

# Transforming from Seiko Holdings to Seiko Group



## SEIKO GROUP PURPOSE

As a company trusted by society, we will constantly pursue innovation, inspiring people everywhere, and creating a future full of smiles.



## CORPORATE PHILOSOPHY

A Company that is Trusted by Society



On October 1, 2022, we changed our company name to “Seiko Group Corporation.”

The Seiko Group aims to become a sustainable group that leverages synergies between its businesses and creates new value as a solutions company that creates excitement, led by its Statement of Purpose.

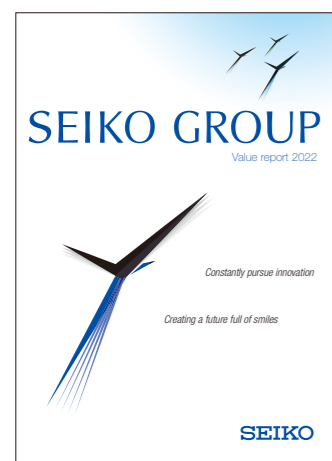
## GROUP SLOGAN

SEIKO Moving Ahead, Touching Hearts



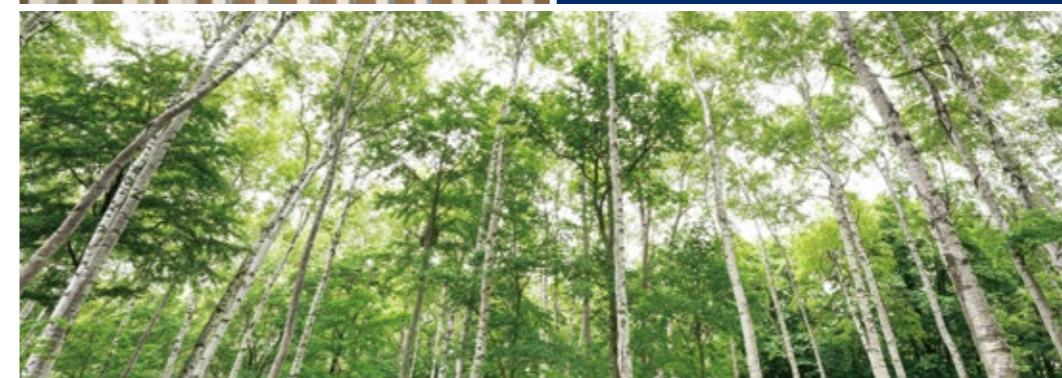
## 10-YEAR VISION OF THE SEIKO GROUP

Leveraging analog & digital synergies to offer products and services that contribute to the creation of sustainable societies, connecting people, things, and time throughout the world



## Cover Inspiration

In fiscal year 2022, the Group changed its name upon the launch of the new Mid-Term Management Plan, “SMILE145 = Seiko Milestone 145.” This year represents a new start, which is why we also redesigned the cover of the Value Report. The goal of SMILE145 is to make our company a solutions company that creates new value in three strategic business domains. On the new cover, the hands of timepieces take the forms of four birds, all flying toward the same destination. They represent the Seiko Group and its three strategic business domains, driven by their devotion to “Creating a future full of smiles” by “Constantly pursuing innovation,” which is the Group’s Statement of Purpose.





# Contents

## Introduction

Group Purpose / Corporate Philosophy / Group's 10-year Vision .....	1
---	---

Since the Group was founded, we have engaged in continuous innovation, while taking on new challenges, in order to create a brighter future and contribute to society at all times. All of our activities are led by our corporate philosophy, which is rooted in our Statement of Purpose.

## What We Are

Transition of the Seiko Group .....	4
Global Expansion .....	6
Social Value Created by the Seiko Group .....	8
CEO Message .....	10

In this section, we introduce the strengths we have developed over our 141 year-long history and the social value we provide.

## Value Creation Story

Value Creation Story.....	16
8th Mid-Term Management Plan "SMILE145" .....	18
Interview with the President .....	20

In this section, we explain the roadmap for the years leading up to our 150th anniversary and an overview of our value creation strategies.

