



# NIKON SUSTAINABILITY REPORT 2024

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### About the Cover Photo

The cover photo features the Excellence Award winner of the Nikon Group Sustainability Photo Contest. We solicited entries from within the Nikon Group under the theme of the SDGs, receiving 137 submissions from ten different countries.

**Work title:** Protectors

**Winner:** Shibashis Mukherjee

**Company:** Nikon India Private Limited (India)

#### Reasons for the award

In this work, the mangrove area of the Sundarbans in India was photographed from above. Mangrove forests are known as "cradles of life" and are treasure houses of biodiversity. The work poses the question of whether we can pass on this wonderful environment to the future. It was praised as it is symbolic of environmental sustainability.

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# About Sustainability Report 2024

## Editorial Policy

The Nikon Group aspires to be a company that can both grow our business and contribute to the sustainable development of society. We also hope to build strong relationships with stakeholders by sharing information proactively about our basic approaches and initiatives.

The Sustainability Report 2024 is produced with reference to the GRI Sustainability Reporting Standards (GRI Standards) in order to provide comprehensive disclosure of non-financial information to stakeholders. In addition, we have disclosed climate-related information based on the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD). We have also disclosed biodiversity-related information by referring to the recommendations of the Task Force on Nature-Related Financial Disclosure (TNFD). We also refer to other domestic and international standards and guidelines as needed, such as the International Sustainability Standards Board's (ISSB) Sustainability Disclosure Standards (IFRS S1 and IFRS S2).

We have structured this report in accordance with the Nikon Group's materiality and reports activities and results for the reporting period, with detailed data disclosed in the Sustainability Report 2024 Data Index. Data marked with a star (★) in the Data Index has received third-party assurance from Deloitte Tohmatsu Sustainability Co., Ltd. in accordance with ISAE 3000 and ISAE 3410 (of the International Standards on Assurance Engagements) in order to improve the reliability of the figures.

## Reporting Period

Fiscal Year 2023 (April 1, 2023 to March 31, 2024)

Disclosures include some activities in or after April 2024.

## Boundaries

Nikon Group: Nikon Corporation and consolidated subsidiaries (81 companies)

\*When relevant, we clearly indicate individually defined boundaries (including non-financial information such as risks and dependencies) in each section. (Environmental data is summarized on p. 062)

## Definition of Words and Numbers

Nikon: Indicates Nikon Corporation or brand

Group Companies: Indicates Nikon subsidiaries

\* Employees: Includes Nikon Group executives, full-time employees, part-time employees, contract workers, dispatched workers, temporary personnel.

\* Numbers: The financial numbers in this report are rounded to the nearest hundred million yen, and to the nearest million yen when stated in millions. Other figures are also rounded after presentation. Therefore, sums of detailed figures may not match total amounts.

## Publication Date

September 2024 (previous report: September 2023)

This document is published once a year as an annual report. Some past environmental performance data has been changed due to expansion of reporting boundary and other reasons.

## Reference Guidelines, Etc.

GRI Sustainability Reporting Standards (GRI Standards)

Final Report Recommendations of the Task Force on Climate-related Financial Disclosures

Recommendations of the Task Force on Climate-Related Financial Disclosures

International Sustainability Standards Board (ISSB) IFRS S1, IFRS S2

## GRI Content Index

Comparisons with each item of the GRI Standards are shown in the GRI Content Index.

GRI Content Index → **p.G-01**

## Contact

Nikon Corporation Corporate Sustainability Department

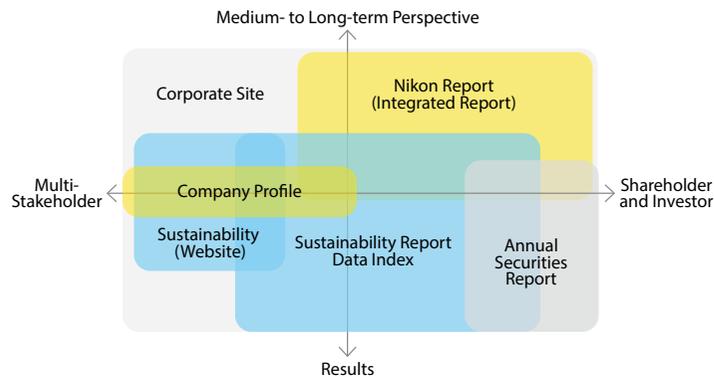
1-5-20 Nishi-Oi, Shinagawa-ku, Tokyo 140-8601, Japan

E-mail: [Csr.Info@nikon.com](mailto:Csr.Info@nikon.com)

## On Disclosure of Financial and Non-Financial Information

Nikon provides information designed for target audience and by time frame. We feature the Nikon Report (Integrated Report) on the Investor Relations page of our corporate website. This report highlights our efforts towards medium- to long-term growth and increasing corporate value. We also provide the Annual Securities Report, which contains information on our performance and management, primarily for shareholders and investors. Our Sustainability page provides information on environmental and social matters for a wide range of stakeholders, along with a Sustainability Report and data collection containing more detailed ESG information. Furthermore, the Corporate Information page provides a corporate profile that summarizes the company and its business.

### ● Division of Various Information Tools



Corporate Site  
<https://www.nikon.com/>



Investor Relations  
<https://www.nikon.com/company/ir/>

- Nikon Report (Integrated Report)  
<https://www.nikon.com/company/ir/management/nikon-report/>
- Annual Securities Report, etc.



Sustainability  
<https://www.nikon.com/company/sustainability/>

- Sustainability Report
- Data Index, etc.



Corporate Information  
<https://www.nikon.com/company/corporate/>

- Company profile, etc.

## CEO Message

# Toward a Sustainable Future



Toshikazu Umatate

Toshikazu Umatate  
Representative Director and Chairman, CEO

## Sustainability at Nikon

The Nikon Group aims to contribute to a sustainable society and achieve sustainable growth by putting into practice the Nikon philosophy of Trustworthiness and Creativity through our business activities. In line with this policy, we view our Sustainability Strategy to be one of the underlying foundations for us to achieve Vision 2030, *a key technology solutions company in a global society where humans and machines co-create seamlessly*. We pursue sustainability and businesses as one and the same.

Tragic conflicts continue around the world, and natural disasters causing significant damage are occurring with greater frequency. As a person focused on a sustainable future, I hope to see peaceful resolutions and recoveries as quickly as possible. As a global company, Nikon contributes to healthy environments for more prosperous and happy lives by mobilizing our strengths, including our technologies, brands, and networks.

## Greater Abundance Through Our Business Activities

Over our more than 100-year history, Nikon has contributed to society, helping humanity use machines to explore new worlds, live new experiences, and achieve new possibilities through opto-electronics and precision technologies. As an example, microscopes contribute to the advancement of research across a wide range of fields, including medicine and life sciences. Cameras contribute to higher degrees of expression and enrichment of the spirit. Lithography systems, which are indispensable for the manufacture of semiconductors and FPDs, underpin the development of a convenient and comfortable IT society.

Society is entering a new stage of transition called *Industry 5.0*. We are determined to make society more sustainable and create more prosperity and happiness, playing an important role in this transition through our technologies and expertise. Based on this commitment, our Medium-Term Management Plan describes an evolution away from a business selling end products mainly toward strengthening the delivery of integrated solutions that encompass end products, services, and components. Our plan calls for developing business in two value domains: Industry that expands possibilities for people

and Quality of Life (QOL) that make lives better. Our greatest contributions will be in the areas of safety and work environment, decarbonization, circular systems for resources, health, and enriched spirits.

## Innovation in the World of Manufacturing

We pursue a variety of initiatives to expand value creation across these five areas. The Digital Manufacturing Business is one of our strategic businesses. Here, we acquired the SLM Solutions Group AG (SLM) of Germany, a global leader in metal additive manufacturing solutions, making the company a wholly owned subsidiary in September 2023. In April 2023, prior to this acquisition, we established Nikon Advanced Manufacturing, Inc. as a global headquarters for our Additive Manufacturing Business on the West Coast of the United States, which is home to a concentration of aerospace industry and high-tech companies that have a large and growing needs for precision metal processing. This is the first time in our more than 100-year history that the global headquarters of a Nikon business unit is located outside Japan. The combination of SLM, now a subsidiary, Nikon AM Synergy Inc., which develops applications for aerospace components in the United States, and Nikon technology and expertise will bring innovation to the world of manufacturing.

## A Company That Fosters Personal Development

I believe that human resources are of particular importance as we make major changes in the structures of our businesses and companies. This is why I took a personal hand in forming an HR team headed by myself. We continue regular discussions of what kind of human resources we need, the qualities and skills we seek for each business, and the measures we will take to acquire talent, develop talent, and leverage talent.

It is essential that we become a group of professionals who work with initiative, knowledge, and skills to propose optimal solutions that coordinate internal and external resources, always acting with the success of our client in mind. Nikon outlines a clear direction for company and organizational goals, incorporating these considerations

into our human resources strategy, providing opportunities for diverse employees to maximize their abilities. At the same time, we expect our employees to make the most of every opportunity, continuing to improve their skills proactively. Nikon supports the efforts of employees who strive for growth, and both fairly and impartially reward those employees who produce results and contribute to the company. Our aim is to be an organization in which employees can experience growth for themselves while helping Nikon grow as well.

## Aiming for Further Growth

Nikon has continued discussions on optimizing the composition of our Board of Directors. Since June 2023, we had two female directors and half of the Board were external directors. Since June 2024, the chairperson of the Board has been an external director and the majority of the Board consists of external directors, further guaranteeing independence.

In April 2024, we transitioned to a management structure led by Mr. Tokunari as president and COO, and me as chairman and CEO. I have determined our management policy as we travel steadily toward a 2030 Vision as described in our Medium-Term Management Plan. At the same time, Tokunari leads the execution of growth strategies, including M&A and capital investment, while strengthening our business management systems and infrastructure, including profit management and risk management. Leveraging our different backgrounds, the two of us work hard to achieve further growth and social contributions at Nikon.

I ask you, our stakeholders, for your continued support and lofty expectations of the Nikon Group.

July 2024

## COO Message

# To Be a Company That Grows with Society

## Sustainability Strategy

Nikon seeks to fulfill our Vision 2030, aiming for even higher corporate value as we become a key technology solutions company in a global society where humans and machines co-create seamlessly. To this end, we must establish a solid management foundation, which I believe is my mission as the newly appointed president and COO.

Our Medium-Term Management Plan (FY2022-FY2025) describes sustainability strategies as one of the foundations of management. Specifically, we pursue initiatives from the two perspectives of meeting society's expectations to win trust and contributing to society through creativity, under a Corporate Philosophy of Trustworthiness and Creativity and a framework of 12 materialities across four areas.

We believe sustainability initiatives will lead to an increase in corporate value, including financial value, within a certain time frame. Given this background, I intend to continue pursuing sustainability steadfastly as president and officer in charge of the Corporate Sustainability Department.

## Making Contributions Through Creativity

Since fiscal year 2023, Nikon creativity has helped us make steady contributions in the areas of safety and work environment, decarbonization, circular systems for resources, health, and enriched spirit.

In terms of health, we established the Nikon Healthcare R&D Center (Shonan) and the Nikon BioImaging Lab R&D Center Lexington, which will serve as bases for R&D, in Japan and the United States, respectively. These centers strengthen our R&D structure for drug discovery support. In addition, Nikon and Group company Nikon Solutions have signed collaboration agreements with universities, hospitals, and other companies conducting cutting-edge research for digital transformation of life science and medical research.

In terms of enriched spirits, we made RED.com, LLC a subsidiary company. RED.com is involved in making professional digital cinema cameras for filming movies and commercials. We intend to develop the professional digital cinema camera market, which we expect to grow in the future, contributing to the development of imaging culture in the film and



A handwritten signature in black ink, appearing to read 'M. Tokunari'.

Muneaki Tokunari  
Representative Director and President, COO and CFO  
Officer in charge of the Corporate Sustainability Department

video sector.

In terms of safety and work environments, we introduced new products in X-ray/CT systems that allow for non-destructive inspection and measurement. We also introduced modules for robots that work in collaboration with humans in support of leading-edge manufacturing. In terms of decarbonization, we have continued to build on last year's progress related to aircraft, conducting proof-of-concept tests for riblet processing used in connection with wind power generation equipment and ships. Riblet processing is an artificial microstructure that mimics shark skin and reduces frictional resistance on object surfaces. At the same time, we foster circular systems for resources by refurbishing lithography systems and other products.

In November 2023, we established corporate venture capital fund Nikon-SBI Innovation Fund II together with SBI Investment. This fund will invest in the latest technologies and services such as aerospace, energy, and carbon neutrality, which are considered as new areas looking beyond our current Medium-Term Management Plan. Nikon will incorporate the cutting-edge technologies and business models of venture companies, while promoting the creation and nurturing of new businesses and realizing business synergies.

We continue to create and nurture businesses that contribute to sustainable societies.

## Responding With Trustworthiness

As part of our efforts toward trustworthiness, we have made significant progress in decarbonization activities. Our previous goal was to use 100% renewable energy sources for electricity in business activities by fiscal year 2050. However, we decided to accelerate this goal 20 years, aiming to achieve 100% by fiscal year 2030. As we have endeavored to achieve carbon neutrality by fiscal year 2050, we set a new goal in line with the requirements of the Science Based Targets (SBT) Initiative. This new goal is to achieve effectively zero\* greenhouse gas emissions. This goal was certified by the SBT Initiative as a net-zero target consistent with the 1.5°C target defined under the Paris Agreement.

In April 2024, we performed a ground-up revision of the Nikon code of Conduct, which embodies the basic Nikon approach to CSR and lays down standards for employees to follow. In conducting this revision, we held exhaustive discussions to

ensure that the code is responsive to the expectations of a company with regard to social issues including human rights and the environment, the latest trends in laws and regulations, and changes in the business environment. In fiscal year 2024, we will provide detailed education on a global basis to ensure that every employee understands the new Code of Conduct and acts with integrity.

We are also making progress in initiatives lined up with our materialities. Our efforts here include reviewing our human rights due diligence, pursuing higher degrees of resource circulation through the product lifecycle, conducting supply chain assessments, and engaging in improvement activities. The fruits of our endeavors will prepare us to implement timely and appropriate disclosures in response to trends leaning toward legal mandates or recommendations regarding non-financial information disclosures.

## Where the Strength of the Individual is the Strength of the Organization

As president, COO and CFO, I am committed to strengthening global governance, modernizing production plants, and pursuing digital transformation (DX). On the operational side, I will focus on our balance sheet and cash flow while working to improve business portfolio management to optimize capital allocation. Our human capital is key to these efforts. I feel strongly the need for and importance of engagement with our employees. Engagement is a relationship equals, growing and contributing together. I want Nikon to be a company where every employee experiences personal and corporate growth, and to be an organization where employees reach their full potential.

In April 2023, we established the Nikon Global Diversity, Equity & Inclusion Policy. Under this policy, we strive to foster work environments and a company culture where the characteristics and abilities of all team members are accepted and valued. Nikon attracts people with a wide range of attributes, experience, and expertise. An environment in which every one of these diverse employees freely expresses their opinions brings strength to Nikon as an organization and fosters innovation. I believe this movement will help us become a key technology solutions company in a global society where humans and machines co-create seamlessly.

July 2024

\* 90% reduction of GHG emissions (Scope 1, 2, and 3) throughout the value chain, with the remaining emissions neutralized according to the criteria established by the SBT Initiative.

# Nikon Group Profile

## Corporate Information

**Company name** Nikon Corporation

**Head office** 5-20, Nishioi 1-chome, Shinagawa-ku, Tokyo 140-8601, Japan  
Tel.: +81-3-3773-1111

**Representative** Toshikazu Umatate  
Representative Director and Chairman

**Established** July 25, 1917

**Capital** ¥65,476 million (as of March 31, 2024)

**Revenue** Consolidated 717,245 million yen (as of March 31, 2024, presented under International Financial Reporting Standards (IFRS))

**Number of employees** Consolidated 19,444 (as of March 31, 2024)  
Non-consolidated 4,388 (as of March 31, 2024)

**Group companies by region (consolidated; as of March 31, 2024)**  
Japan [excluding Nikon] 20 companies / Europe 18 companies / Asia Oceania 25 companies / Americas 18 companies

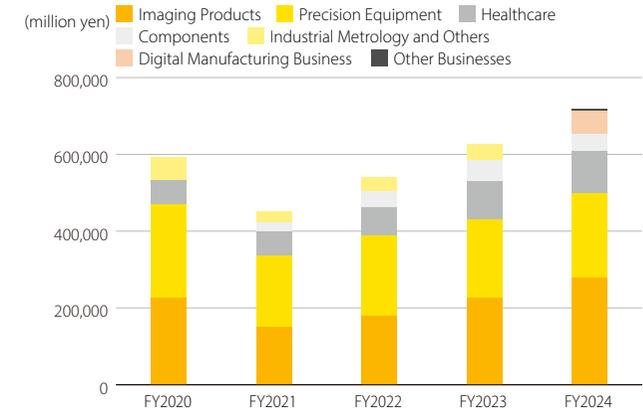
**Business domains** The Nikon Group provides a wide range of products, services, and solutions globally based on our opto-electronics and precision technologies cultivated over more than 100 years of history.

## Main Business, Products by Segment

- **Imaging Products Business**  
Digital camera-interchangeable lens type, interchangeable lens, professional digital cinema cameras
- **Precision Equipment Business**  
FPD lithography system, semiconductor lithography system, Alignment station, Measurement and inspection system
- **Healthcare Business**  
Biological microscope, Retinal diagnostic imaging system, cell manufacturing
- **Components Business**  
EUV-related components, optical parts, optical components, encoder, measurement and inspection systems, photomask substrate for FPD
- **Digital Manufacturing Business**  
Metal 3D printers, optical processing machines, 3D scanners, contract material processing

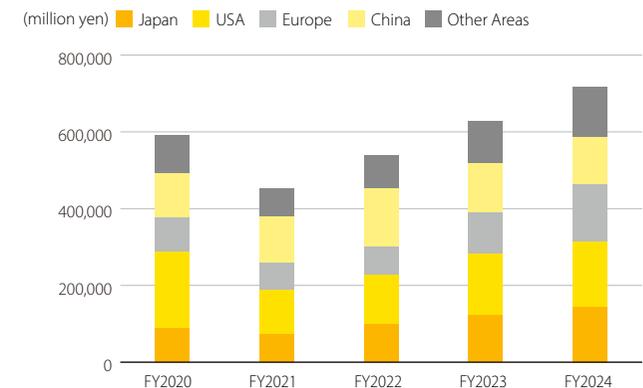
## Main Financial Data

### ● Revenue by Industry Segment (Consolidated)



\* Figures are presented in accordance with IFRS.  
 \* Based on reportable segments through the fiscal year ended March 2023. The Components Business is presented as a reportable segment beginning the fiscal year ended March 2022.  
 \* Composition of revenue by segment

### ● Revenue by Region (Consolidated)



\* Figures are presented in accordance with IFRS.

Corporate Philosophy

Trustworthiness and Creativity

Corporate vision

Unlock the future with the power of light

## External Evaluation

As a business enterprise that adopts a proactive stance towards sustainability activities, the Nikon Group has received positive evaluations from a variety of external organizations.

### Inclusion in ESG Investment Indexes (As of June 15, 2024)

#### Dow Jones Sustainability Indices DJSI World and DJSI Asia Pacific

Selected: Since 2018

Every year, the sustainability of major global companies is quantified from three perspectives: economy, environment, and society. Based on the results of evaluation by industry, approximately the top 10% are selected for DJSI World and approximately the top 20% in the Asia-Pacific region are selected for DJSI Asia Pacific.

Member of

#### Dow Jones Sustainability Indices

Powered by the S&P Global CSA

#### FTSE4Good Index Series

Selected: Since 2004

The ESG Investment Indexes by FTSE Russell, wholly owned by the London Stock Exchange.



FTSE4Good

#### FTSE Blossom Japan Index\*<sup>1</sup>

Selected: Since 2017

FTSE Blossom Japan Index is designed to reflect the performance of Japanese companies with excellent track records in terms of ESG.



FTSE Blossom Japan Index

#### FTSE Blossom Japan Sector Relative Index\*<sup>1</sup>

Selected: 2022

It is designed to measure the performance of Japanese companies that demonstrate relative environmental, social, and governance excellence in their respective sectors.



FTSE Blossom Japan Sector Relative Index

#### MSCI Nihonkabu ESG Select Leaders Index\*<sup>1</sup> \*<sup>2</sup>

Selected: Since 2024

An index constructed by selecting companies with excellent ESG ratings from the constituents of the MSCI Japan IMI Index. In order to prevent bias in industry sectors, it utilizes the industry classification of the S&P Global Industry Classification Standard (GICS), selecting the top 50% of companies with high ESG ratings within each sector.

### 2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

#### MSCI Japan Empowering Women Index\*<sup>1</sup> \*<sup>2</sup>

Selected: Since 2019

The MSCI Japan Empowering Women Index selects companies in various industries that have demonstrated superior gender diversity performance, from among the 500 listed Japanese companies with the highest market capitalization.

### 2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

#### S&P/JPX Carbon Efficient Index\*<sup>1</sup>

Selected: Since 2018

The S&P/JPX Carbon Efficient Index is an index that uses TOPIX, the representative stock index for the Japanese market, as its securities universe and selects composite stocks with a focus on disclosure of environmental information and level of carbon efficiency.



\*<sup>1</sup> Selected as an ESG index by the Government Pension Investment Fund, or GPIF.  
\*<sup>2</sup> The inclusion of Nikon Corporation in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, does not constitute a sponsorship, endorsement or promotion of Nikon Corporation by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates

## ESG Evaluation (As of March 15, 2024)

### CDP Climate Change A List and CDP Supplier Engagement Leader

CDP is an NPO whose main activities include requesting that business enterprises and local government authorities disclose information relating to the measures they have taken to address environmental issues, including climate change strategies, waste resource conservation, forest conservation, etc., in line with requests from global institutional investors etc. who are concerned about the environment, and also promoting increased adoption of measures of this type. Organizations that secure an A rating (the highest possible rank) in relation to climate change are included in the CDP Climate Change A List. Nikon has been selected for the "A List" for the fifth consecutive year from FY2019.

Furthermore, Nikon has been selected as a "Supplier Engagement Leader", the highest rating in the CDP's Supplier Engagement Assessment, which evaluates how effectively companies are collaborating with their suppliers on climate change issues, for fifth consecutive years from the fiscal year 2019.



### AAA MSCI ESG Rating

The MSCI ESG Ratings adopt a seven-point scale from "AAA" to "CCC," ranking a company's ESG performance according to industry-specific ESG risks and its ability to manage those risks relative to its industry peers. In both 2023 and 2024, Nikon achieved the highest rating of "AAA".

\*THE USE BY NIKON CORPORATION OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF NIKON CORPORATION BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED 'AS-IS' AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.



### ISS ESG "Prime" Status

ISS ESG is the responsible investment arm of the world's proxy advisory firm, Institutional Shareholder Services Inc. (ISS) and conducts sustainability rating assessments. On December 4, 2023, we are rated "Prime" in the ESG Corporate Rating that is given to companies that are received high evaluation from the perspectives of the environment, society, and governance in their industry sectors.



### Sustainability Yearbook 2024

#### Top 10% S&P Global CSA Score

S&P Global conducts the Corporate Sustainability Assessment (CSA) on listed companies worldwide every year, evaluating their sustainability from economic, environmental, and social perspectives. The company publishes "The Sustainability Yearbook" online with the aim of distinguishing companies that have received high CSA scores and includes the top 15% of scoring companies in this Yearbook. Nikon is listed in "The Sustainability Yearbook 2024" as a company whose score is within 10% of the top company in its industry category. In the 2023 CSA, approximately 9,400 companies across 62 industries were surveyed, and 759 companies were listed in "The Sustainability Yearbook 2024".



### Sustainalytics ESG Risk Ratings

Sustainalytics evaluates how exposed companies are to significant ESG issues and how effectively they manage them. The ESG risk ratings are designed to assist institutional investors in identifying and understanding financially material ESG risks at the individual security/portfolio level, and we have received a Low Risk rating.



# Overview of the Medium-Term Management Plan

## Vision 2030

On April 7, 2022, the Nikon Group announced its Medium-Term Management Plan (fiscal years 2022-2025). In order to formulate this Medium-Term Management Plan, we first imagined our Vision 2030, set targets to be reached by 2025 to move toward achieving this, and then laid down measures to make it a reality. When we imagine society in 2030, there will be changes in people's values and outlook on life, changes in social environments, such as climate change and resource scarcity, and the continuation of technological innovations, such as the arrival of Industry 5.0. In the midst of such great change (a megashift), we believe that people will leave the labor required to live up to machines and humans and machines will co-create seamlessly in order to enable people to focus on more creative work for self-expression and consumption in the pursuit of value.

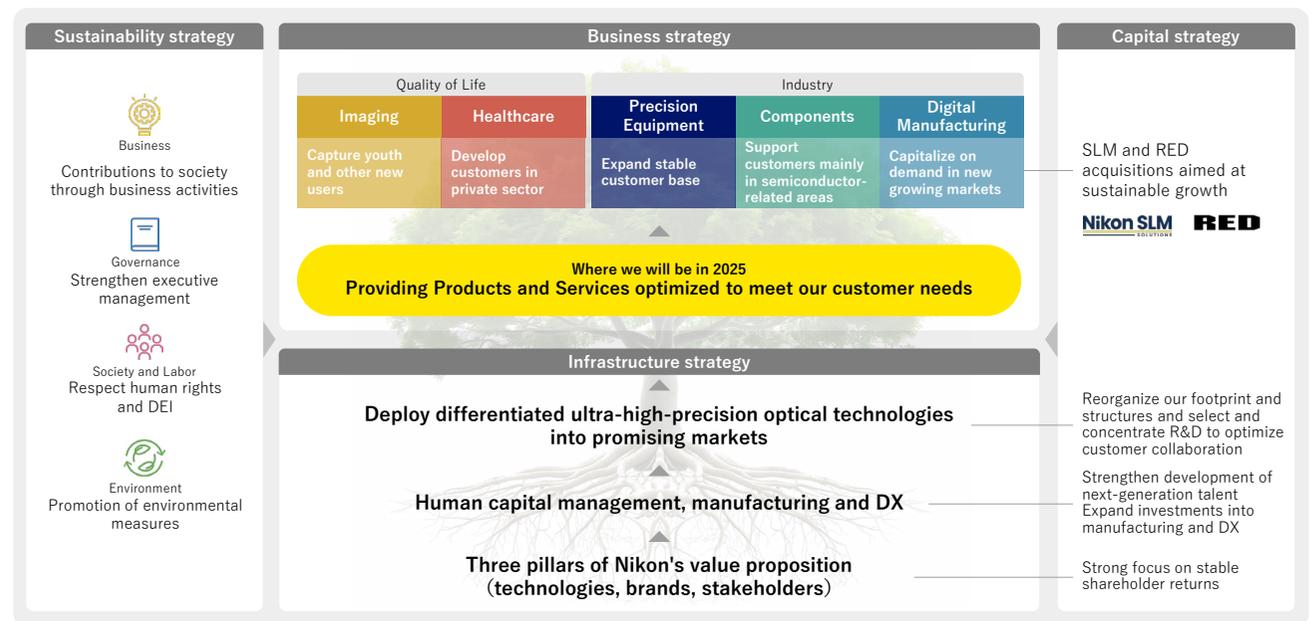
Nikon has three strengths: innovations in manufacturing technologies, proven capability and brand to deliver sophisticated solutions globally, and strong support from stakeholders. Taking advantage of these, we wanted to continue to provide new value to a global society where humans and machines co-create seamlessly in 2030, and so we formulated our Vision 2030 as A key technology solutions company in a global society where humans and machines co-create seamlessly. In order to do this, we will accompany our customers and deeply align with customer needs, thereby aiming to be a supporter of customer innovation.

## Direction for the Entire Company

The current Medium-Term Management Plan covers the four-year period from fiscal year 2022 to fiscal year 2025. Toward the year 2030, we have set where we will be in 2025 as a company that providing products and services optimized to meet our customer needs.

In order to reach this point, Nikon has set the direction for the entire company to strengthen delivery of solutions integrating end products, services and components in order to address two management issues: evolve from a business mainly in sales of end products, and cultivate new earnings pillars alongside Imaging Products and Precision Equipment.

First, in order to strengthen solution delivery, we are breaking away from the production-oriented perspective, being closer to our customers, accurately grasping their needs, and providing end products, services, and components as integrated solutions. In addition, in the main businesses of the Imaging Products Business and Precision Equipment Business, we will expand customer interactions and the value delivered to secure stable revenues, and work to scale earnings in Strategic Businesses such as the Healthcare Business and Components Business. Furthermore, we will strive to grow profits through growth drivers in each of our businesses and diversify profits with expansion in services and components.



Specifically, we will focus on five growth drivers: optical and EUV related components, material processing and robot vision, digital lithography, imaging contents, and contract cell manufacturing and drug discovery support.



Medium-Term Management Plan  
<https://www.nikon.com/company/ir/management/midtermbusiness/>

### Strengthen Management Base to Support the Implementation of the Medium-Term Management Plan

Strengthening the management base is critical to implementing the business strategy set out in the Medium-Term Management Plan.

To this end, we pursue the sustainability strategy, human capital management, DX with a focused on customers and employees, technology, *Monodzukuri* (manufacturing), and corporate governance. We continue to develop human resources and systems to respond to business changes and strengthen our delivery of solutions.

Our Approach to Sustainability → p.019  
 Corporate Governance → p.151



Technology and Design  
<https://www.nikon.com/company/technology/>  
 Corporate Governance  
<https://www.nikon.com/company/ir/governance/>

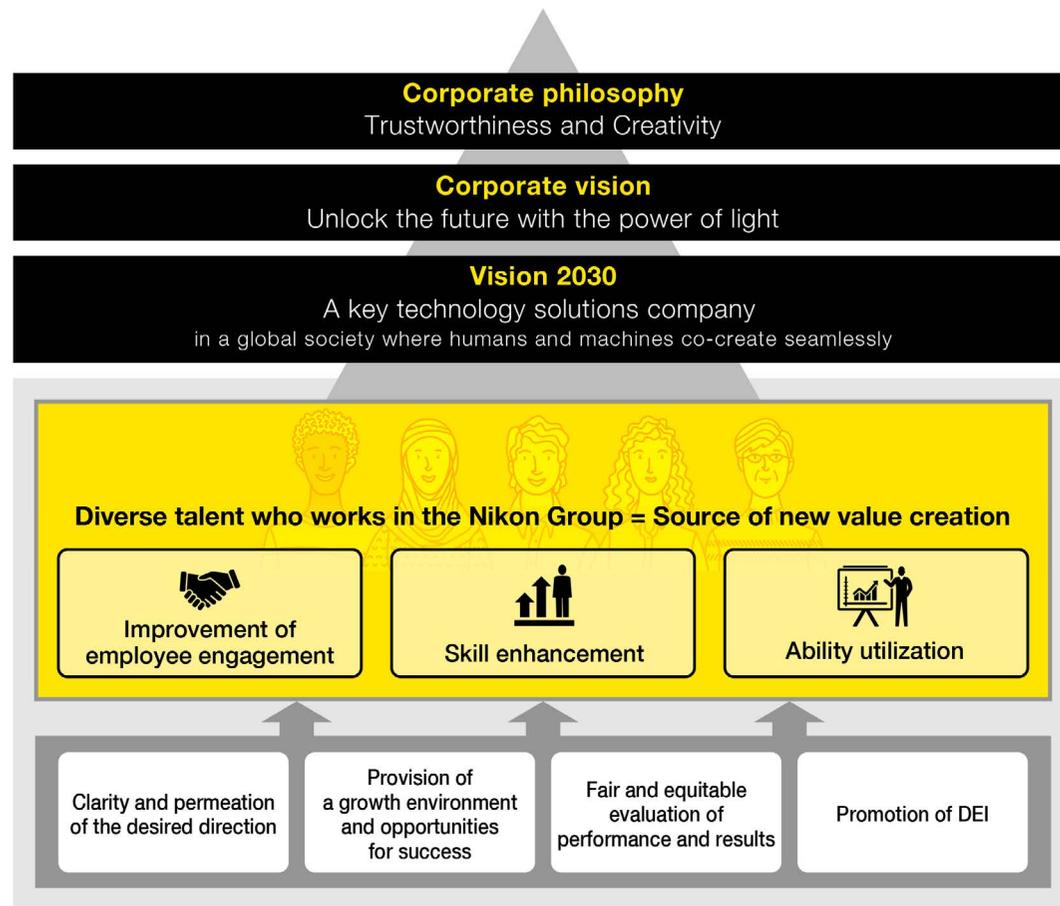
## Human Capital Management

### Basic Approach

The diverse talent who works in the Nikon Group are the driving force behind realizing our Corporate Philosophy. Nikon has built its reputation as a world-leading manufacturer with more than 100 years of achievements

by remaining a company where people with an array of skills, values and experiences come together and maximize their collective abilities.

If Nikon and each one of our employees are to become a presence sought after by society and customers in this continuously globalizing and diversifying world, we must continue to grow together.



To make this possible, Nikon will clearly present its target direction and organizational goals, and execute a human resources strategy accordingly in order to provide environments and opportunities for contribution where diverse employees can make the most of their abilities and truly feel the growth of both themselves and the company. What we ask from our employees is that they take advantage of these opportunities and show proactive and continuous interest in honing their skills. Nikon will support the efforts of employees who strive for growth, and both fairly and impartially reward those who produce results and contribute to the company.

To respond to change, the diversification of society and customer challenges, we must also draw on a wealth of knowledge, experience, values and expertise. Nikon thus promotes diversity, equity and inclusion (DEI) with the aim of creating working environments and a company culture where the characteristics and abilities of all team members are accepted and valued. These actions will create a virtuous cycle that will enhance our ability to offer value to customers and society, as well as improve employee motivation and engagement, helping nurture autonomous individuals who proactively think and act for the team.

Nikon aims to grow together with each of our diverse employees to achieve our corporate philosophy of "Trustworthiness and Creativity," and remain a company that contributes to a sustainable society.

### Human Resource Strategy

The policy at the core of our Medium-Term Management Plan is to "sustain our main businesses" and "scale earnings in strategic businesses", by strengthening

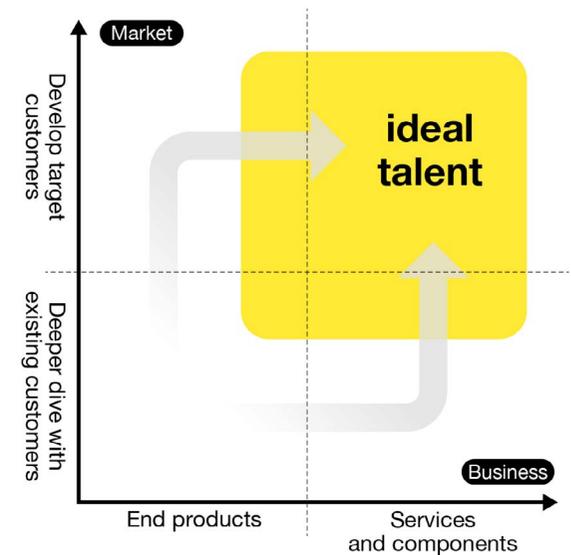
the delivery of integrated solutions. Across all of our businesses, we have also established a common strategy of deeply aligning and understanding with the "essence" of needs of customers around the world, and delivering end products, components and services optimized to these needs. We will also transform our business model, striving to strengthen our synergies inside and outside the company by combining Nikon's core technologies and open innovation with other companies.

We seek the following traits in the talent that will drive this management strategy.

- Able to respond flexibly to changes in environment, and to think and provide value from the perspective of society and customers
- Able to autonomously think and act in order to achieve organizational or team goals
- Able to work together with diverse individuals and organizations across national, regional and business boundaries
- Able to create synergy by merging new and existing values

We urgently need talent who can lead customer development and strengthen our solutions businesses, particularly in our growth areas. In our established areas, we also predict a future shortage of talent to support Nikon's core strength of manufacturing.

Although we need both a qualitative and a quantitative securing of talent in order to achieve our goals, we are also greatly aware of the increasing difficulty in securing the human resources required to carry out our management strategy due to the ever-greater movement of human resources and competitive hiring



### ● The Three Pillars of Our Human Resource Strategy (Policy)

- Acquire talent**
  - Reliably secure the human resources required to operate our business.
  - Aim to immediately acquire the talent urgently needed for our management strategies through new recruitment, M&As and other avenues.
- Develop talent**
  - Define the skills, roles and career paths required to execute duties, and provide a wealth of education and training opportunities to encourage growth.
  - Systematically develop core and global talent through strategic promotions and placements.
- Leverage talent**
  - Promote the creation of environments (systems, workplaces, company culture, etc.) where diverse employees can show interest in autonomous growth, recognize their contribution to the team, and utilize their abilities to the fullest.

environment globally. Considering these circumstances and the needs of our management strategy, we have formulated a human resources strategy founded on the three pillars of our human capital management approach — “acquire talent”, “develop talent”, and “leverage talent” — and are developing a number of measures based on the policies shown on the right.

Furthermore, in order to unite our management and human resources strategies, top management under the President will work with the human resources department to establish exact definitions of the required human resources and skills, and set forth measures to acquire, develop and leverage them.

### The Culture and Environment That Support Our Human Resources Strategy

In achieving our management strategy, it is essential to create environments in which every one of the diverse employees of the Nikon Group can maximize their abilities and feel physically and mentally healthy and safe. Based on this belief, the Nikon Group engages in various initiatives and regards *Diversity, Equity and Inclusion* and *Employees' Health and Safety* as a materiality of sustainability.

Diversity, Equity and Inclusion → p.123  
 Employees' Health and Safety → p.135



Human Capital Management  
<https://www.nikon.com/company/ir/management/human-capital/>

### DX Focused on Customers and Employee

The Nikon Group develops our Digital Transformation (DX) strategy from the perspective of both customers and employees. The Nikon Group incorporates the four perspectives of Customer Relations, Idea, Data, and Work Style into our DX Vision, engaging in various measures to achieve these goals.

#### Customer Experience and Satisfaction

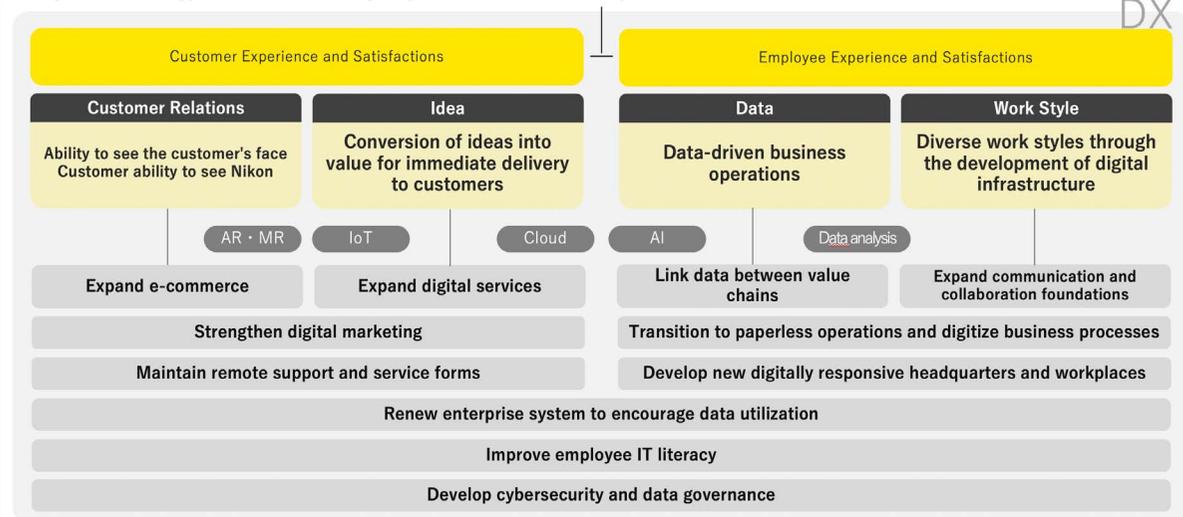
For Customer Relations, the Nikon Group aims to create environments through which we can provide value to our customers with digital connections. We aim to provide customers with value that matches their exact needs by striving to help customers understand the extent of our technology as we work to understand their needs.

Under our Idea perspective, we aim to create environments that use various digital technologies to convert ideas rapidly into value for delivery to customers. Specifically, we work to strengthen digital marketing through website integration of BtoB businesses to improve such customer experiences and satisfaction. Consolidating information on the Nikon Group BtoB products on a single website will enable customers to search across products from each of our businesses and find solutions quickly.

The Nikon Group ensures the delivery of our technologies to customers by strengthening digital marketing, leading to the further creation of social value through the core technologies of the Group.

Creating Social Value Through Core Technologies → p.038

### A Key Technology Solutions Company in a Global Society Where Humans and Machines Co-Crete Seamless



## Employee Experience and Satisfaction

From our Data perspective, we aim to create environments that enable us to utilize necessary data as needed and solve business issues by linking operations and data.

For Work Style, we aim to create digital infrastructure that allows employees to work anywhere, anytime, with anyone, in comfortable work environments through which they can maximize results. Specifically, our efforts to improve these employee experiences and satisfaction include constructing the next enterprise system and utilizing generative AI. To construct the next enterprise system, we will introduce SAP S/4HANA to standardize and streamline our system and business processes. This system enables the Nikon Group to link operations and data in business and business areas, solving various business issues. Furthermore, standardizing and automating operations will allow employees to focus on higher value-added tasks. Our efforts to utilize generative AI will help improve the operational efficiency and product development of business units, while enabling employees to shift to operations more suited for humans and high-value-added work.

## IT Strategy From the Perspective of DEI

To create customer and employee experiences and satisfaction in the Nikon Group's DX, we will create environments that enable every employee to act from the perspective of DEI. Here, we set six goals and engage in various IT measures.

Specifically, our efforts to provide a space for online exchange, to achieve the goal of connecting and co-creating with anyone, help ensure diversity through

the use of diversified information generated from individuality and differences. Our efforts to construct an all-inclusive portal site, to achieve our goal of utilizing necessary information with anyone, help ensure equity, as this site would enable all users to obtain and transmit information fairly. We ensure inclusion with multilingual support for IT tools, necessary to achieve our goal of multilingual and cultural support, as this language support enables employees to support each other and connect as part of a team.

These measures enable the company to produce diverse ideas, new value creation, and ease of work. In this way, the Nikon Group aims to also improve customer and employee experience from the DEI perspective.

Creating Social Value Through Core Technologies → p.038  
 Diversity, Equity and Inclusion → p.123



## Monodzukuri (manufacturing)

The Nikon Group's basic philosophy is Customer and Quality first, and we provide *Monodzukuri* (manufacturing) to achieve the products and services that our customers want in the best way. We anticipate our customers' challenges and drive innovation utilizing a variety of solutions. This is our vision for Nikon *Monodzukuri* (manufacturing).

To achieve our vision, the Nikon Group must create a strong production system that can correspond to change.

The Nikon Group strives to strengthen resilience against changes in our business environment and achieve sustainable *Monodzukuri* (manufacturing) in our strategies for production sites, technology, procurement, logistics, quality, and others. To this end, we work to enhance our *Monodzukuri* (manufacturing) foundation by establishing a cross-functional framework within

each business unit, including the Production Technology Division, the Optical Engineering Division, the Advanced Technology Research & Development Division, and the Next Generation Project Division. We also achieve optimization from a company-wide perspective that transcends the boundaries of each business unit. Specifically, we are enhancing our manufacturing base by building an engineering chain management (ECM) system and framework, along with the corresponding technology, and developing our supply chain management (SCM) for Group manufacturing companies in Japan and overseas.

Under this structure and framework, we work for the smooth start of new and existing businesses and continue to develop comfortable workspaces for our employees. In this way, we improve productivity and achieve high-quality *Monodzukuri* (manufacturing).

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.

## Strategies for Achieving Our Vision

### ● Production Base Strategy

We are establishing a strong production system that can correspond to changes in business activities by developing the unique strengths of each site and strengthening cooperation.

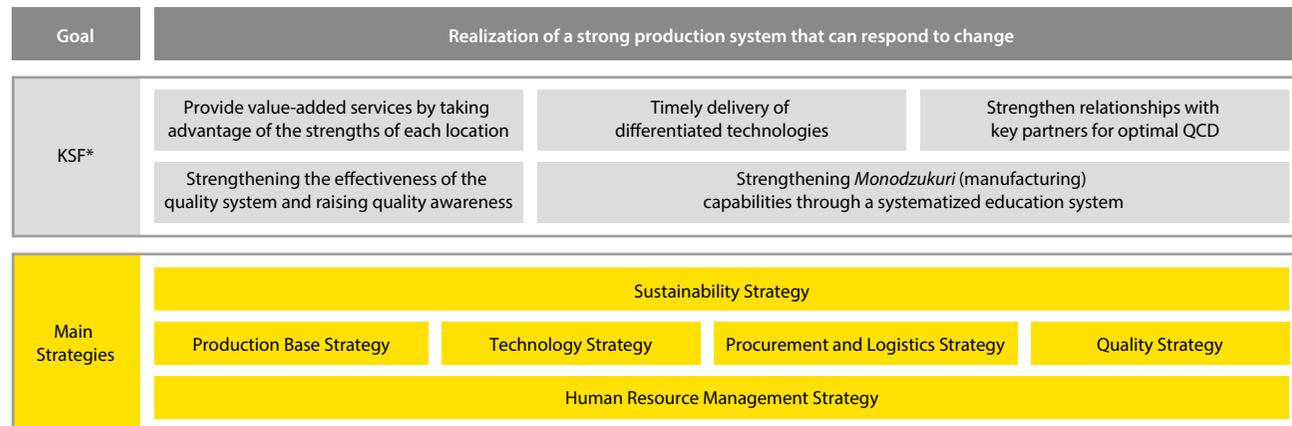
All current domestic production sites work under the Production Technology Division, working to transcend business activities to improve productivity and solve quality issues. In this way, we work harder to collaborate and share more information to achieve synergy effects.

The Nikon Group also aims to establish a production system resilient to changes in production in each business segment. To do so, we will revise our current production system to focus on the optimal for the entire Nikon Group instead of the optimal for business units. We began discussions on large-scale investments, including those to address again plants, to improve production capacity and productivity at Tochigi Nikon Corp. and Nikon Mito Plant.

### ● *Monodzukuri* (manufacturing) 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

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



\*KSF: Key Success Factor

manufacturing.

### ● Procurement and Logistics Strategy

The environment surrounding the supply chain is undergoing dramatic changes, including soaring labor and resource costs, tightness in material procurement due to natural disasters and infectious diseases, and logistics disruptions. Cooperation with procurement and logistics partners based on a strong relationship of trust is important for stable supply in the supply chain.

We aim to work with 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.

Building a Resilient Supply Chain → p.104

### ● Quality Strategy

In order to always meet customer needs and deliver safe and reliable products in a timely manner, we are working to maintain and strengthen the quality systems in each of our business units. To this end, we established a Quality Committee to deliberate and make decisions on important matters related to quality control. Under this committee, we oversee the status of quality control in each division throughout the Nikon Group. We also established various subcommittees under the Quality Committee. These subcommittees strengthen the functions of the committee by meeting legal and regulatory standards, ensuring security, and maintaining and improving manufacturing technologies. Through these efforts, the subcommittees engage in activities to prevent quality and environmental problems.

We summarize our quality-oriented approach and

actions currently practiced at each production site into our basic principles. By deploying these principles throughout the Group, we also work to establish a *Monodzukuri* (manufacturing) quality-oriented culture.

Ensuring Trustworthiness by Maintaining and Increasing Quality → p.046

### 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 long-term training, including technical training for new employees to acquire basic 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 machining knowledge, with the aim of encouraging 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 2023, 208 courses were held with 4,209 participants.

Human Resource Development → p.133

### Presenting Our Vision to Stakeholders

We have established a special website to help more stakeholders understand Nikon's Vision 2030.

In addition, Nikon has launched the Vision 2030 Magazine website in Japanese to communicate about how the world is changing and what challenges Nikon is taking on toward the year 2030 from various perspectives. We hope you will avail yourself of this information.



Vision 2030 Special Website

<https://www.nikon.com/vision2030e/>

Vision 2030 Magazine

<https://www.nikon.com/vision2030magazinee/>

# Nikon's Sustainability

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# Our Approach to Sustainability

## Basic Approach

The Nikon Group defines sustainability as contribution to a sustainable society and achievement of sustainable growth for the company through the realization of its Corporate Philosophy of Trustworthiness and Creativity in its business activities. With this idea as the main statement, the Board of Directors decided on four intentions that support this idea as the Sustainability Policy.

Under this policy, the Nikon Group has established the Nikon Code of Conduct, which embodies Nikon's basic approach to CSR and lays down standards for employees to follow when taking actions based on this approach.

### Sustainability Policy

The Nikon Group aims to both contribute to a sustainable society and achieve sustainable growth for itself by putting into practice the Nikon philosophy of Trustworthiness and Creativity through our business activities.

- We are committed to helping solve environmental and social challenges and achieve Sustainable Development Goals (SDGs) through our business activities by delivering uniquely Nikon products and services.
- We aim to do better for the environment and for society by objectively assessing the impact our business has on the environment and society and continually striving to make improvements.
- Through active dialog with our stakeholders, we stay abreast of changes in society. We also constantly reflect on our own activities to meet stakeholder expectations.
- We do more than what is required to comply with laws and regulations. We act with integrity and fairness and disclose information appropriately.



Nikon Code of Conduct  
<https://www.nikon.com/company/sustainability/management/codeofconduct/>

Strategy → p.020

Creating Social Value Through Core Technologies → p.038

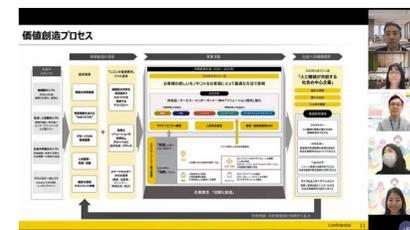
Thorough Compliance → p.144

### Column

#### Activities Aimed at Raising Employees' Sustainability Awareness

The Nikon Group publishes a quarterly newsletter in 14 languages covering sustainability-related activities and news within and outside the Group, aiming to raise sustainability awareness among employees. We also hold a photo contest every year. While the theme of the contest had been limited to the environment, we expanded the contest in fiscal year 2023 to encompass all aspects of sustainability.

We created a sustainability page on the Japanese Group portal site, with new content posted every two weeks regarding sustainability awareness-raising and the current status of related Group activities. In addition, Nikon held a talk event about SDGs in the workplace using a web conferencing system. To provide an opportunity for people to become familiar with sustainability and to become aware of the connection between their work and the SDGs, employees from different departments were invited to appear on stage to introduce initiatives at their respective workplaces.



SDGs in the Workplace talk event. In fiscal year 2023, we held the event once every three months, covering various topics, including the imaging solutions business and our IR activities.

# Strategy

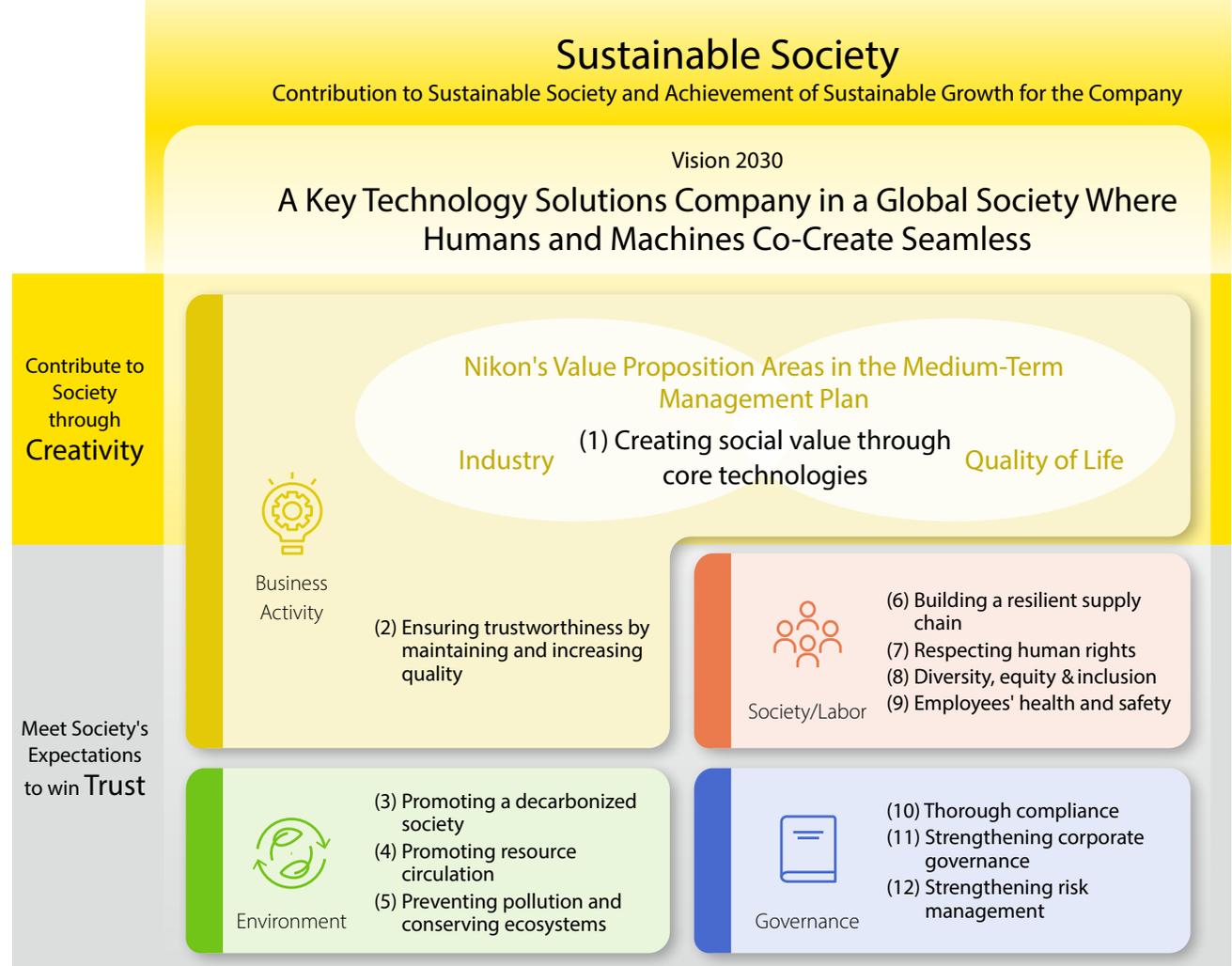
## Sustainability Strategy

To implement our sustainability policy, the Nikon Group formulated a sustainability plan in conjunction with our Medium-Term Management Plan and Annual Management Plan. Our Medium-Term Management Plan (FY2022-FY2025) places sustainability strategy as a foundation of our business and provides a basic policy defining sustainability strategy as an integral part of our business strategy.

Based on our corporate philosophy of *Trustworthiness and Creativity*, our sustainability strategy identifies Nikon Group materiality from the perspectives of what we must do to earn the trust of our stakeholders and society and what we must do to create social value through our businesses. In addition, we defined strategies, metrics, and targets for each materiality to accomplish in order to achieve Vision 2030 as presented in the Medium-Term Management Plan.

