

Evolving Our Corporate Culture

# An Evolution in Corporate Culture

## Our Ideal Corporate Culture

In February 2024, Olympus unveiled new core values that guide and align the company and its employees toward its global MedTech leadership. With this refresh, Olympus has realigned the corporate culture concept of a Healthy Organization to unite all cultural initiatives under one roof.

The revised Healthy Organization holds true to Olympus' ambition to create a culture that empowers employees to fulfill Our Purpose of "making lives healthier, safer and more fulfilling." Living Our Core Values and acting in line with those

behaviors lays the foundation for a Healthy Organization. There are also five key enablers that drive our employee promise: Growth & Development, Authentic Leadership, DEI (Diversity, Equity & Inclusion), Reward & Recognition, and Work Environment.

To develop our culture and fulfill Our Purpose we must operate in a Purpose-driven way, enabled by a people-centric perspective.

## Olympus Culture Journey

Olympus is working to comprehensively improve our corporate culture by activating Our Core Values and working on the key enablers that create an environment where people at Olympus are engaged and enabled. Olympus refreshed core values serve as guiding principles in the day-to-day of employees. Our culture journey throughout fiscal year 2024 has focused on the refreshment process of the core values and embedding the refresh into tools,

processes, and concepts. The core values refresh is aligned to global MedTech leadership, anchoring key themes for Olympus, such as "Patient Focus" and "Innovation," firmly into our expectations of everyone at Olympus.

These efforts complement and enable our *Elevate* work, ensuring that the improvements to our quality systems and processes will be sustainable over a long term, supported by an organizational culture that ensures patient safety and quality.



## How We Are Bringing a Healthy Organization to Life at Olympus

In our aim to realize a Healthy Organization, we are implementing a variety of initiatives, such as to conduct various training to strengthen leadership and execution competencies to develop talent for global success.

