Materiality 2

Ensuring Trustworthiness by Maintaining and Increasing Quality 🐻



Reason for Priority

Ensuring that products and services that are widely utilized in the market are safe to use is an important precondition for the development of a sustainable society. Amid advances in technologies such as IoT and AI, it is necessary to ensure quality, including product security, in addition to safety and environmental correspondence. Also customer needs that change in terms of lifestyle, value etc., are an important aspect of quality enhancement.

Commitment

The Nikon Group sees itself as having a mission to contribute to the healthy development of society by achieving creative, efficient Monodzukuri (manufacturing). To this end, we optimize our production system from a companywide perspective and consider each Monodzukuri (manufacturing) process from the product planning, development, and design stages, keeping in mind our response to future environmental changes. The most important theme here is guality assurance, which includes safety, environmental consideration, and product security. With the Quality Committee playing a central role, we are working to strengthen our company-wide guality management system, visualize guality loss costs, and foster a culture of quality by improving the level of quality education and entrenching behavioral principles, thereby preventing quality problems.

In addition, in order to meet the increasingly diverse and sophisticated needs of our customers, we will strive to ensure trustworthiness by maintaining and increasing quality, not only in our products, but also in supporting product orders and providing services.

> Nobuyuki Ishizuka **Executive Vice President** General Manager of Production Technology Division

(Activity Policies)

Basic Quality Policy

Quality Management Directive (QMD)

Governance

[Organizations]

Quality Committee

Nikon's Sustainability

Business Activity

Environment

• Fiscal Year 2022 Materiality Goals and Results

Self-evaluation O : Achieved \triangle : Measures started but not yet achieved

Governance

| Goals for Fiscal Year 2030 | What Nikon Needs to Do | Related SDGs | Scope | Goals for Fiscal Year 2022 | Results for Fiscal Year 2022 | Self-Evaluation |
|--|--|-----------------|-------------------------|--|--|---|
| Provision of high-quality products and services that are trusted by the customer through creative <i>Monodzukuri</i> (manufacturing) that emphasizes customer safety and the environment | Continue to provide high-quality products and services that win customers' trust and meet their expectations | 12 | Nikon Group in Japan | To prevent accidents involving safety-related products, establish safety design standards for products in new fields and conduct safety design training in a systematic manner | Issued standards for new fields in January 2023, including the X-Ray Equipment Safety Standards and the Industrial Robots Safety Standards (training on these standards is scheduled to be held in June and July 2023) | 0 |
| | Reduce quality incidents to zero | | Nikon Group | Conduct quality system re-inspection based on the comprehensively revised Quality Management Directive (QMD) for major Group companies | Inspected the quality management system based on QMD was conducted mainly at Group companies in Japan (issues identified were addressed by formulating improvement plans) | 0 |
| | | | | Nikon | Determine integrated rules for quality management system (QMS) assessments [®] and environmental management system assessments | After reviewing integration issues, decided to incorporate environmental management system assessments into QMS assessments from a long-term perspective. In added a mechanism to provide feedback on quality/environmental accident cases from assessments (rules will continue to be studied and trial operation is scheduled to start in fiscal year 2023) |
| | Enhance customer engagement, identify customer needs, and generate market development ideas | | Nikon Group | Undertake revision of the Nikon website to quickly guide website visitors towards the product information pages, so as to promote digital marketing aimed at strengthening customer engagement | Renewed global website in March 2023 with introduction of cookie banner and review of privacy notices etc. Began activities for compliance with GDPR and personal information protection laws in various countries | 0 |

* From fiscal year 2021, the Nikon Group began conducting conventional audits, referred to as assessments, related to quality control and management of chemical substances in products. These assessments are the same as the audits defined in JIS Q 19011, and refer to a systematic process for objectively evaluating the degree to which QMD requirements are being met.

