

Materiality 7

Respecting Human Rights



Reason for Priority

Respecting human rights in every aspect of corporate activities is fundamental to our corporate social responsibility. As corporate activities become increasingly complex, we face greater risks of unintentionally causing, contributing to, or facilitating human rights violations. As a result, the importance of corporate efforts to respect stakeholder human rights, including the value chain and employees, is greater than ever.

[Policy for Activities]

- Nikon Human Rights Policy

[Organizations]

- Sustainability Committee

Commitment

The Nikon Group is profoundly aware of the importance of respecting human rights in our business activities and we address these issues with sincerity. In accordance with the Nikon Human Rights Policy and with respect to the seven human rights issues specified in this policy, we will implement human rights due diligence steadily based on the UN Guiding Principles on Business and Human Rights and advance initiatives to respect the human rights of all people involved in our business activities, including those in the supply chain, as well as constantly inspect for new risks. We will also foster a corporate culture that respects human rights so that all employees of the Nikon Group will conduct their business activities with integrity and respect human rights in accordance with this policy and relevant laws and regulations.

Muneaki Tokunari
Representative Director and President

Human Rights Initiatives

Basic Approach

In our business activities, the Nikon Group is directly and indirectly involved in the human rights of a variety of stakeholders. It is for this reason that our stance, which emphasizes respect for the human rights of all these people, is clearly enunciated in "2. Respect for Human Rights" of the Nikon Code of Conduct. We revised the Nikon Code of Conduct in April 2024 to add the continuance of due diligence to prevent and mitigate negative impacts. For employees in particular, we clarified further that the Nikon Group strictly forbids workplace discrimination, bullying, and any behavior that undermines individual dignity and character.

Furthermore, we have established our Nikon Human Rights Policy in order to clearly show how we address human rights issues related to our business activities under our Code of Conduct. The Nikon Human Rights Policy sets forth fundamental principles for us to practice in line with the UN Guiding Principles on Business and Human Rights, which were adopted by the United Nations in 2011. The Nikon Human Rights Policy, which was created through internal discussions with major relevant departments and incorporates advice from external experts, was enacted after approval by the Board of Directors.

The Nikon Group has other policies and standards in place specific to individual human rights issues, including the Nikon Group Privacy Protection Statement, the Nikon CSR Procurement Standards, and the Responsible Minerals Sourcing Policy. Nikon also supports the 10 Principles of the UN Global Compact, and we continue to implement measures aimed at realizing Principles 1 and 2 (Human Rights) and Principles 3 through 6 (Labor).



Nikon Code of Conduct

<https://www.nikon.com/company/sustainability/management/codeofconduct/>

Nikon Human Rights Policy

https://www.nikon.com/company/sustainability/society-labor/human-rights/human_rights_policy.pdf

* Nikon Human Rights Policy (Japanese) is a provisional translation of the Nikon Human Rights Policy (English).

Nikon Group Privacy Protection Statement

<https://www.nikon.com/privacy/group/>

Nikon CSR Procurement Standards

<https://www.nikon.com/company/corporate/procurement/csr/>

Responsible Minerals Sourcing Policy

https://www.nikon.com/company/sustainability/society-labor/supply-chain/Responsible_Minerals_Sourcing_Policy.pdf

Joining the UN Global Compact → p.027

Strategy

Risk

Human rights are our universal rights from birth to live happily and be treated with human dignity. As entities that respect human rights, companies must not inflict or encourage adverse impacts on human rights, and must take action when should such impacts arise. Companies must also seek to prevent or mitigate adverse impacts on human rights arising from business relationships that are directly related to company activities, products, or services, even if the company is not at fault. Failure to take such action risks infringing

on the rights of rights holders with whom the Nikon Group is involved. Such failures may cause damage to the brand value, loss of customer and public trust, and declines in business performance.

Opportunity

We can prevent adverse impacts on human rights through understanding human rights risks in the value chain. By respecting human rights and considering health and safety, we strive to increase employee job satisfaction and productivity through decent work, and improve the recruitment and retention of outstanding human resources. We can build trust with procurement partners by prohibiting forced labor and child labor, engaging in responsible mineral sourcing, and respecting workers' rights. These efforts will also allow us to pursue responsible and resilient procurement. Moreover, we can improve public trust and brand value by working to protect and extend human rights.

