounted for using equity method	2,123	679
Income from continuing operations	36,982	17,096
Loss from discontinued operations	(5,705)	(2,223)
Net income	31,277	14,873
Net income (loss) attributable to noncontrolling interests	2,790	(1,398)
Net income attributable to OMRON shareholders	28,487	16,271

Notes: 1. The amounts above are rounded to the nearest million JPY.

2. The Company classified the DMB (Devices & Module Solutions Business) as a discontinued operation. Accordingly, we have reclassified the consolidated balance sheets for the previous fiscal year. For more details on the discontinued operation in question, see Discontinued Operations (only available in Japanese).

Consolidated Statements of Changes in Shareholders' Equity

(JPY millions)

	Number of common shares issued	Common stock	Capital surplus	Legal reserve	Retained earnings	Accumulated other comprehensive income	Treasury stock	Total shareholders' equity	Non-controlling interests	Total net assets
(Reference)										
Balance, end of the 87th term (March 31, 2024)	206,244,872	64,100	98,997	27,457	556,705	109,396	(69,969)	786,686	164,307	950,993
Net income					16,271			16,271	(1,398)	14,873
Cash dividends paid to OMRON Corporation shareholders					(20,477)			(20,477)		(20,477)
Cash dividends paid to noncontrolling interests								—	(1,466)	(1,466)
Equity transactions with noncontrolling interests and other			(197)					(197)	162	(35)
Increase in consolidated subsidiaries - non-controlling interests								—	982	982
Stock-based compensation			1,376				13	1,389		1,389
Transfer to legal reserve				2,014	(2,014)			—		—
Foreign currency translation adjustments						(7,581)		(7,581)	(40)	(7,621)
Pension liability adjustments						(4,162)		(4,162)		(4,162)
Net gains (losses) on derivative instruments						(21)		(21)		(21)
Acquisition of treasury stock and other			(15)				(8)	(23)		(23)
Balance, end of the 88th term (March 31, 2025)	206,244,872	64,100	100,161	29,471	550,485	97,632	(69,964)	771,885	162,547	934,432
Net income					28,487			28,487	2,790	31,277
Cash dividends paid to OMRON Corporation shareholders					(20,450)			(20,450)		(20,450)
Cash dividends paid to noncontrolling interests								—	(1,268)	(1,268)
Equity transactions with noncontrolling interests and other			(143)					(143)	175	32
Increase in consolidated subsidiaries - non-controlling interests								—	134	134
Stock-based compensation			(85)				788	703		703
Transfer to legal reserve				2,842	(2,842)			—		—
Foreign currency translation adjustments						33,795		33,795	299	34,094
Pension liability adjustments						22,931		22,931		22,931
Acquisition of treasury stock and other			(1)				(1,322)	(1,323)		(1,323)
Balance, end of the 89th term (March 31, 2026)	206,244,872	64,100	99,932	32,313	555,680	154,358	(70,498)	835,885	164,677	1,000,562

Note: The amounts above are rounded to the nearest million JPY.

(Reference)

Consolidated Statements of Comprehensive Income

(JPY millions)

	89th term (April 1, 2025 to March 31, 2026)	88th term (April 1, 2024 to March 31, 2025)
Net income	31,277	14,873
Other comprehensive income (loss), net of tax		
Foreign currency translation adjustments	34,094	(7,621)
Pension liability adjustments	22,931	(4,162)
Net gains (losses) on derivative instruments	-	(21)
Other comprehensive income (loss)	57,025	(11,804)
Comprehensive income	88,302	3,069
(Breakdown)		
Comprehensive income (loss) attributable to noncontrolling interests	3,089	(1,438)
Comprehensive income attributable to OMRON shareholders	85,213	4,507

Note: The amounts above are rounded to the nearest million JPY.