Nikon Monodzukuri (Manufacturing)

Basic Approach

The Nikon Group's basic philosophy is Customer and Quality first, and we provide *Monodzukuri* (manufacturing) to realize the products and services that our customers want in the best way. We then anticipate our customers' challenges and drive innovation utilizing a variety of solutions. That is our vision for Nikon *Monodzukuri* (manufacturing). In order to achieve this goal, it is necessary to create a strong production system that can respond to any kind of changes. The Nikon Group will strive to strengthen resilience against changes in our business environment and achieve sustainable *Monodzukuri* (manufacturing) in production bases, technology, procurement and logistics, quality, and other strategies.

As a manufacturer, *Monodzukuri* (manufacturing) is the main source of Nikon's business activities. Going forward, we will further expand the value provided to our customers.

System

The Nikon Group has established the Production Technology Division, the Optical Engineering Division, the Advanced Technology Research & Development Division, and the Next Generation Project Division as the organizations that provide a cross-functional framework within each business unit. We are aiming for company-wide optimization of Monodzukuri (manufacturing) that transcends the boundaries of individual business units. Specifically, we are enhancing our manufacturing foundation by building an ECM (engineering chain management) system and framework, along with the corresponding technology, and developing our SCM (supply chain management). We will use this system and framework to promote not only existing businesses, but smoothly establish new ones. We will also create a worker-friendly work environment to improve productivity and realize high-quality Monodzukuri (manufacturing).

Strategies for Achieving Our Vision

Governance

Production Base Strategy

We will build a strong production system that can respond to changes by developing the unique strengths of each site and promoting cooperation among sites. As an example, Sendai Nikon, which was transferred from the Imaging Business Unit to the Production Technology Division, is being reborn as a development, prototyping, and production base for BtoB businesses at our various business units by utilizing highprecision manufacturing technology and development design capabilities. In addition, we are working to cross function all of the domestic production base to optimaize production system by transferring Miyagi Nikon Precision Co., Ltd. from FPD Lithography Business Unit in April 2023.

Technology Strategy

We will continue to strengthen the core technologies that will support Nikon Group's *Monodzukuri* (manufacturing) (materials, manufacturing, and assembly and adjustment technology) and utilize IE (industrial engineering) initiatives, equipment development, and DX, which make up the foundation of *Monodzukuri* (manufacturing), for future product development and manufacturing.

Procurement and Logistics Strategy

The environment surrounding the supply chain is undergoing dramatic changes, including soaring resource prices, tightness in material procurement, and logistics disruptions. Cooperation with procurement partners based on a strong relationship of trust is important for stable supply in the

• Enhancing Our Monodzukuri (Manufacturing) Foundation Under the Medium-Term Management Plan (Conceptual Image)

| Goal | | Realizatio | on of a strong product | ion system that can respon- | d to change | | | | |
|-------------------------|---|------------|--|-----------------------------|--|------------------|--|--|--|
| Key Success Factor | Provide value-added services by taking of the strengths of each locatic | | Timely delivery of d | ifferentiated technologies | Timely delivery of differentiated technologies | | | | |
| | Strengthening the effectiveness of the quality system and raising quality awareness | | Strengthening Monodzukuri (manufacturing) capabilities through a systematized education system | | | | | | |
| Sustainability Strategy | | | | | | | | | |
| Main Strategies | Production Base Strategy | Tech | nnology Strategy | Procurement and Logistic | cs Strategy | Quality Strategy | | | |
| | Human Resource Management Strategy | | | | | | | | |

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supply chain. We aim to work with procurement partners that adhere to the levels of quality and sustainability for providing the best required by Nikon, to deliver high quality and sustainable products to the world, to earn the trust of our stakeholders, and to sustain our corporate activities.

Quality Strategy

In order to always meet customer needs and deliver safe and reliable products (products and services) in a timely manner, we are working to maintain and strengthen the quality systems in each of our business units. To this end, we have established a Quality Committee to deliberate and make decisions on important matters related to quality control. The committee monitors and supervises the quality. In addition, as a means of raising quality awareness, we will develop basic principles of *Monodzukuri* (manufacturing) in order to solidify and establish the ideal state of *Monodzukuri* (manufacturing). We will summarize the quality-oriented approach and *Monodzukuri* (manufacturing) actions currently practiced at each production site, develop them as basic principles, and deploy them throughout the Nikon Group to firmly establish a quality-oriented culture.