Strategy

In accordance with the Nikon Human Rights Policy and with respect to the seven human rights issues specified in this policy, we ensure the steady implementation of human rights due diligence based on the UN Guiding Principles on Business and Human Rights. We will conduct a comprehensive review of human rights initiatives in fiscal year 2024 for application beginning in fiscal year 2025. Specifically, we will analyze our value chain analysis and assess

impacts, reflect rights holder feedback, and inspect and identify human rights issues. We will also review our current efforts and establish the necessary structures for human rights policies, human rights due diligence, and remedies to more effectively implement our efforts in compliance with the UN Guiding Principles on Business and Human Rights.

Governance

The Nikon Group implements the Nikon Human Rights Policy under the management of Nikon's Sustainability Committee, which includes several members of the Nikon Board of Directors. Instructions from the Sustainability Committee are handled by the Corporate Sustainability Department, which functions as the secretariat for the Corporate Sustainability Department, together with related departments and committees. In the case that an emerging issue is identified, we will enhance our organizational framework and systems as necessary by consulting these departments and other appropriate departments as necessary. With the Nikon Group, we have reporting and consulting systems in place by company or by region. The activities of this committee are reported to the Board of Directors once a year. In turn, the Board supervises the appropriateness and effectiveness of human rights-related activities.

Any Group employee can use these systems to report violations of the Nikon Code of Conduct (including issues related to human rights). For external stakeholders, we have several channels of inquiry,

including contact points for suppliers and customer support, a hotline dedicated to conflict minerals issues, etc.

Reporting and Consulting System (Code of Conduct Hotline) → p.147



Inquiries
(Procurement, CSR Procurement, Green Procurement)
<https://www.nikon.com/company/corporate/procurement/form/>
Responsible Minerals Sourcing Hotline
<https://www.nikon.com/company/sustainability/society-labor/supply-chain/form/>

● Main Committees and Departments in Charge of Human Rights Issues

Committees And Departments In Charge	Main Issues Handled
Sustainability Committee	General human rights issues (managing the Nikon Human Rights Policy)
Human Resources Department	Prohibition of forced labor and child labor, elimination of discrimination and harassment, occupational health and safety, wages, working hours, freedom of association and collective bargaining rights, etc., with respect to Nikon employees
Administration Department	Contact points for employee reporting and consulting system
Information Security Department	Privacy (including protection of personal information)
Bioethics Review Committee	Bioethics
Supply Chain Subcommittee	Human rights issues in the supply chain (labor, conflict minerals, etc.)

Risk Management

In the process of developing the Nikon Human Rights Policy in fiscal year 2019, the Nikon Group implemented a risk assessment to identify significant human rights issues for the Group. This assessment used international human rights standards as a reference, benchmarking Nikon's situation against industry peers and reviewing past human rights violations reported in business domains where Nikon is active.

As a result of this assessment, we identified the following seven human rights issues as particularly important to our business, specifying them as such in the Nikon Human Rights Policy: Prohibition of Forced Labor and Child Labor, Elimination of Discrimination and Harassment, Occupational Health and Safety, Freedom of Association and the Right to Collective Bargaining, Working Hours and Wages, Right to Privacy, and Human Rights Issues in the Supply Chain. Since establishment of this policy, we have been working to enhance our efforts to address these issues and, if necessary, review our efforts.

In the event of any major changes in management, including in the scope of our business, or if it is deemed otherwise necessary to review these important issues, we take steps needed for review, including deliberation by the Sustainability Committee. To continue improving our response to human rights, we conduct human rights and labor surveys for Group companies and use the Responsible Business Alliance (RBA) *Code of Conduct self-assessment tool.

As we expand new businesses, we must identify

new human rights risks. In fiscal year 2022, we interviewed the persons responsible for the new Contract Cell Manufacturing business and Imaging Solutions business to assess the human rights risks of stakeholders in each aspect of the value chain. Upon examining risk severity and frequency, no serious human rights risks were identified for these new businesses. Furthermore, we will re-examine current human rights risks through a value chain analysis in fiscal year 2024.

We will also conduct proactive human rights awareness activities to ensure all employees of the Nikon Group conduct business activities with integrity and respect human rights in accordance with human rights policies and relevant laws and regulations.

* An international industry coalition dedicated to corporate social responsibility in global supply chains (labor, occupational health and safety, environment, and ethics).

Indicators and Targets

Indicators and Targets (Target Fiscal Year)

Level of awareness of Nikon Human Rights Policy: 100% (FY2030)

▶ FY2023

Plan

Human rights training participation rate: 95% or more (Nikon Group in Japan)

Results

Implemented human rights e-learning for all employees in Japan Attendance rate: 95%

▶ FY2024

Plan

Degree of human rights education: 80% or more

* Verified through Nikon Group awareness surveys.