The Nikon Group manages the progress of these initiatives through the Sustainability Committee, chaired by the president. We pursue these initiatives through a cycle of assessments and improvements to contribute to a sustainable society and achieve sustainable growth, as stated in our Sustainability Policy.

### ● Conceptual Diagram of Sustainability Strategy in the Medium-Term Management Plan



\* (1) through (12) are sustainability materialities.

## Identification of Materiality

The Nikon Group identifies materiality in order to ensure the efficient and steady implementation of sustainability measures.

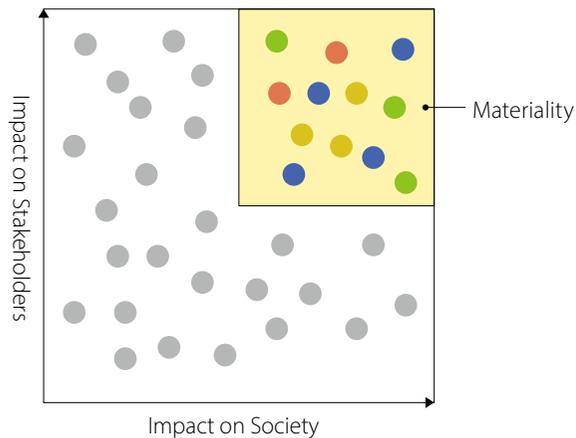
Specifically, we begin by identifying social issues from the GRI Standards, ISO 26000, the UN Global Compact, the Sustainable Development Goals (SDGs), and other standards. Issues of particular relevance to the Nikon Group are then extracted on the basis of analyses of the Group's value chain and our corporate vision. Next, we assess the impact of each issue identified

based on the priorities of ESG evaluation organizations, internal and external communications with NGOs and other organizations, benchmarking from leading sustainability companies, and other factors. At the final stage of identifying potential materialities, we conduct assessments of validity, conduct numerous management-level discussions, and select materialities. We then set a Nikon Group vision and targets for each issue.

The Nikon Group reviews these materialities every one to three years in response to changes in society and the business environment. When we formulated the current Medium-Term Management Plan, we conducted

investigations from the stakeholder perspective to ensure our materiality efforts would lead to achieving Vision 2030 as described in our Medium-Term Management Plan. We investigated and modified certain materialities after collecting a cross-section of employee opinions through interviews and workshops across all business units, as well as in response to discussions with outside experts and members of management. In addition, we defined a vision in terms of each materiality toward achieving Vision 2030, defining strategies to respond properly to these risks and opportunities. We then established new metrics and targets for each strategy.

### ● Materiality Extraction Concept



### ● Materiality Identification Process

#### Step 1 Identify social issues

We identified social issues based on GRI Standards, ISO 26000, the UN Global Compact, the Sustainable Development Goals (SDGs), and other standards. We then selected 34 issues of particular relevance to the Nikon Group based on analyses of the Group's value chain and our corporate vision.

#### Step 2 Assess importance

Based on priority issues from ESG evaluation organizations, internal and external communications with NGOs and other organizations, and benchmarking from leading sustainability companies, we evaluated the social impact (impact on the economy, society, and environment) and stakeholder impact (impact on stakeholder assessment and decision-making) of each issue identified to determine potential materialities.

#### Step 3 Identify and determine materiality

After management-level discussions in Sustainability Committee meetings, we selected 12 materialities. The Executive Committee determined Nikon Group fiscal year 2030 visions for each issue.

#### Step 4 Set targets for each materiality

We included the creation of social value through our businesses in our Medium-Term Management Plan, and established annual targets for each materiality.

● Risks and Opportunities, Vision, and Strategies for Each Materiality

Materiality		Risk	Opportunity	SDGs Contributed To	Vision	Strategy
Business Activity	Materiality 1 Creating social value through core technologies	Loss of customer trust and declining performance due to the inability to deliver solutions that contribute to customer experience value and innovation creation in an increasingly diverse society	Sustainable growth by contributing answers to social issues by delivering solutions that transform social systems and lifestyles	9	A Key Technology Solutions Company in a Global Society Where Humans and Machines Co-CREATE Seamless	Expansion of growth drivers, services and components
	Materiality 2 Ensuring trustworthiness by maintaining and increasing quality	Loss of trust and decline in business performance due to a failure to respond to increasingly diverse and sophisticated customer needs Loss of market share and public trust due to a failure to ensure quality in response to stricter safety and environmental laws and regulations	Improving relationships of trust with customers and society by ensuring and improving quality in response to changing customer needs and legal statutes Enhancing brand value and fostering business growth through creative, efficient manufacturing and high quality standards	12	Providing competitive products and services that are safe, environmentally friendly and secure	Advancement and establishment of quality management
Environment	Materiality 3 Promoting a decarbonized society	Decrease in asset values and operational shutdowns due to weather-related disasters increasing in frequency due to climate change Financial impact due to carbon pricing programs, etc. Loss of market share and public trust due to a failure to take adequate climate change action	Growth in businesses that contribute to climate change mitigation Improved value chain resilience through climate change solutions	7,13	Reaching Net-Zero throughout the value chain by fiscal year 2050	GHG emission reduction in Scope 1, 2, and 3 and accelerate introduction of renewable energy
	Materiality 4 Promoting resource circulation	Increased costs due to stricter regulations related to resource use and recycling, waste disposal, and information disclosure Impact of water risk (including climate change) on Nikon and value chain operations Loss of market share and public trust due to a failure to conduct resource recycling efforts and address water risks adequately	Growth in businesses that contribute to the circular economy Lower business costs through reduced resource use and waste disposal Earning trust through appropriate responses to stakeholder demands related to resource recycling and water risks	6,11,12	Minimizing resource consumption and maximizing resource circulation throughout the value chain	Reducing resource consumption and waste, etc.
	Materiality 5 Preventing pollution and conserving ecosystems	Increased operating costs due to stricter regulations regarding hazardous chemicals in products and the prevention of air, wastewater, and soil pollution in operations Procurement risks associated with the transition away from hazardous substances Loss of market share and public trust due to a failure to respond to increasing stakeholder demands	Growth in businesses that contribute to biodiversity conservation Earning stakeholder trust by ensuring compliance with regulations and other requirements	6,11,12,14,15	Have zero negative impacts on human health or ecosystems in the value chain	Appropriate use of chemical substances and reduction of ecological impact and dependence

	Materiality	Risk	Opportunity	SDGs Contributed To	Vision	Strategy
Society/Labor	Materiality 6 Building a resilient supply chain	<p>Loss of business opportunities and a decline in business performance due to difficulties in procuring raw materials and components due to natural disasters, infectious diseases, conflicts, etc.</p> <p>Damage to brand image and loss of trust from stakeholders due to issues in the supply chain related to human rights, the labor environment, health and safety, the environment, etc.</p>	<p>Improved supply chain stability and business growth due to ESG-oriented procurement and cooperation with procurement partners</p> <p>Earning customer trust and increasing brand and corporate value based on the preceding</p>	8,12	A sustainable supply chain that remains sound at all times in the face of business risks and social issues	Building a mechanism for supply chain risk assessments and immediate emergency response
	Materiality 7 Respecting human rights	<p>Negative impact of human rights violations on rights holders due to failure to protect and extend human rights across the value chain</p> <p>Such situations could damage brand value, cause a loss of trust from customers and society, or result in a decline in business performance</p>	<p>Improved social trust and brand value through efforts to protect and extend human rights</p> <p>Increased employee job satisfaction and productivity through decent work; improved recruitment and retention of outstanding human resources</p> <p>A resilient supply chain based on responsible sourcing throughout the supply chain</p>	8,10,16	Minimizing human rights risks throughout the value chain	Spreading awareness of human rights via the Nikon Human Rights Policy and conducting human rights due diligence
	Materiality 8 Diversity, Equity & Inclusion	<p>Decline in employee motivation, exodus of talent, or decline in talent acquisition stemming from workplaces that do not allow the expression of diverse values, talents, experiences, skills, and expertise</p> <p>Risk of homogeneity in decision-making and organizational operations stemming from organizations not receptive to diversity</p> <p>Reduced corporate value due to product development, services, advertising, etc., that fail to account for minorities or user diversity</p>	<p>The acceptance of DEI leading to the attraction and retention of outstanding talent, improved productivity and innovation, and resulting sustainable corporate growth</p> <p>Business expansion and growth due to products, services, and solutions that meet the needs of customers and society</p>	5,8,10	Realizing a corporate culture that welcomes diversity and harnesses it in business activities	Spreading awareness of the Nikon Global Diversity, Equity & Inclusion Policy, creating an environment in which diverse human resources can participate fully, and applying DEI to business activities
	Materiality 9 Employees' health and safety	<p>Loss of labor force due to a failure to ensure employee health and safety</p> <p>Occupational accidents or the emergence of mental stress due to unbalanced workloads in the workplace</p> <p>Further loss of productivity and social credibility</p>	<p>Improved business plan execution due to healthy, safe, and fulfilling work environments</p> <p>Improved employee health literacy, systems and work environments that encourage voluntary participation in health and safety activities, and other factors encouraging the execution of annual plans and foundation of a solid base of human resources</p>	3,8	Allowing each individual to fulfill their potential with a sense of physical and mental health in a safe and comfortable working environment	Raising awareness of the Nikon Group Health and Safety Policy and implementing health and safety activities

Materiality		Risk	Opportunity	SDGs Contributed To	Vision	Strategy
Governance	Materiality 10 Thorough compliance	Loss of stakeholder trust, brand damage, penalties, lost business opportunities, and other losses due to serious compliance violations	Maintaining stakeholder trust and achievement of sustainable growth through ethical and good-faith behavior in accordance with international guidelines  Improved employee motivation and performance through ethical and healthy work environments	16	Zero compliance violations	Spreading awareness of the Nikon Code of Conduct
	Materiality 11 Strengthening corporate governance	Decreased stakeholder confidence and reduced board effectiveness due to governance systems that fail to ensure fair and transparent management  Loss of business opportunities and impediments to sustainable growth due to an insufficient foundation for supporting appropriate risk-taking decisions	Stronger corporate resilience and improved stakeholder trust through effective, fair, and transparent governance  More business opportunities, stable management, and sustainable growth through environments that support appropriate risk-taking	—	Governance that is transparent, efficient, and trusted by stakeholders	Continuously conducting effectiveness evaluations of the Board of Directors and improving its diversity
	Materiality 12 Strengthening risk management	Material business damage due to a failure to respond appropriately and systematically to changes in the business environment or potential risks	Foster sound relationships with stakeholders by accurately identify and prioritize critical management risks in response to changes in social conditions and the environment	—	Appropriate measures in place to address key risks	Establishing a company-wide risk management system in line with environmental changes and management strategies

# Governance

## Sustainability Promotion System

The Nikon Group established the Sustainability Committee, chaired by the Representative Director and President, to implement the Sustainability Policy throughout the Group and to advance our sustainability strategy consistently. Members of the committee include members of the Executive Committee, all general managers responsible as heads of the business units and divisions. Related department managers and members of the Audit and Supervisory Committee participate as observers.

The committee deliberates and manages overall sustainability activities, including the review of materialities, setting related strategies and targets, managing progress, evaluating performance, and directing improvements. The committee also monitors risks and opportunities related to sustainability, with a focus on materiality. Under the umbrella of the Sustainability Committee are the Environmental Subcommittee and the Supply Chain Subcommittee, which study specific initiatives in their respective areas and report their findings to the Sustainability Committee. We also established a liaison meeting with the Risk Management Committee (jurisdiction over all Nikon Group risks) for sustainability-related risk management. This subcommittee shares information regularly and cooperates to address risks.

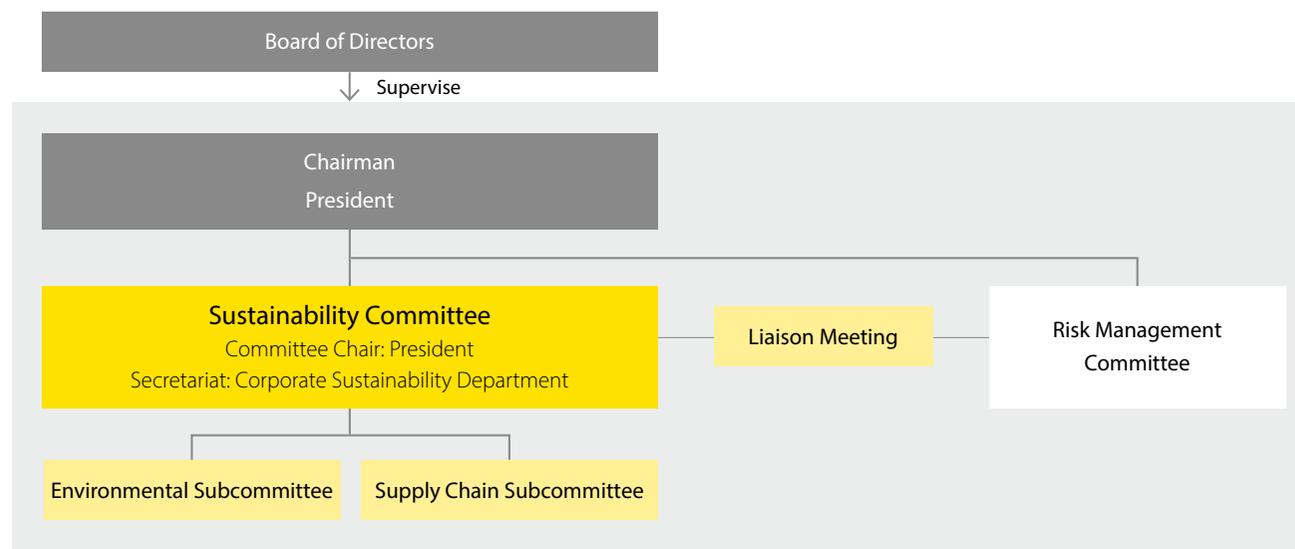
In principle, the Sustainability Committee meets twice a year. In fiscal year 2023, the committee met a total of three times, including an extraordinary meeting to review greenhouse gas and renewable energy targets. The committee hosts lectures by experts and engages in opinion exchange to enhance each member's

knowledge of global social issues and trends.

The Board of Directors receives reports of the activities of the Sustainability Committee at least once a

year. In turn, the Board supervises the appropriateness, effectiveness, and risks of various sustainability activities, including those related to climate change.

### ● Sustainability Promotion System (As of April 01, 2024)



### ● Main Agenda for Fiscal Year 2023 Sustainability Committee Meetings

5th Meeting (May 2023)	6th Meeting (November 2023)	7th Meeting (March 2024)
<ul style="list-style-type: none"> <li>Materialities (fiscal year 2023 goals and fiscal year 2022 results)</li> <li>Compliance with the RBA Code of Conduct (education and self-assessments; Kumagaya Plant audit plan)</li> <li>Human rights (human rights due diligence for new businesses; responsible mineral sourcing)</li> <li>Environmental Strategy (medium-term goals; greenhouse gas and renewable energy targets)</li> </ul>	<ul style="list-style-type: none"> <li>Lecture: Global Trends in Sustainability Information Disclosure Legislation</li> <li>Sustainability information disclosures in response to legislative changes</li> <li>Environmental strategy (review greenhouse gas and renewable energy targets; product 3Rs)</li> <li>Compliance with the RBA Code of Conduct (report on Kumagaya Plant audit results; practices in other locations)</li> <li>DEI (report on Group company survey results)</li> <li>Fiscal year 2023 progress</li> </ul>	<ul style="list-style-type: none"> <li>Materiality goals, sustainability targets for each business unit/division (fiscal year 2024 goals)</li> <li>Environmental strategy (review greenhouse gas and renewable energy goals)</li> </ul>

## Promotion System at Group Companies Outside Japan

The Nikon Group has established a sustainability department at each regional headquarters, in order to advance consistent sustainability initiatives across the Group companies while taking into account the characteristics of each region where they are located, including culture, customs, language, etc. We divide the geographic areas where we operate into four regions (excluding Japan), and the sustainability departments of Nikon and of each regional headquarters puts in place systems for the promotion of sustainability within their jurisdiction. Furthermore, a Compliance and Sustainability Coordinator is appointed at each company

to ensure collaboration.

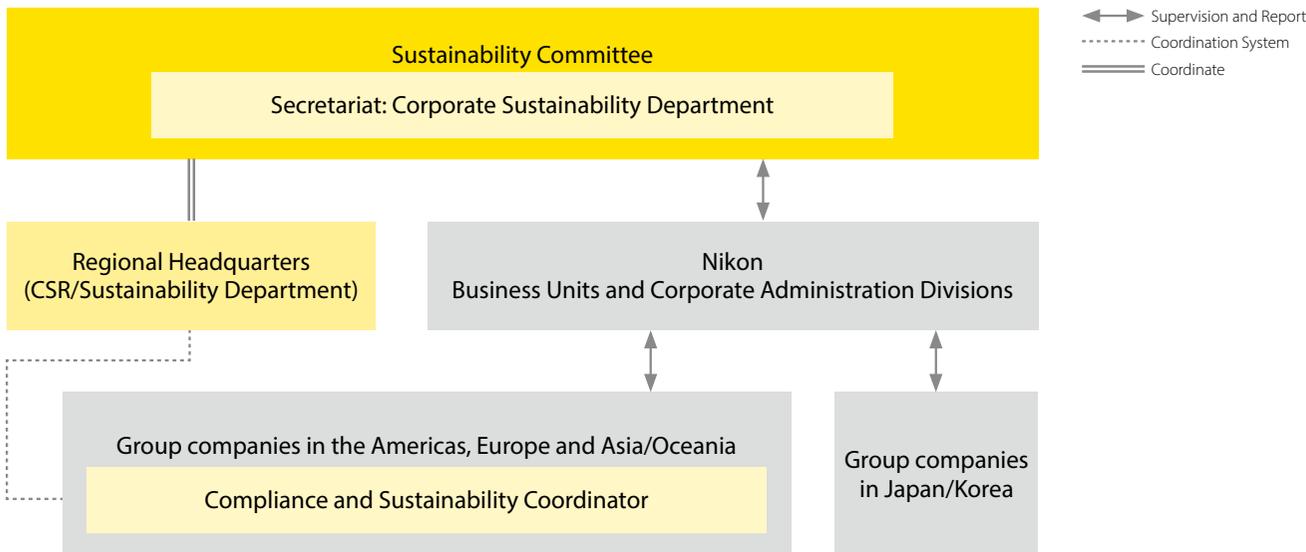
In addition, a Sustainability Global Communication Meeting is held once a year, with participants representing the CSR/ sustainability department at each regional headquarters. At this meeting, information regarding social trends in each region, progress made in sustainability activities, and issues that need to be addressed are shared, and response measures discussed. In fiscal year 2023, Nikon established the same meeting at the Nikon head office. The meeting addressed the state of initiatives with respect to DEI, human rights, the environment, compliance, the supply chain, and other issues, including discussions of issues in each region and future responses.

## PDCA Cycle Implementation Framework

In the Nikon Group, corporate administration divisions take the lead in developing Group-wide activities based on materiality goals discussed and finalized by the Sustainability Committee. At the same time, other divisions recognize the risks and opportunities related to materiality in their business activities, taking action to address such risks and opportunities. Every Nikon business unit and division proposes integrated goals for sustainability and business activities for inclusion in annual plans. The Sustainability Committee deliberates on the appropriateness and manages the progress of these sustainability-related goals. At the same time, each department and section employee is made aware through the goal management system. In this way, we ensure that sustainability is communicated throughout the entire Group and initiatives are carried out toward achieving these goals.

In addition, to clarify initiatives related to sustainability and management's responsibility for achieving goals, effective June 2022, we revised the performance-based stock compensation plan for Nikon executives, allocating 10% of evaluation factor scoring to efforts for strengthening the management base, such as sustainability strategies and human capital management.

### ● Group-Wide Sustainability Structure



## Participation in International Initiatives

The Nikon Group aims to enhance the optimization and effectiveness of its activities by working together with various groups through involvement in international initiatives.

Participation in Environmental Initiatives and Outreach to Society → p.059

### Joining the UN Global Compact

Nikon became a signatory to the UN Global Compact (UNGC) in 2007. We respect the ten principles covering the four areas of human rights, labor, environment and

anti-corruption. Through the UNGC, the Nikon Group acquires a global perspective on social challenges as well as gaining opportunities to share information with other companies and build a network with experts.



### Joining the RBA

With the aim of enhancing sustainability both within the Nikon Group and in the supply chain, Nikon joined the Responsible Business Alliance (RBA) in May 2018. The RBA has established the RBA Code of Conduct to ensure that working environments remain safe and workers are treated with respect and dignity, while also setting standards for the fulfillment of environmental and ethical responsibilities within the supply chains of all member companies.

Promoting CSR Procurement → p.110

Respecting Human Rights → p.116

### ● Main Achievements for the Fiscal Year 2023 in Relation to the Ten Principles of the UN Global Compact

	Principle	Policy	Jurisdiction	Achievements
Human rights/ Labor	1·2/3· 4·5·6	Nikon Human Rights Policy	Sustainability Committee	Disseminated a message from the president to all Nikon Group employees on Human Rights Day. In addition, human rights events and human rights e-learning programs were held in Japan. Furthermore, the communication handbook for deepening consideration of human rights in advertising and promotions was updated and disseminated to those in charge.
		Nikon CSR Procurement Standards	Supply Chain Subcommittee	Conduct CSR assessments, audits, and corrective actions once every three years for procurement partners that are selected based on risk assessment from various perspectives. In fiscal year 2023, we conducted the CSR questionnaire self-diagnosis for 267 procurement partners (tier 1) and 30 tier 2 suppliers and above. Based on the results, we asked 20 companies for improvements. We also audited three companies and requested improvements.
		Responsible Minerals Sourcing Policy		We conducted a survey on the use of five minerals (3TG plus cobalt), regarding these substances as high-risk conflict minerals. In fiscal year 2023, we found 236 of the 356 smelters identified in the 3TG survey, and 44 of the 73 smelters identified in the cobalt survey to be RMAP compliant.
Environment	7·8·9	Nikon Long-Term Environmental Vision	Environmental Subcommittee	Deployment throughout the Group of Environmental management systems and implementation of initiatives. In fiscal year 2023, we revised our greenhouse gas reduction targets and reacquired SBT certification. We also reestablished renewable energy targets, moving the target year forward.
		Nikon Green Procurement Standards	Supply Chain Subcommittee	Conducted our triennial environmental management system survey in accordance with risks of chemical substances occurring in materials used, components, and processes. Also conducted environmental management system assessments to confirm the establishment and management of environmental management systems. In fiscal year 2023, we conducted assessments for 167 procurement partners. As a result, we certified 15 companies as new environmental partners (456 certified environmental partners in total).
Anticorruption	10	Nikon Anti-Bribery Policy	Compliance Committee	Confirmation of the operation of anti-bribery guidelines using a self-inspection sheet. In fiscal year 2023, we completely revised and communicated Anti-Bribery Guidelines in Japan. We also conducted anti-bribery training at Group companies outside Japan in the Americas, Europe, South Korea, and Hong Kong.

## Stakeholder Engagement

The Nikon Group believes that stakeholder engagement is important to properly understand and identify sustainability risks and opportunities, as well as to

objectively evaluate and improve overall sustainability efforts, including strategies, metrics, targets, and performance. Therefore, we disclose policies and results to Nikon Group stakeholders, including customers, shareholders, employees, business partners, and society.

We conduct disclosure through a variety of opportunities and methods, and we take opinions and expectations received in response into consideration. We strive to foster sound relationships with stakeholders and engage actively in two-way communication.

### ● Nikon Group's Main Stakeholders



### ● Main Forms of Engagement with Stakeholders

Main Stakeholders	Methods of Engagement	Objectives
Customers	<ul style="list-style-type: none"> <li>• Call centers and service counters (as required)</li> <li>• Responses to customers by departments in charge of sales/services (as required)</li> <li>• Sharing of information via the website and other methods (as required)</li> <li>• Exhibitions/events (several times a year)</li> <li>• News releases via mass media and other methods (as required), etc.</li> </ul>	Provision of high quality, high value-added products and services, response to feedback and requests, and provision of appropriate information on products and services
Shareholders	<ul style="list-style-type: none"> <li>• General Shareholders' Meeting (once a year)</li> <li>• Announcements (as required)</li> <li>• Publishing of various types of printed materials, including the NIKON REPORT and interim reports (once a year), etc.</li> <li>• Sharing of information via the website and other methods (as required)</li> <li>• Financial Results Conference (four times a year)</li> <li>• Responding to ESG investment (as required), etc.</li> </ul>	Timely and appropriate disclosure of information, acquisition of appropriate evaluation and support from capital markets, fair and highly transparent corporate management, appropriate return of profits
Employees	<ul style="list-style-type: none"> <li>• Sharing of information via company newsletters, the Group portal site and other methods (as required)</li> <li>• Labor and management conferences, and conferences with employee-elected representatives (as required)</li> <li>• Reporting and Consulting System (as required)</li> <li>• Conducting human rights and labor standards surveys at the Group companies (once a year)</li> <li>• Conducting employee awareness surveys and questionnaires (once every one to two years)</li> <li>• President's Town-hall Meetings, etc. (as required)</li> </ul>	Active utilization of diverse human resources, provision rewarding work and workplace environment, proper treatment of workers, enhancement of occupational safety and mental health, positive labor-management relationships
Business partners	<ul style="list-style-type: none"> <li>• Dialog through everyday business activities (as required)</li> <li>• Meetings with procurement partners (once a year)</li> <li>• Briefings/surveys/audits/correctional support for procurement partners on CSR procurement(as required)</li> <li>• Survey/assessments of the establishment of environmental management systems (as required), etc.</li> </ul>	Mutual development through provision of products and services that are useful to society, fair business relationships, smooth sharing of information, joint research and development, and CSR procurement
Society	<ul style="list-style-type: none"> <li>• Participation in local events (as required)</li> <li>• Collaboration with NGOs/NPOs in Corporate Citizenship Activities (as required)</li> <li>• Participation in economic and industry organizations (as required)</li> <li>• Consultations with governmental agencies, academic societies/research organizations (as required)</li> <li>• Issuing of the Nikon Sustainability Report (once a year), etc.</li> </ul>	Compliance with laws and regulations, participation in industry-government-academia collaboration projects, participation in the community as a corporate citizen, contribution to technology development through support for research organizations, and enhancement of our activities through partnerships

● **Main Affiliated Organizations Related to Sustainability (as of March 2024)**

Organization Name
Joint Article Management Promotion-consortium (JAMP)
Global Compact Network Japan (GCNJ)
Business Ethics Research Center (BERC)
Japan Electronics and Information Technology Industries Association (JEITA) (CSR Committee, Environment Committee, and Responsible Minerals Trade Working Group)
Keidanren (Japan Business Federation) (Committee on Responsible Business Conduct and SDGs Promotion)
Platform for Learning Innovation - Japan (PLIJ)
The four Japanese electric and electronic (E&E) industrial associations, JEITA, CIAJ, JBMIA and JEMA (The Expert Committee on Chemical Substances in Products, Expert Committee on Waste and Recycling Measures Relating to Business Facilities, Expert Committee on Chemical Substance Measures Relating to Business Facilities, and Biodiversity Working Group)
Japan Machinery Center for Trade and Investment (JMC)
Institute of Business Ethics (IBE)
Japan Business Council in Europe (JBCE) (CSR Committee)
Responsible Business Alliance (RBA)
Responsible Minerals Initiative (RMI)
SEMI Japan (SDGs/Sustainability Committee)

**Engagement with Employees**

The Nikon Group believes that it is very important for every employee to share the company's vision, to be committed to the company's policies and plans, and to work proactively to put them into effect.

As part of the dialogue between management and employees, we published a video in fiscal year 2023 explaining the progress of the first year of our Medium-Term Management Plan (FY2022 - 2025). We posted the video to a special portal site page, and the video

was viewed by a great number of employees. We held town hall meetings at seven locations in Japan and five locations overseas. During these meetings, management spoke directly to employees on the current state of Nikon, the goals of the Medium-Term Management Plan, sustainability, and the roles and expectations of the Company's business sites. Employees raised many questions and offered opinions, leading to engaging discussions.

A town hall meeting held in the United States in November 2023 brought together employees from three Group companies on the East Coast, as well as employees from Group companies in Mexico who participated online. After the meeting, President Umatate\* and Executive Vice President Tokunari\* attended a reception where they had the chance to listen directly to employees in person.

Separately, we continue to actively disseminate information through the Group portal site, internal newsletters, and e-mails.

\* Title at the time in question.



President Umatate\* (left) and Executive Vice President Tokunari\* (right) talk with employees at a reception

**Engagement with Shareholders and Investors**

Nikon set a goal of capital market-oriented management

and has been focusing on investor relations activities that emphasize dialogue with shareholders and investors. We firmly believe that for Nikon, which aims to achieve sustainable growth in its corporate value, engagement (i.e., objective- focused dialog) with shareholders and investors is a valuable opportunity to hear views from diverse perspectives.

We hold interviews with a total of approximately 700 shareholders, institutional investors and analysts both within and outside Japan throughout the year. Throughout fiscal year 2023, we continued to give quarterly financial results presentations in an online format. In addition, we held IR Day for a second consecutive year. The event included explanations of strategic businesses having growth potential and the sustainability strategy that forms the core of our Medium-Term Management Plan. A panel discussion also provided time for questions from investors regarding corporate governance, answered by external directors. Top management also engages in face-to-face meetings inside and outside Japan to listen directly to opinions from shareholders and institutional investors. In this way, we have redoubled our efforts to disseminate information regarding the current state of the company's operations in a timely, appropriate manner through constructive dialog with large numbers of institutional investors and analysts.

We receive a great many useful opinions and suggestions from shareholders and investors related to Nikon Group growth strategy, business management, structural reform, and more. With investors placing particular emphasis on the long-term perspective, we engage in frank exchanges of opinion across a wide

range of topics. These topics include solving social issues through our businesses, financial strategies, including capital allocation, and ESG issues, focused mainly on governance. We can make effective use of these opinions when reflecting on our business management and considering our strategies, sharing these opinions with our Board of Directors and the Executive Committee on a regular basis.

Going forward, Nikon aims to enhance its engagement with shareholders and investors in terms of both quality and quantity. In addition, we will listen carefully to stakeholders' hopes and expectations, and will make effective use of what we have learned to improve our business management.



IR Event Materials

[https://www.nikon.com/company/ir/ir\\_library/event/](https://www.nikon.com/company/ir/ir_library/event/)

Customer Satisfaction Initiatives → **p.052**

Communication with Procurement Partners → **p.108**

### Example of Feedback From Institutional Investors

Having a majority of independent external directors, at least one-third of whom are women, on the Board of Directors would encourage more diversity of thought and strengthen the standards of corporate governance

### The State of Nikon Initiatives

We continue to discuss the appropriate composition of the Board of Directors to strengthen corporate governance.

## Reviews Conducted by Outside Experts

In December 2023, Nikon engaged outside experts to review Sustainability Report 2023 and other information disclosure media. The objective of this review was to improve the level of non-financial information disclosure and Nikon Group sustainability initiatives.

Based on the opinions of the two reviewers, we confirmed this report addresses disclosure under the four pillars (governance, strategy, risk management, and metrics/targets) in line with the International Sustainability Standards Board's (ISSB) non-financial information disclosure standards. In addition, we have enhanced information, etc., related to our management base to better clarify the linkage between our Medium-Term Management Plan and sustainability.

We will continue to listen to outside opinions, improving non-financial information disclosure and stepping up our sustainability initiatives.

### Outside Expert Review 1

**Mr. Hidemi Tomita**

Managing Director, LRQA Sustainability K.K.



### Information Disclosure Overview

Nikon does not publish an integrated report in a single PDF format or similar format. However, the company publishes an extensive sustainability report in addition to other institutional disclosure media under a clear and efficient information disclosure system. I believe this current format

is reasonable and a good basis for future disclosures.

Moving forward, the challenge will be how to differentiate disclosure media in accordance with ISSB, CSRD, and other mandatory disclosure requirements. Although CSRD compliance is challenging, Nikon's sustainability report is comprehensive, and I think it would be effective to combine this report with the company's annual securities report.

### About Sustainability Report 2023

The Nikon Sustainability Report 2023 is clear, accurate, and comprehensively detailed. At the same time, it is somewhat difficult to understand how Nikon perceives the external environment and how the company approaches that environment as a business strategy. I think Nikon should provide a more strategy-related message.

*Nikon's Sustainability* appears to stand on its own. Therefore, it would be somewhat easier to understand if there was a stronger link with business content and the Medium-Term Management Plan. Materiality has been defined in terms of stakeholder interests, but the question is how to raise awareness of double materiality in the future. It is important to set ambitious goals for each materiality in light of changes in the external environment, rather than setting goals that are easily achieved through a simple accumulation of effort. When difficulties arise in achieving a goal, it is important to explain the challenges involved.

Nikon addresses the Environment in comprehensive detail. Disclosures touch on traditional topics such as PCBs and the ozone layer, but also anticipate recent frameworks such as TCFD, which is a welcome detail. I get the impression that Social and Labor do not provide a clear higher-level concept related to managing human

capital. I recommend that the company state clearly their views and focus on current issues. Nikon provides a clear overview of the procurement process, but the human rights-related content seems to be the weakest across the report, somewhat superficial, and limited to a description of awareness-raising activities. While the company conducts human rights risk assessments, it is not always clear what the issues are and whether those issues have been assessed properly. Materiality 8 was updated by adding equity was added to D&I; however, I did not come away with a clear impression that there is a specific role for equity. Governance was not covered in detail in the report. I recommend that the company gathers related information and discloses such information in detail in future reports.

Future sustainability information disclosure should align with standards, and should include both positive and negative information in a balanced manner. If third-party assurance of information is required, the company should provide evidence of the narrative and numeric information in strict adherence to disclosure standards. It goes without saying that disclosure standards exist. However, other information, also requires internal standards and a reasonable basis, including internal controls.

#### Outside Expert Review **2**

##### Mr. Naomi Yamazaki

Representative Director, ESG Network of Shareholders & Companies



#### General Remarks

Nikon has drawn a picture of their future social value under

Vision 2030. To share this dream internally and externally, The company uses visuals that serve as concrete images to share this vision internally and externally. Unusual for a Japanese company, Nikon communicates information about this vision in a way that resonates with stakeholders.

At the same time, there is a lack of information serving as a bridge between today's reality and the future. The strategy is to increase growth drivers using a vision for 2025 (economic value) as a midpoint. However, if we imagine an ideal for three years from now and consider 2030 to be a simple extension from that time, a leap must occur somewhere along the line before Vision 2030. Vision 2030 is a concept, but it appears that the current strategy may not keep up with the scale to achieve the society envisioned.

- (1) Can management resources be shifted to strategies that focus on growth drivers, and are there sufficient input resources?
- (2) What kind of market do you define, and how will it grow as a business through growth drivers that leverage Nikon's strengths?
- (3) How far must the company increase growth and profitability in the five years beginning in 2025 toward Vision 2030?

These questions are a concern. In other words, if the wherewithal for achieving the vision exists, then the concept is achievable. However, my concern is to what extent corporate value has been enhanced in terms of economic value. Coming from a vision outlined by the central corporate entity of a group, I would expect designs for greater economic growth. However, the current numerical management targets and growth investment situation do lead me to expect significant economic growth. Nor do I have confidence in such growth.

In addition, Nikon is in the middle of governance reform. There are indications that the company is focusing on strengthening its supervisory function around outside directors. So, one challenge for the future is the diversity of outside director skillsets. This is not to say that the current composition should be changed. What I am saying is that Nikon must indicate what skills are needed and what skills the current outside directors provide when considering the company's vision.

#### Key Points for Building a Story to Enhance Corporate Value

I have no issue with disclosing information on a website. However, I believe Nikon must produce a well-designed integrated report for investors and provide greater coverage of the following content, which is not addressed in full at present.

- (1) Business model and source of value creation
- (2) A view to the economic scale of Vision 2030
- (3) Prospects for ongoing sales and revenue growth after 2025, the resources required (including human and intellectual), and investments for growth to reach the economic scale of Vision 2030
- (4) The clarification that Materiality 1: Creating social value through core technologies is a financial materiality affect future finances, as well as details of specific initiatives (strategies) for this materiality
- (5) The capital policy that will secure and enhance human capital (skills and numbers), and the financial capital to pursue (1) through (4) above
- (6) Improved governance in support of (1) through (5) above

# Risk Management

## Sustainability Risk Management

The Nikon Group established the Risk Management Committee, chaired by the chief risk officer (CRO), to respond properly to risks that could have a critical impact on corporate management.

To identify risks across the Nikon Group, the Risk Management Committee conducts risk identification surveys and prepares a risk map based on the results of these surveys. This risk map depicts the scale and probability of certain risks. The Risk Management Committee identifies risks requiring a special response, designating a priority from a management perspective (top priority risks). The committee decisions are based on information from three subordinate entities: the Quality Committee, the Export Control Committee, and Compliance Committee. The Sustainability Committee also provides risk-related information. The Risk Management Committee issues directions for action and manages progress. The Board of Directors receives these reports and supervises Nikon Group risk and risk management overall. Internal audits conducted by the Internal Audit Department confirm the adequacy of risk management.

The Risk Management Committee and Sustainability Committee hold liaison meetings regularly to share reports, identify issues and matters for both committees to address in the future, and work together in forming responses to risks as necessary.

Risk Management → p.157

## Understanding and identifying sustainability risks and opportunities

The Nikon Group strives to understand risks and opportunities around materiality through external ESG surveys and analysis of the results, information gathering from industry associations, dialogue with stakeholders, RBA self-checks, internal sustainability surveys, and CSR surveys/audits of procurement partners. The Sustainability Committee, subordinate committee secretariats, and relevant departments communicate and evaluate the risks and opportunities identified in a timely manner. The Sustainability Committee or subcommittees consult with the Director in charge of sustainability regarding risks identified as significant. These risks are added to meeting agendas for discussion and action planning.

During the process of reviewing materiality, the Group identifies and assesses risks and opportunities related to sustainability in general, referencing these risks and opportunities when selecting materialities.

# Indicators and Targets

## ● Materiality Goals and Fiscal Year 2024 Plan

Materiality		Indicator	Targets (Target Fiscal Year)	Fiscal Year 2023 Plan (Action Plan)	Fiscal Year 2023 Results	Self-Evaluation	Fiscal Year 2024 Plan (Action Plan)
Business Activity	Materiality 1 Creating Social Value Through Core Technologies	Growth drivers as a percentage of consolidated operating profit	40% or more (FY2030)	*Annual plan for each business unit and division	3%	—	*Annual plan for each business unit and division
		Services and components as a percentage of consolidated operating profit	50% or more (FY2030)		44%		
	Materiality 2 Ensuring Trustworthiness by Maintaining and Increasing Quality	Degree of achievement of the plan to review the quality management system in response to changes in the business environment	100% (every fiscal year)	Revision of Quality Management Directive (QMD)	Implementation of QMD revisions related to Fables in August 2023 Drafted QND revisions for new business launch and Components Business in July 2024	○	Revision of Quality Management Directive (QMD) Establishment of QMD for overseas Group companies
		Ratio of management system status monitoring and improvement plan implementation	100% (every fiscal year)	Completion of assessment implementation based on annual plan (at least eight departments/companies)	Conducted assessments for eight departments and companies	○	Completion of assessments based on annual plan (at least eight departments/companies, mainly in overseas group companies)
		Comprehension of basic training on quality (business units, Group manufacturing companies)	80% or more (FY2025)	Training participation rate: 80% or more (business units, Group manufacturing companies in Japan)	Conducted e-learning for QC Levels 3 and 4 at business units and Group manufacturing companies in Japan Participation rate: 93%	○	Training participation rate: 80% or more (business units, Group manufacturing companies in Japan)

Materiality		Indicator	Targets (Target Fiscal Year)	Fiscal Year 2023 Plan (Action Plan)	Fiscal Year 2023 Results	Self-Evaluation	Fiscal Year 2024 Plan (Action Plan)
Environment	Materiality 3 Promoting a Decarbonized Society	Scope 1 and 2 reduction (compared to FY2022)*1	57% (FY2030)	Vs. FY2013: 36.5%	Vs. FY2013: 66.9%	○	Vs. FY2022: 50%
		Scope 3 reduction (compared to FY2022)*1	25% (FY2030)	Reduce environmental impact by making effective use of the LCA methodology Create at least 50% Eco-Friendly products	Conducted LCA calculations for all new products Approximately 79% of new products certified as Eco-Friendly products	○	Reduce environmental impact by making effective use of the LCA methodology Create at least 50% Eco-Friendly products
		Renewable energy adoption rate	100% (FY2030)	25%	69.3%	○	69% or more
	Materiality 4 Promoting Resource Circulation	Rate of reduction in total discharged waste (compared to FY2018)	10% or more (FY2030)	3% or more	20%	○	4% or more
		Rate of freshwater consumption reduction (compared to FY2018)	5% (FY2030)	2%	3.4%	○	2%
		Percentage of use of recycled materials for products	5% or more (FY2030)	* Targets set for each business unit and division	Use recycled materials for certain imaging products	○	* Targets set for each business unit and division
	Materiality 5 Preventing Pollution and Conserving Ecosystems	Zero usage of hazardous chemical substances in manufacturing processes	Use zero (FY2030)	Implementation of measures to abolish prohibited substances	Installed dichloromethane detoxification equipment at the Nikon Kumagaya plant Replaced HFCs used for cleaning with alternative substances Launched a company-wide project on restrictions on PFAS under the EU REACH Regulation; began identifying target substances and alternatives	○	Determine measures to abolish prohibited level hazardous chemical substances based on the Hazardous Chemical Substances Guideline; implement measures in order
		Hazardous chemical substances in products	Containing zero (FY2030)	Compliance with laws and regulations of each country and strengthening of management systems	Found that the artificial leather on the exterior of certain binocular bodies (Professional Series) contains substances restricted under the REACH Regulation Strengthened the internal management system for hazardous chemical substances contained in products	△	Compliance with laws and regulations of each country and strengthening of management systems
		Percentage of FSC-certified or recycled paper (catalogs, instruction manuals, packaging boxes)	100% (FY2030)	Implementation of measures according to paper usage	Digitized product catalogs and instruction manuals Approximately 85% of newly ordered product catalogs for use in Japan, North America and Europe are printed on FSC-certified paper, excluding special paper types	○	Implementation of measures according to paper usage

\*1 Changed the base year to FY2022 beginning FY2024. Accordingly, FY2023 plan and results are compared to FY2013.

Materiality		Indicator	Targets (Target Fiscal Year)	Fiscal Year 2023 Plan (Action Plan)	Fiscal Year 2023 Results	Self-Evaluation	Fiscal Year 2024 Plan (Action Plan)
Society/Labor	Materiality 6 Building a Resilient Supply Chain	Percentage of human rights due diligence conducted*2 (critical procurement partners)	100% (FY2025)	CSR questionnaire diagnosis rate for critical procurement partners: 100% Conducting CSR audits with and requesting improvements from critical procurement partners	<ul style="list-style-type: none"> <li>• CSR survey diagnosis rate: 100% (247 companies)</li> <li>• 2. CSR audits implemented (2 companies)</li> <li>• Written request for improvement (20 companies)</li> </ul>	○	CSR questionnaire diagnosis rate for critical procurement partners: 100% Completion of CSR audits and written improvement requests to critical procurement partners
		Understanding BCP systems in the supply chain*3	100% (FY2025)	Procurement partner location information visualization (13 companies) Conducting BCP system surveys for procurement partners (50 or more companies) Support for procurement partners requiring system establishment	<ul style="list-style-type: none"> <li>• Information and visualization of major procurement partner locations (15 companies)</li> <li>• Conduct BCP system surveys for procurement partners (61 companies)</li> <li>• Support for procurement partners requiring system establishment (10 companies)</li> </ul>	○	Information and visualization of major partner locations (15 companies) Conduct BCP system surveys for procurement partners (50 or more companies) Provide assistance to procurement partners failing to meet Nikon standards as a result of the fiscal year 2023 survey
	Materiality 7 Respecting Human Rights	Level of awareness of Nikon Human Rights Policy	100% (FY2030)	Human rights training participation rate: 95% or more (Nikon Group in Japan)	Implemented human rights e-learning for all employees in Japan Attendance rate: 95%	○	Degree of human rights education: 80% or more *4
		Conformity rate of RBA Code of Conduct (manufacturing facilities)	90% or more (FY2025)	Analysis of RBA self-check sheets and implementation of improvements	Formulated RBA self-check issue improvement plans for all eligible business facilities	○	Implementation of improvement plans for Nikon plants and Nikon Group companies formulated in fiscal year 2023
	Materiality 8 Diversity, Equity & Inclusion	Level of awareness of Nikon Global DEI Policy	100% (FY2030)	Formulation of DEI policy and publishing content for understanding and encouragement Establishment of promotion system and priority DEI themes to be addressed by each company and business	Approximately 90% of employees were aware of the existence of the policy in the first year since formulation <ul style="list-style-type: none"> <li>• Nikon stand-alone: 91.4%</li> <li>• Nikon Group companies: 88.0%</li> </ul>	○	DEI training for senior management (domestic and overseas Group companies) Conduct DEI training for section managers (Nikon) Consider DEI training for pre-management employees (Nikon)
		Increase the percentage of women in management positions (Nikon)	8.0% or more (FY2025)	Percentage of women in management positions: 7.5% or more Percentage of female new hires: 25% or more	<ul style="list-style-type: none"> <li>• Percentage of women in management positions: 7.8%</li> <li>• Percentage of female new hires 34.1%</li> </ul>	○	Percentage of women in management positions: 7.8% or more Percentage of female new hires: 25% or more
	Materiality 9 Employees' Health and Safety	Percentage of findings in regular medical checkups for the Nikon Group in Japan*5	Below the previous national average*6 (every fiscal year)	57.3% or less of the 2022 national average <ul style="list-style-type: none"> <li>• Health guidance and recommendations for medical checkups by occupational health staff</li> <li>• Health education</li> </ul>	Percentage of findings in regular medical checkups (Nikon): 48.7%	○	Less than the 2023 national average <ul style="list-style-type: none"> <li>• Health guidance and recommendations for medical checkups by occupational health staff</li> <li>• Health education</li> <li>• Tracking overtime hours</li> </ul>
		Annual incidence of occupational accidents attributable to work or related to the performance of work	60 cases or less (FY2025)	Risk Assessment Safety education Sharing of health and safety information	Annual incidence of occupational accidents attributable to work or related to the performance of work: 52 cases (29 in Japan and 23 overseas)	○	Risk Assessment Safety education Sharing of health and safety and accident risk information
		High stressed person rates in stress checks (Nikon)	Below the previous national average*7 (every fiscal year)	15.0% or less of the 2022 national average <ul style="list-style-type: none"> <li>• Individual counseling</li> <li>• Mental health education</li> </ul>	High stressed person rates in stress checks: 13.5%	○	14.8% or less of the 2023 national average <ul style="list-style-type: none"> <li>• Individual counseling</li> <li>• Mental health education</li> </ul>

\*2 Implement until improvement is completed when a survey or audit reveals correction is necessary.

\*3 The number of suppliers within the scope of the supply chain requiring the establishment of a BCP system.

\*4 Checked by Nikon Group awareness surveys.

\*5 Expanding the target from Nikon to the Nikon Group in Japan beginning FY2024. Accordingly, FY2023 plan and results are for Nikon only.

\*6 National average for the manufacturing industry as published by the Ministry of Health, Labor and Welfare.

\*7 National average as published by stress check contractors.

Materiality	Indicator	Targets (Target Fiscal Year)	Fiscal Year 2023 Plan (Action Plan)	Fiscal Year 2023 Results	Self-Evaluation	Fiscal Year 2024 Plan (Action Plan)	
Governance	Materiality 10 Thorough Compliance	Establishment of compliance awareness*8	Code of Conduct education: Implemented throughout the Nikon Group (100% implementation rate by number of companies) Individual issue education (competition laws, harassment, etc.): Implemented at relevant workplaces/companies	<ul style="list-style-type: none"> <li>The Code of Conduct was revised in 2024. Therefore, the Group began education in Japan after the revision was completed.</li> <li>Provide education on specific issues (e.g., competition laws) at relevant workplaces and companies</li> </ul>	△	Develop a global legal and compliance structure Communicate the revised Code of Conduct and review awareness measures Conducting awareness surveys to determine awareness and identify issues	
		Awareness level of whistleblower system*8	Re-permeating information about reporting (consultation) contact points in the whistleblower system (reporting and consulting system)	<ul style="list-style-type: none"> <li>Awareness level in FY2023 awareness survey: 98%.</li> <li>Distributed Ethics Hotline cards to Nikon Group employees nationwide in June 2023 and January 2024</li> </ul>	○	Implement activities to raise awareness of the whistleblower (reporting and consultation) system (in Japan, this includes establishing an external contact to handle cases related to heads of organizations and other executives, as well as compliance with the Freelance Protection Act)	
	Materiality 11 Strengthening Corporate Governance	Evaluating Board effectiveness and addressing key issues	100% (every fiscal year)	Discussions on and action addressing issues identified in fiscal year 2022 by the Board of Directors Evaluation via advance questionnaires and individual interviews Preparation of evaluation reports	Board of Directors discusses and decides on policies to address issues identified in the effectiveness evaluation, taking corrective action	○	Discussions on and action addressing issues identified by the Board of Directors in the fiscal year 2023 effectiveness evaluation. Conduct evaluation based on preliminary questionnaire and individual interview evaluations, prepare evaluation reports
		Board of Director Diversity	Optimizing the composition of the Board of Directors to meet stakeholder demands (every fiscal year)	Consideration of the optimal composition of the Board of Directors	One new External Director appointed (two women on the Board; External Director account for half of the Board of Directors) Ongoing consideration of structure in the next fiscal year and beyond	○	Consideration of the optimal composition of the Board of Directors
	Materiality 12 Strengthening Risk Management	Progress in identifying important risks and implementing measures based on risk assessments	100% (every fiscal year)	Support for optimizing the export control system BCM Review Continued compliance with applicable personal information protection laws and regulations in various countries	Established an export control system to ensure compliance with local laws and regulations and implement measures related to foreign exchange law related matters Decided on assumptions for each business unit on core businesses, target recovery time, and critical operations for BCM. Organized our enterprise system We took necessary measures to comply with the applicable personal information protection laws and regulations of various countries	○	Support the optimization of export control systems in Group companies Implement measures to improve the effectiveness of BCP for large-scale disasters and BCM for international conflict contingencies (familiarization and training, continuous updates) Strengthen cybersecurity systems and comply with laws and regulations in each country that require product cybersecurity measures

\*8 Checked by Nikon Group awareness surveys.

# Business Activity

## Investment Support Through Open Innovation



Startup companies

21



Venture capital firms

12

## Procurement Partner Quality Management System Assessments



Conducted for

101 companies

## Customer Satisfaction



87.0%

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## Materiality 1

# Creating Social Value Through Core Technologies



## Reason for Priority

Companies are considered public institutions and have a responsibility to contribute to the sustainable development of society through transparent and fair business activities.

Moreover, in recent years, amidst the emergence of social issues of global importance, companies are required to innovate in ways that will transform social systems and lifestyles, and to contribute to solving these issues through their businesses.

## Nikon's Approach

Imagine society in 2030, it is likely that not only will people's values, lifestyles, and outlooks on life shift, but so too will social frameworks on topics like climate change and resource scarcity shift. Furthermore, there will likely be an accelerated shift in technologies, such as with the advent of Industry 5.0. In the midst of this mega-shift, we believe that people will focus more on creative, self-fulfilling work and value-driven consumption, and that there will be greater co-creation between humans and machines.

In April 2022, Nikon announced a new Medium-Term Management Plan in which its Vision 2030 (for the year 2030) is to become a key technology solutions company in a global society where humans and machines co-create seamlessly.

Over its 100 years of history, Nikon has cultivated ultra-precise Monodzukuri (manufacturing) capabilities, eminently present in its lithography systems. It has also cultivated a brand that has popularized digital cameras worldwide and greater trust among its stakeholders. Leveraging these strengths, we will provide solutions closely tied to customer experience value and the generation of innovation, and expand possibilities for people in a world where humans and machines co-create more seamlessly. We will also contribute to the realization of a prosperous and sustainable society by providing innovative value that will help address societal and industrial challenges, including those presented in the SDGs.

# Nikon's Social Value Creation

## Strategy

The Nikon Group aspires to be a company that contributes to the sustainable development of society through the creativity of new value through its businesses based on its Corporate Philosophy of Trustworthiness and Creativity. In its Sustainability Policy, we are committed to helping solve environmental and social challenges as well as achieve Sustainable Development Goals (SDGs) through our business activities by delivering unique Nikon products and services. In addition, we have selected Creating Social Value through Core Technologies as a materiality. To put this into practice, in April 2022, Nikon announced a Medium-Term Management Plan with sustainability strategy as one of its management foundations.

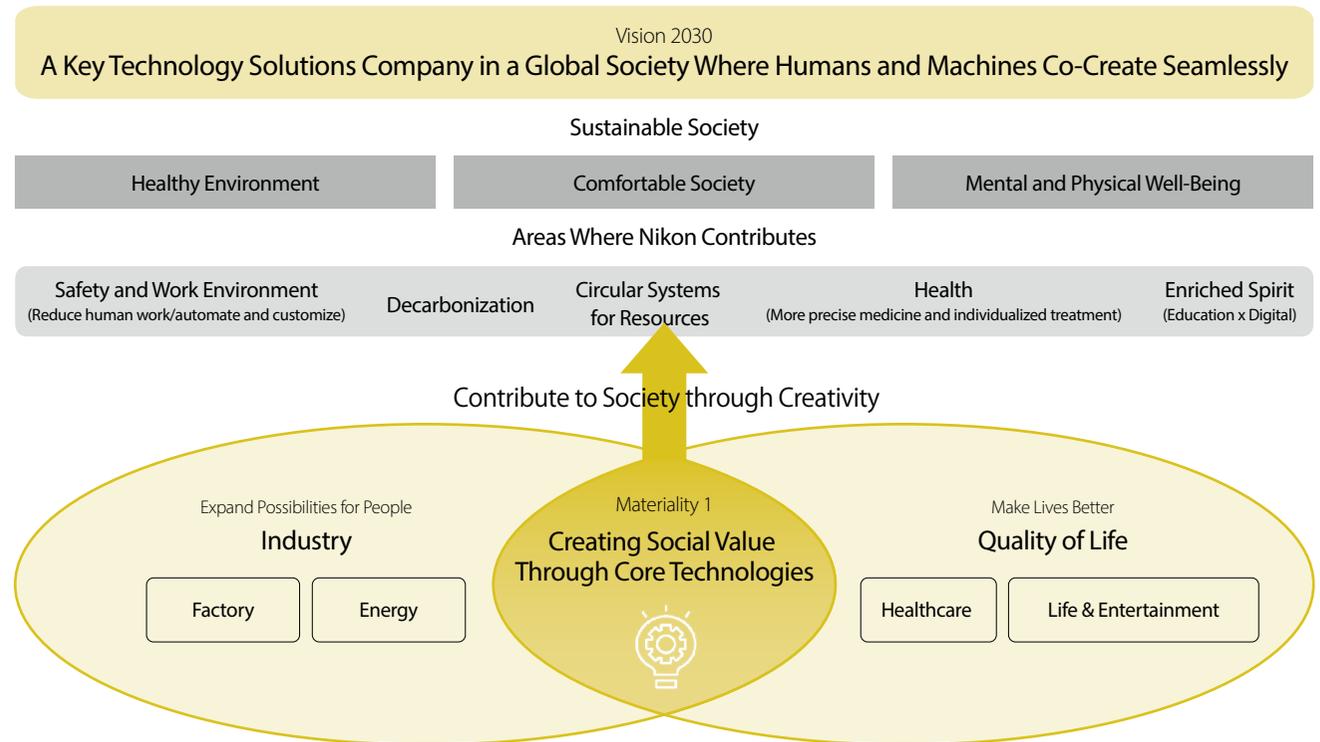
Under this plan, our Vision 2030 is to become a key technology solutions company in a global society where humans and machines co-create seamlessly. With this, we will focus our efforts on building industries that will expand possibilities for people and quality of life (QOL) that will make lives better in the fields of Factory, Energy, Healthcare, and Life & Entertainment. Specifically, in the Factory area, we will become a lead player in flexible manufacturing systems with Robot Vision and Material Processing. We will also contribute to the diversification and sophistication of devices with digital lithography. In the Energy area, we will leverage optical processing machines to promote energy efficiency improvements with fine processing and re-use with additive processing. In the Healthcare area, we will support drug discovery that lightens the burden on doctors and patients, aiming to achieve regenerative medicine for everyone. In the Life

& Entertainment area, we will support a society where people are connected in ways that transcend time and space and virtual and reality with image infrastructure production technologies

In a world where humans and machines co-create

more seamlessly, we will use these efforts to contribute to the achievement of the SDGs and the realization of a sustainable society, especially in the areas of safety and work environment, decarbonization, circular systems for resources, health, and enriched spirit.