## Strategic Value Creation

<b>Group Core Strategies</b> .....	
SDGs Strategy .....	26
Human Resource Strategy .....	30
Digital Transformation Strategy .....	32
R&D Strategy .....	34
Branding Strategy .....	36
<b>Four Business Opportunities</b> .....	38
<b>Three Strategic Domains</b> .....	
Emotional Value Solutions (EVS) Domain .....	40
Devices Solutions (DS) Domain .....	46
Systems Solutions (SS) Domain .....	48
<b>Financial Strategy</b> .....	
CFO Message .....	50
<b>Seiko Group Quality</b> .....	52
<b>Corporate Governance</b> .....	
Corporate Governance .....	54
Interview with an Outside Director .....	62
Risk Management .....	64
Corporate Ethics / Compliance .....	66
Investor Relations Activities .....	67

Here, we explain the five Group core strategies we employ in all of our businesses to promote the growth of the Group and society as a whole.

This section explains the four business opportunities we have identified through our business environment analysis.

Here, we explain the main strategies in our three domains to promote our business.

This section covers the financial approach of SMILE145 and the roles the Financial division will play in implementing SMILE145.

This section provides an overview of the status of our corporate governance, which supports our value creation and is the foundation of our corporate value improvement.

This section explains the Group risk management and the initiatives we are employing to respond to significant risks.

## Data Section

Financial / Non-Financial Review .....	68	Segment Information .....	76
Ten-Year Financial Table .....	70	By Quarter (by Segment) .....	77
Financial Statement .....	72	Overview of Company / Information about Shares .....	78

### Editorial Policy

In Value Report 2022, our fourth value report, we present the roadmap and KPIs for realizing what we aim to be in five years from now, together with clear and easy-to-understand explanations of the Group's sustained value creation, focusing on our new Mid-Term Management Plan "SMILE145," which was formulated by backcasting from the Group's 10-year Vision. We also introduce specific initiatives we are implementing through each strategy of SMILE145 to achieve the Group's sustainable growth and solve social issues.

### Scope of Reporting

Seiko Group including Seiko Group Corporation, its subsidiaries, and affiliates

### Target Period

April 1, 2021 to March 31, 2022  
(including some activities from April 2022)

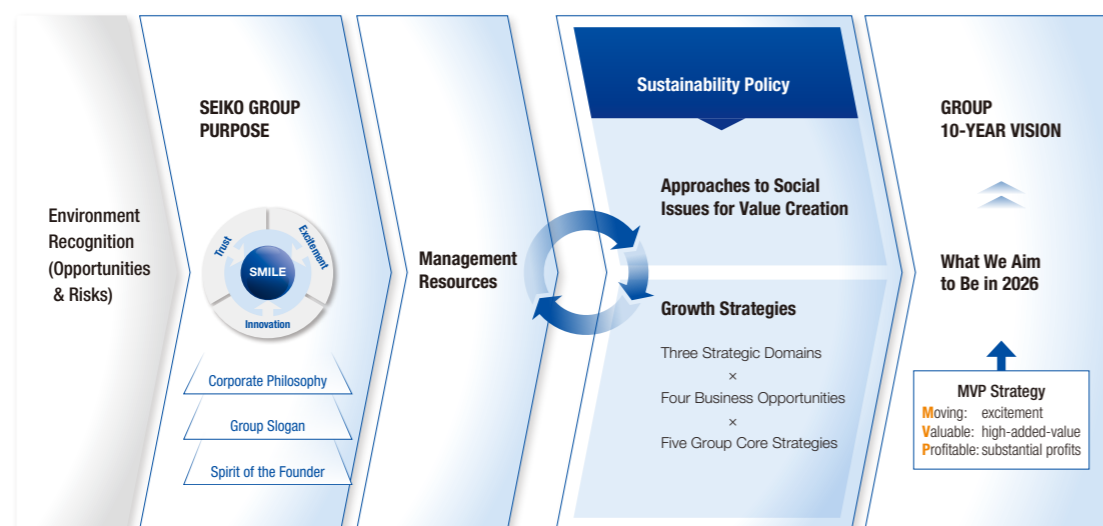
### Reference

"International Integrated Reporting Framework": International Integrated Reporting Council (IIRC)  
"Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation": the Ministry of Economy, Trade and Industry



### Forward-Looking Statements

Forecasts of future earnings performance in this document are based on information currently available to the Company and certain reasonable assumptions. Actual results may differ materially from these forecasts due to a range of factors. More detailed information regarding financial information not included in this report and corporate governance information can be found on our website. <https://www.seiko.co.jp/en/>



The story of our value creation in the years leading up to the 145th anniversary of our founding in fiscal year 2026, the midpoint of the Group's 10-year Vision for the 150th anniversary