Indicators and Targets (Target Fiscal Year)

Conformity rate of RBA Code of Conduct (manufacturing facilities): 90% or more (FY2025)

▶ FY2023

Plan

Analysis of RBA self-check sheets and implementation of improvements

Results

Formulated RBA self-check issue improvement plans for all eligible business facilities

▶ FY2024

Plan

Implementation of improvement plans for Nikon plants and Nikon Group companies formulated in fiscal year 2023

Major Initiatives

● Major Human Rights Initiatives by the Nikon Group

FY1997	Established the Business Conduct Committee (currently the Compliance Committee)
FY2001	Established the Nikon Code of Conduct, which touches on respect for human rights Established the Code of Conduct Hotline
FY2004	Established the Nikon Charter of Corporate Behavior, clearly stating respect for human rights as the basic approach of the Nikon Group
FY2006	Established the CSR Committee (currently the Sustainability Committee) to integrate CSR-related activities, including respect for human rights, and create a company-wide promotion system
FY2007	Revised the Nikon Charter of Corporate Behavior and newly established the Nikon CSR Charter (revised content regarding respect for human rights) Established the Nikon Procurement Partner's CSR Guidelines, clearly stating our approach to CSR in procurement, including respect for human rights, and what we expect of our procurement partners Joined the United Nations Global Compact (UN Global Compact)
FY2010	Launched monitoring surveys to manage human rights and labor standards globally for Group companies
FY2011	Established the Policy on Conflict Minerals and established a hotline for conflict minerals
FY2012	Launched conflict minerals survey and disclosure of survey results
FY2014	Joined the Responsible Minerals Initiative (RMI)
FY2015	Abolished the Nikon Procurement Partner's CSR Guidelines, established the Nikon CSR Procurement Standards, and launched CSR assessments and CSR audits
FY2016	Launched disclosure of compliance statement with the UK Modern Slavery Act
FY2018	Integrated the Nikon CSR Charter and Nikon Code of Conduct into a new Nikon Code of Conduct to serve as the Group's unified standard Joined the Responsible Business Alliance (RBA)
FY2019	Established the Nikon Human Rights Policy
FY2020	Launched streaming of the message from the president for Human Rights Day in the internal newsletter
FY2021	Created the Communications with an Inclusive Perspective of Human Rights handbook
FY2023	Established the Nikon Global Diversity, Equity & Inclusion Policy

Monitoring

In the Nikon Group, we conduct human rights and labor monitoring surveys for Group companies each year in order to continuously improve how we address human rights. The results of these surveys are reported to the Sustainability Committee, which provides instructions for further confirmation or corrective actions to prevent the occurrence or recurrence of human rights violations.

The surveys check if any Group company practices pose human rights and labor risks, the employment of migrant workers or foreign technical trainees, and the status of occupational safety hazards. Since our Group companies in Europe employ foreign nationals, we checked with the local authorities to ensure that these companies are in compliance with immigration laws regarding their employment. No major problems were identified in the surveys for fiscal year 2023.

In addition, Nikon has joined the Responsible Business Alliance (RBA) and uses the self-assessment tool for RBA Code of Conduct compliance to monitor human rights risk. In fiscal year 2022, the Kumagaya Plant underwent the RBA VAP audit*, the first such audit for Nikon. For the issues identified, the plant formulated and implemented a voluntary improvement plan to address such issues, undergoing a re-audit for improved items in fiscal year 2023. These efforts lead to the Kumagaya Plant receiving the Gold status in recognition of its high level of compliance with the RBA Code of Conduct. The plant plans to implement corrective measures in fiscal year 2024 for items found to be non-compliant during the re-audit.

In fiscal year 2023, we held briefing sessions for Group manufacturing companies in Japan and overseas and each Nikon plant. At these sessions, we provided feedback on the results of the RBA Code of Conduct self-assessment conducted in fiscal year 2022. We also formulated Improvement plans at Group manufacturing companies in Japan and overseas and each Nikon plant based on assessment results. In formulating these plans, the Corporate Sustainability Department discussed and confirmed the improvement plans of each applicable company through on-site visits to certain companies. We plan to implement established improvement plans in fiscal year 2024.

Moreover, we collect information on the latest trends and collaborate with relevant internal parties to take appropriate actions in response to the tightening of laws and regulations on human rights in various countries and regions.

* Validated Audit Process (VAP): An audit to verify compliance with the RBA's Code of Conduct for labor, health and safety, environment, and ethics, conducted by an audit organization accredited by the RBA.