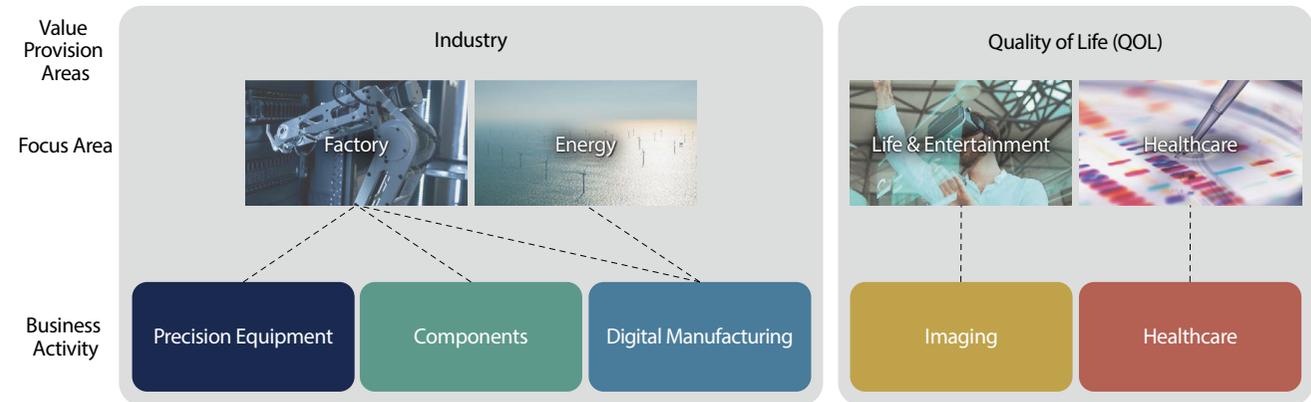
### ● Contributions to Society Through Creativity



## Areas and Businesses of Contribution in the Medium-Term Management Plan

In its Medium-Term Management Plan, Nikon aims to use its Components, Digital Manufacturing, and Precision Equipment businesses to provide value in the area of Industry. Likewise, we aim to use our Imaging Products and Healthcare businesses to provide value in the Quality of Life area. In this context, we aim to contribute to a sustainable society and grow our own company by focusing on five areas, with the delivery of integrated solutions, including finished products, services, and components as growth drivers.

### ● Areas and Businesses Where Nikon Provides Value



### ● Contributions Through Business Activities

Areas Where Nikon Contributes		● Precision Equipment ● Components ● Digital Manufacturing ● Imaging ● Healthcare
<b>Safety and Work Environment</b> (Reduce human work/automate and customize)	<ul style="list-style-type: none"> <li>Contribute to work environments and public transportation infrastructure through sensing, imaging and displays, etc.</li> <li>Contribute to urban planning and resilient social infrastructure with image analysis and optical telecommunications technology</li> <li>Contribute to space industry and technology by providing satellite modules, etc.</li> </ul>	
<b>Decarbonization</b>	<ul style="list-style-type: none"> <li>Increase energy efficiency in society with additive and fine processing using optics</li> <li>Enhance manufacturing efficiency in robots with sophisticated hands and eyes and device manufacturing processes</li> <li>Contribute to a society where people connect transcending time and space and real and virtual leveraging image production technologies</li> <li>Contribute to a healthy global environment with longer lasting light sources and more durability in our products</li> </ul>	
<b>Circular Systems for Resources</b>	<ul style="list-style-type: none"> <li>Reduce the burden of waste and promote re-use among our customers through turbine repairs and ultra-precision processing, controls and measurement, etc.</li> <li>Aim to achieve a recycling society by strengthening equipment re-use and refurbished systems sales</li> <li>Leverage digitalization to help reduce needs</li> </ul>	
<b>Health</b> (More precise medicine and individualized treatment)	<ul style="list-style-type: none"> <li>Reduce the burden on doctors and patients and support drug discovery with early and high-precision evaluation of ailments</li> <li>Achieve regenerative medicine for everyone with Contract Cell Manufacturing solutions</li> <li>Support medicine with high-precision robot modules</li> </ul>	
<b>Enriched Spirit</b> (Education x Digital)	<ul style="list-style-type: none"> <li>Contribute to rich and creative visual expression and culture with imaging equipment and 3D and 4D technology, etc.</li> <li>Leverage cameras, microscopes and telescopes to stimulate interest in outer space and the natural sciences and contribute to</li> <li>Education and training that transcends time and space and real and virtual</li> </ul>	

## Major Initiatives

### Research and Development (R&D)

The Technology Strategy Committee at Nikon, chaired by an Executive Vice President, leverages analyses of macro social issue trends to comprehend business environments, conduct market studies and evaluations, and develop new areas of focus for Nikon's efforts. For example, the Next Generation Project Division and the Digital Solutions Business Unit have been working together since the previous Medium-Term Management Plan's period to expand business for optical and EUV-related components, a short-term growth driver in the Medium-Term Management Plan, and materials processing and robot vision, a medium-term growth driver in this plan.

The Technology Strategy Committee also formulates technology strategies and R&D plans for existing businesses. These serve as the foundation for the Advanced Technology Research & Development Division's duties for R&D of technologies shared by business units and R&D of future technologies.

### Open Innovation

Nikon has adopted open innovation, which actively utilizes external resources, as a means of accelerating the development of new products and services and the launch of businesses that will lead to solutions for expanding and intensifying social issues.

Specifically, this includes not only corporate venture capital investment, but also direct investment in start-up

firms through the establishment of a private fund, as well as arrangements for providing support and incubation for start-ups and employees that have developed technologies or ideas with strong potential. As of March 31, 2024, we are providing investment support to 21 startup companies and 12 venture capital firms.

#### Value Provided Through Business Activities-1

Areas Where Nikon Contributes;  
**Health**

#### Contributing to the Field of Drug Discovery

#### Addressing Unmet Medical Needs

There are many diseases and conditions for which effective treatments have not been discovered. Collectively, they are known as unmet medical needs. They include treatments for serious diseases such as cancer, serious conditions such as dementia, and non-life threatening, QOL-impacting conditions, such as insomnia and migraine. Meeting these unmet medical needs is a compelling reason to accelerate both our understanding of disease mechanisms and the development of new drugs.

#### ECLIPSE Ji, Smart Imaging System That Supports New Drug Development

Nikon launched the JOICO microscope in 1925, and in the nearly 100 years since then, we have developed technologies and expertise in observing and evaluating cells.

The ECLIPSE Ji is Nikon's first digital inverted microscope for research use. It features a design that has no eyepiece despite being an optical microscope, and when used with the NIS-Elements SE imaging software, the process from image acquisition to analysis and data display is completely

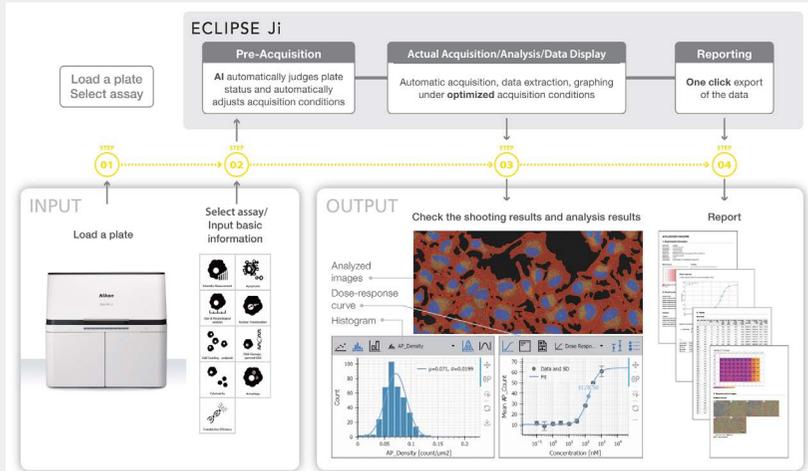


Figure 1.

automated. The microscope is equipped with software that uses AI-driven deep learning to automate operations, making it easy to operate without the expertise in microscopy that an operator normally requires.



**Benefits of AI Automation**

Cell-based drug efficacy evaluation technology

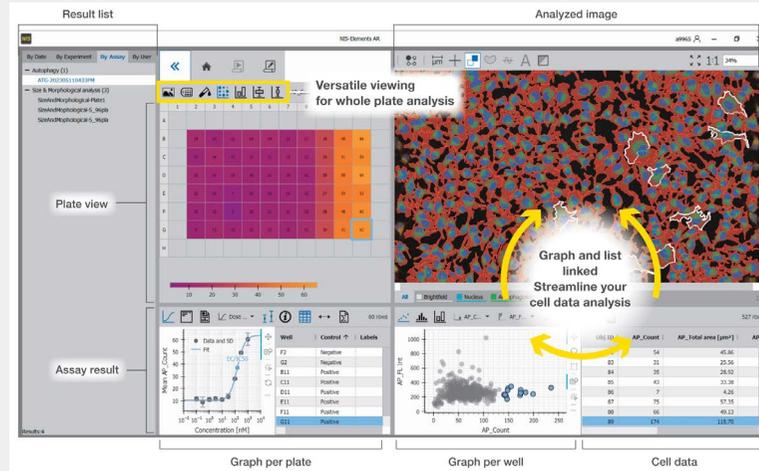


Figure 2.

is contributing to the efficiency of new drug development.

However, in order to accurately and speedily evaluate the efficacy of a drug, it is still necessary to acquire and analyze cell images, which in turn requires specialized knowledge of microscopes and their advanced operating techniques.

The ECLIPSE Ji smart imaging system streamlines the process from sample set-up to report output by employing AI-driven automated operations, allowing researchers to focus on analyzing and discussing the data they have obtained. Furthermore, because there is no variability introduced by humans, automatic operation is also expected to improve analytical success rates (Figure 1).

Moreover, by using data from individual cells, it is possible to analyze data outliers and thus capture trends across cell populations as a whole,

contributing to the efficiency and acceleration of research and development (Figure 2).

**Business Supporting Drug Discovery Research and Development**

Nikon has identified drug discovery support as one of the growth drivers in the Medium-Term Management Plan (fiscal years 2022 to 2025). We contribute to drug discovery and new drug development by providing various solutions utilizing our proprietary advanced optical technologies and image processing and analysis technologies. We will contribute to improving health and QOL by supporting the fields of drug discovery and new drug development, aiming to create a society where each individual can receive optimal treatment.

### Value Provided Through Business Activities-2

Areas Where Nikon Contributes;  
**Safety and Work Environment**

### Contributing to Solving Issues in the Japanese Livestock Industry

#### Growing Labor Shortage

Japan's livestock industry is facing a serious shortage of labor due to the declining birthrate, aging population, lack of successors, and a decrease in the number of new workers entering the industry. One of the factors is thought to be the industry's harsh working conditions and environment. To overcome the challenges facing the livestock industry, the introduction of DX and AI has been gaining momentum in recent years.

Nikon has developed NiLiMo, a live monitoring system that uses AI and image analysis technology to detect signs a cow is calving or about to start calving and then notify the farmer. Proof-of-concept testing was conducted with the cooperation of beef cattle producers in Kumamoto Prefecture, Japan, and Nikon Solutions Co.,Ltd. began marketing the system in 2024.

As calving nears, a calf-carrying cow exhibits particular characteristic behaviors, such as making increased movement, repeatedly standing up and sitting down, and raising her tail. The monitoring system uses multiple cameras installed in the cow shed to capture images of the calf-carrying cow, with equipment installed on the farm then analyzing these images using AI to detect her characteristic pre-calving behaviors. After the data has been analyzed, a text or voice message is sent to the farmer's smartphone via dedicated application that they have downloaded.



Detection of calving using AI

present at the calving, thereby reducing the number of calving incidents.

Thus, the NiLiMo live monitoring system not only significantly reduces the burden on farmers, but it also assists livestock operations by reducing adverse incidents during calving. Furthermore, centralized management and real-time sharing of cattle information and behavioral history will also help farmers improve their operational efficiency.

#### Supporting Japanese Livestock Industry and Worldwide Supply and Demand of Food

Nikon is committed to overcoming the challenges of the livestock industry in Japan with systems that incorporate AI as well as with our proprietary image processing technology.

Moreover, the imbalance between supply and the increasing demand for food due to population growth is becoming a global problem. In addition to supporting Japan's livestock industry, we will also use our unique expertise and technology to help solve global food problems that will arise in the future and other social issues.

#### Reducing Burden on Farmers and Helping Management

This system allows farmers, even when they are away from the cow shed, to know when their cows are likely to calve. This reduces the number and duration of day and, more significantly, nighttime rounds the farmer has to make. It also ensures that the farmer is



Decreased feeding and drinking

Increased movement

Repeatedly standing up and sitting down

Tail raising

Amniotic sac emerges

Calf's feet emerge

Delivery

Characteristic behaviors of cows at calving time, with behaviors that NiLiMo can detect highlighted in yellow

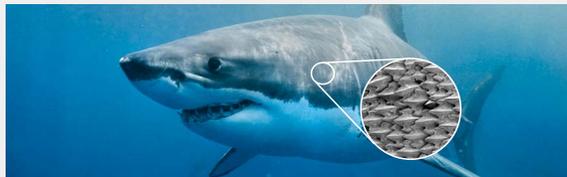
**Value Provided Through Business Activities-3**

Areas Where Nikon Contributes;  
**Decarbonization**

**Riblet Processing that Contributes to Carbon Neutrality**

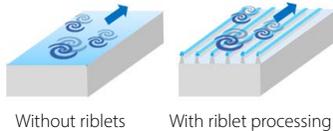
**Shark Skin-like Riblets**

A riblet is a biomimetic technology based on the microscopic pattern of shark skin. Sharks have evolved the surface of their skin to have a longitudinal grooved shape, reducing the frictional resistance of contact with the water and making it possible to swim faster and more efficiently. Riblets are a microstructure consisting of artificial longitudinal grooves inspired by this evolution. Research began in this area several decades ago, and swimwear with this microstructure applied to its surface garnered great attention after its use led to new world records being set.



**Riblet Mechanism for Reducing Frictional Resistance**

Riblets reduce contact frictional resistance by using vertical grooves to create distance between vertices and the wall surface and reduce the contact area.

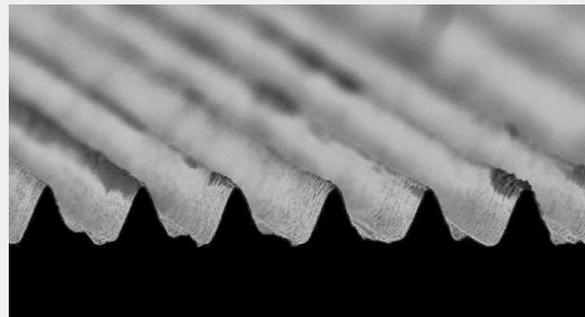


**Benefits of Riblet Processing**

By imparting a riblet shape to an object moving against water or air, it can help reduce frictional resistance. For example, riblet processing on aircraft fuselages and race car bodies can reduce frictional resistance to the air, thereby improving fuel efficiency and increasing speed. Riblet processing on blades used in applications such as wind turbines, gas turbines, and jet engines offer potential improvements in energy efficiency.

**Nikon's Unique Laser Processing Technology**

Laser processing generally involves irradiating a laser beam onto an object, such as a metal, to cut or drill a hole. Nikon's high-precision laser processing technology enables the precise formation of minute three-dimensional shapes. In order for maximal riblet effectiveness, they must be machined to the



Cross-section of riblet processing (viewed under electron microscope)

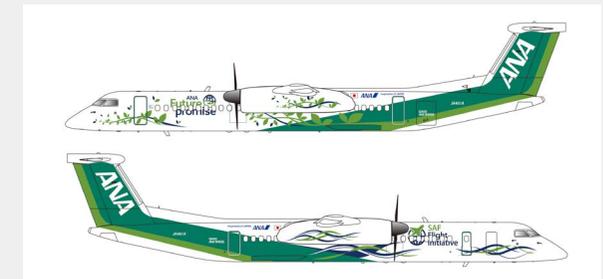
optimum shape for each object. Nikon's technology allows for this.

Furthermore, advanced optical technology enables processing a wide variety of materials, including metals, resins, and fiber-reinforced plastics.

**Proof-of-Concept Testing on Passenger Aircraft**

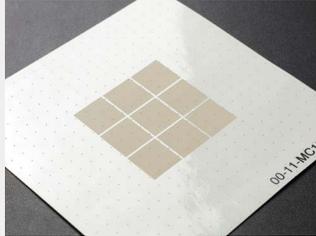
Applying riblet processing to aircraft fuselages is expected to reduce frictional resistance between the fuselage and the air, thereby improving fuel efficiency and reducing CO<sub>2</sub> emissions. Japan Airlines Co., Ltd. (JAL) and All Nippon Airways Co., Ltd. (ANA) started conducting proof-of-concept tests in 2022. These tests involved applying riblet processing to a section of the fuselages of some of their passenger aircraft.

Applying the riblet film to the area of an aircraft's fuselage where it is most effective is expected to improve fuel efficiency by 2%. Moreover,



An ANA DHC-8-400 aircraft with a sheet of Nikon riblet processing applied to it came into service on October 23, 2023. The Aircraft here is in special ANA Future Promise livery.

if this were adopted across the entire ANA fleet, it is predicted it would result annually in a reduction in jet fuel consumption of approximately 95,000 tons, a cut in fuel costs of approximately 8 billion yen, and lower CO<sub>2</sub> emissions of approximately 300,000 tons.



Riblet processing applied as film to the fuselage of ANA aircraft

### Estimated Benefit of Riblet Film Applied to ANA's Aircraft Fleet

Improved fuel consumption



Approx. **2%**

Annual jet fuel use reduction  
Approx. 95,000 tons/approx.  
124,000 kiloliters



25m-long swimming pools  
Equivalent to  
Approx. **260**

Annual fuel cost savings



Approx. **80** billion yen

Annual CO<sub>2</sub> reduction



Approx. **300,000** tons

\*1 Effects calculated based on the following main conditions: Theoretical reduction effect of 6.17% x 80% processing of fuselage surface x 90% flight time at cruising altitude, applied to currently owned aircraft (calculated by Nikon)

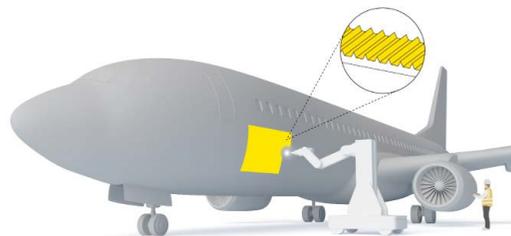
## Becoming Carbon Neutral with Riblet Processing

As the damage and losses due to climate change become more serious, efforts to reduce CO<sub>2</sub> emissions are accelerating in various fields in order to achieve the 1.5°C target, a target limiting any increase in global average temperatures to 1.5°C. In addition to aircraft, ships, and wind turbines, the use of riblet processing is expanding to include gas turbines, helicopters, rolling stock, drones, pumps, and household appliances.

We will contribute to the realization of carbon neutrality by developing businesses that take advantage of our unique riblet processing technology.

### Illustration of Riblet Processing on Aircraft

In the future, we aim to adopt Nikon-developed equipment for riblet processing on aircraft fuselages.



## 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 company-wide 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 quality assurance, which includes safety, environmental consideration, and product security. With the Quality Committee playing a central role, we strive to prevent quality issues by strengthening our quality management system on a global level, developing improvement measures based on quality loss costs, and fostering a culture of quality by improving the quality levels and embedding behavioral principles in *Monodzukuri* (manufacturing).

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.

Yasuhiro Ohmura  
Director and Senior Executive Vice President  
Quality Committee Chair

### [Activity Policies]

- Basic Quality Policy
- Quality Management Directive (QMD)

### [Organizations]

- Quality Committee

# 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).

### 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.

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

## Strategy

### Risk

Customer needs in the market are diversifying and becoming more sophisticated each day, including changes in lifestyles and values. Demand for companies for quality management also grows stronger each year as countries and regions develop various safety and environmental laws and regulations for the sustainable development of society.

Amidst this social environment, the Nikon Group recognizes the importance of ensuring quality that leads to customer satisfaction, including safety and environmental considerations. If we fail to ensure such quality, we risk business continuity with our customers and risk losing social credibility as a company.

### Opportunity

Although the aforementioned trends in the social environment pose risks to the Group, we also recognize these risks as opportunities to earn the trust of our customers and society through rapid response to changes in customer needs, quality assurance, and improvement.

Opportunities also exist for business growth through creative and efficient *Monodzukuri* (manufacturing) by improving brand value and differentiating ourselves from competitors through quality.

### Strategy

Our approach to ensuring trustworthiness by maintaining and increasing quality is providing competitive products

and services that are safe, environmentally friendly and secure.

In this approach, we strive for functional quality management that addresses changes in values demanded by society and our customers, technological innovations, and in *Monodzukuri* (manufacturing). We have created a Quality Manual (QM) based on the QMD for each business unit (including the Group companies). 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 accreditation acquisition at Nikon and the Group manufacturing companies is approximately 50% (percentage of companies).

We also established a global quality management system to strengthen global governance, including at overseas subsidiaries that joined the Nikon Group through M&A.

We also strive to foster a culture of quality by establishing a system to improve the level of quality education, form behavioral principles in *Monodzukuri* (manufacturing), and ensure product safety and product security in response to technological advances. Through these efforts, we work to prevent quality issues on an ongoing basis.

\* 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.

## Governance

The Nikon Group established the Quality Committee to deliberate and make decisions on important matters related to quality control for the entire Group. The responsible officer (director) of the Production Technology Division chairs the committee, and general managers from each business unit and others serve as the 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, 2024)



Decisions made at the Quality Committee are shared at the QMS<sup>\*1</sup>/CMS<sup>\*2</sup> 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 2023, we continued 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.

\*1 QMS: Quality Management System,

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

## 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.

Our measurement of quality loss costs in production processes of each business unit, an initiative we launched in the previous fiscal year, has taken root in fiscal year 2023, and we established a measuring system for improvement measures based on reduction targets and unmeasured items.

We plan to continue to improve this measuring system in fiscal year 2024 while consolidating measurements by business unit and job function to improve upstream processes.

In fiscal year 2023, we also formulated a plan to establish a global quality management system and implement QMS inspections and improvements at overseas subsidiaries that join the Nikon Group through M&A. We plan to begin engaging in these improvement measures in accordance with the implementation plan in fiscal year 2024.

## Risk Management

The Quality Committee and its affiliated Products Subcommittee lead the identification and evaluation of quality risks in the Nikon Group. Important risk factors are reported to the Risk Management Committee based on discussions at the Quality Committee, which leads the formulation of countermeasures and improvements. The committees also work to reduce risk through internal QMD/CMS assessments and collaboration with our suppliers.

### Implementing QMD/CMS assessments\*

The Nikon Group conducts QMD/CMS assessments to check the status of quality management and the management system for hazardous chemical substances contained 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 2023, QMD/CMS assessments were conducted for three Nikon divisions and five major Group companies using assessment check sheets adapted to the organization being assessed.

The Nikon Group also makes continuous reviews in order to further enhance the effectiveness and efficiency of

these assessments.

\* In fiscal year 2021, the Nikon Group began conducting audits related to existing quality control and the management of hazardous chemical substances contained in products, referring to such audits as "assessments." Our use of "assessment" is synonymous with the term "audit" defined in JIS Q 19011, and refers to a systematic process for the objective evaluation of the degree to which QMD requirements are met.

### 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 2023, we conducted QMS assessments for 101 procurement partners. For procurement partners that did not meet Nikon's required standards, we discuss countermeasures and implement systematic improvements with them.

We have worked to integrate these measures with our high-affinity environmental management system assessments since fiscal year 2022. In fiscal year 2023, we defined our assessment methodology and plan to conduct trial operations with procurement partners going forward.

Furthermore, we added a section to provide feedback on quality/environmental accident cases on the survey questionnaire, aiming to improve quality.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Degree of achievement of the plan to review the quality management system in response to changes in the business environment: 100% (every fiscal year)

#### ► FY2023

##### Plan (Action Plan)

Revision of Quality Management Directive (QMD)

##### Results

1. Implemented QMD revisions related to Fables in August 2023

Drafted QMD revisions for new business launch and Components Business in July 2024

#### ► FY2024

##### Plan

1. Revision of Quality Management Directive (QMD)

2. Establishment of QMD for overseas Group companies

### Indicators and Targets (Target Fiscal Year)

Ratio of management system status monitoring and improvement plan implementation: 100% (every fiscal year)

#### ► FY2023

##### Plan

Completion of assessment implementation based on annual plan (at least eight departments/companies)

##### Results

Conducted assessments for eight departments and companies

#### ► FY2024

##### Plan

Completion of assessments based on annual plans (at

least eight departments/companies, mainly in overseas Group companies)

## Indicators and Targets (Target Fiscal Year)

Comprehension of basic training on quality (business units, Group manufacturing companies): 80% or more (FY2025)

### ► FY2023

#### Plan

Training participation rate: 80% or more (business units, Group manufacturing companies in Japan)

#### Results

Conducted e-learning for QC Levels 3 and 4 at business units and Group manufacturing companies in Japan  
Participation rate: 93%

### ► FY2024

#### Plan

Training participation rate: 80% or more (business units, Group manufacturing companies in Japan)

## 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 2023, 698 groups and 5,935 people participated in such activities at Nikon Group companies in Japan and overseas.

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 2023, more than 190 employees participated, including executives, and the excellent presentations were used as a reference for improvement activities in each unit.

### 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 awareness-raising 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 1,134 participants in the mandatory training course on quality control in fiscal year 2023. In addition, the Expert Package Training program, which aims to develop experts in statistical quality control, has completed its eighth term, and a total of 150 students from the first through the eighth terms are active in the field.

We produced e-learning video materials in English, Chinese, and Thai for overseas employees. We are also planning to implement the same trainings in our overseas companies as those required at companies in Japan. We will continue our efforts for roll-out in fiscal year 2024.

Furthermore, every year during Quality Month in November, Nikon hosts the Quality Month Conference. In

fiscal 2023, we welcomed Dr. Shinichi Sasaki, well known for his book *The Toyota Own-Process Completion*, to lecture on *Own-Process Completion and Quality Assurance Human Resource Development: Toward the Creation of New Customer Value*. Dr. Sasaki shared with us his experiences and spoke on the effects of the own-process completion on quality improvement, including how it applies to white-collar workers. He also discussed the benefits of own-process completion from the perspective of human resource development. This lecture was attended by approximately 150 Nikon Group executives and employees and 120 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.)

\* Statistical Quality Control (SQC)

## Ensuring Safety of Products and Services

The Nikon Group regards safety as an integral part of the quality of our products and services, and believes that our most important mission is to provide safe products and services to its customers. We give due consideration to the safety of products and services for the entire lifecycle of the product from the planning stage, right through to disposal. Our Basic Quality Policy states clearly our commitment to ensuring safety, and we also incorporate this commitment into QMD and the regulations of each 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 2023, we revised three standards. These rules included the *X-Ray Equipment Safety Standards* that ensure the safety of equipment using X-rays, the *EMC Standards* that ensure the electromagnetic compatibility of electronic equipment, and the *Industrial Equipment Safety Design Standards* that ensure the safety of industrial equipment. Note that the number of serious product accidents relating to safety\* for fiscal year 2023 was zero.

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.

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

### 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 2023, we worked to formulate and establish rules and regulations for each business unit regarding security management, which we reinforced with the *Product Security Countermeasures Standards* revised in fiscal year 2022. We also invited guest speakers to hold seminars aimed at disseminating knowledge on product security management in response to future planned product security regulations enforcements.

### 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 2023, approximately 740 employees of the Nikon Group in Japan participated in the educational training courses provided in the previous fiscal year by the Quality and Environmental Administration Department

of the Production Technology Division and the Technical College. We offered in-person, online, and on-demand training for employees to take and repeat as needed, ensuring retention of safety design knowledge.

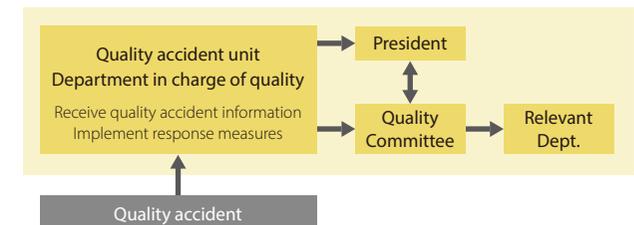
### Response in Case of an Accident

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 2023, we took measures to prevent damage from occurring, spreading, or recurring against 12 incidents with following these procedures. These measures are also reviewed annually, and suitably revised if needed.

\* These procedures stipulate that in the event of a quality accident, our first priority is to ensure the safety of customers, related parties, and employees, responding promptly and in an organized manner to minimize damage and maintain public trust.

#### ● Flowchart Outlining Communication After Accidents Occur



## Quality Issues Encountered in FY2023

The Nikon Group manages the use of specified hazardous substances in compliance with the laws and regulations of each country for chemical substances contained in our products. We also require our procurement partners to provide information on chemical substances contained in their products.

In fiscal year 2023, we suspended shipments of the Nikon Professional series binoculars after the artificial leather straps attached to the bodies were found to contain levels of bis(2-ethylhexyl) phthalate (DEHP)\*<sup>2</sup> that exceed the standard value for the total concentration of phthalates specified in the EU REACH Regulations\*<sup>1</sup>. This incident was the result of a lack of thorough guidance and management of parts suppliers in the Nikon Group.

We take this matter very seriously and are reviewing the relevant regulations and re-educating relevant employees on the management of chemical substances contained in products.

To prevent recurrence, we are working to strengthening our investigation process for chemical substances contained in our products and by offering guidance and thorough management to our suppliers.

\*1 REACH is a European Union regulation on chemicals management came into effect on June 1, 2007 that stands for Registration, Evaluation, Authorisation, and Restriction of Chemicals.

\*2 Strict specifications came into effect on July 7, 2020 concerning the total concentration of four phthalate esters, including DEHP. (Annex XVII Entry 51 to REACH (EC) No 1907/2006)

Management and Reduction of Hazardous Chemical Substances → [p.094](#)

## 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 2023, there were no violations of laws, regulations, etc., with regard to safety labeling and information provision.

## Customer Satisfaction Initiatives

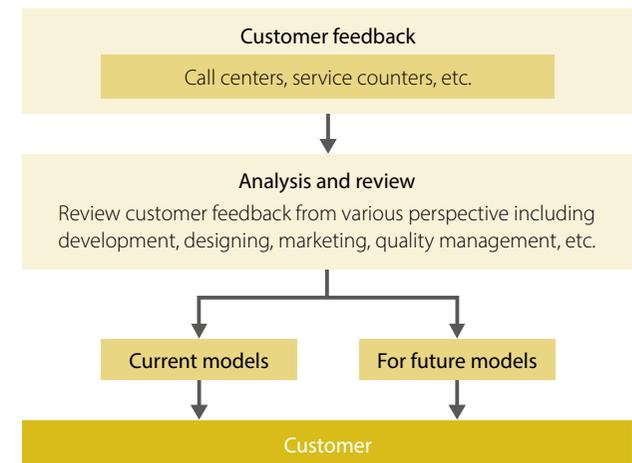
The Nikon Group strives to improve customer satisfaction and trust by providing products and services that are unsurpassed in safety and quality, and also useful to society. The Nikon Group has previously built a system.

## Product Development for Imaging Products Based on Customer Feedback

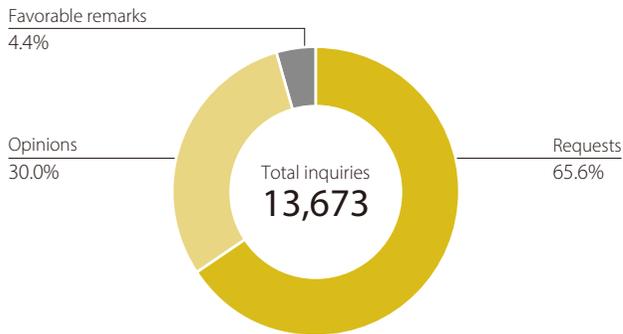
At the Nikon Imaging Products, feedback is received through call centers, service counters and NPS\* staff from general and professional users as well as users who use photographic equipment in businesses worldwide. After careful analysis, customer feedback is examined from a range of different perspectives 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, FY2023)



\* This breakdown of call center inquiries does not include questions regarding retail stores or product usage of the total 53,000 inquiries received.

Column

Responding to Requests for Additional Functionality

Nikon takes requests from customers around the world very seriously and strives to satisfy customers by incorporating the features they seek into our products.

The flagship mirrorless camera Z 9, released in December 2021 represents one example of our efforts. We incorporated the auto-capture function in the third major update (version 4.00) released in June 2023. This feature enables automatic shooting, making photography possible in places and environments inaccessible to the photographer. Such features allow users to focus on safety and the natural environment. In October of the same year, we released version 4.10, which features the new [Birds] and [Airplanes] AF subject-options at the request of our customers. These new options detect and focus on birds and airplanes, and have been well received by many customers. Nikon will not only continue to develop new products, we will update functions to meet the needs of our customers even after they purchase our products.



Shooting with the Auto Capture function



Shooting with the [Birds] option



Shooting with the [Airplanes] option

## Improving Services in the Imaging Products Business

For our imaging products business, along with our customer first mindset, we aim to provide services that make customers say, "I am really happy I chose a Nikon product." In order to achieve this goal Nikon has established a Service Division at the Nikon Head Office. As of the end of March 2024, we have an organization that can provide consistent services 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 service quality through diverse initiatives.

### ● Maintaining and Improving Repair Quality

Once a year, we conduct an assessment at all Nikon regional headquarters service locations to check whether the accuracy of the equipment and tools meets our 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 quality.

We are also working to improve service quality control and quality in individual countries and regions. For example, the employees of Nikon Group sales companies conduct yearly assessments of each authorized repair service provider in Europe, China, and India based on assessment

lists of each region, as well as visit 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.

In the Imaging Products Business, we strive to educate each staff member involved in our services on product concepts and functions to ensure said employees are able to advise customers on the best settings for their cameras in specific settings. At headquarters, we gather and consolidate real customer testimonials and share this information globally.

To ensure customers use our imaging products over the long term, we offer various maintenance packages tailored to our customers. These packages offer repair services in addition to high-precision inspections with cleanings and tools. To improve customer convenience, we posted a trouble-shooting guide on the Nikon website for customers to diagnose issues before requesting service.

Through measures such as these, we are working to not only sell products, but also provide added value.

### ● Customer Satisfaction Survey Results

(%)

	FY2019	FY2020	FY2021	FY2022	FY2023
Customer satisfaction	86.6	87.0	86.9	88.4	87.0

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

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

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

<https://www.nikon.com/company/technology/design/>

# Environment

Scope 1 and Scope 2  
Greenhouse Gas Emissions  
(compared to fiscal year 2013)



66.9%  
Reduction

Total Waste Generated from  
Operations  
(compared to fiscal year 2018)



20%  
Reduction

FSC-Certified Paper Used in  
New Product Catalogs  
(Europe, North America, Japan)



Approximately  
85%

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## Reason for Priority

As the impact of climate change becomes more pronounced, and the associated social and economic losses and damages become more severe, the 28th Conference of the Parties of the United Nations Framework Convention on Climate Change (COP28) reached an agreement on energy to transition away from fossil fuels, as well as to triple renewable energy capacity and double energy efficiency improvements by 2030. In addition, the deliverable of the global stocktake, an assessment of global climate change action, reaffirmed the urgent need for action to achieve the 1.5°C target. The document included emission reductions for all greenhouse gases across all sectors, including industry, transportation, and households, as well as contributions by field. As a result of these findings, companies will be required increasingly to develop and work steadily to achieve climate strategies and environmental management based on these strategies toward long-term environmental goals.

Simultaneously, there is a need to shift away from the traditional linear economy characterized by a cycle of mass production, consumption, and waste generation toward a circular economy in which resources are recycled and reused. In addition, with regard to chemical substances contained in products, there has been a steady expansion in the scope of substances that are subject to regulation, as well as in the geographical areas in which such regulations apply.

Companies will be asked to further their efforts to conduct information disclosures based the TNFD\* framework and perform nature-related risk/opportunity assessments toward becoming Nature Positive by 2030, a movement to halt biodiversity loss and put nature on a recovery track.

\* TNFD: Abbreviation for Taskforce on Nature-related Financial Disclosures. The Task Force on Nature-Related Financial Disclosure established a framework for companies and organizations to assess and disclose the impact of economic activities on the natural environment and biodiversity.

## [Policy for Activities]

- Nikon Long-Term Environmental Vision
- Nikon Environmental Activity Policy
- Nikon Basic Green Procurement Policy
- Nikon Green Procurement Standards
- Hazardous Chemical Substances Guideline
- Paper Procurement Policy

## [System]

- Sustainability Committee
- Environmental Subcommittee
- Supply Chain Subcommittee

## [Management System]

- ISO 14001

## Commitment

Under the Nikon Long-Term Environmental Vision, Nikon strives toward three goals: (1) Realizing a Decarbonized Society; (2) Realizing a Resource Circulating Society; and (3) Realizing a Healthy and Environmentally Safe Society. To this end, we established the Nikon Medium-Term Environmental Goals as specific goals to achieve by fiscal year 2030.

Toward achieving a decarbonized society, in fiscal year 2023, we received certification from the Science Based Targets (SBT) Initiative for our fiscal year 2050 Net-Zero target. Additionally, we accelerated our target by 20 years to use 100% renewable energy by fiscal year 2030 instead of fiscal year 2050. During fiscal year 2023, three major facilities, Nikon Thailand Co., Ltd., Tochigi Nikon Corporation, and Tochigi Nikon Precision Co., Ltd., shifted to 100% renewable energy, bringing the Nikon global ratio to 69.3%. We continue to work steadily toward achieving our energy-related goals.

While climate change is a risk to our business, we also see a business opportunity to contribute to decarbonization and resource circulation by leveraging our core technologies. The Nikon Medium-Term Management Plan includes a sustainability strategy as one of its pillars. Here, we will contribute to building a sustainable society while balancing environmental friendliness and business growth.

Hiroaki Tofuku  
Corporate Vice President  
General Manager of Production Technology Division  
Chairperson of Environmental subcommittee

# Environmental Strategy

## Policy and Long-Term Environmental Vision

The Nikon Group established a Sustainability Policy, which aims to contribute to sustainable societies and achieve sustainable growth for the company. We also formulated the Nikon Environmental Activity Policy, which is a specific policy regarding the environment. Under these policies, we formulated the Nikon Long-Term Environmental Vision looking ahead to fiscal year 2050 as a means to address environmental risks and regulations proactively. The Nikon Long-Term Environmental Vision comprises three pillars believed to

be particularly important in consideration of the global situation and the characteristics of Nikon's business, which uses limited resources to manufacture and sell products.

These three pillars are linked with Materiality and with the Nikon Medium-Term Environmental Goals, for which fiscal year 2030 is the target year. Our Environmental Action Plan is a single-year goal that we are rolling out across the Group. We clarify the relationship between the environment and our business activities and then make an accurate assessment of the impacts and risks posed to the environment, using this information to prioritize goals and plans.

The Environmental Subcommittee deliberates on and approves self-evaluation performances and we review our action plans for the next year and thereafter based on the issues that are identified by the Subcommittee.

- Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → [p.067](#)
- Environmental Action Plan Achievements for Fiscal Year 2023 [Summary] → [p.068](#)
- Environmental Action Plan Targets for Fiscal Year 2024 [Summary] → [p.069](#)

 [Nikon Environmental Activity Policy](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)  
[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

### ● Nikon Long-Term Environmental Vision (Target Period: Fiscal Year 2050)

The Nikon Group contributes to building a sustainable society through the Nikon Long-Term Environmental Vision, established for Realizing a Decarbonized Society, Realizing a Resource Circulating Society, and Realizing a Healthy and Environmentally Safe Society.

The Nikon Group is committed to developing new businesses and tackling innovations that will contribute to reducing environmental impacts.



\* 90% reduction of GHG emissions (Scope 1, 2, and 3) throughout the value chain, with the remaining emissions neutralized according to internationally recognized criteria.

### ● Nikon Environmental Goal Relationship Diagram



## Participation in Environmental Initiatives and Outreach to Society

By participating in a range of initiatives relating to the environment, Nikon is able both to accelerate our own initiatives undertaken within the Nikon Group, and also help to influence governments and society.

In fiscal year 2023, we joined as a new member of the Japan Climate Leaders' Partnership (JCLP) in April. The JCLP is a group of companies committed to achieving sustainable decarbonized societies. In so doing, we aspire to demonstrate to society our intentions and actions to support decarbonized societies in a manner consistent with the Paris Agreement, and contribute to international and regional sustainable development through our own decarbonization practices.

Also in April 2023, we endorsed the message released by the Japan Climate Initiative (JCI), an organization in which we have participated since its founding. This statement called on the Japanese government to introduce effective measures and implement regulatory reforms to accelerate the introduction of the renewable energy, as well as adopt effective carbon pricing as quickly as possible.

In December, we expressed our support for the Carbon Pricing Proposal by the Japan Climate Initiative Members: Toward Simultaneous Achievement of 2030 GHG Emission Reduction Targets and Enhanced International Competitiveness. This proposal was submitted to the Japanese government, which formulated and launched the Growth-Oriented Carbon Pricing Scheme.

### ● Major Environmental Initiatives and Organizations with Nikon's Participation

Initiatives and Organizational Activities	
Science Based Targets (SBT) (2019 - )	
Business Ambition for 1.5°C (2021 - )	
RE100 (2021 - )	
Japan Climate Initiative (JCI) (2018 - )	
Task Force on Climate-related Financial Disclosures (TCFD) (2018 - )	
TCFD Consortium (2019 - )	
Japan Climate Leaders' Partnership (JCLP) (2023 - )	

# Environmental Management Promotion System

## Environmental Governance

The Nikon Group ensures the governance of Group-wide initiatives through discussions in the Sustainability Committee, as well as in the Environmental Subcommittee and the Supply Chain Subcommittee, both entities under the Sustainability Committee. We also ensure governance through management and oversight by the Board of Directors.

## Environmental Management Promotion System Framework

The Nikon Group has established the Sustainability Policy with the goal of earning stakeholders' trust by continuing to be a highly honest and transparent company, contributing to the realization of a sustainable society. Based on this policy, the Sustainability Committee has been established to ensure appropriate actions are taken, including fostering sustainability awareness, conducting education and training, and monitoring sustainability-related activities. The Sustainability Committee is the organization responsible for overall Nikon Group environmental activities.

The Sustainability Committee convenes twice a year to make overall decisions about activities relevant to sustainability, including the environment, such as setting goals relating to materiality, receiving progress reports on activities, and issuing directions for improvement as required. The committee is chaired by the Representative Director and President and has members from the Executive Committee and others.

The Environmental Subcommittee formulates specific policies, targets and achievement criteria in relation to the Nikon Group's environmental issues and environmental

activities, verifies implementation status, and promotes relevant response measures in line with Nikon Long-Term Environmental Vision. The Environmental Subcommittee is chaired by the General Manager of Production Technology Division, who is a Corporate Vice President, and convenes twice a year. Members of the Environmental Subcommittee are heads of the departments with responsibilities relating to the environment, procurement, logistics, and sustainability.

The Supply Chain Subcommittee promotes sustainable procurement, including addressing environmental issues, together with procurement partners. The Supply Chain Subcommittee is chaired by Nikon's Procurement Sector

Manager and convenes twice a year.

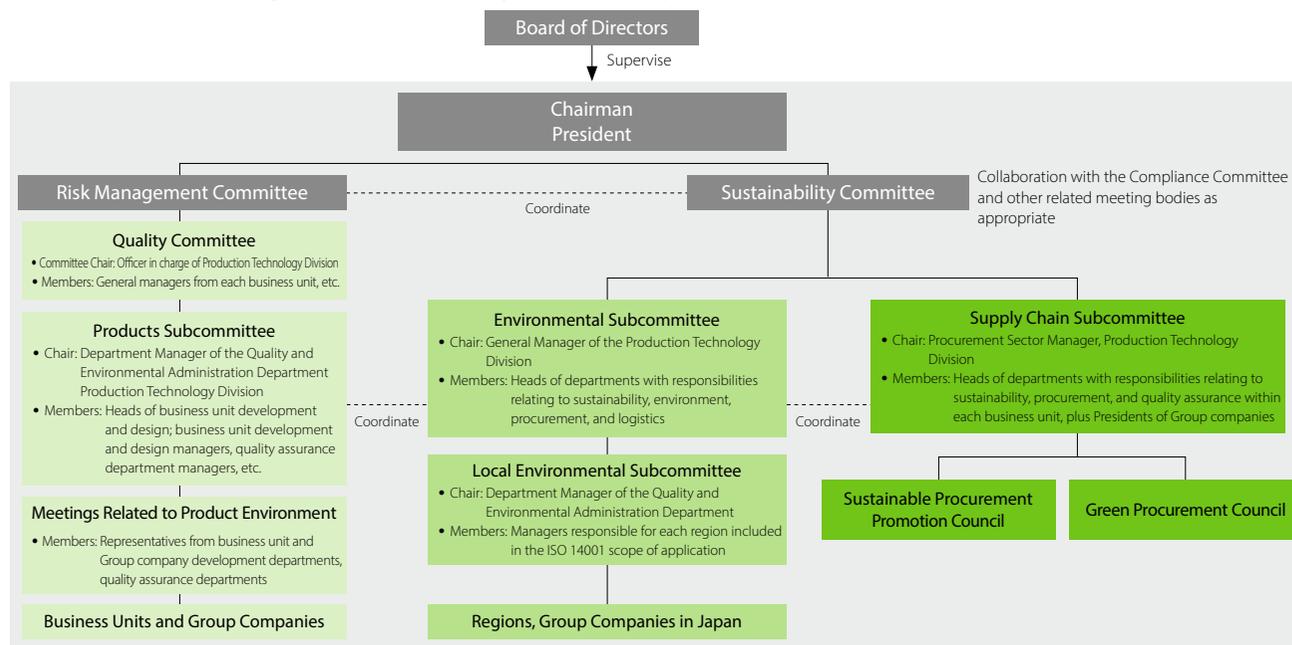
Details from the Environmental Subcommittee and the Supply Chain Subcommittee are reported to the Sustainability Committee twice a year.

We incorporated sustainability strategies, including environment-related strategies as an evaluation factor into the performance-linked stock compensation plan for directors and officers. We strive to ensure that the status of our environmental initiatives is reflected in director and officer compensation, as well as in that of related division heads and department employees.

Sustainability Promotion System → [p.025](#)

Outline of Supply Chain Management System → [p.106](#)

### ● Environmental Management Promotion System (As of April 1, 2024)



## System for Supervision by the Board of Directors

Details from the Sustainability Committee are reported to the Board of Directors once a year. On these occasions, the Board verifies the Nikon Medium-Term Environmental Goals, including climate change-related goals, and the progress made towards achieving them. In fiscal year 2023, we reported on the progress of KPIs related to sustainability strategies, including environment-related strategies, defined in our Medium-Term Management Plan. We also reported on Group GHG emissions as well as the status of renewable energy adopted at sites producing significant emissions. The Board oversees and manages the effectiveness of sustainability-related activities from a management perspective and incorporates these activities into the Group's overall strategy.

## Legal Violations

In fiscal year 2023, there were no fines or sanctions for violation of environmental laws and regulations imposed on Nikon or any of its Group companies in or outside Japan.

## Environmental Management System

The Nikon Group has rolled out its Environmental Management System (EMS) across every one of its companies.

## Utilization of ISO 14001 Certification

The Nikon Group conducts environmental management in accordance with ISO 14001 and aims to have all manufacturing business sites certified under this standard.

We will continue to use the ISO 14001 system and promote environmental management integrated with our business activities by introducing mechanisms for mitigating environmental impacts while maintaining a clear understanding of both internal and external circumstances. The status of our ISO 14001 certification progress is presented on the following page.

## Implementing EMS Assessments\*<sup>1</sup>

The Nikon Group conducts HQ EMS Assessments to check the state of top management and the EMS Secretariat per region\*<sup>2</sup>, and Local EMS Assessments to check the state of organizations within each region. These assessments are each conducted once a year, designed to check conformity with ISO 14001 and to improve performance. HQ EMS Assessments are conducted by EMS assessors qualified by JRCA\*<sup>3</sup> or those persons with EMS management experience at a regional secretariat.

To maintain and improve the quality of these assessments, the Nikon Group in Japan conducts EMS assessor cultivation training four times a year. A total of 94 employees completed this training in fiscal year 2023. Employees completing this training are tasked with conducting Local EMS Assessments.

We are also cultivating assessors at Group companies outside Japan through participation in training programs run by auditing organizations.

In addition, the Nikon Group in Japan conducts training on laws and regulations related to the environment twice a year. A total of 122 employees completed this training in fiscal year 2023. In fiscal year 2022, we began inviting lecturers from outside educational institutions to improve the level of training related to environmental laws and regulations and ensure an up-to-date knowledge of legal information.

\*1 EMS Assessment: At the Nikon Group, the term "EMS assessment" is used as an equivalent to "internal audit" in ISO 14001, and internal auditors are called "EMS assessors."

\*2 The Nikon Group EMS organization consists of business sites, companies, and other units called *regions*.

\*3 JRCA: A certification and registration body for management auditors established within the Japanese Registration of Certificated Auditors and experts. The body registers certification of ISO management system auditors and internal auditors.

## Nikon Eco Program

The Nikon Group has introduced the Nikon Eco Program, which is a simplified environmental management system for our non-manufacturing facilities in and outside Japan that have low environmental impacts. The Nikon Eco Program is divided into two levels, Standard and Basic. This mechanism helps facilities more easily implement environmental activities.

The Nikon Eco Program Standard (NEPS) is designed for relatively large non-manufacturing facilities. The Standard level requires goals set for the reduction of environmental impacts, efforts made to achieve those goals, and improvement and enhancement of activities while repeating the PDCA cycle. The Nikon Eco Program Basic (NEPB), which is designed for relatively small non-manufacturing facilities, involves visualization of environmental impacts and conducting activities related to the environment.

NEPS has already been adopted at all five applicable business facilities. At all other business facilities, NEPB has been introduced to steadily visualize environmental performance data.

● Nikon Environmental Management Tools

	ISO 14001	Nikon Eco Program Standard	Nikon Eco Program Basic
Target business facilities	Manufacturing facilities and certain non-manufacturing facilities, etc., where ISO 14001 certification is required	Large-scale non-manufacturing facilities, etc.	Small-scale non-manufacturing facilities
<ul style="list-style-type: none"> <li>● Implementation of environmental impact assessments, compliance assessments, and EMS assessments</li> <li>● Implementation of corrective actions, preventive actions, etc.</li> <li>● Management reviews, etc.</li> </ul>	○	—	—
<ul style="list-style-type: none"> <li>● Setting of environmental goals</li> <li>● Utilization of the PDCA cycle in relation to targets</li> </ul>	○	○	—
<ul style="list-style-type: none"> <li>● Implementation of environmental awareness-raising activities</li> <li>● Collection of environmental impact data</li> </ul>	○	○	○

● ISO 14001 Acquisition Status and Data Categories (Fiscal Year 2023)

Data Category	Company	ISO 14001 Acquisition Status
Nikon	Nikon	○
Group manufacturing companies in Japan	Tochigi Nikon Corporation	○
	Tochigi Nikon Precision Co., Ltd.	○
	Sendai Nikon Corporation	○
	Miyagi Nikon Precision Co., Ltd.	○
	Hikari Glass Co., Ltd.	○
	Nikon Engineering Co., Ltd.	○
	Nikon CeLL innovation Co., Ltd.*	*1
Group non-manufacturing companies in Japan	Nikon Tec Corporation	○
	Nikon Solutions Co., Ltd.	○
	Nikon Systems Inc.	○
	Nikon Business Service Co., Ltd.	○
	Nikon Product Support Corporation	*1
	Nikon Vision Co., Ltd.	○
Group manufacturing companies outside Japan	Hikari Glass (Changzhou) Optics Co., Ltd.	○
	Nanjing Nikon Jiangnan Optical Instrument Co., Ltd.	○
	Nikon (Thailand) Co., Ltd.	○
	Nikon Lao Co., Ltd.	○
	Nikon X-Tek Systems Ltd.	○
	Optos Plc	○
	Optos, Inc.	○
Nikon SLM Solutions AG	○	
Group non-manufacturing companies outside Japan*2	41 other companies	*1

\* The ISO 14001 certification rate for the Nikon Group as a percentage of the number of employees at manufacturing sites is nearly 100%.

\* Data classification for environmental performance data in this report is based on the above data categories.

\*1 These companies have introduced the Nikon Eco Program.

\*2 Three non-manufacturing Group companies in Japan with extremely limited environmental impact that have not obtained ISO 14001 are included. This excludes 18 companies such as private funds, companies in the process of liquidation, newly added companies through M&A, etc.

## Environmental Education and Awareness Raising Activities for Employees

The Nikon Group believes that the awareness and understanding of employees who are the foundation of its activities are vital to furthering its environmental activities and increasing its standards.

Therefore, we have introduced various environmental education and awareness raising activities for our employees in an effort to help employees have a better understanding and awareness of environmental activities.

### Environmental Education

The Nikon Group provides employees with education matched to their duties and position, based on the EMS training plan.