Strengthening *Monodzukuri* (Manufacturing) Capabilities

The Nikon Group provides various types of training for promoting high-level *Monodzukuri* (manufacturing) capabilities, including specialized technical training by field for new employees, as well as employee training based on job duties and experience. Nikon has been providing longterm training, including technical training for new employees to acquire basic *Monodzukuri* (manufacturing) skills as well as basic training to cultivate design developers who will acquire knowledge and experience encompassing all *Monodzukuri* (manufacturing) processes, from upstream processes to downstream processes. Moreover, mid-level designers receive practical training on processing to acquire general manufacturing knowledge, with the aim of encouraging

Structural Diagram of Specialized Technical Training by Field

skills advancement. Furthermore, Nikon has also been offering training for cultivating optical designers in relation to maintaining and advancing opto-electronics technologies, one of Nikon's core technologies. The training entails both fundamental theoretical knowledge and passing on the Company's unique technology and skills. In fiscal year 2022, 214 courses were held with 4,558 participants.

Governance

In fiscal year 2023, we will provide opportunities to systematically learn about a wide range of technical fields, not only for young engineers, but also for career entrants and internal employee reskilling (re-training), in an effort to develop creative engineers with a broad perspective.

Human Resource Development (\rightarrow p.122)



Environment

Ensuring Quality and Safety

Basic Approach

The Nikon Group has established a Basic Quality Policy centered around the idea of increasing the value we provide to our customers, and the value that we provide to society, through our products and services. In order to put this policy into practice, we have also established the quality management directive (QMD).

For each business unit (including the Group companies), we have created a Quality Manual (QM) based on the QMD. This QMD encompasses the requirements of ISO 9001^{*} accreditation, and we are implementing swift and appropriate revisions in response to changes in trends and situations happening around the world.

The Nikon Group has obtained ISO 9001 accreditation, primarily at production companies, and the rate of

primarily at production companies, and the rate of

accreditation acquisition at Nikon and the Group

manufacturing companies is approximately 50% (percentage of companies).

* ISO 9001: An international standard of quality management system established by the International Organization for Standardization (ISO). The ISO 9000 series is a quality management system for organizations to maintain and manage quality. ISO 9001 certification can be obtained from an officially recognized body.

Basic Quality Policy

Based on its Corporate Philosophy of *Trustworthiness and Creativity*, Nikon has established the following Basic Quality Policy. It aims to increase the value that we provide to customers through our products and contribute to the healthy development of society.

 Enhance brand value and provide high-quality distinctive products to the market in a timely manner through creative and efficient *Monodzukuri* (manufacturing).
Provide safe and environmentally considered products and earn the trust of customers and society.

System

The Nikon Group has established the Quality Committee to deliberate and make decisions on important matters related to quality control for the entire Group. The General Manager of the Production Technology Division chairs the committee, and division managers from each business unit and others serve as standing committee. Under the Quality Committee we have established the Products Subcommittee, and Education Subcommittee—the purpose of these is to strengthen the functions of the Quality Committee in preventing quality and environmental problems, meeting legal and regulatory standards and ensuring security, and maintaining and improving manufacturing technologies.

• Quality Management System (As of April 1, 2023)

Decisions made at the Quality Committee are shared at the QMS^{*1}/CMS^{*2} Promotion Liaison Meeting which is held twice a year as a forum for exchanging information among all the business units. Based on this, each business unit reflects decisions made at the Quality Committee in its business processes, revising each QM where necessary, thereby strengthening the Quality Management System. In fiscal year 2022, we will continue to promote the three-year plan for quality system rechecks for all business units that started in fiscal year 2021, triggered by the comprehensive review of quality control guidelines in September 2020.

Governance

2 CMS: Chemical Substances Management System (Management of chemical substances in products)



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Comprehensively Managing Quality

The Nikon Group works to improve quality by establishing frameworks to comprehensively manage Nikon Group internal information, such as production-related information, along with external information obtained from customers and the marketplace.