Initiative	Overview and Vision of the Future	Progress and Future Measures
Talent and Succession Management	<ul style="list-style-type: none"> <li>Support sustainable corporate management and strengthen executive talent pipeline by achieving "right people, right place" positions</li> <li>Build global succession pools and develop talent to ensure we have the right global talent with the right experience in the right place</li> </ul>	<ul style="list-style-type: none"> <li>Completed implementation of talent and succession management process for Executive Officers and Global Division/Function Heads (GDFH), and annually revise and discuss talent pipeline</li> <li>Started implementing talent management practices with systematic assessments, as well as talent development for people managers, including identification and development of young and diverse talent with high potential</li> </ul>
Global Leadership Competencies and Leadership Development	<ul style="list-style-type: none"> <li>Targeted leadership development as well as talent and succession management based on eleven most crucial leadership competencies aligned with our company strategy</li> <li>Build leadership skills and mindsets that enable our leaders to execute the business strategy and key priorities, grow and empower their teams, and contribute to a Healthy Organization</li> </ul>	<ul style="list-style-type: none"> <li>Global Leadership Competency Model (GLCM) rolled out. From April 2023, the competencies are evaluated in our performance management process for leaders</li> <li>Global 360 Feedback launched in May 2022, with 1,000 participants since its introduction</li> <li>GLCM Module Program as the first global leadership development program scheduled for launch in FY2025</li> </ul>
Employee Enablement and Global Learning Offers	<ul style="list-style-type: none"> <li>Create a culture and environment where people are inspired and empowered to grow professionally as well as personally</li> <li>Provide learning and development opportunities that support building key business skills across Olympus and that foster our cross-cultural collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Extended external online learning offers to 20,000 employees worldwide</li> <li>Offer workshops on global/cross-culture collaboration (since 2020) and career development (starting 2024)</li> <li>Continue to work on harmonization of learning/training processes and learning management system</li> </ul>
Global Levelling	<ul style="list-style-type: none"> <li>Clarify the vertical and horizontal relationship of jobs across the entire Olympus Group by assigning global levels to management jobs around the world according to the size of the role of each position</li> </ul>	<ul style="list-style-type: none"> <li>Organize various programs such as compensation, human resource development, authority, and job titles based on global levels</li> </ul>
Global Performance Management Harmonization	<ul style="list-style-type: none"> <li>One global approach to performance management to drive both a performance and learning culture</li> <li>To ensure the Performance Management System supports the global objective achieving "right people, right place"</li> <li>Fostering an environment where feedback is encouraged, enabling everyone to learn and grow, enhancing our ability to achieve our goals</li> </ul>	<ul style="list-style-type: none"> <li>Implemented one full year cycle of performance management (MyPerformance) for FY2024</li> <li>Integrated MyPerformance with learning initiatives and global quality goal setting</li> <li>Commenced Enhancement of MyPerformance project for FY2025, which will include, system enhancements, improved change management approach, and global harmonized approach to calibrating the performance of our people</li> </ul>
Globally Integrated HR Management System	<ul style="list-style-type: none"> <li>Implement HR management systems that were dispersed by region into one unified global HR system to support HR operation globally</li> </ul>	<ul style="list-style-type: none"> <li>Completed a performance and goal management system as well as a learning management system for quality and regulatory trainings</li> <li>Implementation of Global HR platform (MyHR) in progress, which will create a foundation to have one global system of record for employee information in Olympus</li> <li>Continue efforts to expand integrated talent management systems, such as recruiting, career development, etc.</li> </ul>
Japan HR Reform	<ul style="list-style-type: none"> <li>Accelerate the fostering of a culture of empowerment and challenge and realize "right people, right place" as a Group</li> <li>Establish global standard for treatment of personnel as a Group and reward individual performance in a fair and consistent manner</li> </ul>	<ul style="list-style-type: none"> <li>Conduct the year-end appraisal process based on the global common performance management system introduced in April 2023 and provide feedback of the appraisal results to the employees and reflect them in their compensation based on the job-based HR system.</li> <li>As of the first year of the new performance management system and the new HR system, repeated awareness-raising activities such as briefing sessions and workshops held in accordance with the timing of goal setting, mid-term reviews, and year-end process, in order to ensure that the system has been understood and properly implemented</li> </ul>
Standardization of Basic Work Procedures	<ul style="list-style-type: none"> <li>Implement a consistent set of practices at Olympus to shape the way we work together to foster and sustain a Healthy Organization</li> </ul>	<ul style="list-style-type: none"> <li>Launched global practices, implemented targeted companywide initiatives, refined pilot programs, and rolled them out organization-wide for greater impact. Enhanced the initial iteration of our Global Working Guidelines to better support work-life balance and promote employee well-being</li> </ul>

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### Our Core Values Survey and Our Core Values Refresh

#### Employee Engagement and Enablement Survey

Olympus has taken and tracked measures from the last Core Values Survey, an employee engagement and enablement survey conducted in 2021. Companywide initiatives have since included site visits by Executive Officers, optimization of decision-making processes, visualization and follow-up of the current status of employee work-life balance, and enhancement and optimization of global working guidelines.

In November 2022, we conducted a Core Values Survey Check-in (interim survey) to review the status of our organization and reinforced and adjusted activities to improve our culture and employee experience. Several companywide initiatives have continued and been reinforced since their installment in 2021, such as our Global Working Guidelines.

Olympus is currently working on establishing a long-term regular cadence of employee listening. The next measure planned is a Core Values Survey in the first half of 2025. This survey will be adjusted to the refreshed core values and relevant focus areas of Olympus, based on the Healthy Organization Model.