#### ● Environmental Education Programs (Fiscal Year 2023)

Content	Participants	
	Nikon	Group companies in and outside Japan
Education on environmental issues and EMS	79	785
Education on EMS assessments	87	155
Education on environmental laws, hazardous chemical substances, and waste	113	1,279

### Environmental Awareness Raising Activities

The Nikon Group conducts various environmental awareness-raising activities among employees in the month of June, which is designated as Nikon Environment Month. In addition, every year, we implement environment-related e-learning for the Nikon Group in Japan, focusing in particular on matters with which employees must be familiar. The content of this e-learning is also shared with Nikon Group companies outside Japan and is incorporated into individual companies' environmental education and awareness-raising activities. The topic of the fiscal year 2023 program was biodiversity. Employees learned about the definition of biodiversity, the connection between companies and biodiversity, social movements toward biodiversity conservation, and the expectations of companies in this context.

#### ● Environmental Awareness-Raising Activities (Fiscal Year 2023)

Main Environmental Awareness-Raising Activities		Eligible Organizations	Result
Nikon Environment Month (June)	Awareness-raising posters and newsletter distribution	Nikon Group	15 languages supported
	Seminars	Nikon Group in Japan	167 participants
Sustainability Photo Contest (June to September)		Nikon Group	Entries: 137
Environmental e-learning (March -)		Nikon Group in Japan	Attendance rate: 90%
		Group companies outside Japan	Implemented for eligible personnel
Earth Hour* (March)		Nikon Group	Participants: 48 companies

\* Earth Hour: An environmental campaign organized by the World Wide Fund for Nature (WWF). People around the world show their desire to stop global warming and protect the global environment by switching off the lights at the same time on the same day.

# Risk Management

## Environment-Related Risk Management System

The Nikon Group works to identify and assess environment-related risks and opportunities from the perspective of avoiding risks and problems that might emerge in the future.

We conduct ISO 14001-based assessments of production facilities that have significant environmental impacts, identifying environmental risks and opportunities at each business facility and at the ISO 14001 Secretariat. In addition, the Risk Management Committee, which handles all forms of risks facing the Nikon Group, conducts risk identification surveys and uses the results to compile a risk map.

The Environmental Subcommittee discusses how to address the identified risks and opportunities within the EMS framework. The Sustainability Committee discusses specific measures. We reflect high priority measures in the Group's Environmental Action Plan. Nikon also regularly verifies and follows up on the progress of these measures.

## Risk Deriving from Environmental Regulation and Nikon's Response

There is a risk that violations of laws and regulations relating to energy, greenhouse gases, the atmosphere, water quality, soil, chemical substances, and waste may result in business suspension orders or the need to spend large sums of money on remediation work, which in turn could have a negative impact on company valuation and affect the operations of the Nikon Group as a whole. There is a possibility that regulation may become even more

restrictive in the future. If ensuring compliance results in a high level of expenditure, this could negatively impact the Nikon Group's financial health.

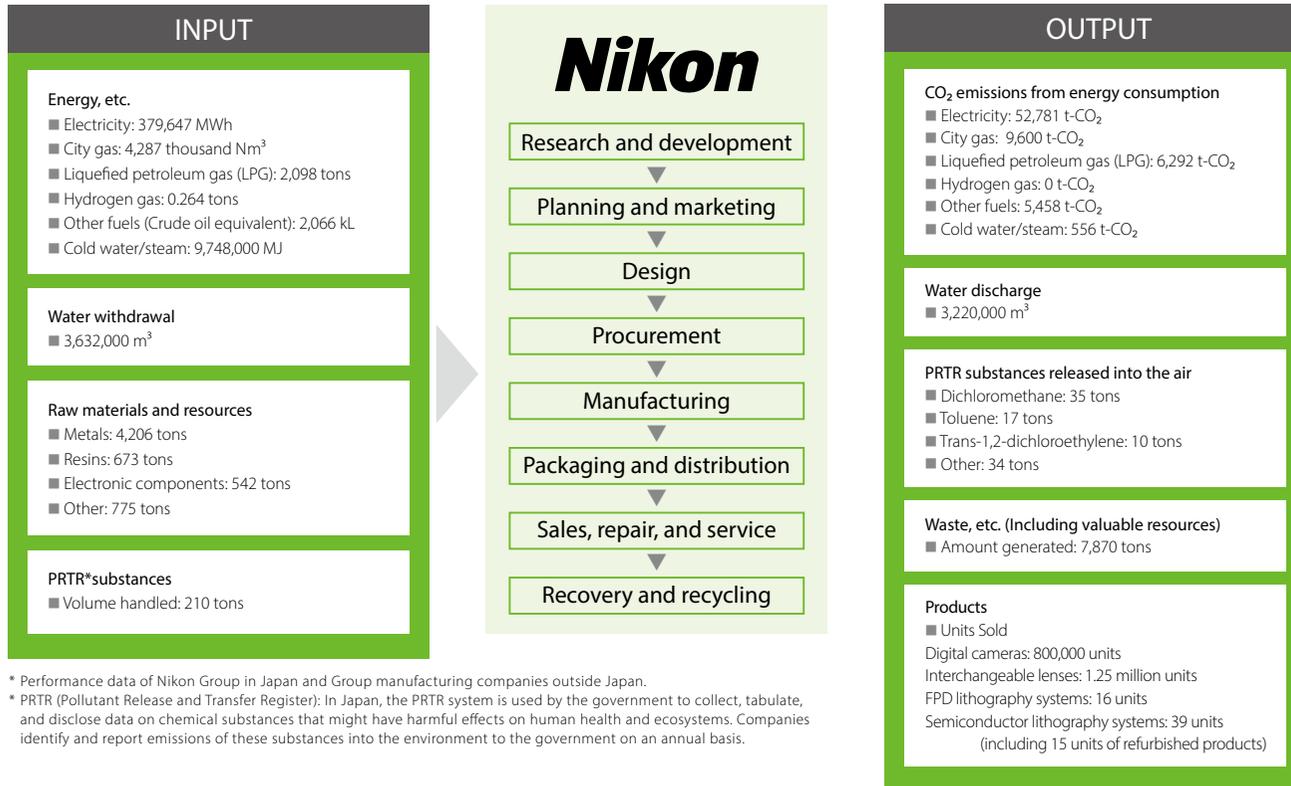
In order to be prepared for these risks, the Nikon Group establishes voluntary, self-directed standards that are more rigorous than each region's statutory requirements. We also establish and revise relevant internal rules, implement education and training for relevant employees, work to strengthen the Group's management systems, and strive to monitor and respond to regulatory changes, etc., in a timely manner.

## Business Activities and the Environment

The Nikon Group aspires to be a company that contributes to the sustainable development of society. We ensure that we have a clear understanding of our relationship between the environment and our business activities in order to make an accurate assessment of our environmental impacts and risks. We prioritize initiatives based on this assessment and set goals accordingly, and we attach great importance to carrying out environmental activities to achieve these goals.

Therefore, the Nikon Group is actively advancing the collection of environmental data covering electricity and other forms of energy, waste, water, etc., both inside and outside of Japan.

## Relationship Between Nikon Group Businesses and the Environment

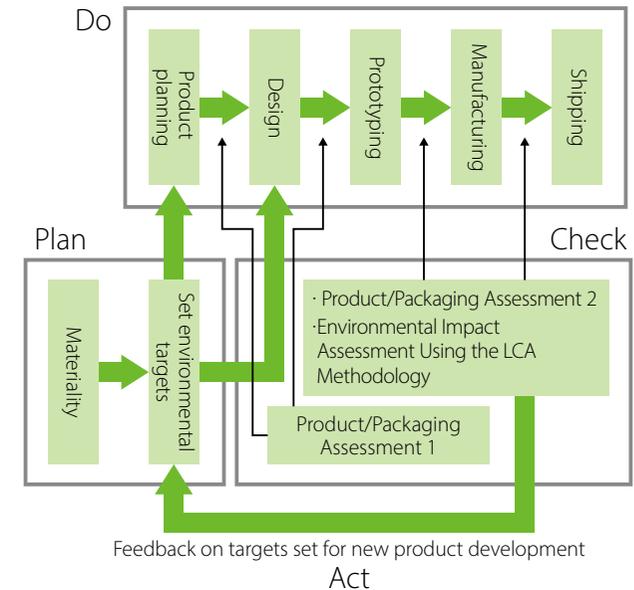


\* Performance data of Nikon Group in Japan and Group manufacturing companies outside Japan.  
 \* PRTR (Pollutant Release and Transfer Register): In Japan, the PRTR system is used by the government to collect, tabulate, and disclose data on chemical substances that might have harmful effects on human health and ecosystems. Companies identify and report emissions of these substances into the environment to the government on an annual basis.

## Eco-friendly Product Development

The Nikon Group works to develop what we term as Eco-friendly Products by taking into account environmental impacts starting from product planning and design phases, following the Eco-friendly Product Development Flow provided below.

### Eco-friendly Product Development Flow



## Nikon Product/Packaging Assessment

The Nikon Group has formulated the Nikon Product Assessment and Nikon Packaging Assessment. These assessments are applied to all newly-developed products and packaging materials so that our product development

will thoroughly incorporate the characteristics of Nikon products and their environmental impact. As illustrated in the figure below, these assessments evaluate the degree of reduction in weight and volume for products and packaging, reduction in hazardous substances, material commonality and recyclability from the product planning, design, prototype, and manufacturing stages.

We made a major revision to the Nikon Product Assessment items and criteria in fiscal year 2023 based on updated laws, social trends, and Nikon materiality. We will begin operating under this newly revised assessment in

fiscal year 2024.

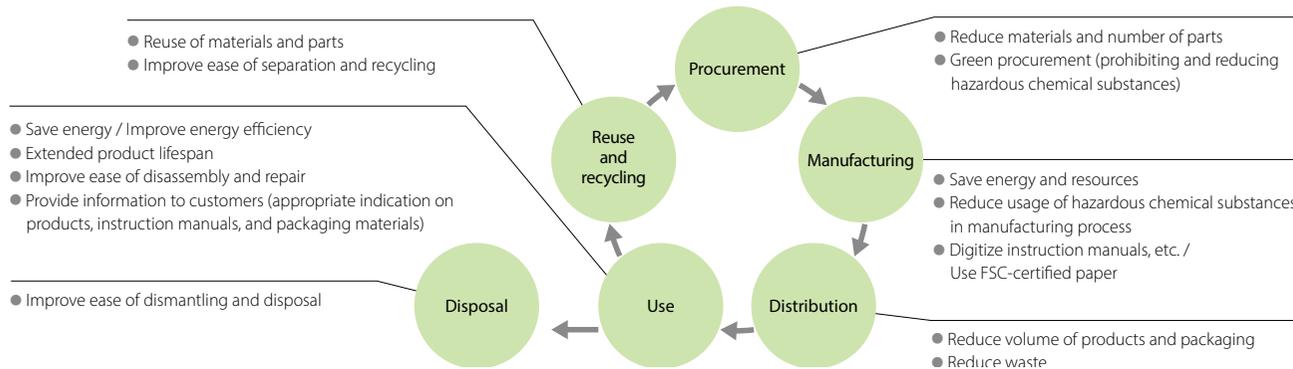
Under these new assessment standards, Nikon will continue in our efforts to create Eco-friendly products. The Nikon Packaging Assessment includes evaluation categories such as the reduction of packaging materials used and a change to materials with less environmental impact. This is one way in which we encourage a reduction in plastic packaging materials and a shift to paper-based materials.

See p.083 for specific initiatives to reduce plastic used in containers and packaging.

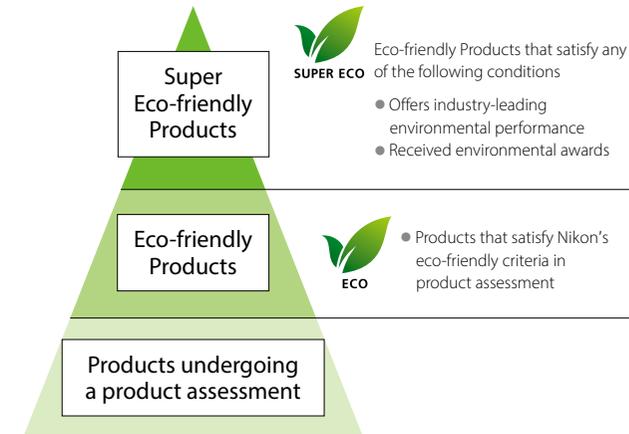
### Eco-friendly Products Framework

In the past, all products that had been developed by implementing product assessment were classed as Eco-friendly Products. However, we revised the definition and underlying framework, establishing a new system effective from fiscal year 2017, whereby those products that conform to more rigorous standards in product assessment are classed as either Eco-friendly Products or Super Eco-friendly Products. Along with this, Nikon has created its own unique logos for each of Eco-friendly Products and Super Eco-friendly Products. In fiscal year 2023, approximately 79% of new products were classified as Eco-friendly Products.

#### ● Nikon Product/Packaging Assessment Items



 Eco-friendly Products (Certified as of March 2024)  
[https://www.nikon.com/company/sustainability/environment/eco\\_product\\_en2024.pdf](https://www.nikon.com/company/sustainability/environment/eco_product_en2024.pdf)



\*The above logos are used only for Nikon products recognized as Eco-friendly Products based on our own standards of environmental consideration. The above logos are not affiliated with any environmental organizations.

# Indicators and Targets

## ● Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals

Materiality	Nikon Long-Term Environmental Vision Target Year: Fiscal Year 2050	Vision	What Nikon Will Do	Nikon Medium-Term Environmental Goals Target Year: Fiscal Year 2030
Materiality 3 Promoting a Decarbonized Society	Realizing a Decarbonized Society	Reaching Net-Zero throughout the value chain by fiscal year 2050	<ul style="list-style-type: none"> <li>Improve manufacturing facilities and production processes and promote decarbonization</li> <li>Promote Eco-office and diverse work styles to achieve a decarbonized workstyle</li> <li>Accelerate renewable energy adoption</li> </ul>	<ul style="list-style-type: none"> <li>Reduce greenhouse gas emissions (Scope 1*1 and Scope 2*2) by 57% *3 compared to fiscal year 2022</li> <li>Achieve renewable energy adoption rate of 100%</li> </ul>
			<ul style="list-style-type: none"> <li>Visualize the environmental impact in each process within products' lifecycles and implement new environmental initiatives harnessing expertise</li> <li>Downsize cargo, promote modal shift and establish a transportation system requiring minimal energy</li> <li>Require procurement partners to formulate and pursue greenhouse gas reduction targets</li> </ul>	<ul style="list-style-type: none"> <li>Reduce Scope 3*3 greenhouse gas emissions by 25% compared to fiscal year 2022</li> </ul>
Materiality 4 Promoting resource circulation	Realizing a Resource Circulating Society	Minimize resource consumption and maximize resource circulation throughout the value chain	<ul style="list-style-type: none"> <li>Reduce waste through streamlining processes from development to manufacturing</li> <li>Minimize the amount of abrasives used</li> </ul>	<ul style="list-style-type: none"> <li>Achieve the following zero emissions levels*4 at all manufacturing companies Japan: Level 5 Group manufacturing companies in China: Level 1 Other Locations: Levels determined individually</li> <li>Reduce total amount of waste generated by 10% or more compared to fiscal year 2018</li> </ul>
			<ul style="list-style-type: none"> <li>Promote the 3Rs of water (reduce water consumption, and recycle and reuse water)</li> <li>Take into account the impacts that products have on the environment from the initial planning phase onwards and promote the 3Rs*6 throughout the product lifecycle</li> </ul>	<ul style="list-style-type: none"> <li>Reduce freshwater consumption*5 by 5% compared to fiscal year 2018</li> <li>Reduce waste by extending product life, reducing size, decreasing weight, etc.</li> <li>Reduce the amount of plastic packaging materials used by 10% compared to fiscal year 2022</li> <li>Promote the reuse and recycling of products, parts, materials, and related packaging materials</li> <li>Use at least 5% recycled materials in products</li> <li>Ensure at least 10% of plastic packaging materials are recycled or biomass plastics.</li> </ul>
Materiality 5 Preventing pollution and conserving ecosystems	Realizing a Healthy and Environmentally Safe Society	Have zero negative impacts on human health or ecosystems in the value chain	<ul style="list-style-type: none"> <li>Comply with the laws, ordinances and regulations of the countries and regions where we operate and also manage the use of chemical substances appropriately based on more rigorous voluntary targets</li> </ul>	<ul style="list-style-type: none"> <li>Zero usage of hazardous chemical substances*7 in manufacturing processes</li> <li>Zero hazardous chemical substances contained in products*8</li> </ul>
			<ul style="list-style-type: none"> <li>Conduct ecosystem conservation activities</li> <li>Quantify and minimize impact and dependence on ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>Continue activities to preserve the environment in the vicinity of company facilities to contribute to the prevention of marine plastic pollution</li> <li>Product catalogs: Electronic data or FSC-certified paper 100%</li> <li>Instruction Manuals: Electronic data or FSC-certified paper/recycled paper (80% or more recycled pulp content) 100%</li> <li>Packing boxes: FSC-certified paper or recycled paper 100%</li> </ul>

\*1 Scope 1: Direct greenhouse gas emissions from the use of fuel on site.

\*2 Scope 2: Indirect greenhouse gas emissions from the consumption of purchased electricity or heat.

\*3 Scope 3: Indirect greenhouse gas emissions related to business activities in the value chain (excluding emissions already included in Scope 1 and 2).

\*4 Achieving zero emissions level: The concept of zero emissions was first advocated by the United Nations University (UNU) in 1994. It is an approach that seeks to reduce the waste to net zero for society as a whole, by using the waste generated in industrial activity as resources for other industries. The Nikon Group has introduced level-specific targets into zero emissions initiatives. Zero emissions Level 1 refers to a final landfill disposal rate of less than 1%. Zero emissions Level 5 refers to a final landfill disposal rate of 0.5%.

\*5 Freshwater consumption: Sum of water withdrawal volumes A, B, and C, minus returned water volume D (A+B+C-D).

A: Water withdrawal from municipal water supply facilities (tap water, industrial water, etc.) B: Water withdrawal from surface water (lakes, rivers, etc.) C: Water withdrawal from groundwater D: Return water of equal or better quality than the withdrawal source (applicable to B and C only)

\*6 3R: Here, "3R" means to Reduce the amount of resources used and the amount of waste generated, to Reuse products and components, and to Recycle.

\*7 Hazardous chemical substances: Here, "hazardous chemical substances" refers to prohibited substances as defined in the Hazardous Chemical Substances Guideline, a voluntary standard.

\*8 Zero hazardous chemical substances contained in products: Here, "contained" is defined as having an amount that exceeds the threshold level specified by law.

● Environmental Action Plan Achievements for the Fiscal Year 2023 [Summary]

Self-evaluation ○:Achieved △:Measures started but not yet achieved

Materiality	Targets for Fiscal Year 2023		Result	Self-Evaluation	Corresponding Page	
Decarbonized society	Materiality 3 Promoting a Decarbonized Society	Greenhouse gas reduction	• Reduced Scope 1 and Scope 2 greenhouse gas emissions by 36.5% compared to fiscal year 2013	• Reduced greenhouse gas emissions (Scope 1 and Scope 2) by 66.9% compared to fiscal year 2013	○	p.073
			• Achieve a renewable energy adoption rate of 25% or higher in electricity used for business activities	• Renewable energy share of electricity used for business: 69.3%	○	p.075
		Reduce the environmental impact from products	• Reduce environmental impact by making effective use of the LCA methodology • Create Eco-friendly products 50% or more	• Continued to expand the range of product models subject to LCA calculation (100% for new products) • Approximately 79% of new products certified as Eco-friendly products	○	p.066, 074
		Reduction of the environmental impact of transportation	• Reduce greenhouse gas emissions in distribution by 2.7% year on year	• Reduced greenhouse gas emissions in distribution by 16.1% year on year	○	p.078
		Engagement with procurement partners	• Identify CO <sub>2</sub> emissions of critical procurement partners (30 or more companies) • Hold workshops for procurement partners (at least twice)	• Identified CO <sub>2</sub> emissions of critical procurement partners (34 companies) • Held workshops for procurement partners (three times yearly)	○	p.074
Resource circulating society	Materiality 4 Promoting resource circulation	Zero emissions	• Nikon and Group manufacturing companies in Japan: Maintain level 5 • Group manufacturing companies in China: Maintain level 1 • Group manufacturing companies outside Japan: Implement initiatives in line with the actual conditions and circumstances of the country	• Nikon and Group manufacturing companies in Japan: Maintained level 5 (final landfill disposal rate of 0.09 %) • Group manufacturing companies in China: Maintained level 1 (final landfill disposal rate of 0.6%) • Group manufacturing companies outside Japan: Conducted disposal in accordance with respective national laws and regulations	○	p.085
		Waste reduction	• Reduced total waste emissions from business activities by 3% compared to fiscal year 2018 (Total waste discharge: 7,538 tons or less)	• Reduced total waste emissions from business activities by 20% compared to fiscal year 2018	○	p.085
		Promotion of the appropriate use and effective utilization of water	• Reduce freshwater consumption by 2% compared to fiscal year 2018 (Freshwater consumption in fiscal year 2018: 1,877,000 m3)	• Reduced freshwater consumption by 3.4% compared to fiscal year 2018	○	p.087
		Promotion of reduce, reuse and recycling	1) Reduce • Reduce environmental impact of products and packaging materials (reduce size, extend product life, etc.)	• Reduce foamed plastic cushioning material for certain imaging products and microscopes (shift from plastic to paper)	○	p.083
			2) Reuse • Promote reuse of products, parts, materials, and packaging	• Launched a service in China to refresh and return glass components in used FPD lithography systems • Continued sales of used semiconductor lithography systems	○	p.081
	3) Recycle • Promote use of recycled materials in products	• Use recycled materials for certain imaging products	○	p.082		
Healthy and environmentally safe society	Materiality 5 Preventing pollution and conserving ecosystems	Reduction of hazardous chemical substances, etc	• Determine measures to abolish prohibited level hazardous chemical substances based on the Hazardous Chemical Substances Guideline; implement measures in order	• Installed dichloromethane detoxification equipment at the Nikon Kumagaya plant • Replaced HFCs used for cleaning with alternative substances • Launched a company-wide project related to PFAS restrictions under the EU REACH regulation; began identifying target substances and alternatives	○	p.095
			• Comply with the hazardous chemical substances laws and regulations of each country • Strengthen the management system for hazardous chemical substances contained in products	• The artificial leather on the exterior of certain binoculars (Professional Series) contains substances restricted under the REACH Regulation • Strengthened the internal management system for hazardous chemical substances contained in products	△	p.093
		Implementation of activities aimed at biodiversity conservation	• Perform local contribution activities related to marine plastic pollution issues at least once a year at each business facility	• Perform local contribution activities related to prevention of marine plastic pollution: at least once a year at each business facility; 31 times annually	○	p.101
			• Promote paperless operations or the use of FSC-certified paper for paper items bearing the Nikon logo	• Digitized product catalogs and instruction manuals • Approximately 85% of newly ordered product catalogs for use in Japan, North America, and Europe are printed on FSC-certified paper, excluding special paper types	○	p.100

● Environmental Action Plan Targets for Fiscal Year 2024 [Summary]

Materiality		Targets for Fiscal Year 2023	
Decarbonized society	Materiality 3 Promoting a Decarbonized Society	Greenhouse gas reduction	<ul style="list-style-type: none"> <li>Reduce Scope 1 and Scope 2 greenhouse gas emissions by 50% compared to fiscal year 2022</li> <li>Achieve a renewable energy adoption rate of 69% or higher in electricity used for business activities</li> </ul>
		Reduce the environmental impact from products	<ul style="list-style-type: none"> <li>Reduce environmental impact by making effective use of the LCA methodology</li> <li>Create at least 50% eco-friendly products</li> </ul>
		Reduction of the environmental impact of transportation	<ul style="list-style-type: none"> <li>Reduce greenhouse gas emissions in distribution by 2.7% year on year</li> </ul>
		Engagement with procurement partners	<ul style="list-style-type: none"> <li>Identify CO<sub>2</sub> emissions of critical procurement partners (70 or more companies)</li> </ul>
Resource circulating society	Materiality 4 Promoting resource circulation	Zero emissions	<ul style="list-style-type: none"> <li>Nikon and Group manufacturing companies in Japan: Maintain level 5</li> <li>Group manufacturing companies in China: Maintain level 1</li> <li>Group manufacturing companies outside Japan: Implement initiatives in line with the actual conditions and circumstances of the country</li> </ul>
		Waste reduction	<ul style="list-style-type: none"> <li>Reduce total waste emissions from business activities by 4% or more compared to fiscal year 2018 (total waste emissions: 7,460 tons or less)</li> </ul>
		Promotion of the appropriate use and effective utilization of water	<ul style="list-style-type: none"> <li>Reduce freshwater consumption by at least 2% compared to fiscal year 2018 (freshwater consumption in fiscal year 2018: 1,877,000 m<sup>3</sup>)</li> </ul>
		Promotion of reduce, reuse and recycling	<ol style="list-style-type: none"> <li>Reduce                             <ul style="list-style-type: none"> <li>Reduce environmental impact of products and packaging materials (reduce size, extend product life, etc.)</li> </ul> </li> <li>Reuse                             <ul style="list-style-type: none"> <li>Promote reuse of products, parts, materials, and packaging</li> </ul> </li> <li>Recycle                             <ul style="list-style-type: none"> <li>Promote use of recycled materials in products</li> </ul> </li> </ol>
Healthy and environmentally safe society	Materiality 5 Preventing pollution and conserving ecosystems	Reduction of hazardous chemical substances, etc.	<ul style="list-style-type: none"> <li>Determine measures to abolish prohibited level hazardous chemical substances based on the Hazardous Chemical Substances Guideline; implement measures in order</li> <li>Comply with the hazardous chemical substances laws and regulations of each country</li> <li>Strengthen the management system for hazardous chemical substances contained in products</li> </ul>
		Implementation of activities aimed at biodiversity conservation	<ul style="list-style-type: none"> <li>Perform local contribution activities related to preventing marine plastic pollution or other biodiversity conservation at least once a year at each business facility</li> <li>Promote paperless operations or the use of FSC-certified paper for paper items bearing the Nikon logo</li> </ul>

Materiality 3

# Promoting a Decarbonized Society

## Decarbonization Initiatives



### Basic Approach

In light of the emerging impacts of climate change and social trends toward decarbonization, the Nikon Group identified environmental considerations throughout the product lifecycle within the Nikon Environmental Activity Policy. We defined the realizing a decarbonized society as one pillar of the Nikon Long-Term Environmental Vision. In January 2024, we obtained certification for our Net-Zero target for net zero greenhouse gas emissions throughout the value chain by fiscal year 2050 in line with requirements established by the SBT Initiative\*. At the same time, we recertified our previously approved greenhouse gas reduction targets (short-term targets) for fiscal year 2030. Meanwhile, we accelerated our target year by 20 years to achieve 100% renewable energy by fiscal year 2030, rather than our previous target year of fiscal year 2050.

Our Medium-Term Management Plan for fiscal years 2022 to 2025 defines targets to reduce Scope 1 and Scope 2 greenhouse gas emissions by 46.5% compared with 2013 levels to achieve a 30% rate of renewable energy use. We achieved these targets ahead of schedule in fiscal years 2023 and 2022, respectively. We will continue working toward achieving our fiscal year 2030 targets.

\* Science Based Targets (SBT) Initiative: The SBT Initiative is a collaboration between CDP, an international NGO working on environmental issues such as climate change, the United Nations Global Compact, World Resources Institute, and the World Wide Fund for Nature. The initiative targets achieving the Paris Agreement-mandated objective of holding the increase in the global average temperature to below 2°C above pre-industrial levels. It certifies the CO<sub>2</sub> emission reduction targets of companies that are in line with emissions reduction scenarios based on scientific facts.

### The Nikon Group's Science Based Targets (SBT)

- Net-Zero target  
Reach Net-Zero\* greenhouse gas emissions across the value chain by fiscal year 2050
- Short-term targets  
Reduce Scope 1 and 2 GHG emissions by 57% by fiscal year 2030 compared to the base year of fiscal year 2022  
Reduce Scope 3 greenhouse gas emissions by 25% by fiscal year 2030 compared to the base year of fiscal year 2022



\* Reducing GHG emissions (Scope 1, 2, and 3) across the value chain by 90% and neutralizing remaining emissions in accordance with standards set by the SBT Initiative



Nikon Environmental Activity Policy  
[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

## Strategy

### Risk

We recognize the following climate change risks faced by the Nikon Group.

[Financial impact] High: 10 billion yen or more, Medium: 1 to 10 billion yen, Low: 1 billion yen or less

[Urgency] High: Within 3 years, Medium: 3 to 10 years, Low: Later than 10 years

Risks Faced by the Nikon Group		Financial Impact	Urgency	Response															
Physical risks (acute and chronic)	An increase in typhoons, floods, and other weather-related disasters could disrupt supply/operations or reduce asset values due to damage to major production sites (Japan, Thailand, etc.) and supplier sites, disruption of logistics networks, and other factors. In addition, a rise in sea levels may increase the probability of these risks.	High	Medium	<ul style="list-style-type: none"> <li>Promoting Total Supply Chain Management activities</li> <li>Promoting Business Continuity Management (BCM)</li> </ul>															
	A rise in average temperatures could lead to increased electricity costs due to increased load on cooling and other air conditioning equipment. In particular, strict temperature controls required in manufacturing and transporting precision equipment may become unreasonably difficult, or management costs may increase.	Small	Low	<ul style="list-style-type: none"> <li>Promoting aggressive energy-saving activities</li> </ul>															
	Long-term changes in precipitation patterns, as well as droughts, could constrain the use of water resources and adversely affect operations.	Medium	Low	<ul style="list-style-type: none"> <li>Reducing water withdrawal</li> <li>Promoting water resource recycling</li> </ul>															
Transition risks	<table border="1"> <tr> <td>Policies and regulations</td> <td> <ul style="list-style-type: none"> <li>Introduction or expansion of carbon pricing policies, such as carbon taxes, could increase Nikon's operating costs if applied to us. In addition, purchase prices may increase if these are applied to suppliers.</li> <li>Changes in national energy policies where we have business sites could lead to higher electricity prices, which would increase operating costs and purchasing costs.</li> </ul> </td> <td>High*</td> <td>Medium</td> <td> <ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Reducing greenhouse gas emissions through modal shifts and improved distribution routes</li> <li>Requiring suppliers to reduce greenhouse gas emissions</li> </ul> </td> </tr> <tr> <td>Technologies</td> <td> <ul style="list-style-type: none"> <li>Failure to reduce emissions during product use and shift to low-carbon manufacturing methods and materials could result in reduced sales opportunities.</li> </ul> </td> <td>High</td> <td>Low</td> <td> <ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Improving energy-saving performance for products</li> <li>Creating new materials and manufacturing methods</li> </ul> </td> </tr> <tr> <td>Markets/Reputation</td> <td> <ul style="list-style-type: none"> <li>Failure to adequately meet customers' decarbonization requirements could result in reduced sales opportunities.</li> <li>Inadequate response to decarbonization could damage our evaluations/reputation and affect stock price and sales.</li> </ul> </td> <td>Medium</td> <td>Low</td> <td> <ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Promoting proactive information disclosure</li> </ul> </td> </tr> </table>	Policies and regulations	<ul style="list-style-type: none"> <li>Introduction or expansion of carbon pricing policies, such as carbon taxes, could increase Nikon's operating costs if applied to us. In addition, purchase prices may increase if these are applied to suppliers.</li> <li>Changes in national energy policies where we have business sites could lead to higher electricity prices, which would increase operating costs and purchasing costs.</li> </ul>	High*	Medium	<ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Reducing greenhouse gas emissions through modal shifts and improved distribution routes</li> <li>Requiring suppliers to reduce greenhouse gas emissions</li> </ul>	Technologies	<ul style="list-style-type: none"> <li>Failure to reduce emissions during product use and shift to low-carbon manufacturing methods and materials could result in reduced sales opportunities.</li> </ul>	High	Low	<ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Improving energy-saving performance for products</li> <li>Creating new materials and manufacturing methods</li> </ul>	Markets/Reputation	<ul style="list-style-type: none"> <li>Failure to adequately meet customers' decarbonization requirements could result in reduced sales opportunities.</li> <li>Inadequate response to decarbonization could damage our evaluations/reputation and affect stock price and sales.</li> </ul>	Medium	Low	<ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Promoting proactive information disclosure</li> </ul>			
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Markets/Reputation	<ul style="list-style-type: none"> <li>Failure to adequately meet customers' decarbonization requirements could result in reduced sales opportunities.</li> <li>Inadequate response to decarbonization could damage our evaluations/reputation and affect stock price and sales.</li> </ul>	Medium	Low	<ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy</li> <li>Promoting proactive information disclosure</li> </ul>															

\* Specific example: Carbon tax system in the Netherlands

In 2021, the Netherlands began levying a carbon tax equivalent to 30 Euros per ton of greenhouse gas emissions, targeting manufacturing firms and other firms in the industrial sector. This carbon tax is set to increase by 10 Euros every year, and by 2030 it is expected to have risen to 125 Euros per ton of emissions. A similar trend toward the introduction of carbon taxes can be seen in other countries in Europe. While the Nikon Group's business areas do not currently fall within the scope of such carbon taxes, there is a possibility that the scope of applicability may be extended in the future. For instance, the Nikon Group's manufacturing companies in Europe had total annual greenhouse gas emissions of around 1,300 tons in fiscal year 2020. If these companies were to become subject to carbon taxes and no measures were taken to reduce emissions, the Group could face an annual carbon tax bill of around 162,500 Euros.

## Opportunities

The Nikon Group recognizes the following opportunities in connection with climate change.

[Applicable period] Short-term: Within 3 years, Medium-term: 3-10 years, Long-term: Later than 10 years

Opportunities for the Nikon Group	Applicable Period
<ul style="list-style-type: none"> <li>• Rising evaluation of Nikon by consumers, institutional investors, and others for our technologies and business activities (as follows) contributing to a decarbonized society could lead to increased sales and higher stock prices.                             <ul style="list-style-type: none"> <li>- Increase energy efficiency in society with additive manufacturing and fine processing using optics</li> <li>- Additive processing contributing to longer product lifespans through repair of existing parts, etc.</li> <li>- Robots with sophisticated hands and eyes and device manufacturing processes, that enhance manufacturing efficiency</li> <li>- Longer lasting light sources and more durability in our products, that contribute to a healthy global environment</li> <li>- Image production technologies that contribute to a society where people connect, transcending time and space and real and virtual.</li> </ul> </li> </ul>	Short- to long-term
Achieving efficiency in production processes and distribution, as well as carrying out energy-saving activities, could reduce future carbon taxes and energy costs.	Short- to long-term
Total Supply Chain Management, a practice designed to prepare for physical risks, and improvements in our BCM could make our business structure more robust.	Short-term

## Strategy

In November 2018, Nikon endorsed the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB). We conduct disclosures based on the TCFD final report.

Nikon conducts analyses of climate-related risks and opportunities by comprehensively considering a number of

factors, such as the characteristics of business, the location conditions of production sites and business facilities, the recent degree and frequency of natural disasters due to climate change, industry trends, trends in related laws and regulations, representative concentration pathway (RCP) scenarios used in the IPCC climate change forecasts, and survey results and scenarios carried out by external research institutes. Accordingly, we identify and evaluate risks under the 2°C and 4°C scenarios.

The 2°C scenario recognizes the tightening of greenhouse gas emissions and other regulations, as well as the associated market demands. The 4°C scenario recognizes the rising frequency in natural disasters, including flooding and rising temperatures. In both scenarios, we recognize the changes in costs associated with the transition to renewable energy, and we undertake measures to adapt to climate change as a business strategy, taking the financial impacts into account. Nikon will continue to carry out and improve its scenario analysis going forward.

We conduct sustainability initiatives, including climate change response, under our Medium-Term Management Plan. We also reflect an evaluation of sustainability initiatives, including climate change, in executive compensation. We discussed and determined the short-term Net-Zero SBT target for fiscal year 2023 and goals for adopting renewable energy.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067

## Governance

The Nikon Group Sustainability Committee, chaired by the representative director and president, identifies risks and opportunities, and discusses strategies, indicators, targets, and performance. After these discussions, the committee decides whether to make decarbonization-related investments. Under this committee, the Environmental Subcommittee examines risks and opportunities related to climate change, drafts strategies and indicator/targets, and manages progress.

The Corporate Sustainability Department implements Group-wide climate-related responses based on decisions of the Sustainability Committee. The activities of this committee are reported to the Board of Directors at least once a year. In turn, the Board manages and supervises the appropriateness, effectiveness, and risks of environment-related activities, including climate change.

The Sustainability Committee met four times in fiscal year 2023, while the Environmental Subcommittee met two times, deliberating and deciding matters related to climate change response.

Environmental Governance → p.060

## Risk Management

The Risk Management Committee manages risks on a group-wide basis, while the Sustainability Committee uses its expertise to identify and assess environmental risks, including those from climate change, discussing how to respond. Matters discussed and approved by each committee are

reported to the Board of Directors. We conduct financial simulations in our Medium-Term Management Plan related to the potential impact of identified risks, identifying and recognizing these risks with other potential factors.

Once again, in fiscal year 2023, we conducted a risk identification survey and compiled a risk map presenting results by scale of impact and probability of occurrence. We provided the results of this work to relevant departments to establish a shared overall awareness of risks. The risks identified have also been reflected in our Environmental Action Plan and other plans and used throughout the Nikon Group.

Environment-Related Risk Management System → p.064

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Scope 1 and 2 reduction (compared to FY2022): 57% (FY2030)

#### ► FY2023

##### Plan

Vs. FY2013: 36.5%

##### Results

Vs. FY2013: 66.9%

#### ► FY2024

##### Plan

Vs. FY2022: 50%

\*Base fiscal year before a target review conducted in March 2024.

### Indicators and Targets (Target Fiscal Year)

Scope 3 reduction (compared to FY2022): 25% (FY2030)

#### ► FY2023

##### Plan

1. Reduce environmental impact by making effective use of the LCA methodology
2. Create at least 50% Eco-Friendly products

##### Results

1. Conducted LCA calculations for all new products
2. Approximately 79% of new products certified as Eco-Friendly products

#### ► FY2024

##### Plan

1. Reduce environmental impact by making effective use of the LCA methodology
2. Create at least 50% Eco-Friendly products

### Indicators and Targets (Target Fiscal Year)

Renewable energy adoption rate: 100% (FY2030)

#### ► FY2023

##### Plan

25%

##### Results

69.3%

#### ► FY2024

##### Plan

69% or more

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067  
 Environmental Action Plan Fiscal Year 2023 Results [Summary] → p.068  
 Environmental Action Plan Fiscal Year 2023 Results [Summary] → p.069

### Achievements

The Nikon Group calculates greenhouse gas emissions in the entire value chain in accordance with the Greenhouse Gas Protocol (GHGP).

Our Scope 1 and Scope 2 results were 87,352 tons-CO<sub>2</sub>e emissions. As we describe below, the impact of renewable energy resulted in a significant reduction. We will continue to make steady progress toward achieving our medium-term targets. Our Scope 3 results were 856,454 tons-CO<sub>2</sub>e emissions. We conduct reduction measures that include making products smaller, lighter, and more energy-efficient. At the same time, sales and production increased year on year with business growth.

#### ● Scope 1+2 Emissions

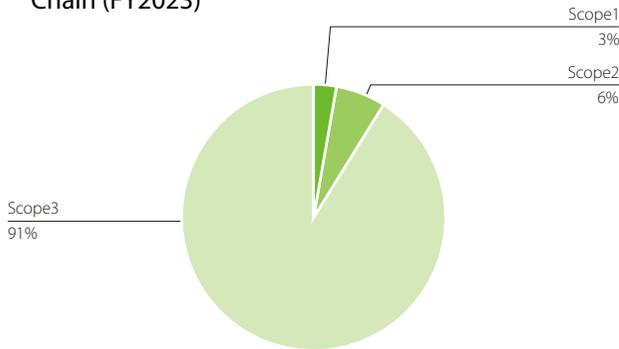
(thousand tons-CO<sub>2</sub>e)



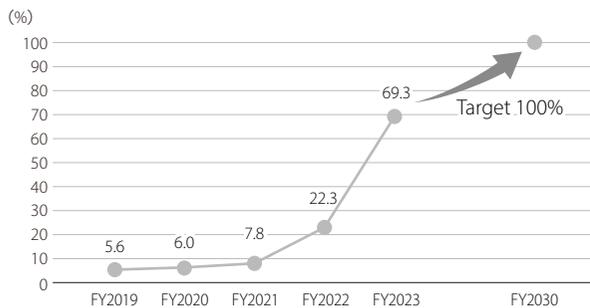
● Scope 3 Emissions



● Ratio of Greenhouse Gas Emissions in the Value Chain (FY2023)



● Ratio of Renewable Energy as a Share of Electric Power Consumption



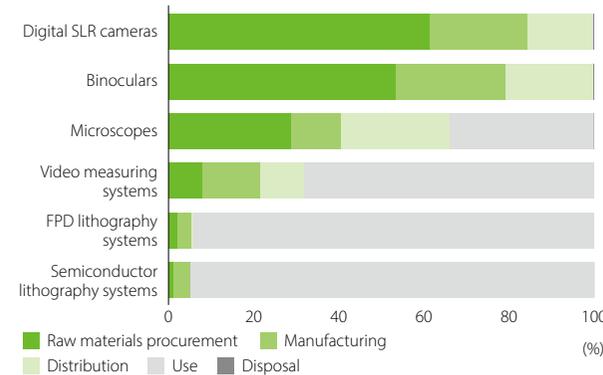
Major Initiatives

Reducing Greenhouse Gas Emissions in Products

Environmental Impact Assessment Using the LCA Methodology

Nikon calculates CO<sub>2</sub> emissions in each phase of a product's lifecycle by conducting evaluations of our environmental impact using the Life Cycle Assessment (LCA) methodology. These evaluations are carried out for a range of products, including some of our most popular models. As a result, CO<sub>2</sub> emissions tend to be high in the raw material procurement phase for imaging products and in the use phase for flat panel displays (FPD) and semiconductor lithography systems, as well as industrial metrology. From this, we understand that it is important for us to make improvements at these phases, and we are therefore incorporating this into new product development. We calculated CO<sub>2</sub> emissions for all new products in fiscal year 2023.

● Percentage of CO<sub>2</sub> Emissions Throughout the Product Lifecycle for Major Nikon Products



CO<sub>2</sub> Reduction Measures for Products

For imaging products, we have the highest amount of CO<sub>2</sub> emissions at the raw material procurement phase.

The Z8 full-frame mirrorless camera launched in May 2023 is approximately 32% lighter, 30% smaller, and uses 18% fewer parts than the Z9, another full-frame mirrorless camera. As a result, we reduced CO<sub>2</sub> emissions over the product life cycle per unit by approximately 23%.



The Z8 full-frame mirrorless camera

Promoting GHG Reductions with Procurement Partners

The Nikon Group encourages major procurement partners to calculate and reduce GHGs as one of the assessment categories within our environmental management system.

In fiscal year 2023, we participated in the CDP Supply Chain Program\*, requesting that 50 50 major procurement partners disclose information. A total of 34 companies provided greenhouse gas emissions and other climate change-related information through the CDP platform. When making this request, we offered three briefing sessions for the procurement partners in question. We also offered individual guidance and time for question-and-answers on calculating GHG emissions as needed.

Throughout fiscal year 2024, we will continue to participate in the CDP Supply Chain Program, expanding the number of targeted procurement partners to 100 companies to better understand partner's Scope 1, 2 and 3 emissions.

\* CDP Supply Chain Program: An information disclosure program conducted by CDP, an international NGO working in climate change and other environmental fields. Member companies that disclose information on climate change, water, forests, etc., through CDP use this platform to request environmental information disclosure from their suppliers.

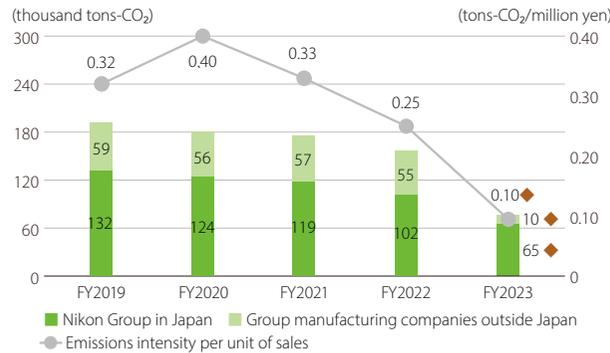
Promoting Green Procurement → p.113

## Reducing Greenhouse Gas Emissions at Business Facilities

### Status of CO<sub>2</sub> Emissions from Energy Consumption and Reduction Measures

CO<sub>2</sub> emissions from the energy consumption of the Nikon Group in Japan and Group manufacturing companies outside Japan for fiscal year 2023 amounted to 74,687t-CO<sub>2</sub>, down 52.3% year on year. Emissions per unit of sales improved significantly year on year due to CO<sub>2</sub> emissions from energy consumption reductions and increased sales. Going forward, we will take further measures to reduce CO<sub>2</sub> and cut our emissions.

### ● Changes in CO<sub>2</sub> Emissions from Energy Consumption



\*1 The following values were used for CO<sub>2</sub> conversion factors.

[Electricity]

Japan: CO<sub>2</sub> emission factors without adjustment for each electric power utility noted in the "List of Basic Emissions Factors by Electric Power Utility" specified in the Act on Promotion of Global Warming Countermeasures

UK: Residual mix

USA: NERC regional residual mix

Other countries: International Energy Agency (IEA) factors for the respective country

[City gas]

Japan: Value obtained by multiplying the gas company-specific values under the guidance document of the Action on the Rational Use of Energy (Energy Conservation Act) by the figure located in Appendix 2, *List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems*, specified in the Act on Promotion of Global Warming Countermeasures by 44/12

UK: Factors from the Report on Greenhouse Gas

Other countries: Equivalent values to a typical Japanese gas company [Heat and other fuels]

Factor from the *List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems* specified in the Act on Promotion of Global Warming Countermeasures (figure from fiscal year 2009 edition)

\*2 The above factors were also used for the calculation of CO<sub>2</sub> emissions according to market-based criteria for Scope 1 and Scope 2 in p.071.

\*3 Emissions have been calculated using the Basic Emission Factors, subtracting the renewable energy portion from total energy consumption.

◆: Values in Data Index assured by a third party

### ● Nikon Group Energy Management

The Nikon Group conducts monthly energy management operations at each business facility. Each business facility

enters the amount of energy used by type into our internal system, which is monitored by the Local Environmental Subcommittee secretariat. Any significant increase or decrease is confirmed with the person in charge at the business facility as needed. We verify the status of energy management through ISO 14001 EMS assessments, and the Environmental Subcommittee receives reports twice a year on the energy consumption by the group as a whole.

To reduce CO<sub>2</sub> emissions from energy consumption derived from energy consumption, the Nikon Group improves product development and production processes, makes production equipment more efficient, implements energy conservation measures, and adopts renewable energy.

In addition, we pursue initiatives and improve standards in a steady manner through employee training on energy conservation and other topics as part of employee environmental education.

### ● Utilizing Renewable Energy

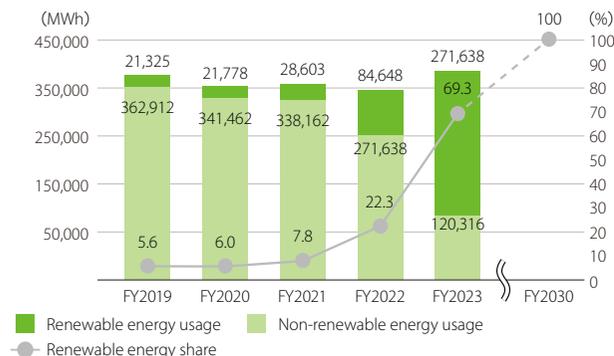
The Nikon Group pursues renewable energy as an effort to reduce greenhouse gas emissions from business facilities.

Our goal is to increase the ratio of renewable energy to electricity consumption to at least 30% by fiscal year 2030 through in-house power generation, electricity plans, renewable energy certificates, and other means. As a result of our efforts, we achieved 69.3% in fiscal year 2023, significantly outperforming both our fiscal year target and the target for fiscal year 2030. Several of our locations, including Tochigi Nikon Corp., Tochigi Nikon Precision Co., Ltd., and Nikon (Thailand) Co., Ltd., have achieved 100% renewable energy electricity use. We reviewed the Nikon Medium-Term Environmental Goals as we aim to expand and accelerate the use of renewable energy further. We will continue our efforts as we consider renewable energy

additionality\* and sustainability to contribute further to the wider adoption of renewable energy in society.

\* Requirement that the impact encourages new renewable energy installations

### ● Renewable Energy as a Share of Electric Power Consumption



### ● Membership in RE100

Nikon joined RE100\*, an international initiative seeking to have companies source 100% renewable energy for electricity used in business activities. We aim to switch to 100% renewable energy-derived electricity used in the Group's business activities by fiscal year 2030, and we plan to work actively alongside other RE100 member companies to foster the development of the renewable energy market and to encourage governments in this area.

\* RE100 Run as a partnership by the Carbon Disclosure Project (CDP) and The Climate Group (an NPO focused on activities in response to climate change), RE100 is an international initiative with participation from companies all over the world.



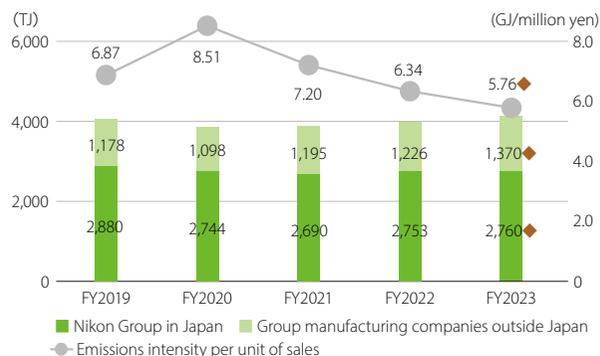
### ● Conserving Energy at Business Facilities

When planning new equipment installation at all Nikon Group business facilities, one important process is energy saving checks, and determining whether or not to install the equipment based on these checks.

After the equipment has been installed, its energy use is monitored, and its performance is managed compared to the forecast.

Furthermore, a range of energy saving initiatives are ongoing at each business facility, including switching over to energy saving lights, using motion sensor-equipped lighting, and working to make air conditioning equipment and office machinery more efficient.

### ● Changes in Energy Consumption



\* The following values were used for calorific-value conversion factors.  
 [Electric power] Factors given in the guidance document for the Periodic Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act) [City gas]  
 Japan: Gas company-specific factors under the guidance document for the Periodic Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act)  
 UK: Values calculated from the factors for the Report on Greenhouse Gas  
 Other countries: Equivalent values to a typical Japanese gas company  
 [Heat and other fuels] Factors given in the guidance document for the Periodic Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act)

Act; fiscal year 2009 edition used)

◆: Values in Data Index assured by a third party

### ● Main Energy-Saving Initiatives at Business Facilities

Energy-Saving Initiative	Initiative Content
Adjusting design and development	Reducing experiments and prototyping through effective use of AI, CAE, and external technical information
Conserving energy in production equipment	Integrating and replacing production equipment, and making existing equipment more energy-efficient
Enhancing productivity	Improving conformity rates through IE analysis, optimizing work flow lines and production spaces, and automating production
Upgrading transformer equipment	Switching over to highly efficient receiving and transformer equipment
Adjusting utilization of transformer equipment	Integrating transformers, reducing electricity consumption from equipment on standby, and switching equipment off when not in use
Upgrading air conditioning equipment	Improving cooling efficiency and streamlining equipment footprint through replacement of cooling and refrigeration equipment, reducing power consumption by replacing motors
Adjusting air conditioning usage	Optimizing temperature and humidity settings and scheduling usage periods
Reducing heat dissipation and heat absorption loss	Insulating piping and exterior walls, optimizing heat exchangers, integrating piping and bypasses
Adjusting building facilities	Upgrading to insulating window glass and energy-saving elevators
Conserving energy in lighting	Switching over to LED lights, adjusting the spacing of lights, and adjusting brightness
Conserving energy in vacuums and compressed air equipment	Switching over to highly efficient pumps, adopting bypassing for piping, optimizing pressure, and optimizing pump operation controls
Adjusting water usage	Improving the efficiency of water pumps installed in receiving tanks and optimizing piping
Upgrading company vehicles	Purchase environmentally friendly vehicles (electric vehicles, fuel cell vehicles, etc.)
Improving driving practices for company vehicles	Achieving energy-efficient driving through training to optimize driving styles and making use of driving recorder analysis

### ● Improving Product Development Efficiency

By continuing to strive for further improvement and evolution in the core technologies that underpin our manufacturing operations, the Nikon Group is able to enhance the efficiency of development and production operations and raise quality standards. In turn, we also reduce our environmental impact by achieving reductions in energy consumption and the generation of waste.

Optical technologies, one of the core technologies of the Nikon Group, is supported by optical glass with high performance and quality. The development and manufacturing processes for optical glass use high temperatures from melting furnaces and require repeated experiments, which leads to high energy consumption and a large amount of waste. Therefore, the Nikon Group has focused on quality engineering methods to achieve significant efficiency gains in the development and manufacturing processes for optical glass, improving evaluation methods, using simulations to reduce the number of experiments, shortening lead times, and improving the accuracy of stamping (metalworking).

As a result, the Nikon Group reduced energy consumption, greenhouse gas emissions, and waste emissions, leading to a greatly reduced impact on the environment. The simulations and technical data established in these measures have been applied and extended to the development and manufacturing processes of other lens materials, thereby helping to further reduce environmental impact.

### ● Initiatives for Commuting and Company Vehicles

All Nikon Group business facilities are making efforts to adopt fuel-efficient, environmentally friendly vehicles, such as hybrid cars, as company vehicles. As an example,

in December 2021, Nanjing Nikon Jiangnan Optical Instrument Co., Ltd. (China) switched two employee shuttle buses from gasoline-powered to electric vehicles. Also, Nikon began using a fuel cell vehicle as a company car. Many business facilities are also working to mitigate environmental impact from their employees' commute, through means like encouraging employees to utilize car sharing, cycle to work, and actively use public transport.

### CO<sub>2</sub> Emissions from Non-Energy Consumption and Other Greenhouse Gas Emissions and Reduction Measures

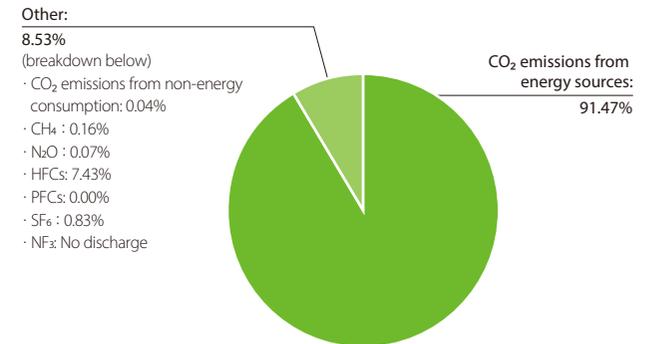
For fiscal year 2023, CO<sub>2</sub> emissions from non-energy sources\*1 and other greenhouse gases\*2 totaled 6,961t-CO<sub>2</sub>e, accounting for 8.5% of the greenhouse gases emitted by Nikon and Group manufacturing companies. Of these gases, HFCs contained in detergents used in the manufacturing process constituted the largest category at 7.4%.