In fiscal year 2022, we established indicators for quality loss costs in the production process of each business unit and began taking measurements, making progress toward shared company-wide visualization.

In fiscal year 2023, in addition to implementing improvement activities based on reduction targets for quality loss costs in production processes that were visualized in the previous fiscal year, we will advance quality improvement by developing a measuring system for unmeasured items.

Major Initiatives

Small Group Activities

The Nikon Group has been promoting small-group activities since 1979, believing that they are essential for ensuring high quality and that each and every employee has a high level of awareness and takes the initiative in improving daily operations. In fiscal year 2022, 706 groups and 5,672 people engaged in such activities at the Nikon Group inside and outside of Japan.

Furthermore, every year in July the Nikon Group holds Nikon Group Select Small Group Activity Presentation presided over by the company president, where the best activity groups from each region get together to talk and educate each other. In fiscal year 2022, more than 280 employees participated, including executives, and the excellent presentations were used as a reference for improvement activities in each unit. In addition, special presentations were made by improvement activity teams that transcended the boundaries of business units to develop best practices.

Quality Training and Raising Awareness

The Nikon Group believes it is imperative that each and every employee acquires the relevant knowledge and quality control skills, tailored to the specific requirements of individual employees' positions, levels and specialties. Based on this approach, starting with the Nikon Group in Japan, we are promoting internal education and awarenessraising related to quality in order to raise the standard for all employees and strengthen and foster the development of selected members from the workplace.

The Technical College program, a forum for training and

educating young engineers, had 1,027 participants in the mandatory training course on guality control in fiscal year 2022. In addition, the Expert Package Training program, which aims to develop experts in statistical quality control, has completed its fifth term, and a total of 109 students from the first through the fifth terms are active in the field. For e-learning programs, in fiscal year 2022, we updated our Introduction to Statistical Methods Training, equivalent to Grade 3 of the Quality Management and Quality Control Examination (QC KENTEI), adding content from statistical distribution courses. This training was also conducted early for some eligible participants. This new content will be rolled out to all employees in Japan in fiscal year 2023. For outside of Japan, we have begun producing video materials in the English, Chinese, and Thai languages, which will be implemented starting with some Group manufacturing companies in fiscal year 2023. In fiscal year 2024, we also aim to implement the same training as that required in Japan at Group manufacturing companies outside Japan. Furthermore, every year during Quality Month in November,

Governance

Furthermore, every year during Quality Month in November, Nikon hosts the Quality Month Conference. In fiscal year 2022, we welcomed Mr. Isao Endo, well-known author of books on building field capabilities and mechanisms for visualization and stronger companies to our conference, where he gave a lecture entitled "Corporate Management and Field Capabilities for Greater 'Trustworthiness and Creativity.'" Taking the perspective of a business consultant, he spoke about the importance of visualizing issues and field capability (the ability to execute) for working to solve issues with ownership in order to realize a company's ideal vision going forward. This is, in other words, the development of an organizational climate that allows each individual to take on challenges from the same perspective and the fostering of a culture of challenge will lead to a company's competitiveness.

Environment

This lecture was attended by approximately 120 Nikon Group executives and employees and 130 procurement partners, including those watching via the simultaneous webcast.

Quality Education Programs for Employees (Applicable to: Nikon Group in Japan)

Mandatory training for all employees

- E-learning for all employees
- Basic Quality Control Training (QC Grade3) Introduction to Statistical Methods Training (QC Grade 3)
- Basic Quality Control Training for new employees
- Specialist training for engineers
- Expert package training (comprehensive training that combines experimental design and multivariate analysis, etc.)
- SQC leader training (basic training combining Q7, N7, exam and estimation, etc.)

Implementing QMD CMS assessments

The Nikon Group conducts QMD/CMS assessments to check the status of quality management and management of chemical substances in products based on QMD, and investigates, confirms, and evaluates the status of quality management operations throughout the Group. This assessment is conducted by the Product Subcommittee Chairperson of the Quality Committee, who is responsible for the assessment. In the event of an improper situation, we instruct corrective action or improvement and promptly implement such measures to maintain and improve our quality control activities. Additionally, important findings are reported to the Executive Board Committee and reflected in our internal controls.