2021	<b>Core Values Survey</b> <ul style="list-style-type: none"> <li>Follow-up measures: Taking action in each region to improve the issues identified from the survey</li> </ul>
2022	<b>Core Values Interim Survey</b> <ul style="list-style-type: none"> <li>Received FDA warning letters</li> <li>Launched remediation and quality transformation program <i>Elevate</i></li> </ul>
2024	<b>Our Core Values refresh</b> <ul style="list-style-type: none"> <li>Conduct initiatives to activate new core values</li> </ul>
First half of 2025	<b>Core Values Survey</b> <ul style="list-style-type: none"> <li>This survey will be adjusted to the refreshed core values.</li> </ul>

#### Our Core Values Refresh

Our new Core Values of “Patient Focus,” “Integrity,” “Innovation,” “Impact,” and “Empathy” were introduced to our employees. Olympus established its first set of Our Core Values in 2018, and Our Core Values have served us well until now.

However since then, Olympus has transformed into a

MedTech company. Our Core Values were reviewed not only to address a culture of true patient safety and quality mindset but also to align with the expectations of service and innovation from all stakeholders of the evolving MedTech industry landscape.

## OUR CORE VALUES

<p><b>PATIENT FOCUS</b> We put patients at the heart of everything.</p>	<p><b>INTEGRITY</b> We do the right thing.</p>	<p><b>INNOVATION</b> We look for new ways to make things better.</p>	<p><b>IMPACT</b> We take accountability and get things done.</p>	<p><b>EMPATHY</b> We care for one another and work together.</p>
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#### Initiatives to Activate New Core Values

Following the announcement of the revised core values in February 2024, Olympus launched a range of activities to engage with them.

As a first step to activate the core values, Olympus engaged leaders with information sessions and a toolkit for leaders to discuss the new core values within their teams.

For all colleagues at Olympus, a “Our Core Values Week” was offered to embed Our Core Values and encourage our employees to embody them.

As part of the Core Values Week, we conducted several

global online live sessions for deeper dive into the new core values and facilitated discussion on our internal intranet. Through guiding questions and exchange, we examined the significance of Our Core Values. By reflecting on real-world examples and personal experiences, colleagues gained fresh insights into the role these values play in driving our success and consider our commitment to living our values every day.

New employees are now also introduced to the new core values in their onboarding everywhere in the organization.

### Promotion of Diversity, Equity and Inclusion (DEI)

Olympus has been implementing its global Diversity, Equity, and Inclusion (DEI) strategy since April 2023. In June 2023, we established the new position of Chief Diversity, Equity, and Inclusion Officer (CDO). Wenlei Yang, CDO, explains the specific initiatives and future plans. She has built a Global DEI team to help her build the DEI strategy and implement it.



**Wenlei Yang**

Chief Diversity, Equity and Inclusion Officer

Joined Olympus in 1992 and held various roles mainly in global sales and marketing positions across China, Hong Kong and Japan, and was then appointed Regional Representative Officer, China in 2019 and Regional Representative Officer, Japan in 2023.

#### Definition of Diversity, Equity and Inclusion



##### Diversity

Respect for all people, regardless of differences in age, gender, race, sexual orientation, gender identity, socioeconomic status, ethnicity, (dis)ability, nationality and culture, language, religion, opinions, political stance, experiences, and career backgrounds.

##### Equity

The opportunities for growth that the company provides are not affected by the differences that each employee may have. Olympus provides equitable opportunities for everyone to perform at their best.

##### Inclusion

Employees are accepted as they are and feel safe to express their opinions freely.

#### Mission and Roles of the CDO

Following Olympus’ direction announced in our refined company strategy in May, 2023, I was named CDO. In this established role, I am overseeing and pushing implementation of important initiatives and activities together with our global DEI team as priority of this year. In our journey of achieving Our Purpose of “Making people’s lives healthier, safer and more fulfilling,” DEI is an indispensable piece of strategy to ensure that we can increase organizational capability and sustainability ensuring that we will be chosen by employees, customers, and all stakeholders. Through our close collaboration with each region, we continuously work to build an inclusive culture and equitable systems, where everyone, including the communities we serve, are accepted for who they are, with equal access to opportunities. We believe only when DEI becomes integrated into our daily work, will people be their true self, release their full potential, and perform at their best. Our people with their diverse backgrounds will better understand our customers’ varied needs and expectations, thereby creating new value by exchanging their opinions, and developing solutions together to ultimately contribute to Our Purpose.