The Nikon Group is working to establish alternative technologies while implementing chemical substance management thoroughly in accordance with the Hazardous Chemical Substance Guideline in order to reduce CO<sub>2</sub> emissions from non-energy sources and other greenhouse gases.

\*1 CO<sub>2</sub> emissions from non-energy sources: CO<sub>2</sub> generated by fire extinguishers, sprays, waste incineration, etc.

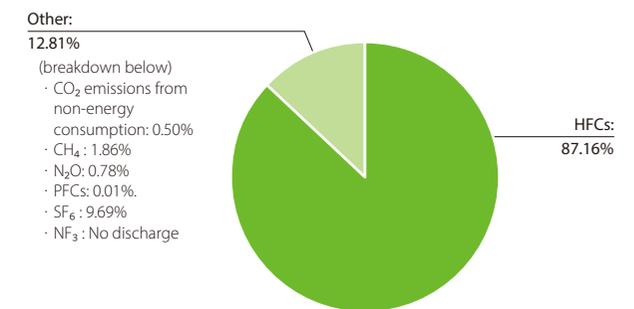
\*2 Other greenhouse gas: CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>

### ● Breakdown of Greenhouse Gas Emissions from Nikon and Group Manufacturing Companies



◆: Values in Data Index assured by a third party

### ● Breakdown of CO<sub>2</sub> Emissions from Non-Energy Consumption and Other Greenhouse Gas Emissions



◆: Values in Data Index assured by a third party

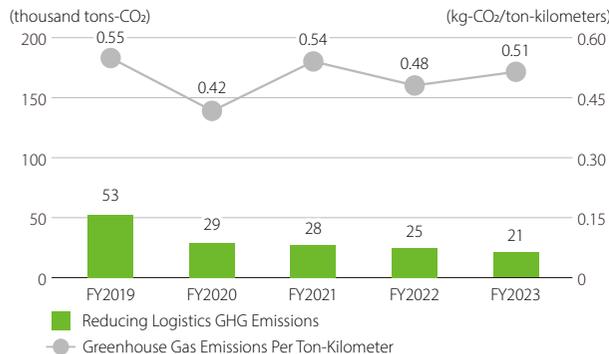
## Reducing Logistics Greenhouse Gas(GHG) Emissions

### Visualizing Logistics GHG Emissions

Nikon products are manufactured mainly in Asia and sold worldwide. Based on this structure, we visualize transportation routes, cargo volume, and GHG emissions, striving to reduce emissions.

In fiscal year 2023, GHG emissions for domestic transportation amounted to 699t-CO<sub>2</sub> and 20,568t-CO<sub>2</sub> for international trading, including transportation within foreign country borders. The Nikon Group outperformed our target of reducing emissions by 2.7% compared to the previous fiscal year, reducing greenhouse gas emissions by 16.1%.

### ● Logistics GHG Emissions in Japan, Internationally, and Outside Japan



### Promotion of Modal Shifts

The Nikon Group promotes modal shifts\*1 to reduce environmental impact, shifting the main mode of transportation from air and trucks to marine, rail, and ferry transport.

In April of fiscal year 2023, we switched domestic transportation within China from long-distance trucks to ferries for the transportation of precision equipment from Nanjing Nikon Jiangnan Optical Instruments Co., Ltd. Ferry transportation offers easy schedule management (timeliness), temperature and humidity control, and RORO cargo handling\*2 with little vibration to the goods transported. For this reason, Nikon uses ferries to transport products from China. We also use ferries for domestic transportation after arrival in Japan. In this way, we reduced greenhouse gas emissions by approximately 70% compared to conventional truck transportation. This is

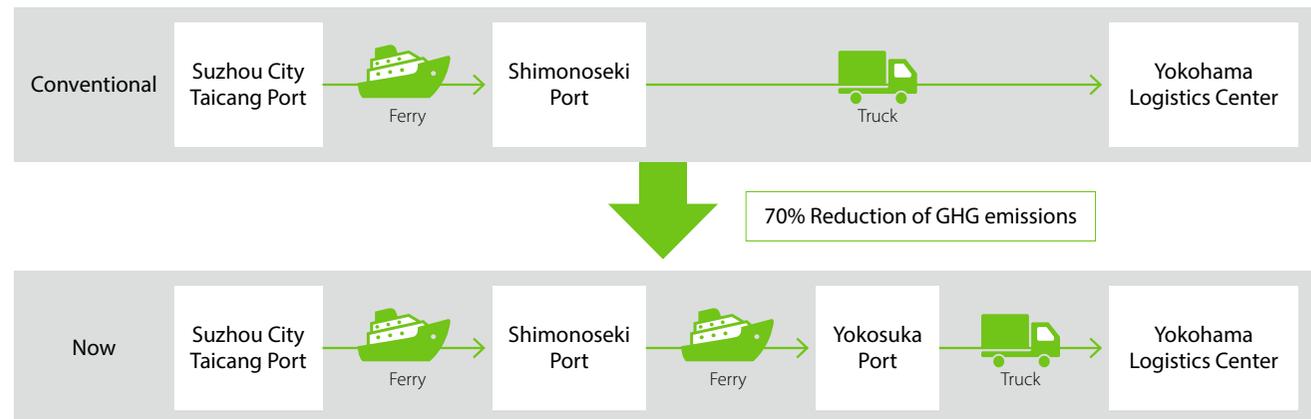
also an effective countermeasure to the 2024 Problem of a growing driver shortage.

In October, Hikari Glass (Akita Prefecture), a Nikon Group company in Japan that manufactures optical glass and other products, switched transportation to the Port of Tokyo from truck to rail as part of the export leg to Chinese Group company, Hikari Glass (Changzhou) Optics Co., Ltd. Hikari Glass also conducted trials to reduce truck transportation, including changing the port of loading from Tokyo to Akita. These measures resulted in greenhouse gas emissions reductions of approximately 52% and 78%, respectively. This approach is also an effective countermeasure to the aforementioned 2024 Problem.

\*1 Modal shift: This term is normally used to refer to shifting the method of transportation in order to reduce the impact on the environment.

\*2 RORO cargo handling: RORO stands for *roll on roll off*, meaning truck boarding (roll on) and disembarkation (roll off). Trucks, trailers, and other vehicles self-drive to the vessel to load and unload cargo.

### ● Switching to ferries for domestic transportation



## Environmentally Friendly Transportation

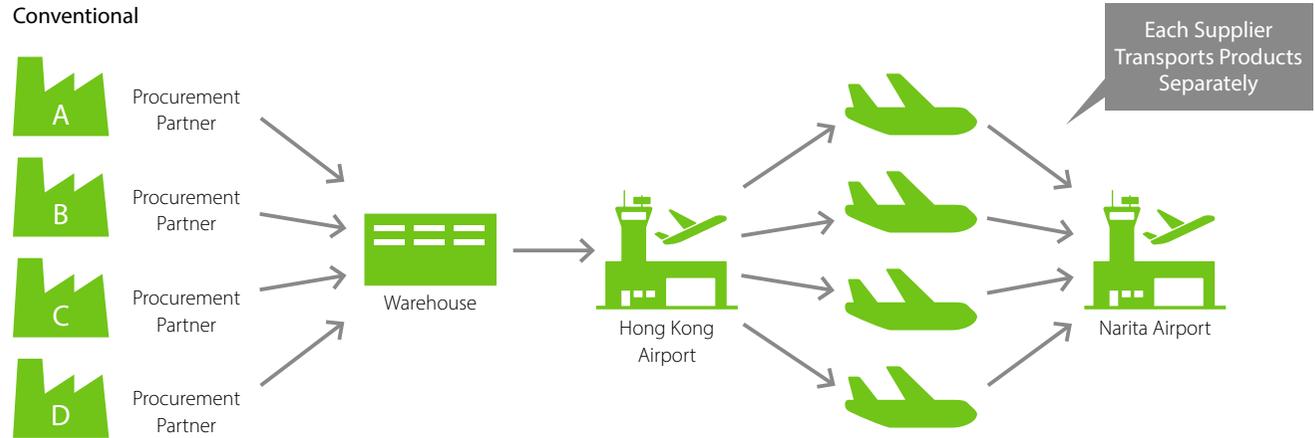
As well as gradually shifting over to the use of environmentally-friendly vehicles with low fuel consumption for delivery trucks, etc., the Nikon Group is also working to promote eco-driving (fuel-efficient driving) by having drivers attend regular seminars on eco-driving sponsored by the Japan Trucking Association.

We are also reducing the number of trucks used in domestic transportation for exports from our warehouses. We accomplish this goal by improving loading efficiency through the selection of optimal packing boxes based on volume calculations and by consolidating shipments from different business units.

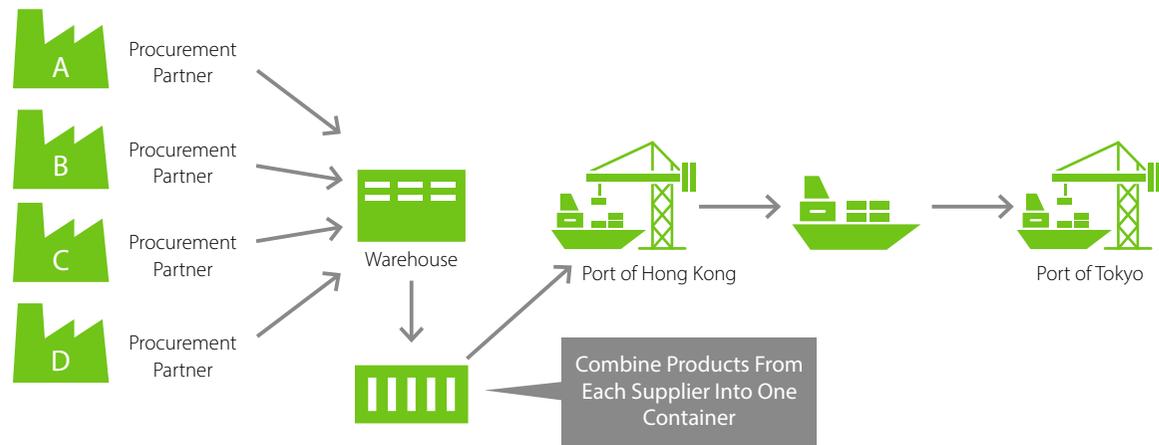
In addition, Nikon Vision, which manufactures and sells telescopes and binoculars, conducted a buyer's consolidation trial in June 2023. Buyer consolidation combines airfreight from multiple suppliers in Hong Kong in a single ocean container for ocean transport. We expect this measure to reduce greenhouse gas emissions by approximately 95% compared to conventional air transportation from each supplier. We performed a second transport operation in October. We intend to continue this initiative in the future, albeit on an irregular basis.

### ● Buyer's Consolidation by Nikon Vision

#### Conventional



#### Buyer Consolidation



## Materiality 4

# Promoting Resource Circulation



## 3R for Products and Packaging

### Basic Approach

Creating a circular economy, an economic model that maximizes the use of existing resources and helps create sustainable societies, is vital to solving intensifying environmental issues such as climate change and resource depletion. As the world shifts into a circular economy, the Nikon Group recognizes that companies are members of society expected to consider product life cycles that prevent waste and reduce environmental impact to the greatest extent possible.

In the Nikon Environmental Activity Policy, we set forth the efficient use of resources, eco-friendly products, and environmental friendliness throughout the product life cycle, engaging in the 3Rs (Reduce, Reuse, Recycle) for products and packaging in product development and design.



Nikon Environmental Activity Policy

[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

### Strategy

#### Risk

Many countries are tightening regulations regarding the resource circulation of products and packaging

(e.g., mandatory reuse of waste and taxation), and mandating the disclosure of information regarding plastic use. As laws and regulations are tightened, we face potential risks in procurement and costs as recycled materials are likely to become scarce in the market. As the circular economy progresses, we also face potential risks of lower sales, a loss of public trust, and pullbacks in investments due to slower responses to changing market and consumer preference in product choice.

#### Opportunity

We recognize opportunities to reduce business costs through reduced and more efficient use of plastics and other resources, to expand our business by offering technologies and products that contribute to the transition to a circular economy, and to earn the trust of our stakeholders.

#### Strategy

Given our diverse range of products, the Nikon Group must base our strategies on the characteristics of each business. We organize the necessary measures to reduce, reuse, and recycle, and set appropriate targets for each business.

### The 3Rs Initiatives of the Nikon Group

- Reduce
  - ① Select materials with low environmental impact, make products smaller, and reduce the number of parts
  - ② Extend product life
  - ③ Reduce plastic packaging materials
  - ④ Promote the switchover of containers and packaging from plastic to paper and plant-derived plastic materials
- Reuse
  - ① Pursue the reuse of products, parts, materials, and packaging
  - ② Expand sales of used products
  - ③ Decide whether or not to continue the sale of used equipment
- Recycle
  - ① Decide on the new adoption of recycled materials
  - ② Pursue the adoption of recycled materials (surveys, etc.)
  - ③ Switch from plastic packaging and containers to recycled materials

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → **p.067**

### Governance

The Nikon Group considers the environmental friendliness of our products to be an element of product quality. We established meetings under the Quality Committee to comply with product

environmental laws and regulations, pursue the development of eco-friendly products, and deliberate on environmental friendliness in containers and packaging. The product environment secretariat, the secretariat of these meetings, gathers information on relevant laws, regulations, and industry trends, provides information to the relevant business units, and instructs them to take action. The secretariat also collects and confirms results from each business unit and reports them to the Product Subcommittee and the Environmental Subcommittee. The Environmental Subcommittee checks the status of the target achievement and deliberates on issues and countermeasures. The Environmental Subcommittee then reports these results to the Sustainability Committee twice a year and important matters to the Board of Directors once a year.

Environmental Governance → p.060

## Risk Management

At meetings related to product environment, we gather information on the latest trends in laws, regulations, and industries. We also consider and decide on ways to comply with such trends. We also conduct assessments for products and packaging at said meetings, and compile the results. These results are then reported to the Quality Committee and the Environmental Subcommittee.

Environment-Related Risk Management System → p.064

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Percentage of use of recycled materials for products : 5% or more (FY2030)

#### ► FY2023

##### Plan

\*Targets set for each business unit and division

##### Results

Use recycled materials for certain imaging products

#### ► FY2024

##### Plan

\*Targets set for each business unit and division

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067  
 Environmental Action Plan Achievements for the Fiscal Year 2023 [Summary] → p.068  
 Environmental Action Plan Targets for Fiscal Year 2024 [Summary] → p.069

## Major Initiatives

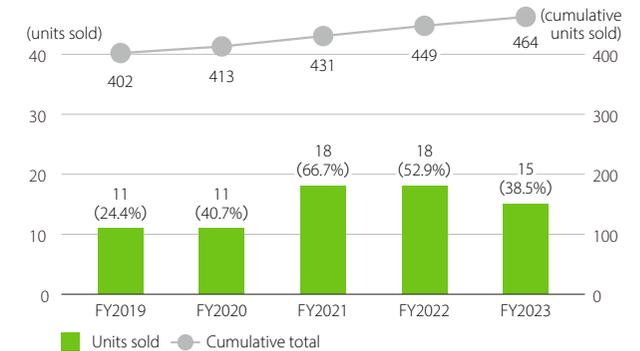
### Sales of Refurbished Semiconductor Lithography Systems and Reuse of Projection Lenses

The Nikon Group has commercialized a service for collecting and reconditioning used Nikon semiconductor lithography systems from customers, where it replaces and reconfigures parts and installs the refurbished systems for new customers in and outside Japan. This business activity is an example

of the Nikon Group's practice of reusing its own products within the Group. As of fiscal year 2023, the Nikon Group had sold a cumulative total of 464 refurbished products.

The Nikon Group is also working on extending the life of lithography systems by using Nikon's latest technology to reuse and replace projection lenses which have deteriorated from long-term use and cannot maintain basic exposure performance.

### ● Sales Trends of Refurbished Semiconductor Lithography Systems (for ICs)



\* Figures in parentheses indicate share of total units sold

## Extend Product Life

To extend product lives for our customers, Nikon offers our Plaza Inspection Pack and Periodic Maintenance inspection and cleaning services.

The Plaza Inspection Pack is a daily care service for cameras and accessories. Our Nikon Plaza service centers in Tokyo and Osaka inspect and clean cameras, lenses, and camera accessories through this service.

The Periodic Maintenance service is to inspect each part of the camera equipment and lenses, check accuracy, clean details, and perform other services in an environment fully equipped with inspection equipment and devices.

We also refresh and upgrade projection lenses for older FPD lithography systems to extend product lives for customers. In fiscal year 2023, we launched a service to refresh and return glass components for FPD lithography systems in China.

## Battery Recycling

The Nikon Group works through JBRC\* to recycle used digital cameras and other rechargeable batteries collected in the Japanese market.

\*Japan Portable Rechargeable Battery Recycling Center (JBRC): An organization that recycles small rechargeable batteries in line with the Act on the Promotion of Effective Utilization of Resources.



Battery recycling marks

## Recycling and Reuse of Nikon Products

We also work to collect and recycle used electrical and electronic equipment around the world in compliance with the laws and regulations of each country, based

on the latest information.

Under the WEEE Directive\*1, European countries in particular have been establishing national laws in relation to the collection and recycling of used electrical and electronic equipment.

In response to these laws, the Nikon Group has been working to fulfill its responsibility for the collection and recycling of Nikon digital cameras and other products. The Nikon Group has registered with local collection organizations in more than 30 countries, establishing collection and recycling networks in each of these. We are also implementing product assessments at their design stages to promote easy-to-disassemble designs, reductions in the types of raw materials used, and extensive utilization of recycled resources, to comply with the provisions of the Act on Promotion of Recycling of Small Waste Electrical and Electronic Equipment\*2 in Japan.

As to reuse, part of our services includes accepting digital cameras returned from customers, repairing them, and then selling them as refurbished cameras in and outside Japan.

\*1 WEEE (Waste Electrical and Electronic Equipment) Directive: Legislation enacted in the EU in 2003 (and revised in 2012) requiring EU Member States to collect and recycle waste electrical and electronic equipment.

\*2 Act on Promotion of Recycling of Small Waste Electrical and Electronic Equipment: Enacted on April 1, 2013. This legislation stipulates the responsibilities of various entities, including national and local public bodies, business operators and manufacturers, with respect to the promotion of recycling of small waste electrical and electronic equipment such as digital cameras and game devices.



EU recycling symbol

## Use of Recycled Plastic Materials in Products

The Nikon Group sets the use of recycled materials as an assessment item in our Product Assessments and encourages the active use of recycled materials from the development stage. Currently, we use recycled plastic materials in digital camera body caps and certain binoculars.



Digital camera body caps

## Recycling of Packaging Materials

The Nikon Group promotes the recycling of packaging materials for Nikon products including digital cameras in Japan by outsourcing the task to the Japan Containers and Packaging Recycling Association.

In Europe, under the EU Packaging and Packaging Waste Directive, each country has established a packaging waste recovery and recycling system in accordance with its national laws. In the EU, the Nikon Group pays recovery and recycling fees to recycling organizations in each country, cooperating in promoting the collection and recycling of containers and packaging materials in various countries. In addition, we facilitate sorted collection by providing

recycling marks and material indications on product containers and packaging materials as specified in each country.



Examples of recycling marks in each country

### Saving Resources by Downsizing Packaging Boxes

The Nikon Group is working to reduce the amount of materials it uses, such as paper and plastic, by reducing the size of individual packaging boxes.

For the AX/AX R confocal microscope system, in addition to reducing the size of its packaging box in keeping with the miniaturization of the product itself, the Group was able to reduce the overall volume of the packaging box by 20% and the weight of packaging materials by 35% by changing the bottom pallet of the packaging box from steel to paper. The use of paper pallets has also greatly reduced environmental impact on disposal.

### Reducing Plastics in Packaging

In recent years, marine pollution from plastic waste has become a global problem. In response, the Nikon Group implements a number of measures that include reducing the amount of disposable plastics used in product packaging and at production sites, using paper-based materials instead of plastics, etc.

For the packaging of the ECLIPSE Ti2-E inverted research microscope, we now use paper instead of

foamed plastic in certain parts of this packaging.

We also reduced the amount of plastic used in the cushioning materials of the medium telephoto single focal length lens *NIKKOR Z 135mm f/1.8 S Plena* by switching from foamed plastic to corrugated cardboard.

In our production base initiatives, the Nikon Group uses recycled PP (polypropylene) bands made from recycled materials as transportation packaging between production sites in Japan.



Previous packaging for ECLIPSE Ti2-E inverted research microscope



Current packaging for ECLIPSE Ti2-E inverted research microscope

# Management and Reduction of Waste

## Basic Approach

We must shift to a circular economy as a means to solve global problems stemming from human activities, including climate change, loss of biodiversity, and environmental pollution. A circular economy preserves and maintains the value of products, materials, and resources for as long as possible, minimizes waste generation, and reduces environmental burdens associated with resource use. We recognize that companies are expected to reduce waste, reuse and recycle resources, and reduce their environmental impact to the greatest extent possible.

In the Nikon Environmental Activity Policy, the Nikon Group sets forth the efficient use of resources and environmental friendliness throughout the product life, and engages in measures to reduce waste from product manufacturing processes and business sites.



Nikon Environmental Activity Policy

[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

## Strategy

### Risk

Waste-related laws and regulations have been tightened further in recent years due to the shortage of waste disposal sites, illegal dumping, and the resulting pollution. Amid these circumstances, we recognize risks including higher costs in waste management, costs to respond in the unlikely event we violate laws or regulations, and a

loss of public trust and investment withdrawals due to negative attention from the public announcement of our company name.

### Opportunity

We recognize opportunities to reduce business costs through waste reduction and the efficient use of resources, as well as opportunities to maintain public trust through proper management and disposal of waste.

### Strategy

We adopted the concept of zero emissions, striving to not only reduce emissions but to reduce emissions to zero for society as a whole by using waste as a resource in other industries. Here, we introduced our own level-specific targets into zero emission initiatives to reduce final landfill waste volumes and encourage resource circulation.

We established the Waste Disposal Guidelines to ensure the proper outsourcing of waste disposal (including the selection and contracting of appropriate outsourced waste disposal contractors) in accordance with the laws of each country. The Waste Disposal Guidelines require all production facilities to confirm proper disposal of waste through the monthly management of discharge dates, disposal completion dates (intermediate disposal), discharge type, discharge weight, and amount of landfill waste (including the amount of final disposal not recycled). We evaluate waste management at each site through EMS assessments to identify issues and make improvements. Furthermore, departments in charge of waste disposal train employees at the relevant sites to

improve overall waste management.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → **p.067**

## Governance

Each site and Group company sets their own reduction targets and manages waste data (discharge dates, discharge type, discharge weight, amount of landfill waste, etc.) on a monthly basis. The Local Environmental Subcommittee secretariat, which operates under the Environmental Subcommittee, checks the results and the status of achievement of targets for each site and Group company. The secretariat then reports these results to the Environmental Subcommittee twice a year. The Environmental Subcommittee checks the status of achievement of group-wide targets and deliberates on issues and countermeasures. The Environmental Subcommittee then reports these results to the Sustainability Committee twice a year and important matters to the Board of Directors once a year.

Environmental Governance → **p.060**

## Risk Management

Each site and Group company identifies issues and risks, determines initiatives to address identified items, incorporates items into targets, and conducts periodic management reviews. The contents of the

management reviews are reported to the Environmental Subcommittee once a year.

Environment-Related Risk Management System → p.064

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Rate of reduction in total discharged waste (compared to FY2018) : 10% or more (FY2030)

#### ► FY2023

##### Plan

3% or more

##### Results

20%

#### ► FY2024

##### Plan

4% or more

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067  
 Environmental Action Plan Achievements for the Fiscal Year 2023 [Summary] → p.068  
 Environmental Action Plan Targets for Fiscal Year 2024 [Summary] → p.069

## Major Initiatives

### Towards Zero Emissions

The Nikon Group has introduced level-specific targets into zero emissions\* initiatives.

Nikon and Group manufacturing companies in Japan maintain level 5 status. In fiscal year 2023, Nikon X-Tek Systems Ltd. (UK) and Hikari Glass (Changzhou) Optics Co., Ltd. (China) achieved level 5 status. In addition, Optos Plc (UK) and Nanjing Nikon Jiangnan Optical Instrument Co., Ltd. (China) achieved level 1 status, while other Group manufacturing companies are making further efforts to achieving Level 1 by fiscal year 2030.

\*Zero emissions: First advocated by the United Nations University in 1994. It embodies an approach that seeks to reduce waste from the whole of society to zero by recycling waste from one industry for use as a resource in other industries.

### Zero Emission Level-Specific Targets

- Level 5: Final landfill disposal rate of less than 0.5%
- Level 1: Final landfill disposal rate of less than 1%
- Level 2: Final landfill disposal rate of less than 5%
- Level 3: Final landfill disposal rate of less than 10%
- Level 4: Final landfill disposal rate of less than 20%

\*1 Final landfill disposal rate = Final landfill amount / (waste + valuable resources)  
 \*2 The final landfill amount is the amount of waste disposed of by landfill at the final disposal site.

## Waste Reduction Performance

The amount of waste (excluding valuable resources) generated by the Nikon Group in Japan and by the Group manufacturing companies outside Japan during fiscal year 2023 was 6,237 tons. This figure represented a reduction of 20% (1,533 tons), achieving the Group target of reducing the total waste generated from operations by at least 3% compared to fiscal year 2018 (7,538 tons or less in total waste). The total amount of final landfill

waste generated was 227 tons<sup>◆</sup>, with 6,011 tons of waste recycled (not including valuable resources). In fiscal year 2024, we will continue our efforts to reduce total waste generated.

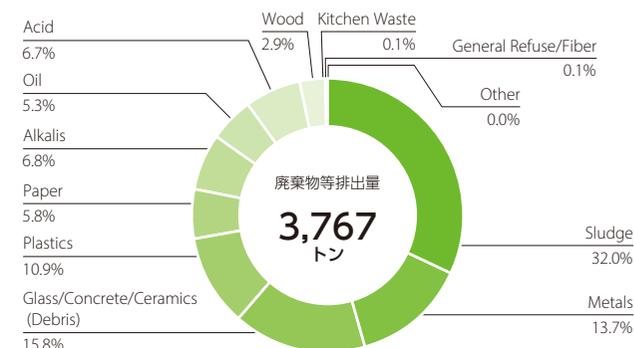
◆: Values in Data Index assured by a third party

### ● Waste Generated by the Nikon Group in Japan and Group Manufacturing Companies Outside Japan (Waste + Valuable Resources)



◆: Values in Data Index assured by a third party

### ● Breakdown by Category of Waste (Waste + Valuable Resources) Generated by the Nikon Group in Japan (Fiscal Year 2023)



## Initiatives in the Manufacturing Process

In August 2023, Miyagi Nikon Precision Co., Ltd began separating soft vinyl (bubble cushioning material and plastic bags) for sale as valuable resources. This vinyl had previously been disposed of as industrial waste. The company collected the used vinyl through the effective use of available space in company transport vehicles returning from transporting parts. This initiative enabled the company to convert approximately 37% of used soft vinyl into valuable resources.

Abrasive agents used to polish optical glass are discarded as abrasive sludge after use. Abrasive sludge accounts for around 19% of waste discharged by the Nikon Group in Japan. The Nikon Group established a method to reuse these abrasives, achieving a 45% reduction in abrasive sludge waste at the Nikon Shonan Branch, which produces photomask substrates. We are working to further reduce this abrasive sludge.

At Sendai Nikon Corporation, we are taking actions to recycle resources. For example, plastic waste is sorted by material and color, gate parts from molded products are crushed, and heating is used to reduce the volume of extruded polystyrene foam. With regard to metal waste, oil is separated from metal shavings by centrifugal separation, thereby enhancing the value of recycled valuable resources.

## Paper Resource Initiatives

The Nikon Group is working to reduce document printing by digitizing meeting materials and encouraging the use of computers and tablets to confirm engineering

drawings and forms. We are also working to reduce paper usage by changing the settings on multifunction printers and installing software to reduce accidental or unnecessary copying.

# Protection of Water Resources

## Basic Approach

Large quantities of water are used in the production processes for optical lenses, part of Nikon's main product category, and for the quartz glass used in these lenses. For example, during the optical lens polishing process, water has to be added frequently in order to keep the polishing agent at the right consistency. Similarly, in the quartz glass production process, our waste gas purification devices require water to remove acid components from waste gases. For these reasons, water is not only an indispensable resource for Nikon Group business, but it also affects the global environment through wastewater and other means. Working to conserve water resources is therefore essential for business continuity. The Nikon Group formulated the Nikon Environmental Long-Term Vision looking ahead to fiscal year 2050. Of the three pillars, *realizing a resource circulating society* depicts our vision for water and resources, while *realizing a healthy and environmentally safe society* corresponds to our vision for water safety. To achieve these goals, the Nikon Environmental Activity Policy stipulates the effective use of water and other resources, compliance with laws and regulations, establishment and compliance of voluntary standards exceeding legal requirements, and pollution prevention. In addition, we aim to implement steady initiatives and improve standards through employee training on water-related initiatives and related laws and regulations as part of employee environmental education.



Nikon Environmental Activity Policy

[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

## Strategy

### Risk

The Company recognizes water-related risks including difficulties in securing sufficient water resources and related operational difficulties due to climate change, extreme weather events, or other disasters. These water risks apply to not only our direct operations but also to our entire supply chain, including procurement partners. Flooding and inundation caused by typhoons and long rains may inflict damage to work sites of the Company or our suppliers, and disrupt logistics, leading to potential disruptions in operations. The further progression of climate change may increase the probability of these risks.

If for some reason we are unable to treat wastewater properly and comply with relevant laws and regulations, we recognize the risk of incurring costs to respond, a loss of public trust, and investment withdrawals due to negative attention from the public announcement of our company name.

### Opportunity

We recognize opportunities to reduce operating costs through reuse, recycling, and other efficient uses of water resources.

### Strategy

To conserve water resources, the Nikon Group monitors the amount of water withdrawal, discharge, and reuse, implementing proactive initiatives for effective water use.

Beginning in fiscal year 2021, the Group also introduced a new freshwater consumption indicator\*, as we believe it is important that water used should be returned at an equal or better quality than when it was withdrawn. The Nikon Group believes that reducing freshwater consumption will lead to reduced water withdrawal load in each region.

For fiscal year 2023, the Nikon Group reduced freshwater consumption by 3.4% to 1,813,000 m<sup>3</sup>, achieving our Environmental Action Plan goals for the fiscal year to reduce water withdrawal by at least 2% compared with fiscal year 2018.

\* Freshwater consumption: Sum of withdrawal volumes A, B, and C, minus returned water volume D (A+B+C-D).

A: Water withdrawal from municipal water supply facilities (tap water, industrial water, etc.)

B: Water withdrawal from surface water (lakes, rivers, etc.)

C: Water withdrawal from groundwater

D: Return water of equal or better quality than the withdrawal source (applicable to B and C only)

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067

## Governance

Each site and Group company sets their own reduction targets and manages water data (water withdrawal, water discharge, freshwater consumption, etc.) on a monthly basis. The Local Environmental Subcommittee secretariat, which operates under the Environmental Subcommittee, checks the results and the status of achievement of targets for each party. The secretariat then reports these results to the Environmental Subcommittee twice a year. The Environmental Subcommittee checks the status of

achievement of targets and deliberates on issues and countermeasures. The Environmental Subcommittee then reports these results to the Sustainability Committee twice a year and important matters to the Board of Directors once a year.

Each site and Group company sets their own standards for wastewater quality, which are stricter than legal requirements, and monitors said standards on a regular basis. In the unlikely event that a site or Group company exceeds the standard values, the party in question reports the incident immediately to the relevant parties in accordance with the environmental accident reporting procedures established by the Nikon Group. The party in question then takes action to minimize environmental impact.

Environmental Governance → p.060

## Risk Management

Since many water risks are specific to each region, each site and Group company identifies risks, determines initiatives to address identified risks, incorporates risks into targets, and conducts periodic management reviews. The Local Environmental Subcommittee secretariat, which operates under the Environmental Subcommittee, compiles management review content and reports their findings to the Environmental Subcommittee once a year.

The Local Environmental Subcommittee secretariat also leads the assessment of the potential future impact on corporate activities of water-related issues, including

water resource availability, water-related disasters, and water pollution. The secretariat works with outside specialists once every three years to conduct such assessments.

In 2019, we conducted a water risk assessment based on Aqueduct\*1 for 16 domestic and international business facilities having high water withdrawal levels. As a result, we confirmed that there are no significantly high water stress\*2 areas in the regions where the Nikon Group conducts business activities.

In fiscal year 2023, we began preparations to assess the water risks of our suppliers in fiscal year 2024 in light of recent requests for the Group to grasp and identify water risks in our supply chain.

\*1 Aqueduct: A world map and information tool showing global water risks, provided free of charge by the World Resources Institute.

\*2 Water stress: A condition in which demand for water exceeds supply.

Environment-Related Risk Management System → p.064

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Rate of freshwater consumption reduction (compared to FY2018): 5% (FY2030)

#### ► FY2023

**Plan**  
2% or more  
**Results**  
3.4%

#### ► FY2024

**Plan**  
2%

Nikon Long-Term Environmental Vision and Medium-Term

Environmental Goals → p.067

Environmental Action Plan Achievements for the Fiscal Year 2023

[Summary] → p.068

Environmental Action Plan Targets for Fiscal Year 2024 [Summary]

→ p.069

## Major Initiatives

### Appropriate Wastewater Treatment

The Nikon Group uses large amounts of water in its manufacturing processes. When discharging water used, the Group applies appropriate wastewater treatment to minimize the environmental impact on waterways in each region.

Specifically, we established voluntary standards even stricter than discharge standards found in each region, and we treat wastewater in accordance with wastewater quality levels alongside regular monitoring of the wastewater discharge situation.

### Water Withdrawal and Discharge

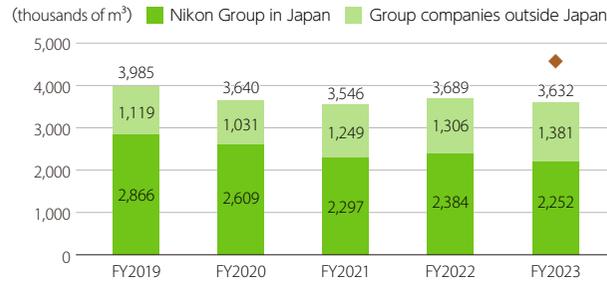
Nikon Group water withdrawal for fiscal year 2023 was 3,632,000 m<sup>3</sup> (Nikon Group in Japan accounting for 2,251,000 m<sup>3</sup>, and Group manufacturing companies outside Japan accounting for 1,381,000 m<sup>3</sup>). Wastewater discharge volume amounted to 3,220,000 m<sup>3</sup> (Nikon Group in Japan accounting for 2,116,000 m<sup>3</sup>, and Group manufacturing companies outside Japan accounting for 1,104,000 m<sup>3</sup>). We reduced freshwater consumption by

3.4% to 1,813,000 m<sup>3</sup>, achieving our target of reducing freshwater consumption by at least 2% compared to fiscal year 2018.

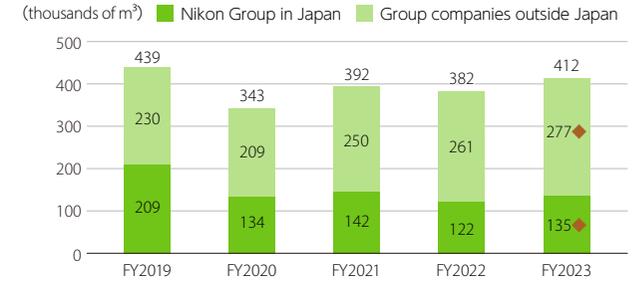
In addition, at the business facilities and the Group manufacturing companies that make use of considerable amounts of water, we pay special attention to ensuring that wastewater generated in manufacturing processes is properly treated, and endeavor to reuse as much water as possible. The fiscal year 2023 water reuse rate of the Nikon Group amounted to 6.9%.

The Nikon Group will continue efforts to reduce freshwater consumption further and improve recycling rates.

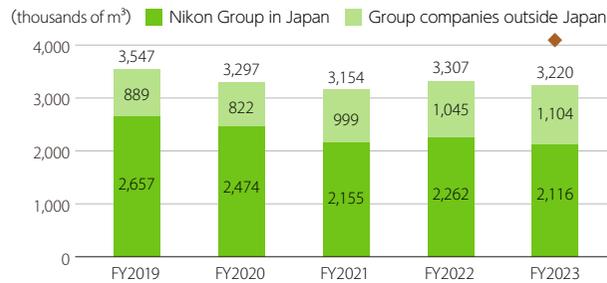
### ● Changes in Water Withdrawal



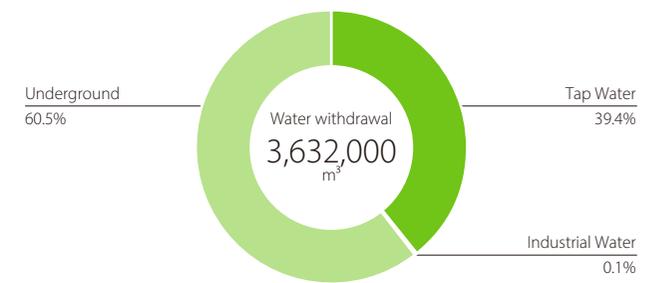
### ● Changes in Water Consumption



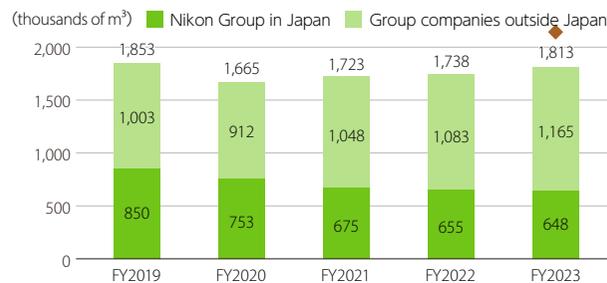
### ● Changes in Water Discharge



### ● Breakdown of Water Withdrawal (Fiscal Year 2023)



### ● Changes in Freshwater Consumption



### ● Breakdown of Water Discharge (Fiscal Year 2023)



◆ : Values in Data Index assured by a third party

## Water Reuse Measures

### Case Example of Wastewater Reuse (Nikon Shonan Branch)

When manufacturing photomask substrates, the Nikon Shonan Branch uses a large amount of water resources during the polishing and cleaning processes. Accordingly, during fiscal year 2018, the Nikon Shonan Branch implemented a mechanism to reuse the wastewater from the cleaning process as supply water for pure water production equipment. As a result, over the course of fiscal year 2023, the Nikon Shonan Branch reused approximately 10,000 m<sup>3</sup> of water discharge for the year, reducing water withdrawal 7.7% compared with the period prior to adoption.

### Effective Use of Concentrated Water (Nikon Kumagaya Plant)

Nikon Kumagaya Plant manufactures semiconductor lithography systems, a process requiring a large amount of ultrapure water. The process of producing semiconductor lithography systems requires large amounts of ultrapure water. To generate ultrapure water, tap water is first fed into an ultrapure water apparatus and separated into pure water and concentrated water using RO membranes. The pure water is treated further to produce ultrapure water. However, the concentrated water had previously been discharged as wastewater. In fiscal year 2018, Nikon adopted a process to reuse this concentrated water effectively to supplement water used in cooling towers. In addition, we have been increasing the number of cooling towers reusing this concentrated water since October 2020. As a result, the Nikon

Kumagaya Plant reused approximately 39,000 m<sup>3</sup> of concentrated water as supplementary water for cooling towers in fiscal year 2023. This reused water accounted for approximately 13% of the total water withdrawal at the Nikon Kumagaya Plant.

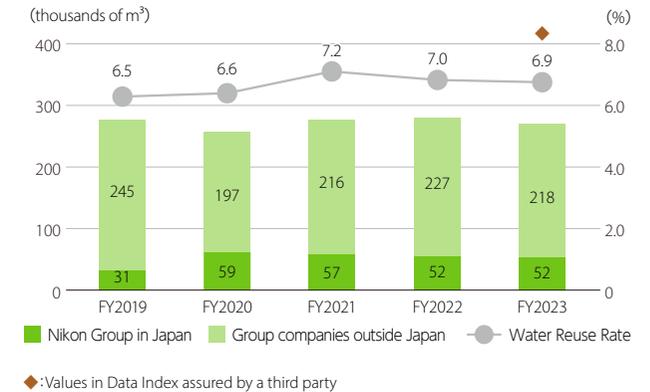
### Reuse of Domestic Wastewater and Treated Water (Nikon Lao Co., Ltd.)

Nikon Lao Co., Ltd. (Laos) is located in a district with only basic water supply infrastructure, and has been actively implementing measures to improve water resource efficiency. The company purifies domestic wastewater for reuse in flushing toilets and in company garden sprinkler system. They also reuse treated water as a coolant.



Wastewater treatment system at Nikon Lao Co., Ltd.

### Changes in Water Reuse at the Nikon Group in Japan and Group Manufacturing Companies Outside Japan



Materiality 5

# Preventing Pollution and Conserving Ecosystems

## Management and Reduction of Hazardous Chemical Substances in Products



### Basic Approach

While chemical substances enrich lives, highly hazardous substances can cause serious damage to human health and the environment depending on the method of use and disposal. Countries around world develop laws and regulations on the proper management of chemical substances aiming to prevent health hazards and negative environmental impact. These laws and regulations are tightened each year, spreading to other countries based on European laws and regulations.

The products sold by the Nikon Group consist of numerous components, which contain a variety of chemical substances. In response to these circumstances, the Nikon Group established the Nikon Environmental Activity Policy on the management of hazardous chemical substances in products, environmental friendliness, pollution prevention, and compliance with laws and regulations. In addition, we set Realizing a Healthy and Environmentally Safe Society as a pillars of the Nikon Long-Term Environmental Vision for 2050.



Nikon Environmental Activity Policy  
[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

### Strategy

#### Risk

We recognize various risks amid the tightening of laws and regulations on chemical substances contained in products. These risks include costs to respond (recall, compensation, etc.) in the event of non-compliance with laws and regulations, suspension of operations and other penalties, loss of public trust, and investment withdrawals. We also face the potential risk of failure to manufacture products that meet market performance requirements due to the non-use of newly regulated hazardous chemical substances. Furthermore, the Group faces potential risks of delays in product manufacturing due to difficulties in obtaining substitutes for materials and auxiliary materials, as well as delays in technological development using substitutes.

#### Opportunity

Managing and reducing chemical substances in proper compliance with increasingly stringent laws and regulations enables us to reduce our impact on climate change and biodiversity, as well as reduce health, safety, and environmental risks to society. These efforts will also help us maintain stakeholder trust.

### Strategy

To safeguard human health and reduce environmental risks, the Nikon Group strives to implement rigorous chemical substance management that adheres to international regulatory frameworks. More specifically, we established our own Nikon Group standards (Nikon Green Procurement Standards) to ensure compliance with international environmental laws and regulations, including the EU RoHS directive\*1 and REACH regulation\*2. We follow the latest trends in chemical substance regulations and prohibit relevant substances in our procured products before regulations are enforced to control and reduce said substances. We also tracks developments in each country in advance of the enforcement of laws and regulations to share information and develop alternative technologies.

\*1 EU RoHS Directive: RoHS stands for "Restriction of Hazardous Substances." This directive restricts use of specified hazardous substances in electrical and electronic equipment.  
 \*2 REACH Regulations: An EU regulation on chemical substances that came into effect in 2007. REACH stands for "Registration, Evaluation, Authorisation and Restriction of Chemicals." Under this regulation, manufacturers and importers of chemical substances are required to register information on the safety and use of these substances.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067

### Governance

The Nikon Group considers the environmental

friendliness of our products to be an element of product quality. We established meetings under the Quality Committee to comply with environmental laws and regulation for products, pursue the development of eco-friendly products, and to deliberate on the environmental friendliness of containers and packaging. The Product Environment Secretariat, the secretariat of these meetings, gathers information on relevant laws, regulations, and industry trends to provide information to and instruct relevant business units to manage and reduce hazardous chemical substances based on the latest information. The Secretariat confirms results from each business unit and reports to the Product and Environmental Subcommittees. The Environmental Subcommittee checks the status of the target achievement and deliberates on issues and countermeasures. The Environmental Subcommittee then reports these results to the Sustainability Committee twice a year, and the Sustainability Committee escalates important matters to the Board of Directors once a year.

Environmental Governance → p.060

Promoting Green Procurement → p.113

## Risk Management

Nikon products are made from a very large number of materials and components. For this reason, we work closely with our procurement partners to conduct surveys using chemSHERPA\*, a scheme that facilitates sharing information on chemical substances in

products. Based on information gathered from these surveys, each business unit confirms whether Nikon products comply with Nikon Green Procurement Standards, striving to manage and reduce hazardous chemical substances in our supply chain.

\* chemSHERPA: A shared scheme for communicating information on chemical substances contained in products in the supply chain.

Environment-Related Risk Management System → p.064

### Main Measures for Chemical Substance Management

1. Researching recent global trends in related laws and regulations
  - Collecting information from external committees, etc.
2. Implementing surveys of hazardous chemical substances in products
  - Conducting surveys via the supply chain
  - Making effective use of IT to realize efficient data management
  - Implementing chemical analysis, etc.
3. Discussing countermeasures of the Nikon Group
  - Utilizing the relevant internal environment-related systems (committees, etc.)
4. Communicating countermeasures, both internally and externally, in a timely manner
  - Reduction of hazardous chemical substances, alternative instructions, etc.
  - Formulating and updating the Nikon Green Procurement Standards
5. Confirming compliance with laws and regulations
  - Implementing product/packaging assessments
6. Confirming how procurement partners manage chemicals and helping to upgrade their processes
  - Implementing Chemical substances Management System assessments for procurement partners
  - Providing support to procurement partners for building Chemical Substances Management System

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Hazardous chemical substances in products:  
Containing zero (FY2030)

#### ► FY2023

##### Plan

Compliance with laws and regulations of each country and strengthening of management systems

##### Results

1. Found that the artificial leather on the exterior of certain binocular bodies (Professional Series) contains substances restricted under the REACH Regulation
2. Strengthened the internal management system for hazardous chemical substances contained in products

#### ► FY2024

##### Plan

Compliance with laws and regulations of each country and strengthening of management systems

Nikon Long-Term Environmental Vision and Medium-Term

Environmental Goals → p.067

Environmental Action Plan Achievements for the Fiscal Year 2023

[Summary] → p.068

Environmental Action Plan Targets for Fiscal Year 2024 [Summary]

→ p.069

## Major Initiatives

### Total Abolition of All Ozone-Depleting Substance and Reduction of CFC Use

As of fiscal year 2008, the Nikon Group has abolished

the use of substances that contribute to the depletion of the ozone layer (HCFCs). These substances had previously been used as refrigerants needed to regulate the temperature in FPD lithography systems and semiconductor lithography systems. For devices previously sold that used HCFCs as their refrigerant, the Nikon Group is developing new types of air-cooling units that do not use HCFCs, and which can be installed in these older devices. With this modification, the Nikon Group is helping to not only reduce the use of HCFCs, but also to extend the product lifespan of older devices.

Europe and other countries are reviewing and strengthening laws and regulations on hydrofluorocarbons (HFCs), a greenhouse gas, in compliance with the new Montreal Protocol. Currently, the Nikon Group strives to reduce HFCs and switch equipment that uses this substance to equipment with lower coefficients of global warming.

## Technology Without Hazardous Substances

The Nikon Group works to develop technologies that do not employ hazardous substances.

### Use of Lead- and Arsenic-Free Technology

In the 1990s the Nikon Group adopted the use of lead- and arsenic-free glass\*, in the recognition that the lead and arsenic used in most optical glass at that time had a serious environmental impact. We are also thoroughly utilizing lead-free solder. Today, with the exception of certain products with special specifications for industrial use, the utilization rate of lead-free solder in new designs is 100%.

\*Lead- and arsenic-free glass: Nikon has developed a new type of glass that contains absolutely no lead or arsenic for the optical glass used in the lenses and prisms built into optical instruments. Nearly all of Nikon's product lines have a 100% utilization rate of lead- and arsenic-free glass.

### Hexavalent Chromium-Free Technology for Surface Treatment Processes

Nikon has formulated rigorous technical standards in order to discontinue the use of heavy metals (hexavalent chromium, lead, cadmium, and mercury) in all surface treatment processes, including plating. We provide separate technical support to the procurement partners to which we outsource surface treatment processes, and use chemical analysis to check actual products delivered.

### Management and Reduction of Organofluorine Compounds

Organofluorine compounds (PFAS), a general term for organic substances that contain fluorine, are extremely stable compounds that we use in numerous products. The stability of PFAS reversely makes it difficult to decompose in nature or in the body, causing countries to review the safety of the substance and expand product content restrictions. PFOS, PFOA, PFHxS, and related substances are a type of PFAS already designated as substances to be eliminated under the Stockholm Convention. The Nikon Green Procurement Standards prohibited these substances prior to the effective regulation enforcement date under national laws in each country. We are working to replace components that containing these substances.

We also designated the intentional use of PFAS in textile products as a prohibited substance as of January

1, 2024 in the Nikon Green Procurement Standards, one year ahead of the January 1, 2025 enforcement of the U.S. California law that prohibits said applications.

The Nikon Group will continue to gather information on the latest trends and ensure strict compliance with laws and regulations, aiming to achieve our 2030 target of zero hazardous chemical substances contained in products.

### Use of Substances Restricted by the REACH Regulations

In fiscal year 2023, we suspended shipments of the Nikon Professional series binoculars after the artificial leather attached to the bodies were found to contain levels of bis(2-ethylhexyl) phthalate (DEHP)\*2 that exceed the standard value for the total concentration of phthalates specified in the EU REACH Regulations\*1. This incident was the result of a lack of thorough guidance and management of parts suppliers in the Nikon Group.

We take this matter very seriously and are reviewing the relevant regulations and re-educating relevant employees on the management of chemical substances contained in products.

To prevent recurrence, we are working to strengthening our investigation process for chemical substances contained in our products and by offering guidance and thorough management to our suppliers.

\*1 The REACH Regulations are legal regulations on chemical substance management came into effect on June 1, 2007 in Europe. Articles imported into the EU are subject to registration, evaluation, authorisation, and restriction.

\*2 Strict specifications were come into effect concerning the total concentration of four phthalate esters, including DEHP, on July 7, 2020 (Annex XVII Entry 51 to REACH (EC) No 1907/2006).

# Management and Reduction of Hazardous Chemical Substances

## Basic Approach

Chemical substances can inflict serious damage to health and the environment if mishandled, and countries around the world develop, strengthen, and expand laws and regulations to prevent such damage. Companies are required to establish a system for the proper management of chemical substances and to develop, manufacture, and sell products while complying with laws and regulations. The Nikon Group stipulates compliance with laws and regulations and pollution prevention in the Nikon Environmental Activity Policy, and set Realizing a Healthy and Environmentally Safe Society as one of the pillars of the Nikon Long-Term Environmental Vision for the year 2050.



Nikon Environmental Activity Policy

[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

## Strategy

### Risk

The inappropriate management and use of hazardous chemical substances lead to violations of laws and regulations if chemical substances released into the air, wastewater, or soil exceed the standard values set by law or ordinance. In these circumstances, we face risk of penalties, costs to respond, and operational difficulties. We also recognize the risk of losing public trust and investment withdrawals due to polluting the surrounding environment.

### Opportunity

The proper management and use of hazardous chemical substances enables the Group to comply with laws and regulations and maintain stakeholder trust. These efforts also help strengthen our competitiveness through taking preemptive measures to avoid the use of chemical substances facing potential stricter regulations.

### Strategy

The Nikon Group established and enforces the Hazardous Chemical Substances Guideline as a self-directed chemical substances management measure. These guidelines integrate management standards regarding chemical substances used in production processes, safety and health, and contained in products. Management standards have been established in relation to chemical substances used in the production process, according to the risks to the environment and to health. These substances are classified as "Prohibited," "Reduced," "Controlled," or other. In particular, we have set deadlines for terminating the use of "Prohibited" substances as we work toward eliminating these substances altogether.

We not only comply with laws, regulations, ordinances, and other rules to prevent air, water, and soil contamination from hazardous chemical substance emissions, we also enter into agreements with local organizations, set voluntary standard values in said areas, and engage in other initiatives.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → [p.067](#)

## Governance

Each site and Group company manages chemical substances, measures air, water, and soil, and reports to the Local Environmental Subcommittee secretariat twice a year. The Local Environmental Subcommittee secretariat compiles the information of the entire Nikon Group and reports to the Environmental Subcommittee twice a year. The Environmental Subcommittee then deliberates on issues and measures. The Environmental Subcommittee then reports these results to the Sustainability Committee twice a year, and the Sustainability Committee escalates important matters to the Board of Directors once a year.

In addition, the Chemical Substance Risk Control Team, a working group spanning each business unit, sets common targets for the Group in order to manage and reduce chemical substances in the product lifecycle.

Environmental Governance → [p.060](#)

## Risk Management

The Local Environmental Subcommittee gathers information on the latest laws, regulations, and industries and discusses response measures.

The Nikon Group also implements measures aimed at preventing the incidence of environmental pollution. In concrete terms, the Nikon Group continues to strive to reduce the risk of environmental pollution to as close to zero as possible by implementing environmentally-friendly management of chemical substances, from purchase to use to disposal. When purchasing a new chemical substance, a

system has been established whereby a safety data sheet (SDS)\* is obtained and a risk assessment is conducted. Measures based on the results of the assessment are then checked and confirmed by the environment department and the health and safety department from an expert's point of view.

\* Safety data sheet (SDS): To promote improvements in the appropriate management of chemical substances by business enterprises, when a chemical substance specified by the Chemical Substances Control Law (CSCL), or a product containing such a substance, is transferred or supplied from one enterprise to another, the transferring or supplying enterprise is required to provide, in advance, a safety data sheet (SDS) noting information about the characteristics of the chemical substance and how it should be handled.