In fiscal year 2022, QMD CMS assessments were conducted for two Nikon divisions and six major group companies using assessment check sheets adopted to the organization being assessed.

The Nikon Group also make continuous reviews in order to further enhance the effectiveness and efficiency of these assessments.

Initiatives for Procurement Partners

Cooperation from procurement partners is essential in order to promote Quality First initiatives. Therefore, we conclude quality assurance agreements with our procurement partners based on their understanding of the Nikon Group's Quality First philosophy.

To quantitatively understand and manage the state of maintenance of the QMS, we conduct a self-evaluation using the Self-assessment Sheet once every three years. We also conduct QMS assessments for procurement partners that we have determined to be important.

In fiscal year 2022, we conducted QMS assessments for 84 procurement partners. For procurement partners that did not meet Nikon's required standards, we discuss countermeasures and implement systematic improvements with them.

We also analyzed the results of past QMS assessments and distributed instructions to our procurement partners on items

where they tended to fall below Nikon's required standards, requesting that they conduct self-inspections. Furthermore, we made efforts to determine rules for an integrated assessment with our high-affinity environmental management system assessments. After reviewing various issues and considering the ideal form of assessment from a long-term perspective, we decided on a policy to incorporate environmental management system assessments into QMS assessments and to add a mechanism to provide feedback on quality/environmental accident cases to assessments. In fiscal year 2023, we plan to determine rules for efficient and effective integrated assessments and begin trial operations.

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Nikon's Sustainability

Environment

Ensuring Safety of Products and Services

The Nikon Group gives due consideration to the safety of products and services for the entire lifecycle of the product from the planning stage, right through to disposal. Note that the number of serious product accidents relating to safety^{*} for fiscal year 2022 was zero.

* Serious product accidents related to safety: Based on the definition of serious product accidents used in the Consumer Product Safety Act.

Ensuring Safety in Products and Services

The Nikon Group regards safety as an integral part of the quality of its products and services, and believes that its most important mission is to provide safe products and services to its customers. This is also incorporated into the QMD and the rules of every business unit, which must be adhered to. In addition, we confirm in our regular QMD and CMS assessments that each division and department is implementing the safety-related matters incorporated in those QMDs and rules.

In addition, the Nikon Group is obliged to conduct safety assessments for all of its products. In line with the established the Safety Design Principles Sort (Safety Design Principles [General Standards], Common Standards and Product Area-Specific Safety Design Standards) which are based on international standards, etc., we are putting in place safety designs to pin-point and eliminate any potential risks and hazards.

In fiscal year 2022, we newly added two standards to the Safety Design Principle Sort. First is the Industrial Robots Safety Standards to ensure the safety of equipment mounted with industrial robots and parts and assemblies used with industrial robots, and the second is the X-Ray Equipment Safety Standards to ensure the safety of equipment using X-rays. The Nikon Group ensures safety through design reviews at the development and design stages and inspections of manufacturing processes during mass production. We also obtain certification from third-party certification bodies as necessary.

Product Security

Even during the rapid growth in technologies such as IoT and AI, the Nikon Group is strengthening and improving quality management systems in order to provide safe products and services to customers.

In fiscal year 2022, the Product Security Countermeasures Standards, established in 2019, were revised to strengthen security in Nikon Group products and services.

Product and Service Safety Training

To ensure the safety of our products and services, the Nikon Group conducts a variety of periodic safety education programs for employees, including the Safety Design Principles Sort that define standard of safety design, the Product Liability Act, and the Electrical Appliance and Material Safety Act.

In fiscal year 2022, approximately 1,260 employees of the Nikon Group in Japan took educational training courses provided by the Quality and Environmental Administration Department of the Production Technology Division and the Technical College. In addition, seminars were held to explain specific safety technologies with the aim of further deepening employees' understanding in Safety Design Principles Sort education.

Furthermore, in light of changes in the business environment,

we provide new training on robotics and in-vehicle products, and encourage participation in external training courses on safety design technology.