#### DEI Strategic Initiatives

Before launching DEI global strategy, we conducted extensive research on external trends, public requirements, peers’ activities, and the company’s current state and needs regarding DEI. In addition to ongoing regional priorities, we summarized our four globally relevant themes as we launched in the strategy.

- Gender and Life Priority
- Nationality and Culture
- Career and Experience
- Inclusive Environment

We then started numbers of pilot initiatives across these themes in different regions and functions. For example: In Japan, we are proactively

moving ahead of government guidelines by improving support for men’s parental leave.

Simultaneously, we are enhancing the system to provide adequate resources for remaining team members during the leave period, reducing workload, and increasing productivity. We created a guidebook to structure information that needed to support leavers be better prepared for the leave period.

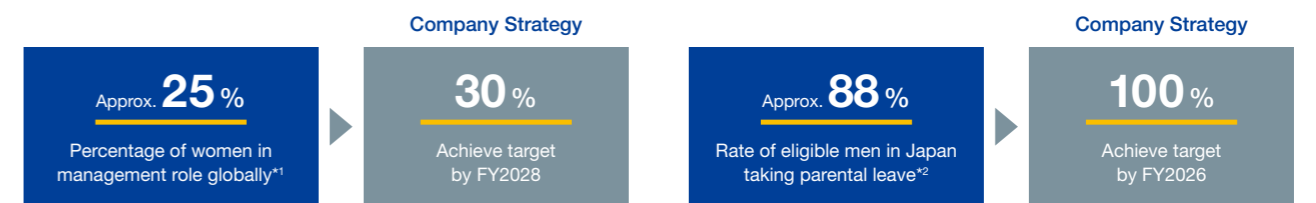
In addition, a peer learning pilot program connected 66 participants across regions, breaking down language and cultural/career barriers and creating collaborative opportunities. The feedback was so positive that we are expediting the expansion of the program.

Hundreds of global, regional, and key function leaders underwent comprehensive training to deepen their understanding, counteract bias, and create psychologically safe environments. Afterwards, there are post-workshop activities to embed the learnings. Furthermore, we are raising awareness globally through our “ABCs of DEI” micro learning campaign, where we share DEI-related concepts starting from A all the way to Z.

#### Mid-term Initiatives to Realize a Healthy Organization

Our efforts focus on building up the foundation in the first year, including creating awareness, piloting initiatives to address urgent needs, etc. In the longer term, we will review the company processes and policies through a DEI lens; incorporate DEI learning as part of regular training programs; and continuously raise awareness especially for encouraging leadership role modeling. At the same time, we will support more bottom up activities like active Employee Resource Groups both regionally and globally.

We drive our culture change by leveraging mindset while at the same time addressing our systems and structures following a long-term, phased approach.