Environment-Related Risk Management System → p.064

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Zero usage of hazardous chemical substances in manufacturing processes: Use zero (FY2030)

#### ► FY2023

##### Plan

Implementation of measures to abolish prohibited substances

##### Results

1. Installed dichloromethane detoxification equipment at the Nikon Kumagaya plant
2. Replaced HFCs used for cleaning with alternative substances
3. Launched a company-wide project on restrictions on PFAS under the EU REACH Regulation; began identifying target substances and alternatives

#### ► FY2024

### Plan

Determine measures to abolish prohibited level hazardous chemical substances based on the Hazardous Chemical Substances Guideline; implement measures in order

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → p.067  
 Environmental Action Plan Achievements for the Fiscal Year 2023 [Summary] → p.068  
 Environmental Action Plan Targets for Fiscal Year 2024 [Summary] → p.069

## Major Initiatives

### Control and Reduction of Chemical Substances in Manufacturing

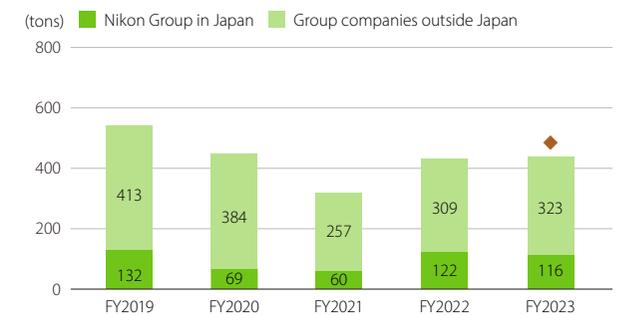
The Nikon Group eliminated nearly all HCFCs, classified as prohibited in the Hazardous Chemical Substances Guideline. Furthermore, we classified HFC greenhouse gases and dichloromethane, which is believed to be carcinogenic, as prohibited substances, and are taking measures against these substances. We are increasingly substituting dichloromethane. For processes in which substitution is difficult, we began operation of equipment in fiscal year 2023 that recovered vaporized dichloromethane back into liquid. These measures will enable us to reduce dichloromethane emissions by more than 70% in fiscal year 2024 compared with fiscal year 2023. For HFCs, our reductions are significantly ahead of the Montreal Protocol, which targets reduction of at least 85% by 2036.

In fiscal year 2018 we began working to terminate the use of 1-bromopropane. We eliminated the use of this substance as of fiscal year 2022.

### Nikon Group's PRTR and VOCs

At the Nikon Group in Japan and Group manufacturing companies outside Japan, we use the Hazardous Chemical Substances Guideline to reduce the use of and manage chemical substances subject to inclusion in a pollutant release and transfer register (PRTR)\*, and also carry out safety controls on the handling and disposal of these substances based on the safety data sheets (SDS). In addition, the Nikon Group carries out environmental information surveys twice a year to compile data on uses, disposals, transfers, etc. We implement internal management that is more rigorous than the PRTR, conducting surveys for all substances of which 100g or more are handled per year, based on our own standards, as compared to Japan's PRTR system which only requires

#### ● VOC Emissions of the Nikon Group in Japan and Group Manufacturing Companies Outside Japan



◆: Values in Data Index assured by a third party

reporting for substances of which 0.5 tons or more (or 1 ton or more, depending on the substance) are handled per year.

We established reduction targets for our efforts to reduce the amount of volatile organic compounds (VOC) \*2 emitted into the atmosphere, implementing measures to make cleaning equipment more airtight, improve the rate of reuse, and otherwise reduce atmospheric emissions. For fiscal year 2023, VOC emissions were on par year on year, totaling 116 tons from the Nikon Group in Japan and 323 tons from Group manufacturing companies outside Japan.

\*1 PRTR → p.065

\*2 VOCs mentioned here mean the 100 major VOCs as indicated by the Ministry of the Environment

## Control and Disposal of Polychlorinated Biphenyl (PCB) Waste

With regard to waste and in-use electrical equipment containing polychlorinated biphenyl (PCB), which can be harmful to living organisms and the environment, the Nikon Group conducts surveys of all Group companies to confirm whether they possess any such equipment, observes stringent safekeeping practices in compliance with relevant laws and regulations, and submits all required notifications to the relevant governmental authorities.

In fiscal year 2019, Nikon completed treatment of all high-density PCB waste in the Nikon Group. As of March 2024, one business facility in Japan possesses condensers which create low-density PCB waste. After consultation with a government-certified waste disposal operator for industrial waste, we intend to carry out treatment of this low-density PCB waste, completing treatment

within the deadline of March 31, 2027 specified in the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes (PCB Special Measures Law)\*.

\* The Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes: A special measures law aimed at promoting the appropriate processing of polychlorinated biphenyl (PCB) waste.

## Prevention of Air, Water and Soil Pollution

Continuing from the previous fiscal year, neither Nikon nor any Group manufacturing company in Japan emitted regulated substances into the air or into wastewater at levels exceeding those permitted by the relevant standards in fiscal year 2023.

# Biodiversity Conservation

## Basic Approach

Corporate activities are profoundly linked to biodiversity.

We obtain resources needed in our business activities from ecosystems, while causing impacts on ecosystems, such as the emission of chemical substances and greenhouse gases, from our business activities.

Biodiversity is the foundation of society, and conserving biodiversity is extremely important for companies to continue business activities. In December 2022, the second part of the 15th Conference of the Parties (COP15) to the Convention on Biological Diversity was held in Montreal, Canada. During the convention, representatives adopted a new international goal, the Kunming-Montreal Global Biodiversity Framework (GBF). This framework established a 2030 Mission to take urgent action to halt and reverse biodiversity loss and put nature on a path toward recovery. The framework includes 23 new targets with related business goals under each. Companies will have to accelerate biodiversity efforts if they are to achieve these targets. In September 2023, the Taskforce on Nature-Related Financial Disclosures (TNFD)\* released the Recommendations of the Taskforce on Nature-related Financial Disclosures (Final TNFD Recommendations v1.0).

The Nikon Environmental Activity Policy of the Nikon Group stipulates that the Group participates in environmental conservation activities, including climate change countermeasures and biodiversity conservation, in cooperation with stakeholders. We also make proactive disclosures and provide information while working together to reduce environmental impact. We also engage in biodiversity conservation to realize a healthy and environmentally safe society, a pillar of the Nikon Long-

Term Environmental Vision, and are implementing related activities to this end.

The loss of nature over that past several years has accelerated climate change. And the world is realizing that climate change is a cause of nature loss. The Nikon Group recognizes this connection with climate change and works to conserve biodiversity and disclose information in line with the Final TNFD Recommendations.

\*An international organization that establishes a framework for private companies and financial institutions to assess and disclose risks and opportunities related to natural capital and biodiversity.



Nikon Environmental Activity Policy

[https://www.nikon.com/company/sustainability/environment/environment\\_policy.pdf](https://www.nikon.com/company/sustainability/environment/environment_policy.pdf)

## Strategy

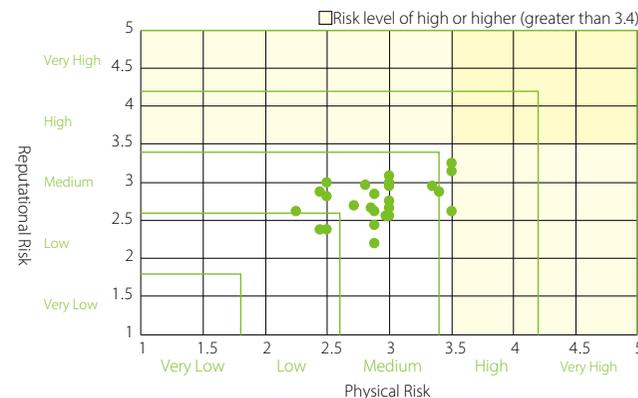
### Risk Assessment Through the Biodiversity Risk Filter

The Nikon Group used WWF Biodiversity Risk Filter\* to assess physical and reputational risks at 38 major sites. The granularity of physical risk and reputational risk indicated that several business facilities face high physical risk (greater than 3.4). All business facilities ranked below the medium (3.4 or lower) in terms of reputational risk.

However, a closer look at the 33 indicators used in our evaluations indicated certain extremely high risk indicators. We also found that trends in risks differed by region.

\* A tool developed by WWF to promote spatial understanding of the natural environment, including forests, oceans, and river basins, from both ecosystem conservation and business perspectives. This tool helps determine issues and priorities for investment and business model considerations. <https://riskfilter.org/>

### Biodiversity Risks at 38 Major Sites



### Top Risk Indicators at 38 Major Sites (Excerpts)

Risk Indicator	Risk Level and No. of Applicable Sites				
	Very High	High	Medium	Low	Very Low
3.6 Tropical cyclones	27	3	2	6	0
3.1 Landslide	14	4	19	1	0
5.4 Pollution	10	22	2	4	0
6.1 Protected/conserved areas	0	24	4	10	0
1.1 Water scarcity	5	32	1	0	0
3.5 Extreme heat	13	13	12	0	0
8.1 Media scrutiny	1	12	11	14	0

Legend: ■ Physical Risk Indicators ■ Very High ■ High ■ Medium ■ Low ■ Very Low ■ Reputational Risk Indicators

● Risk Trends by Region at 38 Major Sites

Region	Risk Trends
Japan	Very high risk of tropical cyclones and landslides High risk of pollutions and protected/conserved areas
China and Asia	Very high risk of tropical cyclones and pollution High risk of water scarcity and extreme heat
The Americas	High risk of tropical cyclones
Europe	High risk of pollution High risk of water conditions

Dependency and Impact Assessment Through Encore

The Nikon Group used Encore\* to assess the dependencies on ecosystem services and the impacts on nature that our main Group operations have. While we have previously analyzed and assessed such dependencies and impacts, the Encore results indicate that the Group is particularly dependent on water supply (groundwater and surface water) in ecosystem services. The results also indicate that we impact nature through pollutants to water and soil, greenhouse gases, and waste. Whereas these results indicate no significant differences from previous assessments, we have a clearer understanding of the degree of our dependencies and impacts.

\*Encore is a tool developed jointly by the Natural Capital Finance Alliance (NCFA, an international network of financial institutions), the United Nations Environment Programme World Conservation Monitoring Center (UNEP-WCMC), and other organizations to understand the extent of the impacts and dependencies of private companies on nature. <https://www.encorenature.org/en>

● Summary of Ecosystem Service Dependencies and Impacts on Nature (M: Medium H: High NA: Not Applicable)

Dependencies and Impacts	Dependencies on Ecosystem Services		Impacts on Nature					
	Provisioning services		Climate change	Pollution/pollution removal			Resource use/replenishment	
Ecosystem Services	Groundwater	Surface water	Greenhouse gas emissions	Water pollutants	Soil pollutants	Solid waste	Disturbances (noise, light pollution)	Water use
Evaluation	M	M~H	NA~H	H	NA~H	M~H	NA~M	NA~H

Main Risks Related to Biodiversity

The Nikon Group identified the following risks based on our Biodiversity Risk Filter and Encore assessment results.

● Biodiversity Risks

		Principle Risks	Related Major Dependencies and Impacts	Financial Impacts	Initiatives
Physical Risk	Acute	Intensifying tropical cyclones due to natural degradation	Dependency: Flood mitigation, storm mitigation Impact: GHG emissions	Suspension of operations and decline in asset values due to damage to major bases	Pursuit of Business Continuity Management (BCM)
	Chronic	Changes in precipitation patterns and droughts due to natural degradation	Dependency: Water supply Impact: Water use	Operating rate declines and shutdowns due to inability to extract sufficient water resources	Reduce water withdrawal Promote water resource recycling Assess water risks
Transition Risk	Policies	Stricter regulations on pollution	Impact: Pollutant emissions in air, water discharge, and soil; waste emission	Higher management costs for chemical substances contained in production processes and products Lower raw material supplies and price hikes due to stricter regulations; switch to substitutes Higher waste disposal costs	Chemical substance management in production processes Green procurement Waste reduction Proper waste management
		Tighter disclosure regulations	Dependency: Water and other natural resources Impact: GHG emissions, pollutant emissions, water discharge, etc.	Higher costs to respond to assessment that consider biodiversity as well as related information disclosures	Monitoring and appropriate disclosure of environment-related information Response to TNFD
	Technologies	Mandates to replace with raw materials having less environmental impact	Impact: Use of chemicals and petroleum-derived raw materials	Inability to switch to raw materials with less environmental impact, resulting in exclusion from the market and weaker competitiveness Higher costs related to raw material procurement	3R Initiatives for Products and Packaging
	Reputation	Lower corporate reputation and brand value due to the use of natural resources that are not environmentally friendly	-	Lower sales and stock price due to loss of public trust	3R Initiatives for Products and Packaging Paper Usage with Consideration for Biodiversity

## Biodiversity Opportunities

The Nikon Group recognizes business opportunities in biodiversity. We believe it is crucial for the Group to contribute to biodiversity through our business activities. These activities include contributing to the mainstreaming of biodiversity by providing products for education and research and through engaging in corporate citizenship activities. We also provide products and services to improve energy efficiency, reduce waste, and encourage resource recycling.

### ● Biodiversity Opportunities

Opportunity Type		Principle Opportunities
Business Performance	Market	Expanded sales of technologies and products that improve energy efficiency and contribute to decarbonization
	Resource Efficiency	Expanded sales of technologies and products that reduce resource use and waste
Sustainability Performance	Ecosystem protection, restoration, and regeneration	More opportunities to use products and technologies in biodiversity research and conservation activities
		More opportunities to use products in biodiversity education
		Support for Biodiversity Conservation and Restoration

We are committed to conducting further analysis our unique risks, opportunities, and impacts of our dependencies. At the same time, we will properly assess not only direct operations but also the relationship our value chain has with nature, aiming to incorporate such findings in establishing targets and effective initiatives. We will also continue to deliberate on ways for the Group to contribute to becoming Nature Positive.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → [p.067](#)

## Governance

We formulate targets and check initiative progress at meetings related to product environment and at the Local Environmental Subcommittees, and report to the Environmental Subcommittee twice a year. The Environmental Subcommittee checks targets and relevant results, identifies issues, and then implements a PDCA cycle to reflect these factors in new targets and initiatives. The Environmental Subcommittee then reports these results to the Sustainability Committee twice a year, and the Sustainability Committee escalates important matters to the Board of Directors once a year.

Environmental Governance → [p.060](#)

## Risk Management

All environmental activities involve biodiversity conservation. The Nikon Group confirms nature-related dependencies, impacts, risks, and opportunities related to our business and products at meetings related to product environment. The Local Environmental Subcommittee evaluates company production process. Not only do we verify laws, regulations, industry information, and other social trends at each of these meetings, but the Environmental Subcommittee

secretariat also collects information. Each party shares information with each other.

Environment-Related Risk Management System → [p.064](#)

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Percentage of FSC-certified or recycled paper (catalogs, instruction manuals, packaging boxes): 100% (FY2030)

#### ► FY2023

##### Plan

Implementation of measures according to paper usage

##### Results

1. Digitized product catalogs and instruction manuals
2. Approximately 85% of newly ordered product catalogs for use in Japan, North America and Europe are printed on FSC-certified paper, excluding special paper types

#### ► FY2024

##### Plan

Implementation of measures according to paper usage

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals → [p.067](#)

Environmental Action Plan Achievements for the Fiscal Year 2023 [Summary] → [p.068](#)

Environmental Action Plan Targets for Fiscal Year 2024 [Summary] → [p.069](#)

## Major Initiatives

### Paper Usage with Consideration for Biodiversity

Paper, a forest resource, is one of the resources that the Nikon Group benefits from ecosystem services. The Nikon Group strives to reduce paper consumption as a part of the conservation of biodiversity and forest resources. These efforts include the digitization of product catalogs and instruction manuals.

In addition, under our Paper Procurement Policy, we have recommended conversion to paper use that is mindful of the sustainable use of forest resources.

In product development, we verify the environmental sustainability of the paper resources that we use by implementing the Nikon Product Assessment and Nikon Packaging Assessment at the planning and design stage as well as at the prototyping and production stage, as we promote the utilization of biodiversity-friendly paper resources.

Nikon Product/Packaging Assessment → p.065



Paper Procurement Policy

[https://www.nikon.com/company/sustainability/environment/safety/Paper\\_Procurement\\_Policy.pdf](https://www.nikon.com/company/sustainability/environment/safety/Paper_Procurement_Policy.pdf)

### Conversion to Using FSC-certified Paper

The Nikon Group is, in accordance with its Paper Procurement Policy, switching over to the use of FSC-certified paper. In initial conversions, we are prioritizing high-quantity paper use cases

with a major impact on society.

In Japan, we are using FSC-certified paper for product catalogs and for printed materials, corporate envelopes, name-cards, and other items issued or used by Nikon's corporate administration divisions.

We have been implementing measures to promote the shift to FSC-certified paper for the paper used by our business units; with the exception of specialty paper, we used FSC-certified paper for 85% of all product catalogs issued in Japan, North America, and Europe in fiscal year 2023. We also completed the switch to FSC-certified paper for packaging boxes for certain products.

\* FSC-certified paper: Paper certified as made from wood harvested from appropriately managed forests.

### Reducing Paper Resources Used in Products

The Nikon Group is working to save resources in the user's manuals packaged with Nikon products.

For example, in recent years, the amount of paper used for user's manuals for mirrorless cameras has tended to increase as the range of functions that these cameras provide has grown, thus requiring more pages in these manuals. Paper use has also increased with the need to provide replacement manuals or supplementary materials when upgrading firmware. In response to this situation, we have been taking steps to substantially simplify user's manuals provided with our cameras, while providing more detailed information in a timely manner through the Nikon website. Nikon Vision Co., Ltd. revised the instruction manual included in the COOLSHOT 20i GIII GOLF LASER RANGEFINDER, released in April 2024, reducing paper consumption by 43% compared to all models.

The Nikon Group also started utilizing paperless

catalogs and instruction manuals for corporate products. The Healthcare Business provides product catalogs and instruction manuals for certain products on its website. Customers now access the latest information whenever they need it using their preferred device, whether it be their laptop, tablet computer or smartphone. This helps to enhance customer convenience. Further, this initiative not only helps with reducing paper usage, but also contributes to cutting CO<sub>2</sub> emissions associated with printing and product transportation.

### Activities in Industry Groups

Nikon participates in the Environmental Strategy Liaison Committee Biodiversity Working Group (WG) formed by the four leading Japanese electric and electronic (E&E) industrial associations\*, and works to promote biodiversity conservation and restoration activities alongside the associations' member companies. This working group undertakes a wide variety of activities, including the publication of biodiversity awareness-raising materials and handbooks for activity implementation, the conduction of surveys on biodiversity-related trends, the organization of training activities, and the creation and publication of a public database of case-studies on biodiversity conservation work undertaken by the associations' member companies.

In fiscal year 2023, the working group held GBF Guidance Online Seminars, TNFD study sessions, and OECM training sessions for members of the four leading Japanese electric and electronic (E&E) industrial associations. The working group also created and published a website that features an overview of GBF,

assessments of its impact on the E&E industry, and an introduction to its opportunities, and created educational and awareness tools on biodiversity.

Like the concepts of carbon neutrality and a circular economy, Nature Positive is now recognized as a global issue vital to creating sustainable societies. Therefore, Nikon will continue to deepen our partnership and explore ways to ensure that the industry as a whole and the Company can respond appropriately in fiscal year 2024 as well.

\* The four leading Japanese electric and electronic (E&E) industrial associations are as follows. These associations are collaborating on biodiversity initiatives. The Japan Electrical Manufacturers' Association (JEMA), The Japan Electronics and Information Technology Industries Association (JEITA), Communications and Information Network Association of Japan (CIAJ), Japan Business Machine and Information System Industries Association (JBMIA)

## Initiatives at Each Plant and Business Facility

The Nikon Group contributes towards the conservation of biodiversity and the protection of the natural environment in local communities.

In addition, having become aware that around 80% of ocean waste was originally urban waste that was washed into the sea, we are making a serious effort to keep the areas around our facilities clean, as well as working to beautify nearby footpaths and flowerbeds, etc. We also actively participate in and collaborate on environmental conservation activities organized by local communities to protect rare plant and animal species, etc., as well as other activities undertaken to revitalize the local community.

A total of 711 employees participated in community contribution activities during fiscal year 2023.

### Nikon (Yokosuka Plant, Yokohama Plant, Mito Plant)

With the collaboration of local government authorities, these Nikon organizations implemented clean-up activities for garbage, fallen leaves, and other debris from parks, roads, and footpaths in the vicinity of the respective site.

- Nikon Yokosuka Plant: Became registered business endorsing the Declaration of Action against Marine Plastic Waste; joined beach clean-up activities at Wada Nagahama Beach, Koajiro Bay, etc.
- Nikon Yokohama Plant: Became a registered business as a Hama Road Supporter; engaged in clean-up activities around the plant; planted and managed flower seedlings in roadside planting strips (flower beds)
- Nikon Mito Plant: Became a registered business under the Hinuma Watershed Clean Operation, Hinuma Watershed Clean-up Activities, and Ishigawa River Clean-up Activities



Ishigawa River Clean-up Activities (Nikon Oi Plant)



Clean-up activities around the plant (Nikon Yokohama Plant)

### Tochigi Nikon Corporation and Tochigi Nikon Precision Co., Ltd.

These organizations undertake clean-up activities in the vicinity of each facility, and collaborated with a Tochigi Prefecture government-sponsored association for cleaning up the Naka River.



Clean-up activities along the banks of the Naka River

### Optos, Inc. (U.S.), Optos Plc (U.K.)

Optos, Inc. partners with NGOs to help conserve forests, including thinning of forests in wildlife refuges in Massachusetts, the United States. The companies also engage in ecosystem protection and pasture clean-up activities. In the Fife Coast and Countryside Trust in the United Kingdom, Optos Plc participate in grassland clean-up activities and local ecosystem protection activities.



Forest conservation activities in wildlife sanctuaries (Optos, Inc.)



Grassland cleanup and ecosystem protection activity (Optos Plc)

### Miyagi Nikon Precision Co., Ltd.

Miyagi Nikon Precision Co., Ltd. organized clean-up activities twice around the head office and the Ogawara Plant.



Clean-up activities around the business facility (Miyagi Nikon Precision Co., Ltd.)

### Nikon Vision Co., Ltd.

In collaboration with a nature conservation group, Nikon Vision provides children with the experience of observing wild birds and other animals in forests and waterside areas using binoculars and actual microscopes made by the company.

Encouraging Future Generations to Appreciate Global Environmental Issues → p.164

### Nikon (Thailand) Co., Ltd. (Thailand), Nikon Lao Co., Ltd. (Laos)

Nikon (Thailand) Co., Ltd. and Nikon Lao Co., Ltd. organized clean-up activities around their respective plants. Nikon (Thailand) also planted 100 banyan trees on their plant grounds.



Employees and families planting banyan trees (Nikon (Thailand) Co., Ltd.)



Clean-up activities around the plant (Nikon Lao Co., Ltd.)

### Nikon X-Tek Systems Ltd. (U.K.)

Nikon X-Tek Systems Ltd. planted trees in collaboration with European environmental NGO Earthwatch Europe. The company prepared the soil using the Miyawaki method, a Japanese tree-planting method, and planted various native forest plants and trees beneficial to wildlife in an area the size of a tennis court.



Tree-planting activities (Nikon X-Tek Systems Ltd.)

### Support for Biodiversity Conservation and Restoration

Nikon has been supporting the AKAYA Project of the Nature Conservation Society of Japan (NACS-J) since 2006. This project involves research and verification testing aimed at conservation and restoration of biodiversity in the Akaya Forest, which is centered in an around 10,000 hectare area of national forest in the north of Minakami Town in Gunma Prefecture, and which has been designated by UNESCO as the Minakami Biosphere Reserve, as well as promoting sustainable community development that makes effective use of forest resources. In addition to providing our digital cameras and binoculars to support research activities, Nikon began encouraging employees of the Nikon Group in Japan every year since 2016 to participate in volunteer activities to help regenerate the natural forests.

Furthermore, Nikon helped to plan and create a booklet, AKAYA NOTE, in cooperation with people involved in the Akaya Project, and has been distributing it to the people of Minakami every year since 2019. In Minakami Town, this booklet is utilized in environmental education at schools, where UNESCO biosphere reserve classes are taught by visiting teachers.



Nikon Group employees participate in volunteering activities that seek to accelerate the regeneration of natural forest by removing trees and plants that retard the growth of young trees. Vegetation specialists analyzed the growth and reproduction of the tree species of the natural forest, demonstrating the results of our efforts over the last eight years.

# Society/Labor

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  - Employees' Health and Safety ..... 136

## Critical Procurement Partners



In compliance with CSR Procurement Standards

Approx. **250**

## Percentage of women in management positions at Nikon:



Target: 7.5%

Results: **7.8%**

## Severity rate of lost time accidents at the Nikon Group:



**0.01%**

Materiality 6

# Building a Resilient Supply Chain



## Reason for Priority

In recent years, stakeholders have become increasingly concerned about social issues related to human rights, work environments, health and safety, and the environment in the supply chain. In addition, raw material price fluctuations due to various factors such as global extreme weather events and natural disasters, geopolitical influences, and international conflicts have increased the instability and risks in the supply chain.

Against this backdrop, the Nikon Group, together with procurement partners who share our vision and act in unison, believes that it is necessary to listen to the views of society and build a resilient supply chain that can address these social issues.

## Commitment

As the environment surrounding the supply chain changes rapidly, it is imperative that we respond to factors causing instability and various risks. The Nikon Group is united in our efforts to strengthen our response to these challenges. Given these circumstances, we are expanding the scope of our response in our company to C (cost), D (delivery), and Q (quality), demand the same of our procurement. We strive to gain an understanding of procurement partner activities and the state of implementation with regard to sustainability.

Uncertainty and volatility continue to adversely affect parts procurement and logistics. In response, the Nikon Group endeavors to conduct transactions with procurement partners at fair prices and pursues collaborative activities from the perspective of Q+ESG. Our efforts are about building a resilient supply chain for our businesses and for sustainability. We intend to extend our initiatives gradually to include the suppliers of acquired companies that have joined the Nikon Group.

We seek strong relationships with procurement partners to visualize the supply chain, formulate and enhance business continuity plans (BCP), monitor CO<sub>2</sub> emissions, and strengthen human rights due diligence. In this way, we build an infrastructure that responds flexibly to significantly changing business risks and social issues. As a result, we reduce risk and achieve sustainable growth.

Hiroaki Tofuku  
Corporate Vice President  
General Manager of Production Technology Division

## [Policy for Activities]

- Nikon Basic Procurement Policy
- Nikon CSR Procurement Standards
- Responsible Minerals Sourcing Policy
- Nikon Basic Green Procurement Policy
- Nikon Green Procurement Standards

## [Organizations]

- Supply Chain Subcommittee

# Supply Chain Management

## Basic Approach

Nikon considers suppliers to be important partners helping us create and provide products and solutions useful for the world. Based on this belief, we strive to deepen mutual understanding and build trust with these procurement partners, and seek co-existence and co-prosperity. Furthermore, as a company working to build a better society and global environment as well as realize sustainable growth, we have established the Nikon Basic Procurement Policy to continually supply the world with useful products and solutions. Under this plan, we carry out our procurement activities in an honest and fair manner.

### Nikon Basic Procurement Policy (Summary)

Procurement based on the concept of partnership

1. Sustainable corporate activities
2. Open-door procurement
3. Procurement founded in fair competition



Nikon Basic Procurement Policy

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

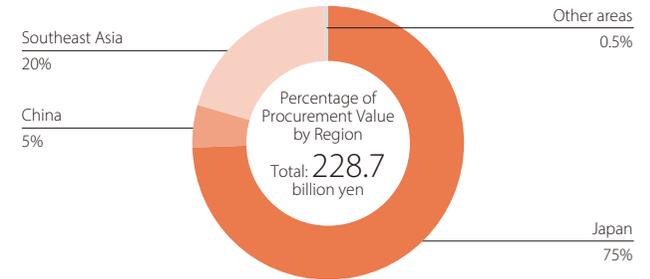
## The Nikon Group's Supply Chain

The Nikon Group has approximately 2,250 direct procurement partners globally. Beyond them, there are numerous Tier 2 and Tier 3 suppliers from whom we procure raw materials, electronic components, mechanical components, units, and others.

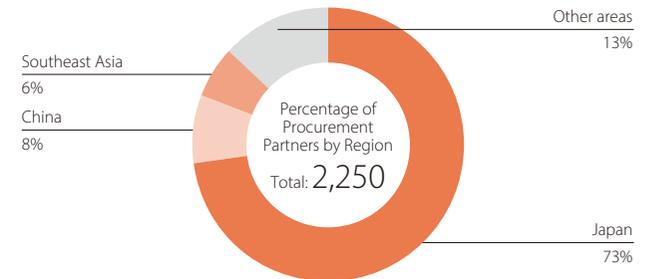
In the fiscal year 2023, the percentages by region based on procurement value were 75% for Japan, 20% for Southeast Asia, 5% for China, and 0.5% for other regions. Percentages of procurement partners by region were 73% in Japan, 8% in China, 6% in Southeast Asia, and 13% in other regions.

To ensure a high degree of quality, cost and delivery (QCD), overseas production bases of Nikon group, where are manufacturing Nikon products, hire employees locally and actively procure raw materials and parts from their countries and regions. We require our local procurement partners to comply with various standards and provide assistance for improvement. We work from a long-term perspective so as to enhance our procurement partners' corporate capabilities and to generate new business opportunities for them.

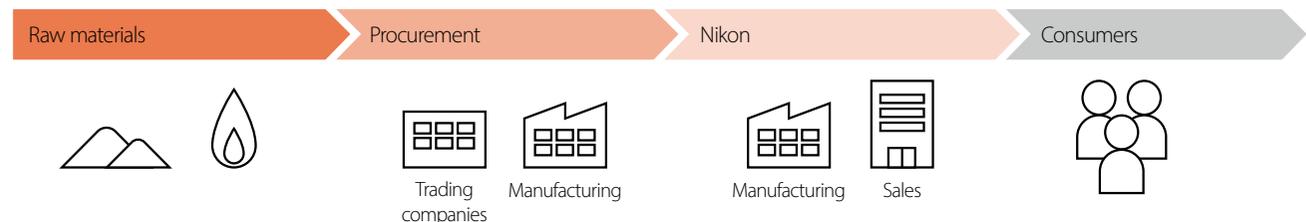
### Percentage of Procurement Value by Region



### Percentage of Procurement Partners by Region



### Supply Chain Illustration



## Strategy

### Risk

Risks in the supply chain include the spread of infectious diseases, extreme global-scale weather events, natural disasters, geopolitical influences, international conflicts. These factors can disrupt the supply-demand balance significantly for components and cause fluctuations in energy and raw material prices, leading to supply chain instability and potential business opportunity loss.

In particular, a major portion of the Nikon Group supply chain is in Japan, where earthquakes occur frequently. Stable procurement from procurement partners with inadequate BCP systems could be compromised, depending on the region, resulting in disruptions to the supply of products to our markets.

Public concern is rising related to human rights, the labor environment, health and safety, and environmental issues in the supply chain. Inappropriate efforts to address these concerns entail a risk of damage to our brand image and a loss of stakeholder trust.

### Opportunity

To create a sustainable society, we must build supply chains from an ESG procurement perspective, collaborating in activities with procurement partners. Given this perspective, the Nikon Group engages in environmentally and socially conscious procurement as we improve the stability of our supply chain. As a medium- to long-term goal, we aim to create sustainable supply chains that remain sound in the event of business

risks and social issues. This aim will help us achieve our Vision 2030, as stated in our Medium-Term Management Plan. Through these initiatives, we also strive to earn the trust of our customers and enhance the value of the Nikon Group brand. These activities lead to important opportunities for sustainable growth and enhanced corporate value.

### Strategy

We build strong relationships with procurement partners and establish mechanisms and systems to respond flexibly to supply chain risks, rapidly changing business risks, and social issues.

We conduct risk assessments of procurement partners to minimize the impact of business risks in the supply chain in the event of a contingency, to ensure quick response, and to assure business continuity. We offer support to procurement partners that have not fully identified and established BCP systems of their own.

We also conduct survey-based procurement partner assessments to identify, prevent, and mitigate human rights-related, environmental, and other social risks in our supply chain. We ask procurement partners identified as high-risk to conduct audits, and we provide remediation support to help these partners improve. Nikon establishes and operates effective remedy mechanisms to respond quickly and flexibly when risks do occur.

Our efforts in this area help us grow our business through stable supply chains, create social value, fulfill our social responsibility as a corporate entity, gain the trust of our customers, and enhance brand value.

## Governance

The Nikon Group established the Sustainability Committee, chaired by the representative director and president. The director in charge of the Corporate Sustainability Department serves as vice chair of the Sustainability Committee.

Under the supervision of the general manager of the Production Technology Division (corporate vice president), the Supply Chain Subcommittee meets twice annually to conduct supply chain risk and opportunity management. The subcommittee is a subordinate body to the Sustainability Committee and reports progress to the parent committee. The subcommittee deliberates on activity reports and plans for building resilient supply chains.

Under this subcommittee, we established the Sustainable Procurement Promotion Council and the Green Procurement Promotion Conference. These bodies engage in specific activities for responsible supply chains in cooperation with procurement departments, other relevant departments in our businesses, and the management divisions at each manufacturing facility.

### ● Outline of Supply Chain Management System



## Procurement Hotline

The Nikon Group set up an externally accessible point of contact so that any information on violations of our CSR procurement standards in the supply chain can be quickly conveyed and acted upon. There were zero calls to the hotline related to procurement in fiscal year 2023.

## Risk Management

The Nikon Group has implemented a risk management system in order to deal appropriately with all risks that may have a significant impact on corporate management with the aim of sustainable growth for Nikon and Group companies.

In principle, procurement departments, related divisions, and divisions over manufacturing facilities take the lead in responding to supply chain risks. However, the Supply Chain Subcommittee and other subordinate meeting bodies discuss cross-organizational and critical risks overall and for specific matters. These bodies work with relevant departments to strengthen our response, as well as to review risk assessments and response measures. Reports and progress updates are shared with management through the Sustainability Committee as necessary.

## Identifying priority procurement partners

The Nikon Group identifies critical procurement partners through the following process based on perspectives such as procurement value, importance of procured components, and availability of substitutes. Once these are identified, we prioritize various surveys on social issues, while also working to strengthen inter-company collaboration in the course of our business. As of fiscal year 2023, the Nikon Group identifies approximately 250 companies globally as critical procurement partners.

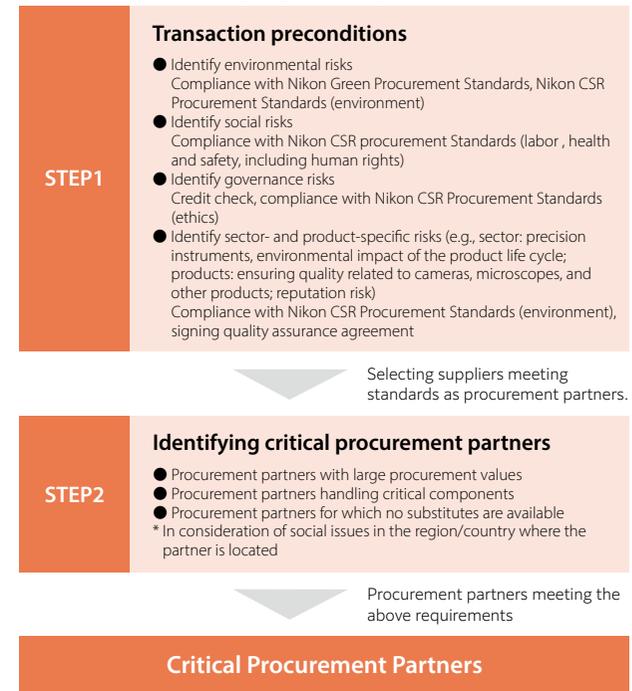
### STEP1

When beginning business with a new supplier, we apply the Nikon Group Procurement Procedure Manual to identify any environmental, social, governance, and sector- and product-specific risks. We also stipulate ESG in the terms of our master agreements. Suppliers that meet these standards are selected as procurement partners.

### STEP2

Among procurement partners, we identify those with whom we have large procurement values, those that handle critical components, and those for which no substitutes are available as critical procurement partners.

## ● Process for identifying critical procurement partners



## ● Number of Procurement Partners (Tier 1 Suppliers) and Critical Procurement Partners

	(companies)				
	FY2019	FY2020	FY2021	FY2022	FY2023
Procurement Partners (Tier 1 Suppliers)	2,700	2,700	2,300	2,250	2,250
Critical procurement partners (Tier 1 suppliers)	200	200	200	200	250

\* Critical procurement partners (Tier 1 suppliers): In fiscal year 2019, we changed the definition to as suppliers accounting for the top 80% of Nikon Group procurement costs.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Percentage of human rights due diligence conducted\*1 (critical procurement partners): 100% (FY2025)

#### ▶ FY2023

##### Plan

1. CSR questionnaire diagnosis rate for critical procurement partners: 100%
2. Conducting CSR audits with and requesting improvements from critical procurement partners

##### Results

1. CSR survey diagnosis rate: 100% (247 companies)
2. CSR audits implemented (2 companies)
3. Written request for improvement (20 companies)

#### ▶ FY2024

##### Plan

1. CSR questionnaire diagnosis rate for critical procurement partners: 100%
2. Completion of CSR audits and written improvement requests to critical procurement partners

### Indicators and Targets (Target Fiscal Year)

Understanding BCP systems in the supply chain\*2: 100% (FY2025)

#### ▶ FY2023

##### Plan

1. Procurement partner location information visualization (13 companies)
2. Conduct BCP system surveys for procurement partners (50 or more companies)
3. Support for procurement partners requiring system establishment

### Results

1. Information and visualization of major procurement partner locations (15 companies)
2. Conduct BCP system surveys for procurement partners (61 companies)
3. Support for procurement partners requiring system establishment (10 companies)

#### ▶ FY2024

##### Plan

1. Information and visualization of major partner locations (15 companies)
2. Conduct BCP system surveys for procurement partners (50 or more companies)
3. Provide assistance to procurement partners failing to meet Nikon standards as a result of the fiscal year 2023 survey

\*1 Implement until improvement is completed when a survey or audit reveals correction is necessary.

\*2 The number of suppliers within the scope of the supply chain requiring the establishment of a BCP system.

## Major Initiatives

### Communication with Procurement Partners

#### Sustainable Procurement Briefings

The Nikon Group holds briefings every year to gain procurement partner understanding of Nikon Group procurement quality management and ESG-related policies and approaches. In 2023, we updated the existing procurement partner briefing and held Sustainable Procurement Briefing 2023 under a new name and with revised content. We held four of these

briefings between November 14 and 15, 2023, in an online format for procurement partners in Japan, China, and Thailand. A total of 1,158 participants representing 996 companies attended the presentations, which served as a meaningful opportunity for communication.

We also took time to recognize procurement partners who contributed to quality management and ESG through flexibility, promptness, and resiliency.

The Nikon Group will continue to deepen dialogue and collaboration with its procurement partners and fulfill its social responsibilities throughout the supply chain as a company that is trusted by society.



Sustainable Procurement Briefing 2023 (online)

#### Meetings with Procurement Partners

The Nikon Group believes in close communication with procurement partners and the importance of strengthening mutual relationships. To this end, we invite representatives of major procurement partners in Japan and overseas to our annual meetings with procurement partners. At these meetings, we report on Nikon's business environment, provide an overview of our business operations, and convey a message from the president.

## Education and Communication

In order to promote activities toward building a responsible supply chain, each and every employee in procurement departments must acquire the necessary knowledge, understand the basic procurement policy and various standards, and put these into action. To this end, we offer a variety of training programs and awareness-raising activities.

In fiscal year 2023, as in previous years, we provided training for internal practitioners and new employees involved in procurement. We strive to gain a greater understanding of the basics and background of our procurement operations to improve the stability of our supply chains and conduct environmentally and socially conscious procurement activities.

In fiscal year 2023, we began donating to a resilience improvement project in the Democratic Republic of Congo, where human rights abuses over minerals have become a major issue. This particular project is overseen

by Terra Renaissance, a Japan-based NGO. We also host in-house lectures given by Terra Renaissance to foster a better understanding of the conflict minerals issue.

## Visualizing the Supply Chain

The Nikon Group has been engaged in initiatives to accurately understand the current situation of its supply chain. These initiatives have enabled us to quickly and precisely identify the compliance status of our procurement partners with the standards required by the Nikon Group.

In fiscal year 2023, we implemented better visualization of the Tier 2 procurement partners and above who handle critical components, aiming to build a more resilient supply chain. In fiscal year 2024, we intend to expand efforts further, continuing to pursue visualization.

## Strengthening BCP

In recent years, strengthening the ability to respond to natural disasters such as earthquakes and floods, as well as the spread of new viruses, has become an important issue in supply chain management. The Nikon Group has established a BCP management system for rapid response in the event of an emergency and has engaged in the following initiatives.

In fiscal year 2023, we will work toward greater visualization of the supply chain through activities such as enhancing information on the locations of our major procurement partners for direct materials, including Tier 2 partners and above. In addition, we will entrench operation of our contingency survey so as to rapidly assess the situation in the event of an emergency. Furthermore, based on the survey results, we provided support to major procurement partners with inadequate BCP systems to help them build systems for handling emergencies and promote the strengthening of BCPs in the supply chains.

### ● Initiatives for Visualizing the Supply Chain

FY2019	<ul style="list-style-type: none"> <li>● Introduced an integrated procurement data management system to visualize supplier information for the entire Nikon Group</li> <li>● Started registering and gathering information on direct material procurement partners in Japan and Asian Group locations, where major suppliers are concentrated</li> </ul>
FY2020	<ul style="list-style-type: none"> <li>● Added information used for procurement partner assessment (e.g., management status, business transactions, ESG information)</li> <li>● Expanded scope of visualization to include indirect material procurement partners and procurement partners of Group locations in Europe</li> </ul>
FY2021	<ul style="list-style-type: none"> <li>● Added business continuity plan (BCP) and quality information used for procurement partner assessment</li> </ul>
FY2022	<ul style="list-style-type: none"> <li>● Conducted regular assessments of procurement partners based on visualized information</li> <li>● Provided assistance for improvement to procurement partners that do not meet standards and promoted transaction suspension of transaction volume review based on survey results and improvement status</li> </ul>
FY2023	<ul style="list-style-type: none"> <li>● Visualized procurement partner handling of critical parts and materials, beginning with Tier 2 suppliers</li> </ul>

● Initiatives to strengthen BCP

	I Visualizing the Supply Chain	II Establishing a Contingency Survey System	III Establishing Supplier BCP Systems
FY2020	<ul style="list-style-type: none"> <li>Registered procurement partner (Tier 1 supplier) location information necessary for contingency surveys in the integrated procurement data management system</li> </ul>	<ul style="list-style-type: none"> <li>Developed BCP internal first response infrastructure to efficiently assess procurement partner situations in the event of an emergency</li> </ul>	
FY2021		<ul style="list-style-type: none"> <li>Launched contingency surveys using the integrated procurement data management system</li> </ul>	<ul style="list-style-type: none"> <li>Conducted a survey on the status of infrastructure-related BCP system construction among our major procurement partners</li> </ul>
FY2022	<ul style="list-style-type: none"> <li>Expanded the scope of supplier location information visualization to include Tier 2 suppliers and beyond (manufacturing sites beyond trading company procurement partners)</li> </ul>		<ul style="list-style-type: none"> <li>Conducted a survey on the status of infrastructure-related BCP system construction among our major procurement partners, including those not related to infrastructure</li> </ul>
FY2023	<ul style="list-style-type: none"> <li>Visualized procurement partner handling of critical parts and materials, beginning with Tier 2 suppliers</li> </ul>		<ul style="list-style-type: none"> <li>Provided support for procurement partners with insufficient systems.</li> </ul>

Promoting CSR Procurement

Basic Approach

Nikon, as a global company, is committed to actively addressing social issues such as human rights, work environments, health and safety, and the environment in its supply chain, including among its procurement partners, through CSR procurement activities, in order to meet society's expectations with trust and to realize a sustainable society. With this in mind, the Nikon Group has established the Nikon CSR Procurement Standards in accordance with the Responsible Business Alliance (RBA) Code of Conduct. We have published these standards in Japanese, English, and Chinese.

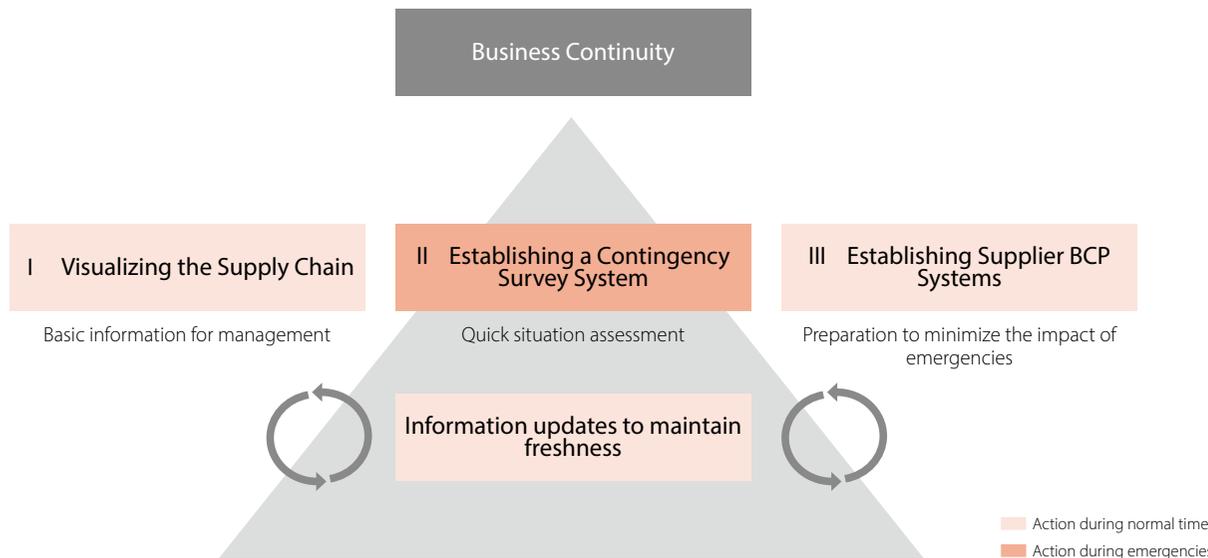
We also review these codes of conduct and standards on a regular basis to ensure our own procurement activities are consistent.

Initiatives for RBA → p.027



Nikon CSR Procurement Standards

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



## Compliance Requests

The Nikon Group incorporates compliance with the Nikon CSR Procurement Standards in its master agreements, and we ask all our procurement partners and their suppliers to act responsibly in accordance with these standards.

## Procurement Partner Assessments

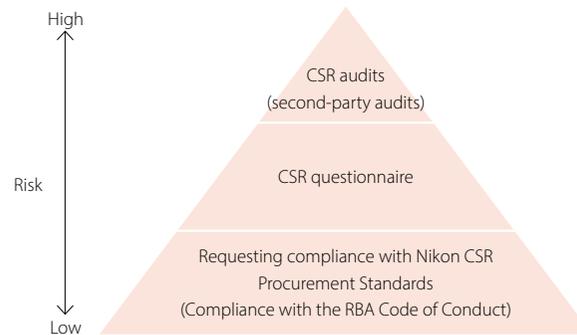
We will conduct assessments of critical procurement partners every three years, from fiscal year 2023 to fiscal year 2025 and from fiscal year 2026 to fiscal year 2028. For suppliers identified as Nikon Group critical procurement partners, we conduct CSR survey diagnosis using a CSR survey form, asking partners to self-assess their implementation of the Nikon CSR Procurement Standards. The CSR questionnaire is based on the RBA questionnaire and is conducted as an assessment of items related to human rights and human life, such as forced labor and child labor, with its own weighting. If the diagnostic results do not meet the target standards, improvements are requested.

Furthermore, we conduct CSR audits (second-party audits\*) of procurement partners that are particularly critical to our business or that we judge to be high-risk. We ask for improvements and provide assistance to address issues identified through CSR questionnaire diagnosis and CSR audits, confirming that improvements have been made. In principle, we confirm improvements in the year following the year of the improvement request (completion of improvements within one cycle, i.e., three years). If a serious violation of the Nikon CSR Procurement Standards is confirmed, or if a procurement partner does not cooperate sufficiently in a survey or audit or make any improvements to address issues, we will review our

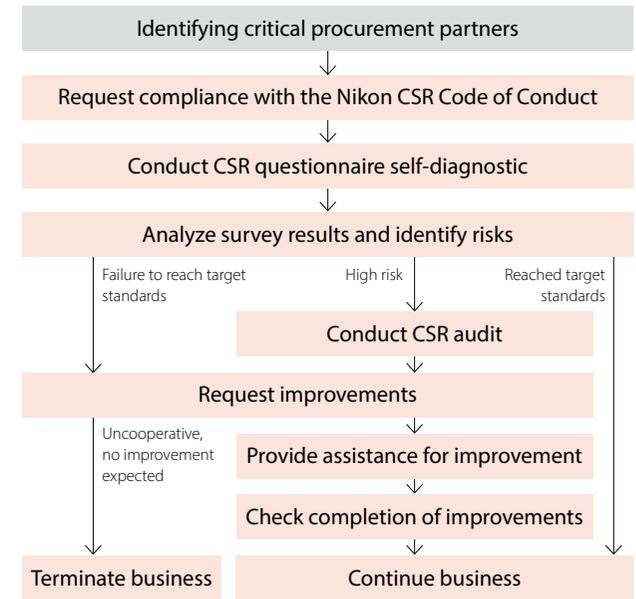
business relationship with the partner. In addition, we always conduct CSR questionnaire diagnostics for new suppliers before entering into a business contract with them, after confirming that they meet our standards.

\* Nikon CSR audit: An audit conducted by a commissioned consultant in accordance with RBA auditing standards.

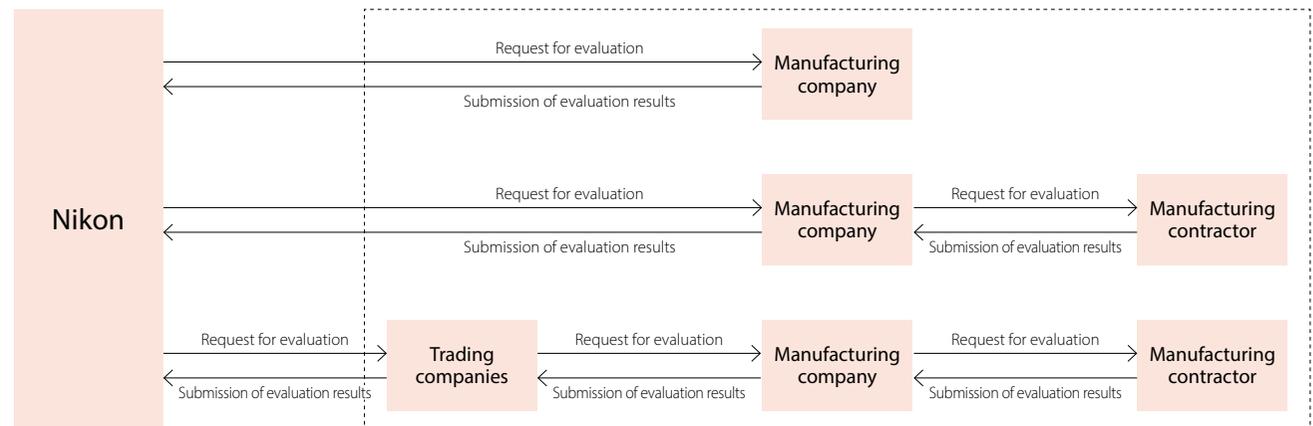
### Risk-Based Procurement Partner Assessments



### Flowchart of Critical Procurement Partner Assessments



### Scope of Assessments



## Results of Fiscal Year 2023 Assessment

We requested new procurement partners, critical partners, and Tier 2 suppliers and above to comply with the Nikon CSR Procurement Standards, and we conducted CSR questionnaire diagnosis for these entities. We also conducted CSR audits of our procurement partners.

### New Procurement Partners

In fiscal year 2023, we conducted CSR questionnaire diagnosis for 20 new procurement partners that will begin doing business with the Nikon Group. We confirmed said partners met target standards and began business transactions with these new procurement partners.

### Procurement Partners (Tier 1 Suppliers)

In fiscal year 2023, we conducted procurement partner assessments for critical procurement partners. CSR questionnaire diagnosis covered 247 procurement partners. We confirmed that 227 companies met target standards, and we requested 20 companies improve noncompliance related to labor, health and safety, the environment, and ethics. In addition, we conducted CSR audits (second-party audits) for three companies.

### Tier 2 Suppliers and Above (Critical Procurement Partners)

In the fiscal year 2023, we conducted CSR questionnaire diagnosis for 30 Tier 2 suppliers and above, confirming that these entities met target standards.

## Major Improvement Request Cases for CSR Audit Findings

### ● Notification of terms and conditions of employment on signing employment contracts

Issue	Failure to provide notification of contract terms on starting fixed-term employment
Assistance for improvement	Requests to reconfirm contracts and review requirements for employment, confirming the results of improvements

### ● Assessing the suitability of applicants during the hiring process

Issue	Unnecessary pre-employment examination requests
Assistance for improvement	Requests to discontinue inspections and revise guidelines, confirming the results of improvements

### ● Policies and procedures for eliminating discrimination

Issue	Failure to formulate policies and procedures
Assistance for improvement	Requests to develop policies and revise guidelines, confirming improvements

### ● Assessment results

	FY2019	FY2020	FY2021	FY2022	FY2023	Notes
CSR questionnaire diagnosis	—	211	—	—	247	Critical procurement partners (Tier 1 suppliers)
	8	—	15	6	20	New procurement partners (Tier 1 suppliers)
	—	60	43	11	30	Suppliers other than Tier 1 suppliers (Tier 2 and beyond, including key partners)
Improvement requests based on CSR assessment results	10	10	13	—	20	
Improvement requests based on CSR audits	3	3	—	2	3	Critical procurement partners (Tier 1 suppliers)
Improvements completed	14	13	26	—	3	Some improvements were completed in the fiscal year following the improvement request

### ● Fees related to employment

Issue	Failure to pay fees for issuing medical certificates at the time of new employment
Assistance for improvement	Requests for refunds and suspension of collection, confirming the results of improvement

### ● Assessing the suitability of applicants during the hiring process

Issue	Failure to provide notification of special retirement benefits paid on expiration of contract on signing employment contracts
Assistance for improvement	Requests provide notifications for contracts and provide information regarding special retirement benefits, confirming the results of improvement

### ● Working hours

Issue	Long working hours
Assistance for improvement	Requests to provide information of and consistently manage legal restrictions regarding long working hours Requests for ongoing monitoring

## Support for Responsible Minerals Sourcing

### Basic Approach

Certain minerals contained in Nikon products are mined and traded in conflict and high-risk areas. Concerns exist whether the mining processes may be a source of human rights abuses, including child and forced labor, environmental destruction, conflict, and social injustice. The Nikon Group established the Responsible Minerals Sourcing Policy, and we strive to procure mineral resources responsibly. The Nikon Group incorporates compliance with this policy into master agreements, and we ask all procurement partners and their suppliers to act responsibly in accordance with this policy.



Responsible Minerals Sourcing Policy

[https://www.nikon.com/company/corporate/procurement/conflict\\_minerals/](https://www.nikon.com/company/corporate/procurement/conflict_minerals/)

### Responding to High-Risk Conflict Minerals

Tin, tantalum, tungsten, gold, and cobalt are high-risk minerals distributed through our global supply chain from various countries and regions. In cooperation with procurement partners, Nikon continues to initiatives to improve supply chain transparency and reduce risk.

### Five Mineral Usage Survey and Results

We conduct a Nikon Group survey on the use of the five minerals as follows.