Governance

Response in Case of an Accident

The Nikon Group carries out planning, design, manufacturing, quality assurance, sales, logistics, and services with sufficient consideration to product safety. In the event of a quality problem in the market, including safety issues, or even if there are concerns regarding such an occurrence, we immediately cooperate with the relevant departments to ascertain the facts and promptly take any necessary measures in accordance with our escalation response procedures. Additionally, quality problems that have a significant impact on customers are reported to top management and disclosed promptly, and a system is in place to respond appropriately to customer inquiries.

In fiscal year 2022, we took measures to prevent damage occurring, spreading, or recurring against 11 incidents with following these procedures. These measures are also reviewed annually, and suitably revised if needed.

Flowchart Outlining Communication After Accidents Occur



Environment

Information Provision for Safe Use

In the Nikon Group, we provide appropriate information for all products to ensure that customers can use its products and services safely. For example, information on correct usage and information to help safeguard against accidents due to misuse or carelessness is provided directly on the products themselves and in instruction manuals.

Information which needs to be disclosed is stipulated in Nikon's proprietary Safety Design Principles Sort and we are confirming its appropriateness in product risk assessment or in safety evaluation.

Additionally, certification marks are indicated in accordance with the laws and regulations of each country or region where the product is sold.

For example, products with wireless functions are labeled as compliant with the Radio Act of various countries and regions. Furthermore, in fiscal year 2022, there were no violations of laws, regulations, etc., with regard to safety labeling and information provision.

Customer Satisfaction

Basic Approach

The Nikon Group strives to improve customer satisfaction and trust by providing products and services that are unsurpassed in safety and quality, and also useful to society. The Nikon Group has previously built a system.

Product Development for Imaging Products Based on Customer Feedback

At the Nikon Imaging Products, feedback is received through call centers, service counters and NPS^{*} staff from general and professional users as well as users who use photographic equipment in businesses worldwide. After careful analysis, customer feedback is examined from a range of different perspectives by departments such as the Product Development, Design, Marketing, and Quality Assurance Department. The results are reflected in our products and services leading to improved customer satisfaction. * Nikon Professional Services (NPS): A membership-based support services for professional photographers who use Nikon products.

Customer Feedback Flowchart (Imaging Products)



Breakdown of Call Center Inquiry Analysis and Investigation (Japan, Fiscal Year 2022)



* This breakdown of call center inquiries does not include questions regarding retail stores or product usage of the total 55,000 inquiries received.

Responding to Requests for Additional Functionality

Governance

Nikon takes requests from customers around the world very seriously, even after products are launched, and strives to satisfy customers by incorporating the latest features they seek into our products. For example, for the Z 9 flagship mirrorless camera released in December 2021, firmware version 2.00 released in April 2022 enables internal RAW recording at 8.3K resolution at 60 frames per second and 12bit color, as well as support for Custom Wide-Area AF, which offers a wide variety of AF area patterns. In addition, firmware version 3.00, released in October 2022, has been well received by many of our customers, with improvements such as better low-light limitations for autofocus and reduced loss of focus when an obstacle crosses in front of the desired subject.



Custom Wide-Area AF, added in Z9 firmware version 2.00

News > Nikon releases the upgraded firmware version 3.00 for the Nikon Z 9 full-frame mirrorless camera

mirrorless camera https://www.nikon.com/company/

Responding to Requests for Connection Methods

NX Field, a remote shooting system for corporate customers, is used at sporting and other events, where it enables connecting remotely to multiple Nikon mirrorless cameras and digital SLR cameras, allowing remote operation, settings, and automatic transmission of captured images to an FTP server. Since we received many requests from customers for a simple manual on how to connect, we published this manual as the NX Field Quick Setup Guide on the NPS* global website.



 $* NPS \rightarrow p.044$

Initiatives to Improve Services in the Imaging Products Business

For our imaging products business, along with our customer first mindset, we aim to provide after- sales service that makes customers say, "I am really glad I purchased a Nikon product. " In order to make this a reality Nikon has created a Service

Division at the Nikon Head Office.