(Reference)

Consolidated Statements of Cash Flows

(JPY millions)

Item	89th term (April 1, 2025 to March 31, 2026)	88th term (April 1, 2024 to March 31, 2025)
I Operating Activities:		
1. Net income	31,277	14,873
2. Adjustments to reconcile net income to net cash provided by operating activities:		
(1) Depreciation and amortization	33,778	33,450
(2) Share of loss of entities accounted for using equity method	2,123	679
(3) Increase in notes and accounts receivable - trade	(4,076)	(1,542)
(4) Increase in inventories	(6,401)	(449)
(5) Increase in notes and accounts payable - trade	5,990	7,835
(6) Other, net	(1,772)	938
Total adjustments	29,642	40,911
Net cash provided by operating activities	60,919	55,784
II Investing Activities:		
1. Proceeds from sale or maturities of investment securities	664	6,258
2. Purchase of investment securities	(4,018)	(2,042)
3. Capital expenditures	(53,105)	(48,993)
4. Business and company acquisitions (net of cash acquired)	(12,377)	(6,316)
5. Business and company sales (net of cash outlays)	(2,264)	2,410
6. Increase in investment in and loans to affiliates, net	(1,008)	(2,617)
7. Collection of loans receivable	1,366	2,206
8. Other, net	671	1,205
Net cash used in investing activities	(70,071)	(47,889)
(Reference) Free cash flow	(9,152)	7,895
III Financing Activities:		
1. Increase in short-term debt with maturities of three months or less, net	54,262	9,209
2. Proceeds from short-term debt with maturities longer than three months	1,160	1,500
3. Repayments of short-term debt with maturities longer than three months	(1,210)	(17,083)
4. Proceeds from long-term debt	5,745	72,195
5. Repayments of long-term debt	(4,773)	(48,089)
6. Purchase of treasury shares	(1,322)	(9)
7. Dividends paid by OMRON Corporation	(20,462)	(20,474)
8. Dividends paid to noncontrolling interests	(1,268)	(1,466)
9. Other, net	230	(391)
Net cash provided by (used in) financing activities	32,362	(4,608)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	11,106	2,650
Net Increase (Decrease) in Cash and Cash Equivalents	34,316	5,937
Cash and Cash Equivalents at Beginning of the Year	149,023	143,086
Cash and Cash Equivalents at End of the Year	183,339	149,023
Cash and Cash Equivalents from Discontinued Operations at End of the Year (deduct)	16,798	17,072
Cash and Cash Equivalents from Continuing Operations at End of the Year	166,541	131,951

Notes: 1. The amounts above are rounded to the nearest million JPY.

2. In the Consolidated Statements of Cash Flows, cash flows for discontinued operations are not separately stated but stated combined with cash flows for continuing operations. For more details on the discontinued operation in question, see Discontinued Operations (only available in Japanese).

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(JPY millions)