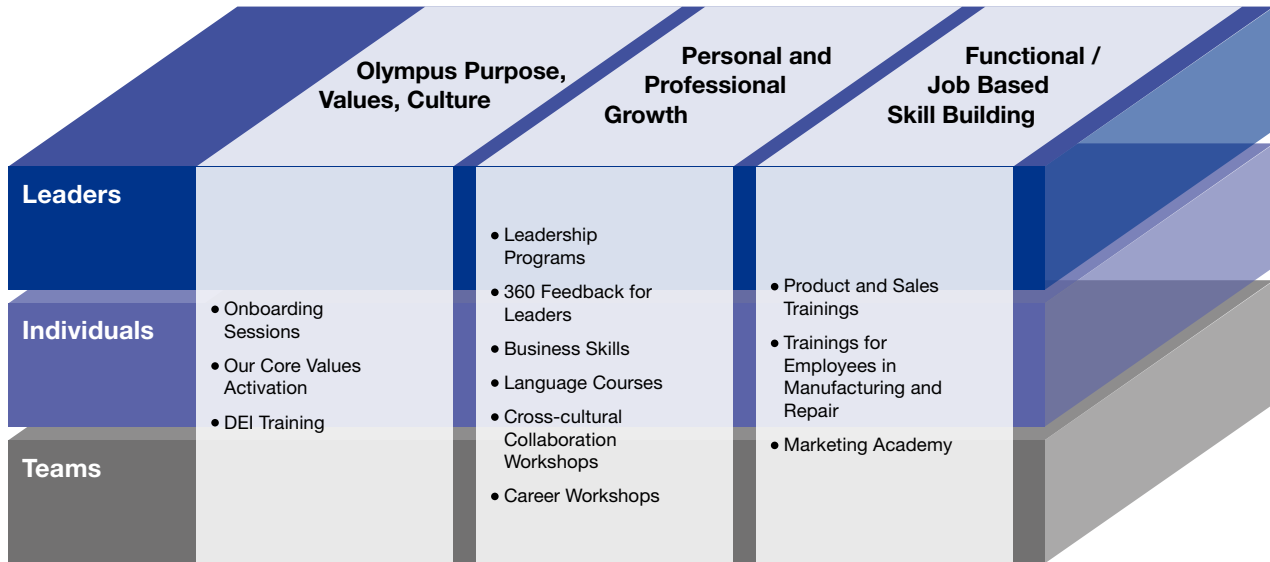
\*1 As of March 1, 2024

\*\*2 Olympus Corporation

Details : Elevating Culture: Olympus Unveils New Core Values Aligned to Global MedTech Leadership: <https://www.olympus-global.com/news/2024/nr02623.html>

Details : Diversity, Equity and Inclusion: <https://www.olympus-global.com/csr/social/diversity/>  
 Notice Regarding Newly Established Chief Diversity, Equity and Inclusion Officer: <https://www.olympus-global.com/news/2023/nr02512.html>  
 Employment: <https://www.olympus-global.com/csr/social/employment/>

## Our Development and Learning Offers Support Professional Growth and Global Collaboration



At Olympus, we focus on learning with and from each other to build our professional and personal skills.

**Building the skills and mindset required for success on a business and personal level:** Employees and leaders can make use of self-paced and highly individualized development offers (e.g., LinkedIn Learning for about 20,000 employees worldwide), facilitated courses and e-learning relating to business skills (e.g., project management, presentation, decision-making, feedback), language courses, cross-cultural collaboration and career workshops, etc.

**Building expertise in your chosen field:** Exemplary offers include, among many more, product and sales training for our salesforce, training for employees in manufacturing and repair, and the Marketing Academy.



### Leadership Development

In 2019, Olympus introduced the Global Leadership Competency Model (GLCM), which highlights the main competencies that leaders need to role model to deliver against our strategy and achieve our goals. This model was first applied in talent and succession management for global key roles. Since 2021, it has been expanded and rolled out to all management positions. The model is applied in hiring/selection, talent and succession management, learning and development, and from April 2023, in our global performance management process as well. The GLCM sets the foundation for our global leadership development offers.

In fiscal year 2025, Olympus will launch its first online global leadership program focusing on our leadership

competencies. Leaders will receive the chance to build their own highly individualized journey to further develop the competencies based on their personal strengths and development areas. This globally consistent live-virtual program ensures that Olympus leaders will develop a common language and skillset across the world.

**Global 360 Feedback:** Our leaders have opportunities to gather valuable insights on their leadership, their strengths, and development areas in our Global 360 Feedback process. Leaders receive feedback from direct reports, peers, and managers with the purpose of deriving development goals. Since its introduction in 2022, approximately 1,000 leaders have participated in the 360 Feedback process.