Initiatives for RBA → **p.027**

Risk Management for Information Assets and Cybersecurity → **p.160**

Other related measures

Promoting CSR Procurement → **p.110**



Responsible Minerals Sourcing Report 2024(Results of the 2023 Survey)

https://www.nikon.com/company/sustainability/society-labor/supply-chain/Responsible_Minerals_Sourcing_Report_2023_Survey.pdf

Details of the Human Rights and Labor Survey

Date: End of each fiscal year

Target: Group companies (including non-consolidated companies)

Content:

- Presence of child labor (prohibition of forced labor), working environment for young workers and trainees (state of acceptance, type of employment/acceptance, work tasks, methods of age verification at the time of hiring/acceptance, state of compliance with respective local laws)
- State of employment of migrant workers and foreign technical trainees/specified skilled foreign workers, presence of explanation of employment work conditions before hiring, state of company burden for hiring expenses
- State of compliance with laws and regulations relating to minimum wages and working hours
- State of occupational accidents (outside Japan)
- State of freedom of association (outside Japan)

Human Rights Training

The Nikon Group works to disseminate information and raise awareness about human rights among our executives and employees.

Every December, for Human Rights Day, a message from the president is distributed to all employees through the internal newsletter and other means. In fiscal year 2023, this message was themed on diversity, equity and inclusion (DEI), as well as unconscious bias, with the intent of creating attractive workplaces. We also occasionally include human rights topics in our quarterly

sustainability newsletter to raise employee awareness.

Furthermore, the Nikon Group conducts an annual e-learning course on human rights. In Japan, fiscal year 2023 course materials covered topics including the relationship between business and human rights, DEI, and unconscious bias, with a 95% attendance rate. Overseas, the Sustainability Department of each regional headquarters leads the implementation of topics incorporating the issues of their respective regions.

In addition, we held the Events for World Human Rights Day 2023 in December 2023, mainly for employees in Japan. The event took place over the course of a month and featured various programs that attracted a large number of employees. These programs included talk events (on overseas Group company DEI initiatives, NPO activities on conflict minerals, and the situation in the Democratic Republic of the Congo) and a quiz on unconscious bias. We also prepared and distributed DEI-related merchandise for quiz participants to use as a communication tool.

We also provide presentations about the importance of human rights issues to our procurement partners as well as persons in charge of procurement within the Nikon Group.

Promoting CSR Procurement → **p.110**

Compliance with the UK Modern Slavery Act

The Nikon Group has released a statement on its website in accordance with the UK Modern Slavery Act (enacted in 2015).



Nikon Group Slavery and Human Trafficking Statement for the Fiscal Year Ended March 2023

<https://www.nikon.com/company/sustainability/society-labor/human-rights/uk-modern-slavery2023.pdf>

Labor Relations

The Nikon Group respects basic labor rights and is committed to human rights as described in the Nikon Human Rights Policy following the International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work.

At Nikon, the Nikon Labor Union has been organized as an organization representing employees. The Nikon Labor Union is affiliated with the Japanese Association of Metal, Machinery, and Manufacturing Workers (JAM), an industrial labor union that mostly consists of workers in the metal, machinery, and manufacturing industries. As of March 31, 2024, the Nikon Labor Union had 4,110 members, and 77.5% of Nikon employees were members of the union. When implementing measures related to the personnel system or work styles, we strive for full consultation with the Nikon Labor Union. Nikon also holds joint study meetings with the Nikon Labor Union, and exchanges opinions as necessary.

At Group companies in Japan, Nikon Labor

Union branch or employee-elected representatives are responsible for discussing with their company. At Group companies outside Japan, issues are discussed either by the company's in-house union or through consultations with an outside labor union to which employees belong. At companies where there is no labor union, we hold briefings for all employees, dialogue with employee groups, and face-to-face meetings with individual employees.

When ordering an employee to change the job description and/or work location, the Nikon Group will discuss it with their union or employee representative and inform the employee within a sufficient period of time prior to the effective date (Effective Date). Nikon, for example, sends preliminary sends preliminary notifications to eligible employees within the following timeframes as a general rule.

Types of transfers	Approximate Timing of Preliminary Notification
Transfers not involving a change of residence	Up to one week prior to the Effective Date
Transfers involving a change of residence Transfers involving a change in work location Temporary leave of absence and reinstatement due to secondment within Japan	Up to one month prior to the Effective Date
Temporary leave of absence and reinstatement due to secondment overseas	Up to three months prior to the Effective Date