Item	89th term (As of March 31, 2026)	(Reference) 88th term (As of March 31, 2025)	Item	89th term (As of March 31, 2026)	(Reference) 88th term (As of March 31, 2025)
ASSETS			LIABILITIES		
Current Assets:	187,346	143,587	Current Liabilities:	370,669	241,649
Cash and time deposits	44,134	25,996	Notes payable - trade	6,245	6,956
Notes receivable – trade	657	389	Accounts payable - trade	34,213	30,600
Accounts receivable – trade	63,280	46,007	Short-term borrowings	69,038	14,776
Finished products	15,824	14,504	Short-term borrowings from subsidiaries and affiliates	181,699	155,187
Materials	13,992	15,312	Current portion of long-term borrowings	45,315	—
Work in process	5,336	3,802	Lease liabilities	164	152
Supplies	217	291	Other payables	12,485	10,794
Short-term loans receivable to subsidiaries and affiliates	2,901	4,651	Accrued expenses	9,905	9,497
Accounts receivable - other	16,841	17,507	Income taxes payable	245	484
Income taxes refund receivable	2,155	807	Advances received	30	2,909
Other receivable	6,178	6,118	Deposits received	1,011	1,278
Other current assets	15,831	8,206	Accrued bonus to officers	248	228
Allowance for doubtful receivables	(0)	(3)	Provision for share grant	14	733
Fixed Assets:	493,066	446,381	Other current liabilities	10,057	8,055
Property and equipment:	46,257	46,177	Long-term Liabilities:	45,065	90,183
Buildings	21,312	21,685	Bonds payable	40,000	40,000
Structures	770	830	Lease liabilities	267	365
Machinery and equipment	5,018	5,074	Provision for share grant	1,771	943
Vehicles and delivery equipment	4	2	Deferred tax liabilities related to revaluation	985	985
Tools, furniture and fixtures	5,752	4,906	Long-term borrowings	—	45,315
Land	11,892	11,892	Other long-term liabilities	2,042	2,575
Lease assets	422	569	Total Liabilities	415,734	331,832
Construction in progress	1,087	1,219	NET ASSETS		
Intangible fixed assets:	79,850	62,356	Shareholders' Equity:	267,972	261,751
Software and others	76,346	58,227	Common stock	64,100	64,100
Technical assets	3,504	4,129	Capital surplus	88,813	88,771
Investments and other assets:	366,959	337,848	Additional paid-in capital	88,771	88,771
Investment securities	7,569	7,081	Other capital surplus	42	—
Shares of subsidiaries and affiliates	257,318	245,833	Retained earnings	185,557	178,844
Investments in other securities of affiliated companies	2,164	1,906	Legal reserve	6,774	6,774
Investments in capital of subsidiaries and affiliates	20,039	22,837	Other retained earnings:	178,783	172,070
Long-term loans receivable from subsidiaries and affiliates	8,876	7,428	Reserve for dividends	3,400	3,400
Leasehold deposits	4,304	4,363	Reserve for special account	1,252	1,252
Prepaid pension cost	28,782	25,709	Non-restrictive reserve	73,500	73,500
Deferred income taxes	32,950	17,388	Retained earnings unappropriated	100,631	93,918
Other	4,963	5,309	Treasury stock, at cost	(70,498)	(69,964)
Allowance for doubtful receivables	(6)	(6)	Valuation and Translation Adjustments:		
			Unrealized gains on available-for-sale securities	1,048	727
			Land revaluation difference	(4,342)	(4,342)
			Total Net Assets	264,678	258,136
Total Assets	680,412	589,968	Total Liabilities and Net Assets	680,412	589,968

Note: The amounts above are rounded to the nearest million JPY.

Non-consolidated Statements of Income

Item	(JPY millions)	
	89th term (April 1, 2025 to March 31, 2026)	(Reference) 88th term (April 1, 2024 to March 31, 2025)
Net sales	293,308	254,027
Cost of sales	201,787	178,767
Gross profit	91,521	75,260
Selling, general and administrative expenses	109,925	99,436
Operating loss	(18,404)	(24,176)
Non-operating income:	49,111	105,956
Interest and dividends received	45,192	102,095
Foreign exchange gains	232	898
Other non-operating income	3,687	2,963
Non-operating expenses:	11,136	8,862
Interest paid	4,457	5,346
Commission expenses	98	27
Loss on investments in partnerships	696	614
Quality handling expenses	422	769
Transfer pricing taxation adjustment	5,210	1,810
Other non-operating expenses	253	296
Ordinary income	19,571	72,918
Extraordinary gains:	127	4,254
Gain on sales of property and equipment	1	59
Gain on sales of investment securities	—	4,195
Gain on liquidation of subsidiaries and affiliates	126	—
Extraordinary losses:	9,334	121,673
Loss on sale and retirement of non-current assets	518	1,160
Loss on sale of investment securities	21	—
Loss on valuation of investment securities	90	210
Loss on valuation of shares of subsidiaries and affiliates	—	110,322
Restructuring expenses	6,146	9,981
Expenses associated with sale of businesses	1,838	—
Impairment losses	721	—
Other extraordinary losses	—	0
Income (loss) before income taxes:	10,364	(44,501)
Income taxes - current	(1,169)	(3,292)
Income taxes - deferred	(15,709)	(4,100)
Net income (loss)	27,242	(37,109)

Note: The amounts above are rounded to the nearest million JPY.