As of the end of March, 2023, we have an organization that can provide consistent service quality to more than 200 repair service facilities and direct contact points (customer service counters) in 70 countries and regions around the world. We are also striving to improve services through diverse initiatives.

Maintaining and Improving Repair Quality

Once a year, an assessment is conducted at all Nikon service locations to check the accuracy of the equipment and tools is within standards. Additionally, in order to monitor repair quality at each site, repair data is collated by the Service Division headquarters at the Nikon Head Office on a monthly basis to verify the absence of any issues. At the same time, so as to be able to provide high-quality service in all countries and regions, we have introduced a cloud service that enables sharing of information on Nikon products and quality management, and through which we offer regular guidance to all service facilities, including local distributors and authorized repair service providers, in those countries and regions where Nikon does not have its own service facilities, with the aim of maintaining and improving service guality. We are also working to improve guality control and guality in individual countries and regions. For example, the employees of Nikon Imaging (China) Sales Co., Ltd. conduct twice-yearly assessments of each authorized repair service provider based on their own unique assessment list as well as visiting each service provider individually to hold technical seminars.

Enhancing Customer Satisfaction

Twice a year, in order to enhance customer satisfaction, we provide training on product knowledge that makes effective use of e-learning for employees involved with service

provision, and online technical training sessions using web conferencing systems.

Governance

In addition, the Imaging Business Unit is working to collect actual customer feedback, collate this data at the Service Division headquarters, and share the information globally so that the individual staff members involved with service understand the product concepts, and provide customers with advice regarding the optimal camera settings for the images they want to capture. We also offer a maintenance package that includes cleaning and an accuracy inspection for customers who wish to maintain their equipment prior to shooting.

We have posted a trouble-shooting guide on the Nikon website so that customers can diagnose issues before requesting service. Through measures such as these, we are working to not only sell products, but also provide added value.

As countermeasures against COVID-19, we not only conduct temperature checks at the service reception desk and provide alcohol for sterilization, but also avoid close contact by requiring appointments for reception visits and maintaining an appropriate physical distance while handling service requests.

Customer Satisfaction Survey Results

| | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
|--------------------------|--------|--------|--------|--------|--------|
| Customer satisfaction | 87.9 | 86.6 | 87.0 | 86.9 | 88.4 |

* The above figures include satisfaction with call center response in the Americas, Europe, and China

(%)

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Column

Strengthening Customer Engagement Through Interactive Communication

Nikon is committed to interactive communication with customers by enhancing online and offline contact points to provide a seamless experience. We are taking actions in a diverse range of countries and regions with the goal of making people fall in love with Nikon.

In Europe, as part of the #LevelUpWithNikon campaign, creators were invited to take Nikon equipment to tourist spots and other locations where their images can shine. We approached mainly young smartphone users and showed them tips on photography using Nikon equipment, letting them experience the difference in images from smartphones. We have also created and published video content capturing the event and the excitement of our customers.

In addition, we added a new Super Short Film Category for videos between 20 and 40 seconds in length to our Nikon Photo Contest 2022-2023. By accepting submissions of short videos, a more familiar medium for younger generations, we have lowered the barriers for participation especially among young video creators, providing opportunities to show off a more diverse range of works to the rest of the world. In Japan, we once again sponsored the annual Vertical Movie Award, an award supporting young video creators who challenge themselves via vertical movies. Through our activities, we have supported the activities of video creators with a particular focus on young people.

Strengthening the Foundation of the Organization to Utilize Design in **Management**

Governance

The Nikon Group has established an organization and operational structure that encourages design to enhance the value of the experience of products and services delivered By deepening our understanding of our clients' essential needs and utilizing the design process in our approach to their solutions, we aim to revitalize our efforts. In addition, in order to deliver even more value to the customer's experience of our products and services, we are focusing on traditional graphic design for not only all contact points items, but also on movie and exhibition booth design. In this way, we will continue to make use of design in our management to make the Nikon brand more valuable to our customers.

Design



Young smartphone users, in particular, were able to experience the difference between images from Nikon equipment and smartphones