1. Identify Nikon Group products manufactured or commissioned to be manufactured in each business

unit for the year covered by the survey

2. Request procurement partners handling products subject to the survey conduct their own survey of country of origin and smelters related to said minerals (using the industry standard Responsible Minerals Initiative: RMI Conflict Minerals Reporting Template (CMRT/EMRT)).

3. Compare smelter information collected from procurement partners against the RMI list of smelters

The results of the 2023 survey forming the basis of our 2024 Responsible Minerals Sourcing Report did not identify country of origin for all five minerals used in our products. However, we did not identify any minerals that could be considered as contributing to conflict in the reports submitted by procurement partners.

#### ● Tin, tantalum, tungsten, gold

Conducted surveys using CMRT for 793 procurement partners.

Of the 356 smelters identified in the survey, we found 236 to be RMAP-compliant\*.

#### ● Cobalt

Conducted surveys using EMRT for 38 procurement partners.

Of the 73 smelters identified in the survey, we found 44 to be RMAP-compliant\*.

More detailed information about these measures is published in our Responsible Minerals Sourcing Report 2023 (Results of the 2022 Survey) on the Nikon website.

\* Compliance includes smelters for which assessments were in progress.

### Risk Mitigation Initiatives

Nikon requires procurement partners to establish a conflict minerals policy and implementation plan.

We also encourage procurement from smelters that comply with the Responsible Minerals Assurance Process (RMAP). We also encourage smelters that do not comply with RMAP (as identified in our surveys) to obtain certification.



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

[https://www.jp.nikon.com/company/sustainability/society-labor/supply-chain/Responsible\\_Minerals\\_Sourcing\\_Report\\_2023\\_Survey.pdf](https://www.jp.nikon.com/company/sustainability/society-labor/supply-chain/Responsible_Minerals_Sourcing_Report_2023_Survey.pdf)

List of Smelters Conforming to RMAP Identified in the 2023 Survey (as of January 31, 2024) [English]

[https://www.nikon.com/company/sustainability/society-labor/supply-chain/rmap\\_list.pdf](https://www.nikon.com/company/sustainability/society-labor/supply-chain/rmap_list.pdf)

## Promoting Green Procurement

### Basic Approach

Environmental regulations like the EU RoHS\*<sup>1</sup> Directive and REACH\*<sup>2</sup> Regulations have even become more widespread in countries outside the EU, and Japan has also established similar laws and regulations. Moreover, efforts aimed at reducing CO<sub>2</sub> are rapidly growing around the world.

The Nikon Group has been aware of the social issues behind these social trends for some time. Based on the Nikon Green Procurement Policy, we conduct honest and fair materials procurement, aiming to continue providing products answering the expectations of our customers and to foster better society, a cleaner global environment, and sustainable corporate growth. Based on this philosophy, the Nikon Group created the Nikon Green Procurement Standards, prioritizing

the procurement of goods that give consideration to environmental impact, and we have made active involvement in environmental conservation a condition of doing business with our procurement partners. More specifically, we require that procurement partners abide by the Nikon Green Procurement Standards. Procurement partners are asked to establish and properly utilize an environmental management system (comprising both a management system for environmental conservation and a management system for hazardous chemical substances contained in products). Furthermore, we have defined prohibited chemical substances and controlled chemical substances for the chemical substances contained in products and used in manufacturing processes in the Separate Volume: Corresponding Chemical Substance List, a part of the aforementioned standards, and we require our procurement partners to comply with this and to submit data via chemSHERPA or another appropriate method.

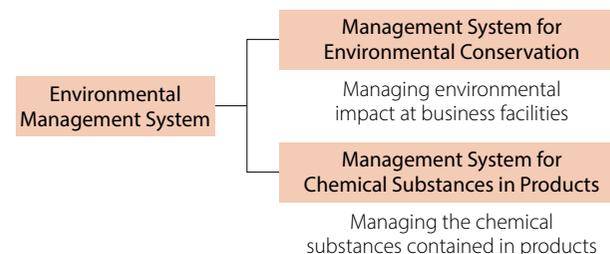
The Nikon Green Procurement Standards and the Corresponding Chemical Substance List include not only the substances regulated by the EU RoHS Directive, REACH Regulations, and other laws and regulations in Japan and abroad, but also our own regulated substances, and are both revised and updated regularly.

\*1 EU RoHS Directive → p.091

\*2 REACH Regulations → p.091

\*3 chemSHERPA → p.092

● **Environmental Management System**



**Environmental Management System Survey and Assessment**

At the Nikon Group, we conduct environmental management system surveys every three years in accordance with risks of chemical substances occurring in materials used, components, and processes. In addition, we conduct environmental management system assessments to check the status of the establishment and management of environmental management systems.

Environmental management system assessments are conducted for procurement partners identified as high-risk for containing prohibited chemical substances in products, and includes a review of their environmental management systems (EMS) and chemical management systems (CMS), including the extent to which procurement partners have put in place third party-certified management systems. For any noncompliance in environmental management systems found in the assessment process, improvements are requested, and assessments are completed after confirming that improvements have been made.

We use the results of these assessments to certify

procurement partners deemed compliant with our system standards as Nikon Environmental Partners. After certification, we continue to carry out checks on their system maintenance. For small companies where it is challenging to establish a system, we conduct a simplified environmental management system assessment to confirm the communication and management of chemical substance information. The target of this simple assessment extends to trading companies, and the simple assessment confirms that there are no problems in the management of chemical substances contained in products. Please note that this assessment is not a partner certification. In addition, we request that procurement partners submit data via chemSHERPA to check that their management of chemical substances contained in products is functioning effectively.

**Education and Communication**

To maintain and enhance the quality of its procurement partner assessments, the Nikon Group works to cultivate Environmental Management System Assessors.

More specifically, we provide education and training for personnel selected by Nikon business units and Group companies in and outside Japan, certifying those who meet our requirements as Environmental Management System Assessors. These certified assessors are the driving force in conducting environmental system assessments.

In the fiscal year 2023, 24 new assessors were certified, bringing the total number of assessors within the Nikon Group to 214\*.

\* As of March 31, 2024

## Assessment Results

We requested that procurement partners comply with the Nikon Green Procurement Standards and conducted assessments.

In the fiscal year 2023, we conducted assessments for 36 procurement partners. As a result, 15 companies\* were certified as new Environmental Partners.

In addition, we conducted renewal assessments for 131 procurement partners, bringing the total number of certified companies to 456\*, including newly certified companies. For the five companies\* not certified, we requested improvements.

### ● Environmental Partner Certification Results (as of March 31, 2024)

	FY2020	FY2021	FY2022	FY2023
Assessments	139	149	180	167
Newly certified Environmental Partners	18	36	31	15
Total certified Environmental Partners	420	453	456	456

\* Figure reflecting the decrease stemming from discontinued business transactions, business closures, etc.

## Action and Improvement Assistance Case for Findings from External Organizations

In fiscal year 2023, we determined that the use of bis (2-ethylhexyl) phthalate (DEHP) in artificial leather straps for Tropical Binoculars exceeded the standard value for the total concentration of phthalates specified in the REACH regulations. Therefore, we suspended shipments of this product. Continued use of the binoculars in question are not a cause any safety issues or quality defects. In addition, we determined that under normal use, the impact of the product on health is extremely small.

We will gladly exchange products for customers who wish a replacement.

\* PAHs: Polycyclic aromatic hydrocarbons.

Since December 27, 2015, tight restrictions have been imposed on standard content levels of eight PAHs for some uses.



Nikon Imaging

<https://www.nikon-image.com/support/whatsnew/2023/0914.html>

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](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](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](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

Materiality 8

# Diversity, Equity & Inclusion



## Reasons for Priority

Companies like Nikon work with employees from a variety of social backgrounds and values. Leveraging the individuality and talents of each employee leads to major innovations in corporate activities.

## Commitment

The Nikon Group formulated the Nikon Global Diversity, Equity & Inclusion Policy, which describes Group-wide diversity, equity and inclusion concepts. Under this policy, we foster a corporate culture in which the characteristics and abilities of all team members are accepted and valued. We also endeavor to create work environments where employees can make the most of their unique talents and strengths.

The Nikon Group also respects diversity in society at large as equally valuable and important. Through business activities conscientious of these concepts, we respond customer needs and contribute to sustainable societies where everyone can live a fulfilling life.

Yoichi Kassai  
Corporate Vice President  
General Manager of Group Governance & Administration Division

## [Policy for Activities]

### ■ Nikon Global Diversity, Equity & Inclusion Policy



# Diversity, Equity & Inclusion

## Basic Approach

Diversity, Equity and Inclusion (DEI) is essential to the Nikon Group, and forms the foundation upon which we strive to fulfill our social responsibility of respecting human rights, to embody our corporate philosophy of Trustworthiness and Creativity, and to continue being a company that contributes to a more prosperous and sustainable society. We believe that engaging diverse values, talent, knowledge, experiences, skills and expertise is vital in adapting to a rapidly changing world to meet the needs of our customers and the communities we serve. Such diversity exists within each one of us, shaped by our characteristics and differences, such as age, gender, nationality, and background. Everyone working in the Nikon Group should feel like part of a team where they can perform at their best and feel comfortable in raising their voice, which will help improve decision-making and nurture innovation that drives the growth of the Nikon Group.

The Nikon Group clearly states our commitment to DEI in the Nikon Global Diversity, Equity & Inclusion Policy (Nikon Global DEI Policy). Based on this policy, the Nikon Group as a whole and as individual companies pursue specific initiatives that take into account local laws and regulations, business characteristics, and other factors. Through DEI-conscious business activities, we respond to social issues and customer needs, contributing to sustainable societies in which all strive together.



Nikon Global Diversity, Equity & Inclusion Policy

[https://www.nikon.com/company/sustainability/society-labor/dei/dei\\_policy.pdf](https://www.nikon.com/company/sustainability/society-labor/dei/dei_policy.pdf)

## Strategy

### Risk

Workplaces that do not allow the expression of diverse employee values, knowledge, experience, skills, expertise, etc., may lead to a decline in employee engagement and motivation. This negativity could result in a talent drain and a decline in talent acquisition.

In the rapidly changing world of today, social issues and customer needs continue to diversify. Decision-making and organizational management reflecting a highly homogenous organization resistant to diversity may pose certain risks to the company.

Further, the growing awareness of minority considerations and whether a company develops products, services, advertisements, etc., that account for user diversity has come to affect the company's value itself.

### Opportunity

As DEI becomes firmly established in the Nikon Group as the basis for an individual's actions and decisions, we strive to create work environments in which we mutually acknowledge and utilize the individuality and talents of each person. In doing so, we will attract and maximize the impact of outstanding talent, leading to enhanced productivity, innovation, and sustainable corporate growth.

In addition, perspectives that take into account social diversity in the development, specifications, design, advertising, marketing, and other business activities will help us provide products, services, and solutions that

meet the needs of our customers and society at large.

### Strategy

Our Medium-Term Management Plan (fiscal years 2022 to 2025) describes DEI as a materiality in sustainability strategy and human capital management, which are management base strategies. We regard DEI as an important element serving as the foundation for Nikon growth. We established the Nikon Global DEI Policy to clarify the Nikon Group approach to DEI. Under this policy, we create environments in which diverse employees pursue autonomous growth and gain a sense of team contribution, maximizing their abilities. The Nikon Group as a whole and as individual companies engages in specific initiatives that take into account local laws and regulations, business characteristics, and other factors.

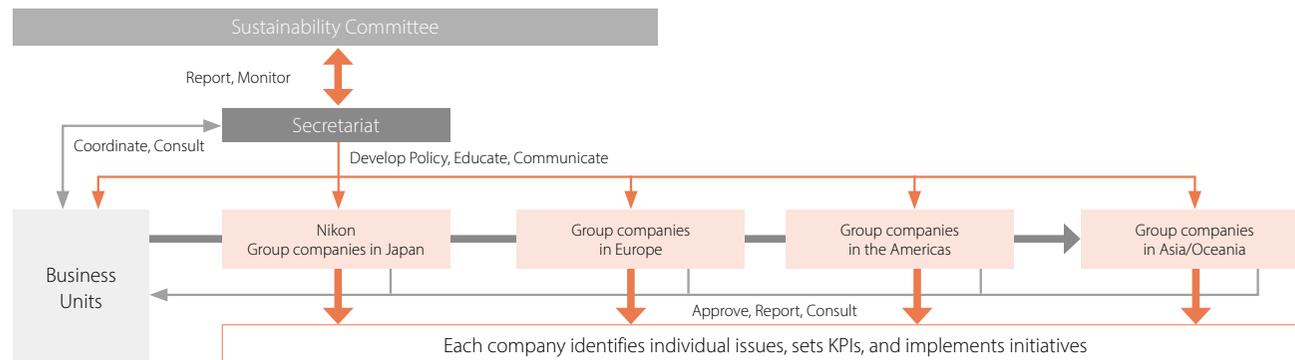
Overview of the Medium-Term Management Plan Human Capital Management → **p.012**

## Governance

The director in charge of the Nikon Corporate Sustainability Department at the Nikon Group also serves as the responsible officer in charge of DEI. The secretariat will consist of the Nikon Corporate Sustainability Department and Human Resources Department, as well as the sustainability divisions of each regional headquarters. The secretariat will be responsible for planning and developing Group-wide policies, conducting education, creating communication tools, and supporting the initiatives of each company.

Since priorities related to DEI vary by country, region, and business, specific targets and initiatives will be set for each company and business as a rule, based on local laws and regulations and business characteristics. In addition, the Sustainability Committee monitors the progress of activities in each region and business, including Group-wide initiatives.

### ● DEI Global Promotion Structure



## DEI Surveys

As we pursue DEI globally, in fiscal year 2023, we conducted a survey of domestic and overseas Group companies to ascertain awareness of and commitment to DEI, as well as to identify issues. Based on the idea that the expression of an individual's talents through a DEI approach leads to company growth, we analyzed issues from two perspectives: Awareness of the issues and seriousness of efforts. We summarized the issues to contribute in formulating policies for future activities.

Based on the results of this survey, we plan to make awareness reform and skills development a management level matter in fiscal year 2024. These issues play an important role in organizational operations, and we will treat these issues as a priority to address under a shared global theme.

## Risk Management

We conduct global shared awareness surveys for employees to understand whether our workplaces—spaces where a diverse workforce serves as the source for new value—foster environments in which employees mutually recognize and make the most of each other's individuality and abilities. In addition, we strive to ensure that the Nikon Global DEI Policy is reflected widely in the thinking of every employee as the basis for decisions and actions. To this end, we established the level of awareness of Nikon Global DEI Policy as a shared global metric.

Nikon uses the ratio of women in management positions as a metric for employee diversity, particularly with respect to the empowerment of women. In addition to measures to improve this ratio (see Pxx), we also monitor this metric regularly in Sustainability Committee and other meetings. We also confirm the availability of diverse work styles, expansion of peripheral programs, and environmental improvements through discussions with the Nikon Labor Union.

Under our current Medium-Term Management Plan, we define the three pillars of our human resources strategy as acquire talent, develop talent, and leverage talent based on the requirements of our management strategy and recognition of the situation at hand (see p. 013). To engage in management and human resource strategies as an integrated whole, our president takes the lead with other senior management, in cooperation with the Human Resources Department, to precisely define and consider measures related to the type of employee and skills we require.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Level of awareness of Nikon Global EDI Policy: 100% (FY2030)

#### ► FY2023

##### Plan

1. Formulation of DEI policy and publishing content for understanding and encouragement
2. Establishment of a promotion system and priority DEI themes to be addressed by each company and business

##### Result

Approximately 90% of employees were aware of the existence of the policy in the first year since formulation (Nikon non-consolidated: 91.4%; Nikon Group companies: 88.0%)

#### ► FY2024

##### Plan

1. DEI training for senior management (domestic and overseas Group companies)
2. Conduct DEI training for section managers (Nikon)
3. Consider DEI training for pre-management employees (Nikon)

### Indicators and Targets (Target Fiscal Year)

Increase the percentage of women in management positions (Nikon): 8.0% or more (FY2025)

#### ► FY2023

##### Plan

1. Percentage of women in management positions: 7.5% or more
2. Percentage of female new hires: 25% or more

##### Result

1. Percentage of women in management positions: 7.8%
2. Percentage of female new hires: 34.1%

#### ► FY2024

##### Plan

- Percentage of women in management positions: 7.8% or more
- Percentage of female new hires: 25% or more

## Major Initiatives

### DEI Promotion Activities

#### Initiatives in Japan

Nikon highlighted and communicated this DEI policy through a message from senior management on the need for DEI at a meeting of managers at the department head level and above. We also provided opportunities for discussions with the Nikon Labor Union. We conduct activities to promote awareness of the SDGs widely among employees. Our activities include DEI-themed talk events on an optional online radio program titled *SDGs at Work*

In fiscal year 2023, we began considering training by job level. In fiscal year 2024, we plan to begin implementing group DEI training for Nikon middle managers at the section manager level and above.

#### Initiatives in Europe

Nikon Europe B.V. publishes a bi-monthly newsletter (*DEI relay*) as part of ongoing diversity awareness activities. The newsletter features relay-style interviews in which board members and employees—regardless

of background—speak on a variety of topics, including gender, race, immigration, age, work style, and mental health. In addition, the Company's Imaging Product Business strives to respect diversity in society at large through a project to support female photographers in German-speaking countries. The business also created a *DEI Playbook* (a manual of DEI perspectives to include in business activities such as planning, development, and marketing). In this way, the business engages actively in respecting diversity in society at large.

Several times during fiscal year 2023, we held a new *Open Up!* initiative. This voluntary workshop was attended by 45 employees working at our Head Office. The workshops provided a fun way to learn about DEI through games, discussions, and videos.

#### Initiatives in the Americas

In September 2022, the three Group companies located on the East Coast of the United States (Nikon Americas Inc., Nikon Inc., and Nikon Instruments Inc.) began DEI initiatives by establishing DEI committees under the supervision of the Human Resources Department to consider joint DEI promotion activities.

In fiscal year 2023, the presidents of the three companies led the production of a DEI introduction video presenting messages to promote understanding and awareness among the companies. In the video, more than a dozen employees from diverse backgrounds, job titles, genders, nationalities, etc., share their thoughts about DEI and their own cultural backgrounds. The companies are also actively involved in DEI promotion activities, including sponsorship of a large-scale networking event hosted by Moxxie, an organization

dedicated to establishing mentorship programs for the advancement of women in the workplace.

### Initiatives in Asia/Oceania

Nikon Holdings Hong Kong Ltd. continues to provide DEI training through e-learning. Courses cover various topics such as unconscious bias, bully-free workplaces, and understanding fairness.

In fiscal year 2023, the company prepared a DEI report covering the 10 countries in the Asia/Oceania region to identify challenges in promoting DEI under a common framework. The report was distributed to each company in the region.

## Promoting the Success of Diverse Employees

### Promoting Advancement of Women in the Workplace

Nikon approaches advancement of women in the workplace as one of our most important issues.

We established a target percentage of women in management positions of 8.0% or more by the end of March 2026 as one metric to measure the advancement of women in decision-making roles and organization management leading to more diverse perspectives. We conduct initiatives to improve this percentage, including systematic education in the workplace, promotions, and career development support.

In addition, we established a metric beginning in fiscal year 2016 to maintain a 25% or greater level of female new hires, ensuring a stable base of female employees. Japan has relatively few female students majoring in engineering. Even at Nikon, where we hire in number for engineering-related occupations, training the next generation of employees is a challenge. We participate actively in events to recruit women in the engineering field. We are also part of the DE&I working group established by SEMI Japan (the Japanese branch of the US-based semiconductor industry association) to foster the next generation of female engineers.

Further, we develop programs and environments for women and employees in diverse situations (e.g., childcare and nursing care) to choose flexible work styles according to their life stages. As a result of our efforts, the percentage of women in management positions as of March 31, 2024 was 7.8%, and the percentage of female new hires in fiscal year 2023 was 34.1%. Nikon will continue to focus on building an environment conducive to the advancement of women and on providing career development support.

### Column

### DEI Promotion Logo and Communication Book Publication

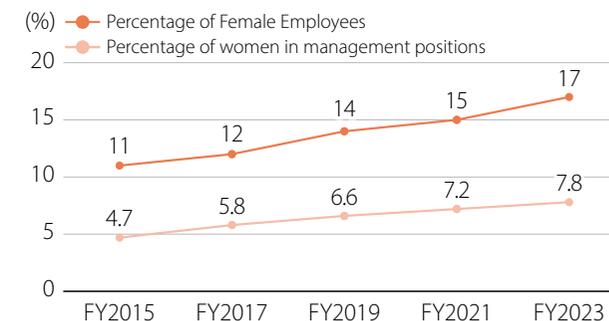
To promote DEI from a shared framework, the Nikon Group created a DEI Promotion Logo to use in conjunction with the Nikon Global DEI Policy.

We use this logo for internal and external DEI promotion activities and content creation, including business cards and goods given away at events.

Nikon also publishes a Communication Book for internal use as a basic explanation of the reasons and definitions behind Nikon's commitment to DEI. Our goal is to ensure that each employee understands the need for DEI and that DEI takes root as a way of thinking that forms the basis for decisions and actions.



### Percentage of female employees and women in management positions (Nikon Corporation)



### Supporting Mid-Career Hires in the Workplace

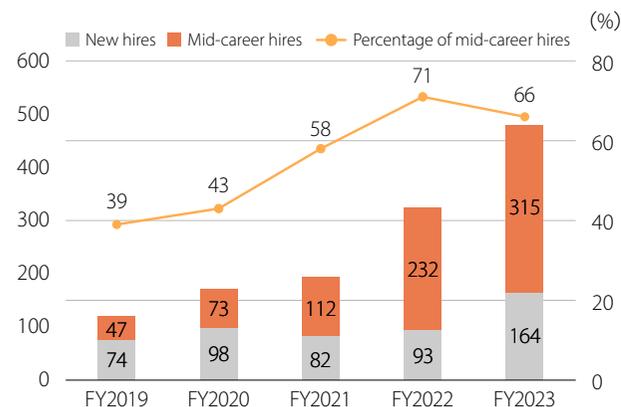
In our Medium-Term Management Plan (fiscal years 2022 to 2025), Nikon laid out a path for stabilizing our mainstay businesses and increasing earnings from strategic businesses. To achieve these goals, we emphasize the recruitment of mid-career hires.

For Nikon to leverage the technologies we have cultivated over the years, as well as to move into new fields, we must take advantage of a diverse range of skills, knowledge, and experience. We pursue the following efforts to ensure mid-career hires make use of the knowledge cultivated in previous jobs for the benefit of Nikon and maximize their talents to the fullest.

- Detailed follow-up in the workplace, led by a supervisor
- Training and regular monitoring at newly assigned workplaces
- Training and social gatherings for career hires, etc.

As of March 31, 2024, 34.2% of Nikon management positions were filled by mid-career hires.

#### ● Percentage of mid-career hires to new hires (Nikon Corporation)



### Utilization of Global Human Resources

The Nikon Group appoints outstanding human resources to management and executive positions, regardless of age, gender, or nationality. We are committed to utilizing human resources on a global scale, including appointing locally hired personnel from Group companies as Corporate Vice Presidents of Nikon.

As members of their respective local communities, our Group companies hire local employees and appoint them to management positions as appropriate in order to contribute to local job creation and economic revitalization.

### Supporting Senior Employees in the Workplace

The needs and values of each individual in the areas of life planning and working styles are diversifying.

In order to realize a society in which people can continue to work for as long as they want, it is important to provide opportunities for senior citizen employees to play an active role. It is also important to help employees consider career development and how they want to work after reaching the mandatory retirement age, and to encourage them to take stock of the experience and skills they possess.

The Nikon Group introduced a reemployment system in Japan under which employees who have reached the mandatory retirement age of 60 and wish to continue working can be reemployed up to the age of 65. Nikon Nisso Prime Corporation, a joint venture company engaged in the human resources services business, rehires Nikon employees who have reached the mandatory retirement age. This company is expanding the options it offers to retirees, including to positions outside the Nikon

Group, addressing the diversification of work styles and providing senior citizens with the opportunity to continue working as long as they would like.

Furthermore, we provide support for independent career development from a long-term perspective by holding age group-specific training. We held Career Design Training for 58-year-olds (141 participants), which fosters awareness necessary to continue working for a long time. We also offered a Life Plan Seminar (000 participants), which focuses mainly on financial planning skills.

Through these measures, we provide opportunities for employees to consider post-retirement careers earlier in their professional lives, and we strive to support the success of senior employees.

#### ● Initiatives at Nikon Nisso Prime Corporation

Nikon Nisso Prime Corporation supports the activities of older employees who still want to work.

- A total of 45 individuals have been employed outside the Nikon Group through expanded career options
- We create opportunities through public-private partnerships, including agreements with five municipalities

\*As of March 2024



Agreement-signing ceremony with Minamiuonuma City (November 2022)

## Supporting Persons with Disabilities

The Nikon Group is working to establish an environment that enables every employee to make the most of their individuality and abilities regardless of any disability.

With support from experienced staff and instructors, employees with disabilities play an active role at Nikon Tsubasa Inc., a special subsidiary which Nikon established in 2000. As of June 2023, persons with disabilities exceeded the statutory minimum percentage, accounting for 2.32% of the employees of the four Nikon Group companies (Nikon Corporation, Nikon Tsubasa Inc., Nikon Systems Inc., and Nikon Business Service Co., Ltd.) that have been approved for Group treatment (using the Special System for Affiliate Companies) under the Act to Facilitate the Employment of Persons with Disabilities.

Nikon established a follow-up system inside and outside the workplace, including workplace guides, coaches, and regular interviews. We continue to strengthen our support for the employment and retention of people with disabilities.

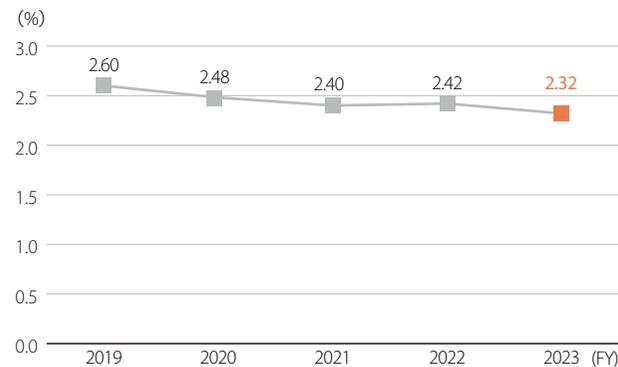
Going forward, we will continue to promote the employment of persons with disabilities throughout the Nikon Group in Japan.



Nikon Tsubasa Inc. [In Japanese]

<https://www.jp.nikon.com/company/corporate/group/nti/>

## ● Employment of Persons with Disabilities under Group Certification Over Time



\* Percentages are as of June 1 of the respective year.

## Creating Comfortable Working Environments

The Nikon Group is working to build comfortable working environments with the goal of increasing labor productivity and securing a diverse workforce. Our goal is for employees to have a high degree of motivation at work while also enhancing their work-life balance.

## Offering Diverse Work Styles

The Nikon Group strives to offer our employees flexible work styles in accordance with the qualities of each Group company business and the laws and labor practices of their respective countries and regions. At Nikon, we have introduced the following systems offering employees more autonomy and flexibility in choosing their working hours and locations.

## ● Super flex time working system

With the aim of encouraging employees to efficiently and autonomously carry out their duties, Nikon provides a mechanism allowing employees to choose work times flexibly through our Super Flex Time Working system, which has no core time period (no specific time frame in which employees are required to work).

## ● Telecommuting system

Nikon offers a telecommuting system to improve work-life balance, reducing the burden of daily commutes and helping employees make effective use of time. By utilizing this system, employees are expected to improve productivity by working efficiently.

As a general rule, telecommuting is allowed three days per week. However, in cases involving childcare or nursing care, we offer flexible arrangements that include allowing employees to exceed this maximum limit with supervisor approval.

In addition to working from home, employees may work at other similar locations with the approval of a supervisor. These locations include a parent's home or temporary posts where the employee lives separately from their families.

## Support for Balancing Work and Childcare/ Nursing Care

At Nikon, we established a system that allows employees to choose a flexible work style according to their life stage to balance work with infertility treatments, pregnancy, childbirth, childcare, and nursing care.

In concrete terms, Nikon goes beyond the statutory requirements, allowing employees to take childcare leave up to two times on consecutive or non-consecutive

days for any reason up until their child's second birthday. We also put in place systems such as nursing leave for childcare and nursing care, staggered work hours for childcare and nursing care, shortened work hours, and short-time Super Flex Time Work. Nursing care leave and staggered work hours for childcare are available until the employee's child graduates from elementary school.

Besides these systems, we have established an accumulated special leave system that allows up to 40 days of expired annual leave to be accumulated and used. This system can be used not only for childcare and nursing care, but also for situations like infertility treatment and participating in their children's school events, an enhancement to our systems helping employees establish a balance between work and family.

Nikon has also introduced a "re-entry" system. This system provides opportunities to rejoin the company for former employees who left the company because of childcare or other family care responsibilities, because of a spouse's job transfer, or for other unavoidable reasons.

### Curbing Long Working Hours

The Nikon Group is taking action to manage working hours appropriately and to curb long working hours in accordance with the respective national and regional laws and regulations where we do business.

#### ● Countermeasures Against Overtime Work

In setting limits for maximum overtime work, Nikon and the Nikon Labor Union work together to check actual data and measures to take on a yearly basis. Limits set here are used as guidelines for all Group companies in Japan, and compliance is rigorously ensured.

Nikon has introduced a cooling off period for

overtime work for employees whose total overtime hours exceed a certain level (including managers and others not subject to working hour management) to curb overwork and distribute the burden previously focused on specific individuals. Our standards for conducting health checkups for overtime work exceed statutory requirements.

#### ● Encouraging Employees to Take Annual Paid Leave

At Nikon, our ongoing goal is to have employees take annual paid leave at a rate of at least 70%. To help employees use annual paid leave, we promote company-wide planned leave days and to take planned leave consistently. Further, we encourage employees and managers who have a low paid leave utilization during the fiscal year to take paid leave. In fiscal year 2023, the percentage of Nikon employees taking annual paid leave stood at 71.0%.

Going forward, we will continue our efforts to encourage employees to take paid leave, aiming toward consistent achievement of the goal of at least 70%.

#### ● Nikon Childcare Leave Utilization Rate (Fiscal Year 2023)

**Men: 80% Women: 85%**

\* Includes leave for unique Nikon childcare leave programs

#### ● Nikon Return Rate from Childcare Leave (Fiscal Year 2023)

**Men: 100% Women: 100%**

### External evaluations of support for diverse work styles and advancement of women in the workplace

Nikon received *Platinum Kurumin* and *Eruboshi* (second level) certification from the Minister of Health, Labor and Welfare. These honors recognize our ongoing efforts to support diverse work styles and the advancement of women in the workplace.



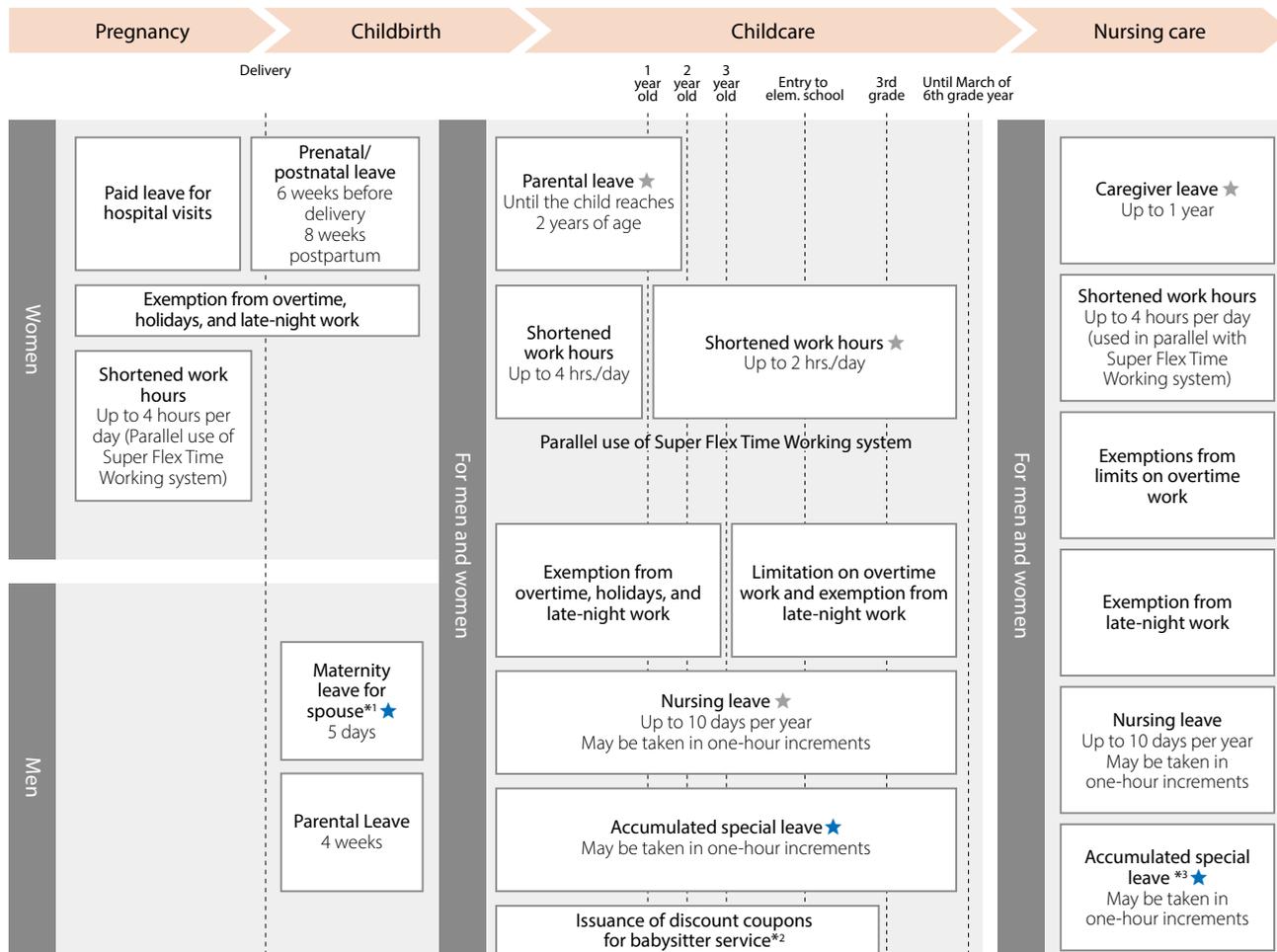
Platinum Kurumin: Certified  
June 2018



Eruboshi (2nd Level): Certified  
May 2016

● **Nikon's Support Systems for Balancing Work and Family**

★ Systems exceeding legal requirements ★ Systems unique to Nikon Corporation



\*1 Maternity leave for spouse (paid): Paid leave available when spouse gives birth

\*2 Babysitter Dispatch Service provided by the All Japan childcare Services Association on behalf of the Children and Families Agency. Eligible until the 6th grade if said child has a physical disability certificate or a rehabilitation certificate.

\*3 Accumulated special leave (paid): A special leave system allowing employees to accumulate up to 40 days of annual paid leave not carried over to the following year. This leave may be taken under certain conditions, such as when medical treatment is required for one's own injury or illness, infertility treatment, participation in a child's school activities, or when caring for or nursing a child or relative.

**Fair Treatment and Evaluation**

**Basic Approach**

The Nikon Group has adopted a basic policy that values dialogue and communication, and uses this to develop a working environment that stimulates employees' motivation and helps them make the most of their capabilities. Each individual Nikon Group company has established its own HR management system based on this policy.

The Nikon Group conducts fair evaluations with emphasis on performance, irrespective of age, gender, etc., and encourages employees to fulfill their responsibilities and roles and produce results. Employees are placed in jobs and roles based on their aptitude, skills and drive, and we support them as they work to explore their career and develop their capabilities.

**Nikon's HR Management System**

Nikon has adopted a human resources management system that emphasizes accountability and achievements, evaluating and treating employees with a focus on their responsibilities, role, and results, irrespective of age, gender, etc. Work responsibilities consist of three grade levels: (1) Professional (job and role contributing to the organization through expertise); (2) Advanced Professional (same); and (3) Management (persons who supervise and lead organizations). Nikon defines the level of duties and roles required for each grade level classification. We publish job descriptions for positions at the section manager level and above to encourage employees in developing careers autonomously and taking on the challenge of higher-

level duties and roles. We also publish a list of the duties and roles of the Professional grade.

In principle, the Professional grade classification is determined based on the results of an annual performance evaluation conducted at the beginning of the fiscal year. Under this system, we ensure that managers are able to properly evaluate the responsibilities and roles of the employees that they supervise, and that they can fully explain the results of these evaluations.

Performance evaluations are based on the results of assigned duties and roles (degree of goal achievement) under the Goal Setting and Performance Review System.

These evaluations are conducted semiannually, covering a six-month evaluation period. Under the Goal Setting and Performance Review System, each employee determines goals corresponding to their main duties and roles in an interview with their department head. These goals are mutually agreed upon by the employee and manager. The employee is then responsible for carrying out their assigned duties and tasks to achieve the established goals. We provide three interview opportunities during the six-month evaluation period: (1) A goal-setting interview; (2) a mid-term interview; and (3) a performance evaluation interview. In this way, we improve the fairness and acceptability of evaluations.

## Nikon's Systems for Career Development

### ● Profile System

The profile system provides all employees with the chance to look back every year on their duties and personal growth and think about their future career vision, taking into account the company's expectations. Employees are interviewed by their supervisor to help brainstorm ways to develop their individual career.

### ● Career Counseling

Nikon has established offices where employees can consult about improving their skills and advancing their careers if they so desire.

### ● Open Recruitment System

The open recruitment system enables employees to apply for open recruitment when a new employee is required by a department, such as when launching new projects or expanding businesses.

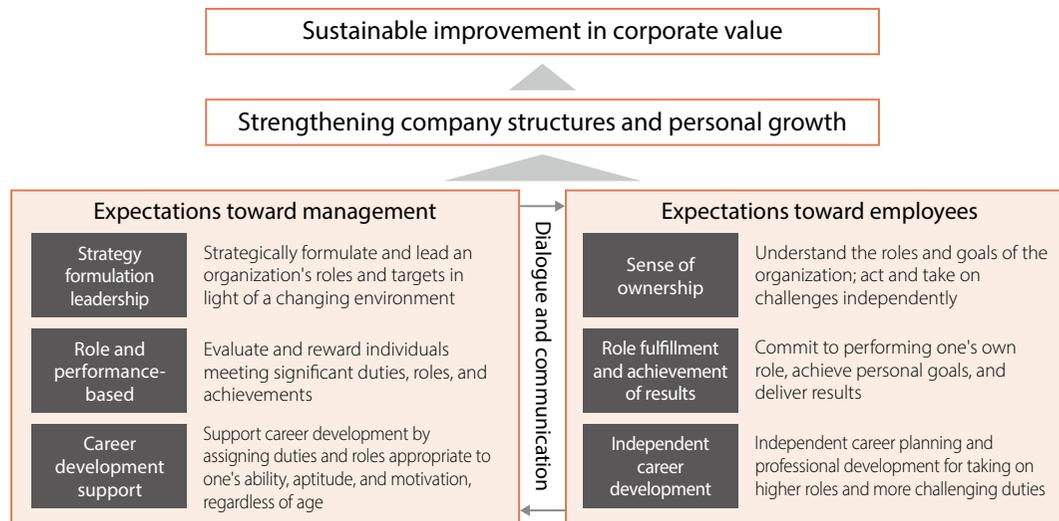
### ● In-House Free-Agent System (FA System)

The FA system allows employees actively working on their career development to request a transfer once a year to seek out new challenging opportunities inside the company.

### ● Second Career Support System

The second career support system has been established with the aim of providing support for employees who are interested in taking early retirement from Nikon and developing a new career outside the company. Employees who meet the specified criteria can benefit from job-hunting support services, second career support leave, etc.

## ● Purpose of Nikon's HR Management System



## Human Resources Development

### Basic Approach

The Nikon Group and our diverse base of employees must pursue a relationship of mutual growth if we are to continue to be a company and a people sought after by society and our customers. We state clearly our direction and organizational goals, clarifying the skills, roles, and career paths required for individual job performance. We provide a wide range of training and development opportunities to encourage employees to grow independently.

### Major Initiatives

The Nikon Group offers training and educational programs linked to the roles and the HR systems of the individual Group companies. Nikon provides training and educational programs to support employees looking to enhance their own employability.

For fiscal year 2023 employee education and training programs, Nikon held 679 training courses (including the training noted on the right) organized by departments specialized for employee education and attended by a total of 16,003 employees. On average, Nikon employees spent 3.47 days per year in training courses, and expenditure on training per employee was 58,364 yen. Training participants are tasked with completing a questionnaire (report) on their training course, which is then used to assess the training curriculum and make continual improvements. Our target score for the overall evaluation in these questionnaires is 4.0 points or higher

out of 5.0, and the average for fiscal year 2023 was 4.37 points. Nikon's training courses are also available to employees of Group companies in Japan.

In addition, each Nikon Group company provides education and training. In fiscal year 2023, the average annual training per Nikon Group employee was 1,134 minutes and the training expenditure per employee was 42,251 yen.

#### Examples of Training Offered by Nikon

- Selective training aimed at cultivating the next generation of leaders and management personnel
- Training to foster understanding about new roles, such as when employees are newly promoted to management positions, including division head or section head
- HR training and education carried out systematically for several years from the first year of joining the company
- Career Design Training at certain milestones
- Targeted training for women and managerial candidates
- Application-based training for improving skills and knowledge through independent initiative
- Support for self-development through on-demand learning tools for autonomous growth

### ● Annual Number of Training Days per Employee

(Fiscal Year 2022) (days)

Number of training days on average	FY2022	FY2023
Managers	1.1	1.1
Non-managers	3.0	3.9
Men	2.5	3.1
Women	3.8	5.1
Total	2.7	3.5

### Strengthening Management Skills

At Nikon, we aim to strengthen management skills through training that helps newly-appointed managers to understand their roles. In addition, we provide selective training and individualized education to intentionally develop managers identified as candidates for future roles as executive officers.

As part of efforts to strengthen management skills, Nikon and certain Japanese Group companies have introduced a multilateral evaluation system. In past years, the company conducted multilateral education feedback training for department and section managers who are being evaluated for the first time. We assist participants in analyzing their own strengths and weaknesses and in creating an action plan for the coming year. In July 2020, we began offering training content focused on human resource utilization capabilities, a category within multilateral evaluation. During fiscal year 2023, 28 section managers took part in this training, working hard for four months to improve organizational activity, train subordinates, and strengthen leadership.

In addition, we provided new literacy training for managers on topics such as corporate governance and accounting, with a total of 289 participants, including executive officers, managers, and department managers from including managers from Nikon and executive officers, etc., from subsidiaries.

During fiscal year 2024, we will implement even more effective human resources cultivation measures, adjusting training content and establishing targets for improvement.

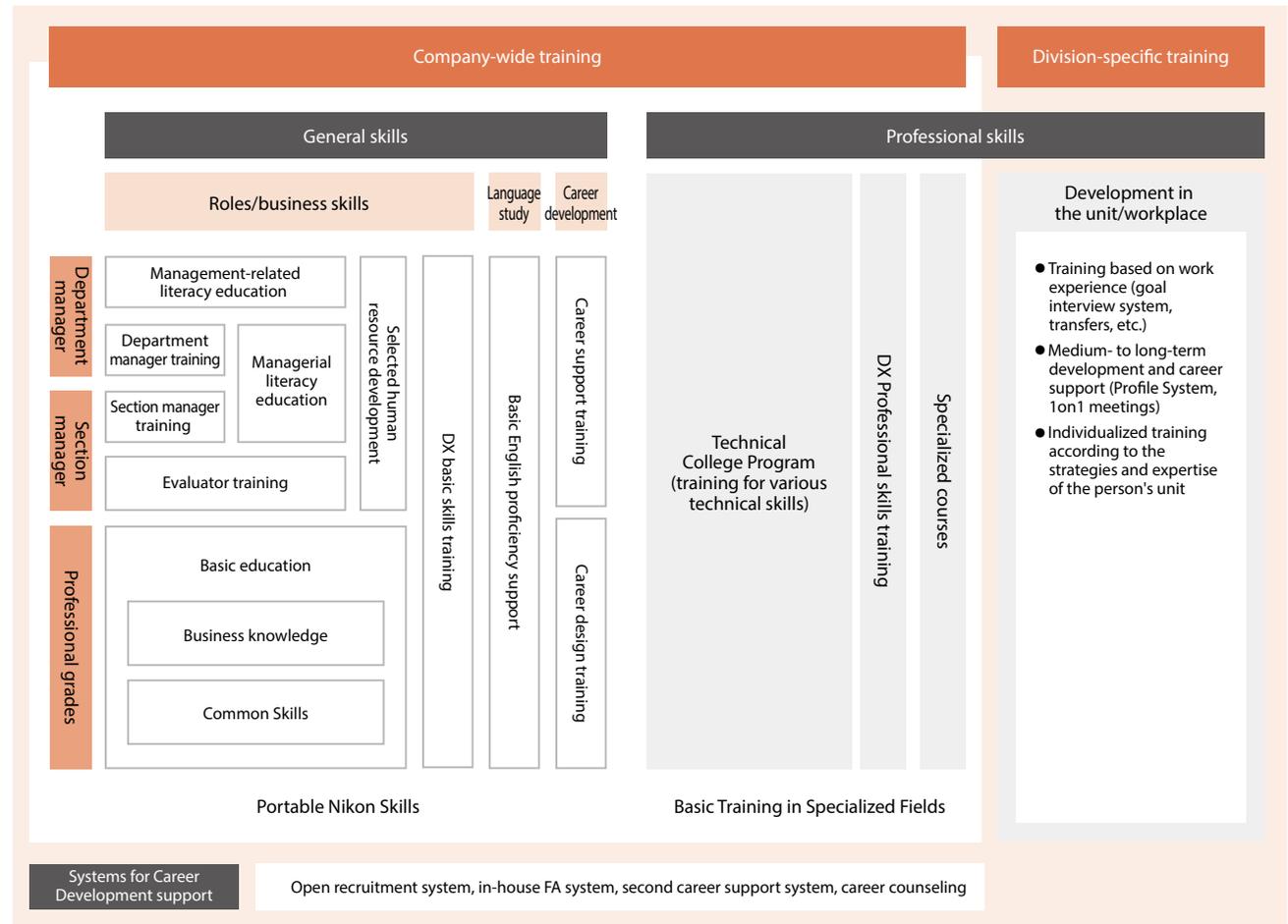
### Support for Employee Independence and Autonomy

Nikon provides a variety of training programs to support employee independence and autonomy.

In fiscal year 2023, we began a new independent career program (mindfulness seminar, self-management training, and career design training) to support independent and continued growth in a changing environment. A total of 188 employees participated in this new program. We also offered a number of training programs to improve employee skills, including business facilitation training for better project efficiency and productivity.

Throughout fiscal year 2024, we will strive to support career autonomy and independence for employees by expanding the number of eligible employees for on-demand training. This training allows employees to choose their own topics and learn at their own pace for self-development.

## Human Resources Development System



Materiality 9

# Employees' Health and Safety



## Reason for Priority

Employees' health and safety are the foundations of the company's activities. Ensuring health and safety requires systems and work environments in which employees understand the importance of their own health and safety and participate voluntarily in various health and safety activities. Such activities include various health checkups, health and safety training, and safety-related risk assessments.

## [Policy for Activities]

■ Nikon Group Health and Safety Policy

## Commitment

In the Nikon Group Health and Safety Declaration of the Nikon Group Health and Safety Policy established in March 2023, the Nikon Group expressed our commitment to creating workplaces with a sense of health, safety, and enriched spirit for all Nikon Group employees, including those at temporary employment agencies and contractors.

In 2024, the second year of the policy, we will review various risks to the health and safety of all persons working for the Nikon Group and carry out various health and safety activities.

Yoichi Kassai

Corporate Vice President

General Manager of Group Governance & Administration Division

# Employees' Health and Safety

## Basic Approach

The Nikon Group aims to ensure the health and safety of our employees, the foundation of our corporate activities, to lead to better employee productivity.

To do so, we must give priority to eliminating and reducing risks that threaten the health and safety of all people working for the Nikon Group, including employees of temporary agencies and contractors. In March 2023, we established the Nikon Group Health and Safety Policy at the Central Health and Safety Committee and expressed our approach to the policy as the Health and Safety Declaration.

## Nikon Group Health and Safety Policy

### ■ Health and Safety Declaration

We will create workplaces where all those who work in Nikon Group can feel safe in the knowledge that their health, safety, and general enriched spirit are a priority for the respective companies. With that knowledge, each and every employee will perform their duties willingly and enthusiastically to help the Nikon Group achieve its goal of becoming a key technology solutions company in a global society where humans and machines co-create seamlessly.

### ■ Major Issues

#### 1. Maintaining and promoting good health of the employees (increasing health literacy)

Employees will be aware of the importance of good physical and mental health, and will take an active role in checking, maintaining, and improving their health.

#### 2. Preventing occupational accidents through thorough legal compliance and safety management

Under the respective health and safety management systems, we will carry out preventative measures, such as safety patrols, work risk assessments, safety education, and activities that develop employees' ability to sense and identify danger in the workplace.

Occupational accident case studies from, and safety activities implemented by, Nikon Group around the world will be shared and used to develop measures that prevent recurrence at any Group company.

#### 3. Creating a vibrant work environment through dialogue (making two-way communication easier and more comfortable for both parties)

We will create a pleasant and rewarding work environment through promoting mutual understanding, trust, and a sense of solidarity.

## Strategy

### Risk

Occupational accidents and the loss of labor due to employee mental and physical illnesses may lead to increased and unbalanced workloads in the workplaces involved, which may then lead to mental health concerns and the risk of further accidents for other employees. These accidents and illnesses may result in a further loss of productivity and loss of social credibility.

### Opportunity

We consider business execution and improvement to be possible through employees' voluntary participation in various health and safety activities (e.g., health promotion events, risk assessments, and safety patrols) upon improving their own health literacy through various health checkups, health guidance from occupational health staff, and various training and seminars.

### Strategy

The Nikon Group established the Nikon Group Health and Safety Policy, aiming to achieve our Vision 2030 described in the Medium-Term Management Plan. We ensure that all Group employees in and outside Japan are aware of and familiarize themselves with this policy. This policy advocates for the Group to create workplaces where all those who work in Nikon Group can feel safe in the knowledge that their health, safety, and general enriched spirit are a priority for the respective companies.

This approach is essential to the three pillars of human capital management at the Nikon Group: acquire talent, develop talent, and leverage talent.

The Nikon Group Health and Safety Policy states that employees are to be aware of the importance of good physical and mental health, and will take an active role in checking, maintaining, and improving their health. Furthermore, we also aim to create pleasant, comfortable, safe, and rewarding work environments through mutual understanding, trust, and a sense of solidarity.

The Nikon Group Health and Safety Policy focuses on three major issues. Under Health and Safety Activities, we state our standards of achievement for each major issue and examples of specific measures to be taken. We conduct health literacy and health and safety education based on such examples to encourage employees to make autonomous efforts. We also interview business facilities in Japan and Group companies on their activities and training, sharing good practices with Group companies in and outside Japan.

In fiscal year 2023, we achieved all standards for each major issue through these activities and the voluntary efforts of our employees. We will continue to take action in fiscal year 2024 using specific measure examples to ensure steady achievement.

● **Health and Safety Activities - Aiming to Achieve Vision 2030**

FY2023	Success criteria	Examples of measures undertaken
Major Issue 1	Reduce the average rate of health issues discovered with regular medical checkups for employees of Nikon and Group companies in Japan to less than the national average*. <small>* The results of regular medical checkups conducted in 2023 will be compared with the 2022 national average announced by the Ministry of Health, Labor and Welfare.</small>	<ol style="list-style-type: none"> <li>(1) Have occupational health staff offer employees health guidance after medical checkups and encourage necessary doctor visits.</li> <li>(2) Health literacy education for all employees, including new hires (conducted when they are hired).</li> <li>(3) Activities that increase awareness of the need to maintain and improve health.</li> <li>(4) Employees aged 35 at Group companies in Japan will be asked to participate in a seminar for improving their health.</li> </ol>
Major Issue 2	Keep the number of occupational accidents at the Nikon Group most likely arising out of, or in the course of, the performance of duties at or below 60 for the fiscal year.	<ol style="list-style-type: none"> <li>(1) Safety patrols conducted under the respective health and safety management systems (at least once a month).</li> <li>(2) Risk assessments (whenever new equipment or tasks are introduced, and after an accident occurs).</li> <li>(3) Safety education and activities that develop employees' ability to sense and identify danger in the workplace.</li> <li>(4) Sharing information on health, safety, and accident risks with on-site contractors (at least once a month).</li> <li>(5) Sharing and use of accident case studies and safety activities implemented to prevent the recurrence of accidents at any Group company (quarterly).</li> <li>(6) Compliance with new regulations designed to prevent occupational accidents caused by chemical substances.</li> </ol>
Major Issue 3	Improve the work environment through line care education (manager education on how to provide support to employees with health risks) based on group analysis of stress checks.	<ol style="list-style-type: none"> <li>(1) Recommend those experiencing high-stress levels consult with occupational physicians; conduct group analysis of stress checks.</li> <li>(2) Implement line care education.</li> <li>(3) Provide individual counseling, including that based on requests from superiors.</li> <li>(4) Encourage dialogue and communication.</li> </ol>
FY2024	Success criteria	Examples of measures undertaken
Major Issue 1	Reduce the average rate of health issues discovered with regular medical checkups for employees of Nikon and Group companies in Japan to less than the national average <small>* The results of regular medical checkups conducted in 2024 will be compared with the 2023 national average announced by the Ministry of Health, Labor and Welfare.</small>	<ol style="list-style-type: none"> <li>(1) Check on health guidance if employees attend necessary doctor visits based on medical checkup results.</li> <li>(2) Train new hires on self-health obligations and health literacy.</li> <li>(3) Activities that increase awareness of the need to maintain and improve health.</li> <li>(4) Include employees aged 35 at Group companies in Japan in a seminar on improving their health.</li> <li>(5) Improve eating habits, establish exercise routines, and engage in other activities related to lifestyle habits.</li> <li>(6) Offer education on preventing productivity loss (sleep, stiff shoulders, back pain, other pain, alcoholism, hay fever, eye strain, etc.).</li> <li>(7) Check with an occupational physician after medical treatment and consider work restrictions and other health considerations.</li> <li>(8) Check the status of working hours (manage overtime).</li> <li>(9) Cooperate with the health insurance society (discuss issues with health and nursing staff).</li> </ol>
Major Issue 2	Keep the number of occupational accidents at the Nikon Group most likely arising out of, or in the course of, the performance of duties at or below 60 for the fiscal year.	<ol style="list-style-type: none"> <li>(1) Confirm compliance with relevant laws and regulations independently and conduct assessments through corporate administration divisions.</li> <li>(2) Monitor chemical substances on a regular basis and conduct assessments through corporate administration divisions.</li> <li>(3) Conduct risk assessments and work risk assessments at the time new equipment is installed, and confirm with the corporate administration divisions.</li> <li>(4) Safety patrols conducted under the respective health and safety management systems.</li> <li>(5) Safety education and activities that develop employees' ability to sense and identify danger in the workplace.</li> <li>(6) Sharing information on health, safety, and accident risks with on-site contractors.</li> <li>(7) Share safety activities and accident case studies and develop recurrence prevention measures global on a level.</li> <li>(8) Manage new uses of chemical substances and develop activities in accordance with laws and regulations.</li> </ol>
Major Issue 3	Improve the work environment through line care education (manager education on how to provide support to employees with health risks) based on group analysis of stress checks.	<ol style="list-style-type: none"> <li>(1) Improving Stress Check Participation Rates</li> <li>(2) Recommend those experiencing high stress levels consult with occupational physicians; conduct group analysis of stress checks.</li> <li>(3) Implement line care education.</li> <li>(4) Provide individual counseling, including that based on requests from superiors.</li> <li>(5) Encourage dialogue and communication.</li> <li>(6) Educate on women's health issues (including male employee participation).</li> <li>(7) Counsel new hires.</li> <li>(8) Mental health care by psychiatrists, psychosomatic physicians, and clinical psychologists.</li> <li>(9) Offer counseling on balancing illness and work.</li> </ol>

## Governance

### Central Health and Safety Committee Meeting

We also established the Central Health and Safety Committee, separate from the legally-mandated workplace Health and Safety Committee, to serve as the supreme investigative organization for important matters related to health and safety in the Company. The Central Health and Safety Committee meets to make decisions for Nikon.