Non-consolidated Statements of Changes in Shareholders' Equity

89th Term: April 1, 2025 — March 31, 2026

(JPY millions)

	Shareholders' equity									
	Common stock	Capital surplus			Retained earnings					
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings				Total retained earnings
					Reserve for dividends	Reserve for special account	Non-restrictive reserve	Retained earnings unappropriated		
Balance, April 1, 2025	64,100	88,771	—	88,771	6,774	3,400	1,252	73,500	93,918	178,844
Changes during the year ended March 31, 2026										
Dividends paid				—					(20,529)	(20,529)
Net income				—					27,242	27,242
Acquisition and sale of treasury stock			42	42						—
Net change in items other than shareholders' equity during the year				—						—
Total changes during the fiscal year	—		42	42	—	—	—	—	6,713	6,713
Balance, March 31, 2026	64,100	88,771	42	88,813	6,774	3,400	1,252	73,500	100,631	185,557

	Shareholders' equity		Valuation and translation adjustment			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains on available-for-sale securities	Land revaluation difference	Total valuation and translation adjustment	
Balance, April 1, 2025	(69,964)	261,751	727	(4,342)	(3,615)	258,136
Changes during the year ended March 31, 2026						
Dividends paid		(20,529)			—	(20,529)
Net income		27,242			—	27,242
Acquisition and sale of treasury stock	(534)	(492)			—	(492)
Net change in items other than shareholders' equity during the year		—	321		321	321
Total changes during the fiscal year	(534)	6,221	321	—	321	6,542
Balance, March 31, 2026	(70,498)	267,972	1,048	(4,342)	(3,294)	264,678

Note: The amounts above are rounded to the nearest million JPY.

Non-consolidated Statements of Changes in Shareholders' Equity (Reference)

88th Term: April 1, 2024 — March 31, 2025

(JPY millions)

	Shareholders' equity								
	Common stock	Capital surplus		Legal reserve	Retained earnings				Total retained earnings
		Additional paid-in capital	Total capital surplus		Other retained earnings				
				Reserve for dividends	Reserve for special account	Non-restrictive reserve	Retained earnings unappropriated		
Balance, April 1, 2024	64,100	88,771	88,771	6,774	3,400	1,252	73,500	151,561	236,487
Changes during the year ended March 31, 2025									
Dividends paid			—					(20,532)	(20,532)
Net loss			—					(37,109)	(37,109)
Acquisition and sale of treasury stock			—					(2)	(2)
Net change in items other than shareholders' equity during the year			—						—
Total changes during the fiscal year	—	—	—	—	—	—	—	(57,643)	(57,643)
Balance, March 31, 2025	64,100	88,771	88,771	6,774	3,400	1,252	73,500	93,918	178,844

	Shareholders' equity		Valuation and translation adjustment			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains on available-for-sale securities	Land revaluation difference	Total valuation and translation adjustment	
Balance, April 1, 2024	(69,968)	319,390	4,469	(4,314)	155	319,545
Changes during the year ended March 31, 2025						
Dividends paid		(20,532)			—	(20,532)
Net loss		(37,109)			—	(37,109)
Acquisition and sale of treasury stock	4	2			—	2
Net change in items other than shareholders' equity during the year		—	(3,742)	(28)	(3,770)	(3,770)
Total changes during the fiscal year	4	(57,639)	(3,742)	(28)	(3,770)	(61,409)
Balance, March 31, 2025	(69,964)	261,751	727	(4,342)	(3,615)	258,136

Note: The amounts above are rounded to the nearest million JPY.