The Central Health and Safety Committee is chaired by the General Manager of the Group Governance & Administration Division, an officer of the Company. The General Manager of the Human Resources Department and each plant manager represent the Company on the committee, while employees are represented by the central executive committee chairperson of the Nikon Labor Union and the executive committee members of each union. The presidents of manufacturing Group companies and the executive director of the Nikon Health Insurance Society attend Central Health and Safety Committee meetings as observers to share information (Chapter 11, Article 57 *Health and Safety* of the collective bargaining agreement stipulates that the Nikon Labor Union is to hold discussions between the Company and the union regarding health and safety issues when necessary).

The Central Health and Safety Committee conducts assessments and verifies the status of regular medical checkups, health checkups for employees working long hours, stress checks, and other check-ups. The committee also assesses and verifies occupational accidents (analyzed by business facility, accident type,

and attribute) occurring in the Nikon Group. Based on the Nikon Group Health and Safety Policy, the committee discusses and approves health and safety activities (standards of achievement and examples of measures) for the next fiscal year, deploying said efforts to the Nikon Group in and outside Japan. Each business facility prepares and implements an activity plan according to business operations, production facilities, and other facility conditions.

Policies, activities, and other details approved by the Central Health and Safety Committee are reported to the Sustainability Committee, which is composed of Executive Committee and other members.

### Nikon Health and Safety Officer Liaison Meeting

Bi-monthly meetings attended by health and safety staff from the head office and each plant. Members of the meeting share information on disaster cases and countermeasures, health and safety training, and safety patrols.

### Nikon Health Management Meeting

Quarterly meetings attended by health nursing staff from the head office and from each plant. Members of the meeting share the implementation status of various health checkups, follow-up measures, and the status of health checkups for employees working long hours. Members also share information and issues with the Nikon Health Insurance Society at least once a year.

### Health and Safety Liaison Meeting for Group companies in Japan

Semi-annual liaison meetings attended by health and

safety staff (including managers) from Group companies in Japan. Members of the meeting share information on and call for attention to various statuses, including health checkups and findings, leave at Nikon, stress check implementation and highly-stressed employees, health checkups for employees working long hours, accidents occurring within the Group, legal investigations, and legal revisions. The Nikon Health Insurance Union also attends to share health insurance information.

Each of the Nikon Group business facilities in Japan conducts various health and safety activities in accordance with occupational health and safety laws, regulations, and the Nikon Health and Safety Management Regulations and related rules. We ensure these facilities share information mutually and throughout the Group through liaison meetings.

## Risk Management

Nikon makes improvements to employee health and safety risks through the following surveys and reports results to the Central Health and Safety Committee.

Regarding certification in relation to international occupational health and safety management system standards, Sendai Nikon Corporation and Nikon (Thailand) Co., Ltd. have both received ISO 45001 certification.

### Legal Research

The Health and Safety Section of the Human Resources Department collaborates with engineering management and environmental management divisions to conduct on-site surveys of all plants and manufacturing Group

companies in Japan. Should such surveys present any findings, the relevant site is required to file an improvement report. The results of on-site surveys and improvement status are also reported annually to Audit and Supervisory Committee Members.

### Using New Chemical Substances

Nikon requires our workplaces to conduct risk assessments when using new chemical substances. A department using a new substance conducts self-checks to confirm compliance with laws and regulations through SDS, work environment management (including installation of local exhaust ventilation systems), and work management (including confirmation of protective equipment use). The supervising department then confirms these self-checks. This system ultimately ensures that plants cannot start using a chemical substance unless it has been approved by the plant manager.

### Chemical Substance Management Survey

The Health and Safety Section of the Human Resources Department conducts on-site surveys of chemical substance management and use at all plants. Surveys of manufacturing Group companies are scheduled for fiscal year 2024.

### Work Risk Identification

The Nikon Group in Japan identifies work risks throughout the entire Group every year, targeting business processes and accidents frequently seen. In fiscal year 2023, we identified approximately 900 work processes that face risks of cuts, scrapes, entanglement, and entrapment accidents during the use and

maintenance of machinery and equipment. We reduced the number of such accidents by reinforcing measures and sharing risk assessments throughout the Group. In fiscal year 2024, we will focus on identifying risks of entanglement, entrapment, reaction to motion, and improper motions in goods handling operations\*.

\* The number of occupational accidents at the Nikon Group in Japan most likely arising out of, or in the course of, the performance of duties for the fiscal year 2023 amounted to 29 cases. Of these cases, 13 occurred in goods handling operations.

### On-Site Inspections

The general health and safety manager of each business facility takes the lead in performing regular on-site inspections as one effort to deter occupational accidents. Items identified during inspections and measures taken are shared with the legally-mandated workplace health and safety committee meeting.

### Responses to Occupational Accidents and Incidents

Accidents that occur at Group companies in Japan are reported to the Health and Safety Section of the Human Resources Department. In the event of serious accidents, matters are escalated promptly to the responsible officer.

Workplaces at which accidents occur hold a workplace health and safety meeting and prepare an Accident Report for submission to the head of the business facility in question via the health and safety staff of the business facilities.

In the event of accidents and incidents attributable to work or related to the performance of work, the business facility in question submits the Worker's Measures Confirmation Sheet and the Work Risk Assessment (Revised), which summarize reoccurrence

prevention measures, upon completion of such measures. After final confirmation by the Health and Safety Section of the Human Resources Department, Nikon posts the submitted reports and other information on the Group portal site.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Percentage of findings in regular medical checkups for the Nikon Group in Japan: below the previous national average\*<sup>1</sup> (every fiscal year)

#### ▶ FY2023

##### Plan

- 57.3% or less of the 2022 national average
- Health guidance and recommendations for medical checkups by occupational health staff
- Health education

##### Results

Percentage of findings in regular medical checkups (Nikon): 48.7%

#### ▶ FY2024

##### Plan

- Less than the 2023 national average
- Health guidance and recommendations for medical checkups by occupational health staff
- Health education
- Tracking overtime hours

\*<sup>1</sup> National average for the manufacturing industry as published by the Ministry of Health, Labor and Welfare.

### Indicators and Targets (Target Fiscal Year)

Annual incidence of occupational accidents attributable to work or related to the performance of work: 60 cases or less (FY2025)

#### ► FY2023

##### Plan

1. Risk assessments
2. Safety education
3. Sharing of health and safety information

##### Results

Annual incidence of occupational accidents attributable to work or related to the performance of work: 52 cases (29 in Japan and 23 outside Japan)

#### ► FY2024

##### Plan

1. Risk assessment
2. Safety education
3. Sharing of health and safety and accident risk information

### Indicators and Targets (Target Fiscal Year)

High stressed person rates in stress checks (Nikon): Below the previous national average\*<sup>2</sup> (every fiscal year)

#### ► FY2023

##### Plan

- 15.0% or less of the 2022 national average
- Individual counseling
  - Mental health education

##### Results

High stressed person rates in stress checks: 13.5%

#### ► FY2024

##### Plan

14.8% or less of the 2023 national average

- Individual counseling
- Mental health education

\*<sup>2</sup> National average as published by stress check contractors.

## Major Initiatives

### Raising Health and Safety Management Standards (in Japan)

#### Safety and Health Education

As in previous years, we conducted special education programs that include training at the time of hiring in accordance with the Industrial Safety and Health Act, training for forepersons, training for workers involved in organic solvent operations, etc.

In fiscal year 2023, we also held a training session led by an outside consultant to adapt to the mandatory appointment of chemical substance managers (effective beginning fiscal year 2024).

Each business facility conducts evacuation drills and safety confirmation drills based on the business continuity management (BCM) implementation guidelines. These facilities also conduct lifesaving training and traffic safety education under the guidance of local police departments. We include on-site contractors in these activities, routinely sharing information on risks related to occupational accidents and safety education.

### ● Number of Participants in Major Education and Seminars at Nikon Group in Japan

Name(s)	Participants ( ): On-site contractors
Health and safety training at the time of hiring	689
Basic health and safety education (including awareness seminars on fall accidents, preventing heat stroke, etc.)	551 (5)
Risk assessments, laser safety, hazard simulations, forklift skills training, etc.	940 (76)
Foreperson training	122 (5)
Participants of organic solvent work supervisor training and training for workers involved in organic solvent operations, etc.	108
Participants of chemical substance manager training sessions and training sessions for persons responsible for managing protective equipment use	106 (6)
Health promotion events, line care training, etc.	3,060 (18)
Special safety patrols during National Safety Week, National Occupational Health Week, etc.	257
Traffic safety workshop	3,845 (14)
Evacuation drills, early-stage fire extinguishing drills, gas leak drills, basic lifesaving training, etc.	1,193 (82)

### Health and Safety Awards

The Nikon Group in Japan strives to improve safety management standards through these types of education and assessments. In addition, we established an award system for individuals and departments that excel in health and safety activities to raise employee awareness and engage the workplace.

## Raising Health and Safety Management Standards (Outside Japan)

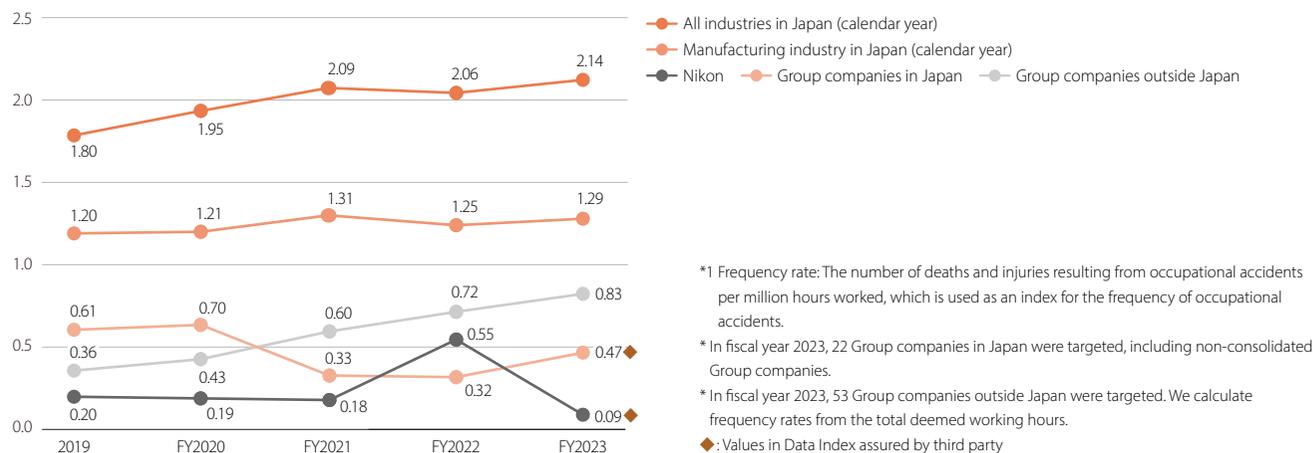
At Group companies outside Japan, we work to prevent occupational accidents under the respective health and safety management systems in accordance with the laws and regulations of each country. Nikon checks on occupational accidents occurring in the Group companies outside Japan at the end of each half-year and fiscal year. We request response measures and share information on examples of accidents in the Nikon Group in Japan and on preventing recurrence.

In fiscal year 2023, there were a total of 33 work-related accidents at overseas Group companies (including 18 lost time accidents resulting from falls and tumbles). The number of accidents attributable to work or related to the performance of work amounted to 23 accidents. The most notable causes of these accidents include entanglement, entrapment, cuts, and scrapes, all of which are also seen in the Nikon Group in Japan.

Certain subsidiaries outside Japan with a high frequency of cut and scrape incidents (minor injuries that do not require hospital visits) held workshops to review appropriate work procedures and rules. Workshops are held after the subsidiary confirms the incident locations, work processes, and materials involved.

## Nikon Group Occupational Accidents

### ● Frequency Rate of Lost Time Accidents (1 or More Days)\*1



### ● Occupational Accidents Attributed/Related to Work

	FY2019	FY2020	FY2021	FY2022	FY2023
Nikon Group	29	19	21	27	52

\* Values until fiscal year 2022 represent only the Nikon Group in Japan. Fiscal year 2023 target: 60 cases or less. In fiscal year 2023, 22 Group companies in Japan, including non-consolidated Group companies, and 53 Group companies outside Japan were targeted.

### ● Severity Rate of Lost Time Accidents (1 or More Days)\*1

	FY2019	FY2020	FY2021	FY2022	FY2023
All industries in Japan (calendar year)	0.09	0.09	0.09	0.09	0.09
Manufacturing industry in Japan (calendar year)	0.10	0.07	0.06	0.08	0.08
Nikon	0.00	0.00	0.00	0.01	0.00
Group companies in Japan	0.01	0.01	0.00	0.00	0.00
Group companies in Europe	0.06	0.04	0.08	0.03	0.06
Group companies in the Americas	0.01	0.00	0.00	0.00	0.01
Group companies in Asia/Oceania	0.00	0.00	0.00	0.00	0.00
Nikon Group (total)	0.01	0.01	0.01	0.01	0.01

\*1 Severity rate: The number of work days lost per 1,000 hours worked, which is used as an index for the severity of occupational accidents.

\* In fiscal year 2023, 22 Group companies in Japan were targeted, including non-consolidated Group companies. In fiscal year 2023, 53 Group companies outside Japan were targeted. We calculate severity rates from the total deemed working hours.

\* A rate of 0.00 indicates a rate of less than 0.005.

◆: Values in Data Index assured by third party

## Initiatives With Business Partners

The Nikon Group strives to ensure the health and safety of all employees at our business facilities by sharing and exchanging information through various meetings. These meetings include liaison meetings with on-site contractors, such as security guards and cafeteria staff, and health and safety council meetings with resident construction workers.

We also require suppliers to comply with the Nikon CSR Procurement Standards. These standards comply with the RBA Code of Conduct, which includes the items on safety management in our master agreements. Procurement departments check with suppliers on the status of compliance surveys and audits.

Promoting CSR Procurement → p.110

## Maintaining and Improving Employee Health

Nikon ensures employees receive careful health guidance from occupational health staff after regular medical checkups. We also encourage activities to quit smoking and provide counseling and health literacy education to all new employees, including career hires. In addition, we increased the number of eligible participants for the Health Up at 35 seminar to include Group company employees. This seminar is held every year to encourage exercise habits and mental health self-care. Other initiatives include walking competitions that provide employees with the opportunity to maintain and improve their health

voluntarily, and health promotion events that leverage the unique characteristics of each business facility.

For employees who work long hours, the Company establishes and manages more standards than is required by law. These standards stipulate that employees working 40 hours or more must submit a health condition survey form. Moreover, supervisors are required to submit a written opinion from their own point of view on the employee's health and include measures to reduce future workload. Occupational physicians interview relevant employees (any employee can request an interview) after reviewing all submitted forms on the health condition survey and the supervisor's written opinion. All employees who work 80 hours of overtime or more per month, an average of 80 hours or more over multiple months, or 60 hours or more for two consecutive months are required to meet with an occupational physician to check fatigue and stress accumulation levels caused by long working hours.

In addition, Nikon formulated the Mental Health Promotion Plan, which not only supports employees with mental health concerns, but also encourages communications in the workplace. In fiscal year 2023, we switched stress checks to a simple occupational stress questionnaire to survey work engagement and conduct a group analysis, as in the previous year. Survey feedback is then provided to the relevant workplace. In connection with health checkups for employees working long hours and return-to-work support, we improved line care for managers and supervisors through individual consultations with and guidance from occupational health staff.

Nikon received certification as a Health and Productivity Management Organization 2024 in March 2024. This certification is in recognition of our initiatives in providing guidance from occupational health staff after regular medical checkups, training to improve health literacy, training on women's health management, and activities to quit smoking.

\* The medical checkup rate in FY2023 was 100%, as in the previous year (excluding employees on leave, etc.).

### ● Top Indicators of Regular Medical Checkups in Nikon

	FY2020	FY2021	FY2022	FY2023
Percentage of findings in regular medical checkups*	50.0%	47.9%	48.7%	49.2%
Smoking rates	16.4%	15.8%	15.6%	15.2%
Exercise habit rates	20.8%	23.5%	22.4%	22.3%

\* Percentage of findings: Ratio of findings to the number of persons receiving company-sponsored medical checkups. A "finding" is defined as a person whose medical checkups results are other than normal.



# Governance

Awareness of the Whistleblower (Reporting and Consultation) System



98%

Tax risk assessment



Conducted quarterly on a global basis

Significant information security incidents in the past 3 years



0

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# Thorough Compliance

## Reasons for Priority

The global social situation facing companies continues to change rapidly. No matter how the times may change, we will continue to fulfill our social responsibilities by thoroughly complying with corporate ethics as well as laws and regulations.

Cases where even one misconduct has caused a loss of credibility that has endangered a company's existence are too numerous to mention. Therefore, in addition to preventing misconduct before occurrence, it is important to strengthen compliance systems in a broad sense in accordance with international guidelines and directives, while simultaneously carrying out appropriate risk evaluation and training.

## Commitment

The Nikon Code of Conduct is a set of guidelines that ensure every employee of the Nikon Group performs their duties faithfully and acts with integrity.

Standards and norms that dictate "proper behavior" change as the world changes, changing what society expects of corporations. The Nikon Group recently revised the Nikon Code of Conduct to respond to these changes in the internal and external environments.

We are committed to spreading awareness of the Code of Conduct to ensure our employees always recognize the importance of compliance in daily business activities, make appropriate judgments, and take appropriate actions. We strive to be a valued and trusted company to our customers and stakeholders around the world by complying with laws and regulations to prevent compliance violations.

Yoichi Kassai  
Corporate Vice President  
General Manager of Group Governance & Administration Division

## [Policy for Activities]

- Nikon Code of Conduct
- Nikon Anti-Bribery Policy

## [Organizations]

- Compliance Committee

# Compliance

## Basic Approach

The Nikon Group believes that our business is rooted in every member acting with integrity and fairness under our Corporate Philosophy of Trustworthiness and Creativity. Therefore, we established the Nikon Code of Conduct to stipulate our basic stance toward social responsibility and the standards for all officers and employees working for the Group to behave in a sensible manner with high ethical standards.

The Code of Conduct defines actions to be taken as a member of the Nikon Group on respecting human rights and sound working environments. The code also defines actions to be taken for all possible matters in daily business operations in the following categories: anti-bribery and corruption, relationships with business partners and social responsibility, fair competition and business transactions, import and export control, and taxation.

Our vision is to strive for zero compliance violations to ensure compliance with the Code of Conduct, and we are committed to ensuring each member is aware of this code.



Nikon Code of Conduct

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

## Strategy

### Risk

Serious compliance violations may lead to a loss of stakeholder trust and damage to our brand.

## Opportunity

Daily business activities based on ethical and good-faith behavior and in accordance with international guidelines will maintain stakeholder trust and stabilize the continuity of our business. We also expect that ensuring sound working environments will improve overall workplace ethics and individual employee performance. These efforts will in turn lead to a higher customer perspective supporting the enhancement of our company-wide direction to enhance the delivery of integrated solutions, as stated in our Medium-Term Management Plan.

## Strategy

The Nikon Group will take the following measures to achieve our Vision to strive for zero compliance violations.

- We will continue to provide education and training, as well as implement measures to ensure all employees are aware of the Nikon Code of Conduct. We will periodically review the Code of Conduct in light of stakeholder requests, trends in social issues, and the business activities of the Nikon Group.
- We will raise awareness of the reporting and consultation system, foster an environment that allows ease of use for employees, work to detect behavior that conflicts with laws and compliance in early stages, and resolve any issues appropriately.
- We will establish a system to respond in accordance with the culture, customs, laws, and regulations of each country and region.

## Governance

The Nikon Group established a Compliance Committee under the Risk Management Committee to strengthen governance and risk management. This committee is chaired by the General Manager of the Group Governance & Administration Division, who also serves as the corporate vice president of Nikon. The committee deliberates and decides on measures related to anti-bribery and other priority compliance promotion issues. Deliberations and decisions are reported to the Risk Management Committee. The Risk Management Committee reports annually to the Board of Directors on the status of risk management activities, and the board uses this report to oversee compliance issues and initiatives. The Sustainability Committee also monitors the status of activities against materiality compliance targets.

The secretariat of the Compliance Committee is served jointly by the Compliance Section of the Legal and Intellectual Property Division, which spearheads compliance promotion activities, and the Internal Control Promotion Section of the Group Governance & Administration Division. As secretariat, both parties implement compliance promotion activities based on decisions made by the Committee, as shown in the diagram on the next page.

In Japan, the Compliance Section undertakes compliance promotion activities in each of Nikon's departments and at Group companies, by holding liaison meetings of compliance coordinators, etc.

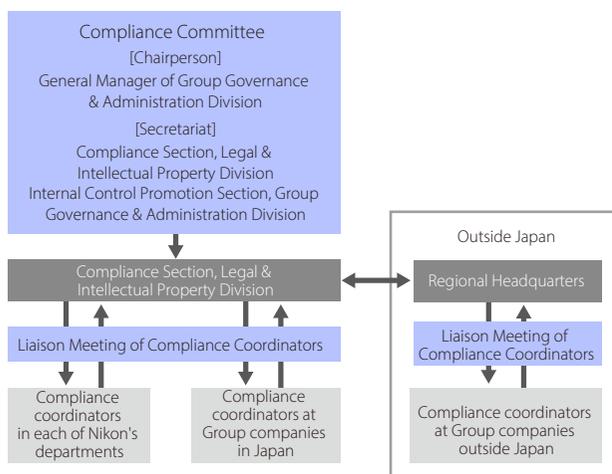
The Nikon Group also established a system in which the Regional Headquarters Compliance Section and coordinators in charge of compliance at overseas Group companies cooperate with each other. This system aims to ensure that overseas initiatives are in line with the culture, customs, laws,

and regulations of each country and region. The Compliance Section and the Regional Headquarters Compliance Department share information and collaborate in activities to educate and raise awareness throughout the Group.

The Nikon Group has included provisions regarding a reporting and consulting system in the Nikon Code of Conduct and has established such systems at all Group companies in and outside Japan in order to respond to reports of violations or potential violations of the Nikon Code of Conduct. The Internal Control Promotion Section is responsible for internal consultation systems in Japan while advising overseas reporting and consulting systems and escalating issues from overseas to the head office.

Reporting and Consulting System (Code of Conduct Hotline) → p.147  
 Nikon's Corporate Governance Organization (As of June 24, 2024) → p.153

### ● Compliance Promotion Structure Diagram (As of April 1, 2024)



## Risk Management

We identify and evaluate compliance risks and opportunities using the following method.

- ① Identify various issues
  - Conduct compliance awareness surveys and other promotion activities
  - Identify company issues raised through the reporting and consulting system
  - Determine if the reporting and consulting system needs to be improved and grasp the operational status of the system
- ② Review various issues with relevant departments, centered on the Compliance Committee secretariat (set issues to be prioritized and review measures to prevent recurrence)
- ③ Share issues at Compliance Committee meetings (including reports on the operational status of the reporting and consulting system, etc.)

In the event of violations of employment rules or the Nikon Code of Conduct, the Nikon Group will take strict disciplinary action in accordance with internal regulations after investigating all related matters.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Establishment of compliance awareness\*: 95% or more (FY2025)

#### ▶ FY2023

### Plan

1. Code of Conduct education: Implemented throughout the Nikon Group (100% implementation rate by number of companies)
2. Individual issue education (competition laws, harassment, etc.): Implemented at relevant workplaces/companies

### Results

1. The Code of Conduct was revised in 2024. Therefore, the Group began education in Japan after the revision was completed.
2. Provide education on specific issues (e.g., competition laws) at relevant workplaces and companies.

#### ▶ FY2024

### Plan

1. Develop a global legal and compliance structure
2. Communicate the revised Code of Conduct and review awareness measures
3. Conduct awareness surveys to determine awareness and identify issues

### Indicators and Targets (Target Fiscal Year)

Awareness level of whistleblower system\*: 95% or more (FY2025)

#### ▶ FY2023

### Plan

Re-permeating information about reporting (consultation) contact points in the whistleblower system (reporting and consulting system)

### Results

1. Awareness level in FY2023 awareness survey: 98%
2. Distributed Ethics Hotline cards to Nikon Group employees nationwide in June 2023 and January 2024

**FY2024****Plan**

Implement activities to raise awareness of the whistleblower (reporting and consultation) system (in Japan, this includes establishing an external contact to handle cases related to heads of organizations and other executives, as well as compliance with the Freelance Protection Act)

\*Checked by Nikon Group awareness surveys.

**Major Initiatives****Ensure compliance with the Nikon Code of Conduct**

The Nikon Code of Conduct is a specific set of standards that each and every employee should understand in depth and utilize to implement the concept of compliance. Additionally, to ensure thorough compliance with the Code of Conduct across the Nikon Group, the heads or above of each department or equivalent organization at Nikon and the president of each Group company make a pledge each year to take responsibility for compliance with the Code of Conduct in the organizations of which they are in charge.

The Code of Conduct is translated into 16 languages and made publicly available to external parties. We also post the Code of Conduct on the Company intranet for all employees to reference whenever necessary. We also include processes that refer to the Code of Conduct in our regular compliance training to ensure awareness. In April 2024, we revised the Code of Conduct to reflect

changes in internal and external conditions.



Nikon Code of Conduct

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

**Reporting and Consulting System (Code of Conduct Hotline)**

The Nikon Group has included provisions regarding a reporting and consulting system in the Nikon Code of Conduct and has established such systems at all Group companies in and outside Japan in order to respond to reports of violations or potential violations of the Nikon Code of Conduct. We also make employees aware of this system through written explanations on the Nikon Code of Conduct, accessible to all employees, and relevant training programs.

In Japan, the Code of Conduct Hotline has been established as a unified Reporting and Consultation System for the Nikon Group in Japan (including non-consolidated Group companies). The Code of Conduct Hotline has both an internal contact point and an external contact point set up with a specialized vendor. The external contact point is available every day of the year except during the year-end and New Year holidays. In Japan, upon the enforcement of the revised Whistleblower Protection Act on June 1, 2022, an external contact point for cases related to heads of organizations and other executives has been established at a law firm handling whistleblower cases, and a full-time member of the Audit & Supervisory Board Committee is handling these cases.

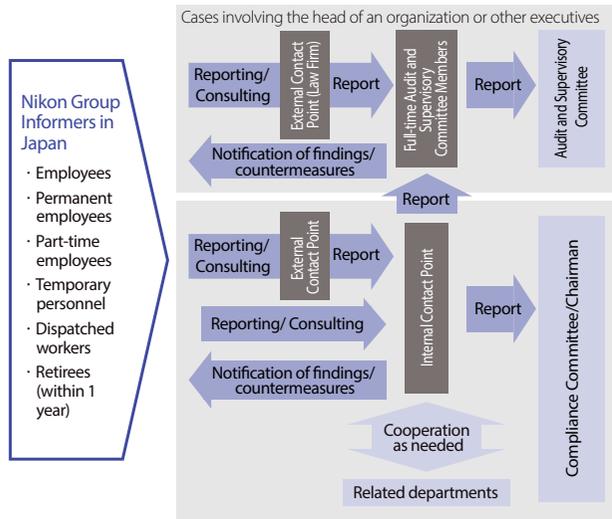
In principle, each Group company overseas establishes its own external contact point with specialized firms and operates said contact point 24 hours a day, 365 days a year, in the local language(s). We also established our own internal contact points in Europe and Asia.

Reporting can be done anonymously. When violations or potential violations of the Code of Conduct are reported, we promptly investigate the facts and take steps to resolve the matter and prevent recurrence. For each case received through the system, information is gathered from the reporter and persons relevant to the matter in order to understand the issue objectively. We then work together with relevant departments to resolve the case and follow up as necessary. We treat each case with the utmost care by respecting human rights, which includes keeping the matter in strict confidence, protecting privacy, ensuring anonymity, and preventing any negative treatment as a result of using the system.

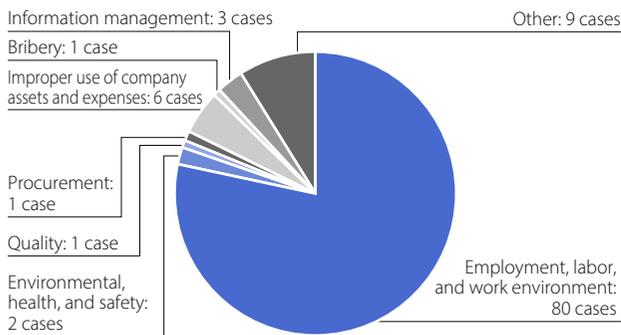
In fiscal year 2023, the Nikon Group as a whole received 99 reports through the reporting and consulting system. Cases related to employment, labor, and work environment were the most reported, with a total of 80 reports. Of these reports, 39 were related to discrimination and harassment. No cases of conflict of interest or insider trading were reported.

In addition, to ensure that this reporting and consultation system is functioning properly, the secretariat operating the Code of Conduct Hotline reports regularly to the Compliance Committee on the development and operational status of the system, which is based on the regulations. The Committee is also informed of the status of overseas operations.

● **Diagram of the Reporting and Consulting System in Japan**



● **FY2023 Reporting and Consulting System Use Results (Report Details)**



\*Total number of consultations in Japan and overseas. In cases where consultants make more than one report, each report is counted individually.

**Compliance Training for Directors and Employees of the Nikon Group**

The Nikon Group aims to instill an awareness of the concept of compliance in every person at the Nikon Group, from our top management to each and every employee.

At the December 2023 meeting of the Compliance Committee, a compliance seminar was conducted by a specialist lawyer for 23 committee members, including Nikon's full-time directors. The seminar covered recent trends in compliance.

For employees, we provide classroom training and e-learning. In fiscal year 2023, the Nikon Group in Japan provided education on psychological safety, power harassment, and the importance of the Code of Conduct led by compliance coordinators in each department and company. At Group companies outside Japan, the Regional Headquarters take the lead in continuously implementing activities to train and raise awareness of the Code of Conduct. In fiscal year 2023, we conducted training on anti-bribery and the prevention of competition law violations in all regions. We also held trainings tailored to the individual situations in each region.

In addition to this, in our quarterly sustainability newsletter to all Nikon Group employees, we explain the Nikon Group's approach to compliance by featuring compliance-related news that is attracting attention around the world.

**Global Awareness Survey (Monitoring)**

The Nikon Group conducts monitoring through an awareness survey given to its employees at Group companies in and outside Japan every one or two years.

The survey enables the Nikon Group to assess the

degree of compliance awareness, the level of employees' confidence in the reporting and consulting system, and the current status of Code of Conduct training, and reflect the results in improvements made to the Nikon Group's promotional activities.

In fiscal year 2023, we conducted an awareness survey for the Nikon Group in Japan with 11,073 employees responding (response rate of 94.0%).

We reported these results and year-on-year comparisons at the Compliance Committee meeting held in December 2023. Survey results were relayed back to each Nikon department and Nikon Group company, who work to make improvements based on these results.

Through such efforts, the Nikon Group has established a PDCA cycle for promoting compliance in all regions where we conduct business activities.

**Prevention of Bribery**

The Nikon Group has established the Nikon Anti-Bribery Policy with the approval of the Executive Committee to reconfirm our commitment to the prevention of bribery both internally and externally. To ensure compliance with the Nikon Anti-Bribery Policy, led by the Compliance Section, regional headquarters outside Japan have each formulated Anti-Bribery Guidelines. These guidelines reflect regional characteristics and summarize business approaches, precautions and operational procedures, etc., for entertainment, gifts and donations that are necessary to comply with the policy.

Specifically, we are taking steps to ensure full compliance with written application and approval procedures for expenditures related to public officials, etc.

As a general rule, we have banned facilitation payments. In addition, at the start of transactions with third parties, such as intermediaries, Nikon makes the Nikon Anti-Bribery Policy known to all parties, and in principle, the contract must include a clause regarding the prohibition of bribery. In fiscal year 2023, we revised the Anti-Bribery Guidelines (Japan) in full by reviewing the approval rules and others to mitigate risks

The Compliance Section and regional headquarters outside Japan are working continuously to provide training and make procedures regarding anti-bribery known to all. Each Group company also checks the operation of the Anti-Bribery Guidelines using a self-assessment checklist at the end of every fiscal year, and the results are used to improve practices in the subsequent fiscal year.

In fiscal year 2023, we raised awareness of and implemented the revised guidelines at all companies thoroughly in Japan. In addition, we conducted anti-bribery training at overseas Group companies in the Americas, Europe, South Korea, and Hong Kong. Note that the Nikon Group has not experienced any violations of anti-bribery laws and regulations in fiscal year 2023.



Nikon Anti-Bribery Policy

[https://www.nikon.com/company/sustainability/governance/compliance/anti-bribery\\_policy.pdf](https://www.nikon.com/company/sustainability/governance/compliance/anti-bribery_policy.pdf)

## Prevention of Competition Law Violations

As set out in the Free Competition and Fair Business Dealings section of the Nikon Code of Conduct, the Nikon Group's fundamental position is to carry out fair competition and engage in business deals that comply

with the competition laws of each country.

In recent years, the international community has increased its focus on compliance with competition laws, requiring more stringent efforts to comply with these laws. Through this training, which the Nikon Group provides on an annual basis, we strive to promote and raise awareness of legal compliance across the entire Nikon Group, as well as prevent competition law violations.

## Training on Competition Law

In order to provide competition law training that is in line with the laws and regulations of each country where we operate, the Nikon Group conducts training globally. Specifically, Nikon's Compliance Section takes the lead role in competition law training for the entire group, and the same office is in charge of training for the Nikon Group in Japan. Outside Japan, the legal department of each business operations site and each Group company prepares a curriculum and provides training with the assistance of local law firms as necessary.

In the fiscal year 2023, the Nikon Group in Japan continued to implement e-learning programs, while outside Japan, training was provided based on the risks associated with each company's business activities.

## Responding to Misconduct

In the event of violations of employment rules or the Nikon Code of Conduct, the Nikon Group will take strict disciplinary action in accordance with internal regulations after investigating all related matters.

In fiscal year 2023, we took serious disciplinary actions

in a total of three cases based on misconduct in the Nikon Group. Of these cases, the major incident was due to fraudulent insurance claims by employees of a Group company outside Japan, resulting in disciplinary actions against the principal parties (2) and relevant parties involved (51). These cases in which serious disciplinary action was taken do not involve discrimination or harassment.

Nikon continually provides education for employees through newsletters, e-learning, and other means in order to prevent the recurrence of misconduct.

## Violation of the Production Safety Law of the People's Republic of China

In January 2024, a worker fell at the construction site of a directly managed Beijing branch of Nikon Imaging (China) Sales Co., Ltd. An investigation by the Beijing authorities found Nikon Imaging (China) Sales to be in breach of the safety management obligations as stipulated in the Production Safety Law of the People's Republic of China. In response, the Beijing authorities imposed an administrative penalty (fine) on the company in May 2024.

Nikon Imaging (China) Sales cooperated promptly with the investigation by the Beijing authorities after the accident and resumed operation in compliance with the safety responsibilities stipulated under the law. The company also established an internal production safety system and appointed a production safety manager in compliance with the Production Safety Law of the People's Republic of China. Furthermore, Nikon Imaging (China) Sales raised awareness of the law within the company and other Group companies in China to prevent recurrence.

# Strengthening Corporate Governance

## Reasons for Priority

Corporate governance is the cornerstone of business activities. In order to ensure fair and transparent management, businesses must continue to improve their systems of governance. In addition, the governing body should forecast and respond to the various and ever-changing risks and opportunities from a medium- to long-term perspective and implement countermeasures accordingly. As such, it is essential for us to respond to the various requests of stakeholders.

## Commitment

Strengthening governance is one of the principal challenges for a company, and it is necessary to build a corporate governance structure that ensures transparency and discipline in order to become a company that is trusted not only by investors but also by a diverse group of stakeholders. Nikon has implemented initiatives to improve the effectiveness of the Board of Directors further and otherwise strengthen governance. These initiatives include enhancing cooperation among the Nominating Committee, the Compensation Committee, and the Board of Directors and enhancing diversity further.

In fiscal year 2024, we will work to strengthen governance by further enhancing the effectiveness of the Board of Directors by addressing issues through evaluations of the Board of Directors' effectiveness.

Shiro Hiruta  
Chairman of the Board

## [Activity Policies]

- Corporate Governance Guideline
- Basic Policy on Internal Control System
- Global Tax Policy

## [Organizations]

- General Shareholders' Meeting
- Board of Directors
- Audit and Supervisory Committee
- Nominating Committee
- Compensation Committee
- Executive Committee

# Corporate Governance

## Basic Approach

Based on our Corporate Philosophy, the Nikon Group will conduct operations in a highly transparent manner in order to fulfill its fiduciary responsibilities to shareholders as well as its responsibilities to all stakeholders, including customers, employees, business partners, and society, with a sincere and diligent attitude.

The Nikon Group will strive to achieve sustainable growth and enhance its corporate value over the medium to long-term by improving management efficiency and transparency, and further strengthening the supervisory function over management in light of the purpose behind Japan's Corporate Governance Code.



Web

Corporate Governance Guidelines

<https://www.nikon.com/company/ir/governance/organization/guideline/>

## Strategy

### Risk

A governance system that fails to ensure fair and transparent management will lead to a decline in stakeholder confidence. At the same time, this type of failure reduces the effectiveness of the Board of Directors. The resulting environment is not conducive to appropriate risk-taking, which may result in lost business opportunities and may impede a company's sustainable growth.

### Opportunity

Effective, fair, and transparent governance strengthens a company's resilience, maintains and enhances stakeholder trust, and creates an environment that supports appropriate risk-taking. Supported in this way, a company captures and expands business opportunities. The resulting environment is stable management and sustainable growth of the company in question.

### Strategy

The basic approach at Nikon is to fulfill our responsibilities to stakeholders and implement highly transparent management, while improving management efficiency and transparency, and further strengthening the supervisory function over management for sustainable growth and enhanced corporate value over the medium to long term. To reach higher levels of supervisory functions, the Company continues to evaluate the effectiveness of the Board of Directors, resolving issues raised in said evaluations.

We also enhance the effectiveness of the Board of Directors by increasing diversity and improving the executive compensation system. Through these efforts, we achieve the goal of strengthening our management base as described in our Medium-Term Management Plan.

● A History of Strengthening Corporate Governance

		FY2019	FY2020	FY2021	FY2022	FY2023
Increase of Board of Directors' diversity	% of external directors	42% (5 out of 12)	45% (5 out of 11)	45% (5 out of 11)	45% (5 out of 11)	50% (6 out of 12)
	o/w % of those from major shareholders, etc.	60% (3 out of 5)	40% (2 out of 5)	40% (2 out of 5)	0%	0%
	% of female directors	0%	9% (1 out of 11)	9% (1 out of 11)	9% (1 out of 11)	17% (2 out of 12)
Improve the effectiveness of the Board of Directors	Chairman of the Board	Separation from the position of officer	Separation from the representative director (strengthening of supervisory function over management)	—————→		
	Committees	<ul style="list-style-type: none"> <li>Establishment of Nominating Committee (chaired by external director)</li> <li>Appointment of external director as chairperson of Compensation Committee</li> </ul>	—————→			
	Independent External Directors' Meeting	—	—	—	Establishment	—————→
	Effectiveness evaluation	Continuation of consideration and implementation cycles for improvement measure based on the results of the evaluation of Board of Directors' effectiveness conducted in the previous year			—————→	
Nominating	Succession Planning for President	Formulation of the plan	Commencement of implementation	Full-scale implementation	—————→	
Compensation	Performance-based stock remuneration	Resumption of officer compensation system linked to the Medium-Term Management Plan	—————→		Decision of KPI based on the new Medium-Term Management Plan	—————→



Corporate Governance Enhancement Initiatives

[https://www.nikon.com/company/ir/management/nikon-report/initiatives\\_cg/](https://www.nikon.com/company/ir/management/nikon-report/initiatives_cg/)

## System

Aiming to further enhance corporate governance, Nikon adopted a company with an Audit and Supervisory Committee. This position further strengthens the supervisory function of the Board of Directors as it strives to streamline decision-making and clarify management responsibility arising through delegation of authority.



Corporate Governance Organization  
<https://www.nikon.com/company/ir/governance/organization/>

## Related Information



Internal Control System  
<https://www.nikon.com/company/ir/governance/internal-control/>  
 Basic Policy on Internal Control System  
<https://www.nikon.com/company/ir/governance/internal-control/policy/>  
 General Shareholders' Meeting  
[https://www.nikon.com/company/ir/stock\\_info/meeting/](https://www.nikon.com/company/ir/stock_info/meeting/)

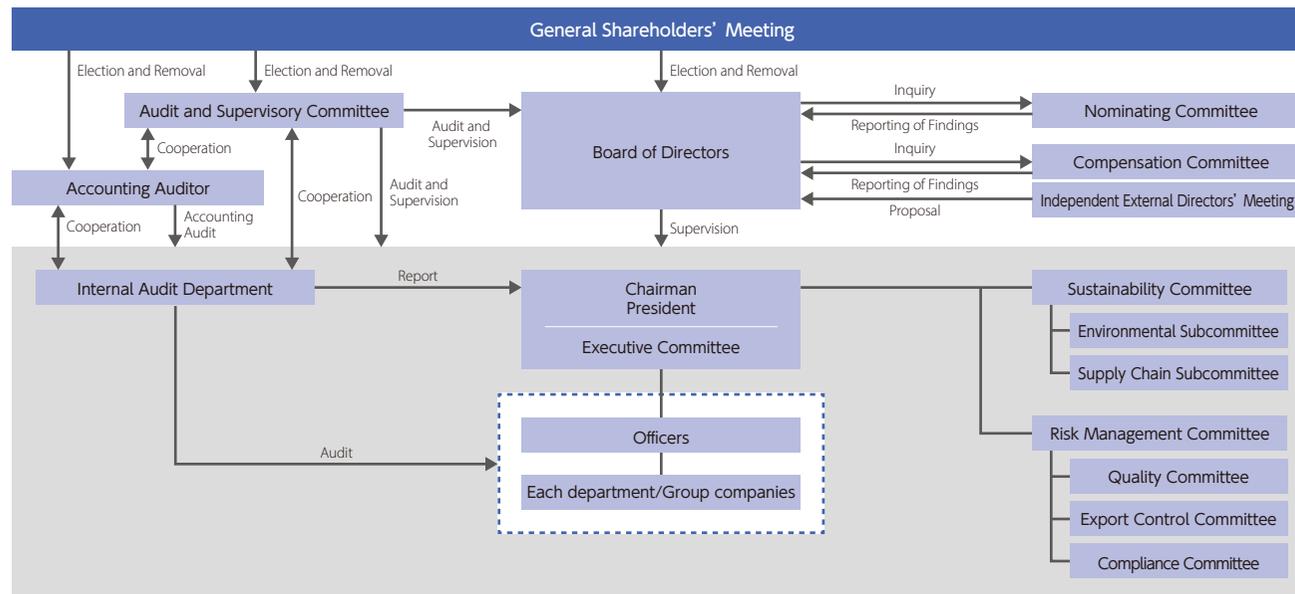
## Risk Management

Nikon established the Audit and Supervisory Committee as an independent body to audit and supervise the execution of operations by Directors and Executive Officers who are not members of the Audit and Supervisory Committee. Nikon also established the Nominating Committee and the Compensation Committee. The purpose of the Nominating Committee (chaired by an External Director) is to consider the Board of Directors, as well as to supervise the appointments of executive officers, etc. The purpose of the Compensation Committee (chaired by an External Director) is to deliberate and make recommendations on policies and systems for executive compensation. The Board of Directors consists of a majority of External Directors (as of April 1, 2024). The Company identifies governance issues by striving to increase diversity and transparency in this way. At the same time, these committees and the Board of Directors examine issues, strengthening management over governance-related risks.



Corporate Governance Organization  
<https://www.nikon.com/company/ir/governance/organization/>  
 Evaluation of the Board of Directors' Effectiveness  
<https://www.nikon.com/company/ir/governance/organization/>

### ● Nikon's Corporate Governance Organization (As of June 24, 2024)



## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Evaluating Board effectiveness and addressing key issues: 100% (every fiscal year)

#### ► FY2023

##### Plan

1. Discussions on and action addressing issues identified in fiscal year 2022 by the Board of Directors
2. Evaluation via advance questionnaires and individual interviews
3. Preparation of evaluation reports

##### Results

Board of Directors discusses and decides on policies to address issues identified in the effectiveness evaluations, taking corrective action

#### ► FY2024

##### Plan

Discussions on and action addressing issues identified by the Board of Directors in the fiscal year 2023 effectiveness evaluation. Conduct evaluation based on preliminary questionnaire and individual interview evaluations, prepare evaluation reports

### Indicators and Targets (Target Fiscal Year)

Board of Director Diversity: Optimizing the composition of the Board of Directors to meet stakeholder demands (every fiscal year)

#### ► FY2023

##### Plan

Consideration of the optimal composition of the Board of Directors

### Results

One new External Director appointed (two women on the Board; External Directors account for half of the Board of Directors).

Ongoing consideration of structure in the next fiscal year and beyond

#### ► FY2024

##### Plan

Consideration of the optimal composition of the Board of Directors

## Major Initiatives

### Evaluation of the Board of Directors' Effectiveness

We took the following actions in response to the issues identified in the third-party effectiveness evaluation conducted in fiscal year 2022.

#### ● Monitoring of progress of Medium-Term Management Plan and growth strategies

Continued regular monitoring of progress in Medium-Term Management Plan and growth strategies by the Board of Directors and discussed the necessity of partial modification of the strategies to adapt to environmental changes

#### ● Reinforcement and monitoring of internal control and risk management systems

The Board of Directors received regular reports on internal control and risk management systems and their implementation and conducted monitoring with a focus on important matters

#### ● Enhancement of coordination between Nominating Committee and Board of Directors

Deepened discussions on the succession plan of President at Board of Directors' meetings by promoting the sharing of information on progress in deliberation by the Nominating Committee with the Board of Directors

Refer to the Company's website for information on the third-party effectiveness evaluation conducted in fiscal year 2023.



Evaluating the effectiveness of the Board of Directors  
<https://www.nikon.com/company/ir/governance/organization/>

### Independent External Directors' Meeting

The Company established the Independent External Directors' Meeting in October 2022. The meeting consists solely of external directors and serves as a forum for external directors to exchange and discuss views freely. The meeting exchanges opinions and makes recommendations from an independent and objective standpoint to the Board of Directors on issues and matters up for deliberation. In this way, the Board engages in more meaningful discussions during meetings.



Corporate Governance Enhancement Initiatives  
[https://www.nikon.com/company/ir/management/nikon-report/initiatives\\_cg/](https://www.nikon.com/company/ir/management/nikon-report/initiatives_cg/)

### Taxation

Taxes have a significant impact on the development of local communities, and proper payment of taxes is an

important corporate social obligation. In its Nikon Code of Conduct, the Nikon Group stipulates conduct that is in compliance with applicable tax laws and regulations, as well as open and honest dialog with tax authorities. We have also established the Global Tax Policy, which has been approved by the Board of Directors, in order to improve tax compliance and strengthen governance.

Based on this policy, the Nikon Group will implement tax compliance measures that are aligned with management policy and management of taxation that is consistent across the Group. At the Nikon Group, the CFO, who also serves as a director, is responsible for tax governance. Tax compliance is delegated to the tax department within each Group company, and each regional headquarters is responsible for managing their respective region. Tax management and compliance for the entire Nikon Group is the responsibility of the tax department within Nikon's Finance & Accounting Division.

Each regional headquarters conducts quarterly monitoring of Group companies in its region and implements appropriate countermeasures in response to regional tax risks and in order to effect awareness of and compliance with this policy. Furthermore, the tax team at Nikon's Finance & Accounting Division receives reports from each regional headquarters, based on which it provides supervision and support and addresses issues that cross regional lines.

The tax team at Nikon's Finance & Accounting Division also regularly reports to the CFO on the status of tax governance. In addition, the CFO submits these reports to the Board of Directors as appropriate.

Looking ahead, the Nikon Group endeavors to respond appropriately to changes in conditions and tax

risks pertaining to tax governance in and outside Japan.

\* CFO: Chief Financial Officer

● **Fiscal Year 2022 Tax Payments by Region**

(million yen)

Region	Tax payment
Japan	4,871
USA	2,788
Europe	1,578
China	982
Other Areas	2,252
Total	12,471



Global Tax Policy

[https://www.nikon.com/company/sustainability/governance/corporate-governance/tax\\_policy.pdf](https://www.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf)

**Details on Corporate Governance**

Refer to our website for more information on corporate governance.



Corporate Governance

<https://www.nikon.com/company/ir/governance/>

## Materiality 12

# Strengthening Risk Management

## Reason for Priority

Risk management involves accurate risk identification and proactive measures to minimize risk impacts. The importance of risk management is intensifying as the risks surrounding companies diversify, including increasing geopolitical risks, digital transformation, and climate change.

In addition, making necessary preparations and arrangements helps to minimize damage and reduce risks. Such preparations and arrangements include those for large-scale disasters, such as earthquakes directly under the Tokyo metropolitan area or massive Nankai megathrust earthquakes, international conflicts and wars, and pandemics.

Identifying various changing risks from a medium- to long-term perspective, and establishing countermeasures based on the resulting impacts to the economy, environment, and society, will lead to sustainable corporate growth.

## Commitment

The risks facing companies are growing more diverse and complex due to changes in the business environment, the rapid evolution of technology, and global socioeconomic changes. Failure to respond to such risks appropriately could result in the loss of trust among stakeholders such as customers and shareholders and may lead to damages that affect the continuity of a company. For this reason, the development of an effective risk management system is becoming increasingly more important.

The Nikon Group develops human resources and systems to strengthen our three lines of defense in risk management. These lines consist mainly of business divisions, administrative divisions, and internal audit divisions, respectively. Furthermore, we strengthen group governance and develop a global compliance system to improve our ability to respond to global risks, while taking into account changes in management environments and business structures.

Muneaki Tokunari  
Representative Director and President  
CRO

## [Policy for Activities]

- Nikon Group Information Security Policy
- Nikon Group Personal Information Protection Policy

## [Organizations]

- Risk Management Committee
- Quality Committee
- Export Control Committee
- Compliance Committee

# Risk Management

## Basic Approach

The Nikon Group has implemented a risk management system in order to deal appropriately with all risks that may have a significant impact on corporate management with the aim of sustainable growth for Nikon and Group companies.

## Strategy

### Risk

Our business environment is heavily influenced by external factors such as geopolitical risks, rising policy interest rates to control inflation in various countries, and the weak yen. From a medium- to long-term perspective, we must take appropriate measures to address risks arising from climate change and other changes in the business environment that cause extensive damage.

Nikon selects critical management risks through the Risk Management Committee. We take measures to mitigate important risks, taking into account the measures and progress of relevant departments to such risks.

### Opportunity

We strive to maintain and develop sound relationships with our stakeholders through two-way communication, accurately identifying and prioritizing critical management risks in our company in response to changes in social conditions and the environment.

## Strategy

We conduct an annual risk identification survey targeting general managers and above, as well as presidents of Group companies inside and outside Japan. We then select critical management risks after deliberation on survey results, risks from a management perspective, and risks not apparent from the survey. Upon deliberation, we take appropriate measures to address such risks, taking into account the current situation and other factors. In this way, we implement appropriate risk management.

## Related Information

Financial statements contain additional information about business activity and other risks within analysis of management performance and financial conditions.



Consolidated Financial Results (for the Year Ended March 31, 2024, P9 to P12)

[https://www.nikon.com/company/ir/ir\\_library/result/pdf/2024/24\\_4qf\\_c\\_e.pdf](https://www.nikon.com/company/ir/ir_library/result/pdf/2024/24_4qf_c_e.pdf)

## Governance

To properly respond to risks that might critically impact corporate management, the Nikon Group has set up the Risk Management Committee. The Committee is chaired by the Representative Director and CRO and made up of Executive Committee members, with the Administration Department and Planning Section of Group Governance & Administration Division serving as Secretariats. The committee met twice in fiscal year 2023, once in October

2023, and again in March 2024.

In order to respond more effectively to major risks, we have established a system that enables continuous monitoring and flexible support for priority target risks. In fiscal year 2024, we plan to strengthen group governance and develop a global compliance system for subsidiaries acquired through M&A that are high-risk.

While the Risk Management Committee has jurisdiction over all risks, committees under the Risk Management Committee respond to risks that require specialized measures. From a sustainability perspective, the Sustainability Committee also monitors risks with a focus on materialities, collaborates with the Risk Management Committee, and addresses risks related to the environment, society, and labor.

Our risk management system features three lines of defense. These lines consist of business divisions, administrative divisions, and internal audit divisions, respectively. Business divisions that make up our first line of defense establish various regulations and report lines, creating an autonomous risk control system that also covers relevant Group companies. The head administration division and the overseas site supervisory functions of our second line of defense support first-line risk control, assessment, etc. The Internal Audit Department of our third line of defense conducts objective audits, independent of business execution divisions, evaluates if internal controls of the first and second lines are functioning, and gives advice.

### Main Activity Topics of the Risk Management Committee in the Fiscal Year 2023

- Strengthen risk management (Establish export control system and review BCM)
- Strengthen internal controls
- Establish and monitor controls for key companies to be monitored
- Report on results of litigation survey
- Respond to information security

### ● Main Specialist Committees Involved in Risk Management

Committees	Principal Risks
Risk Management Committee	Risks
Quality Committee*	Quality
Export Control Committee*	Prevention of the Foreign Exchange Law Violations and Security Risk Management
Compliance Committee*	Compliance
Sustainability Committee	Sustainability in general, especially environmental (climate change, chemical management, water, etc.), social and labor (human rights, etc.)
Bioethics Review Committee	Bioethics

\*Committees under the Risk Management Committee

## Risk Management

The Nikon Group conducts a risk identification survey to identify risks facing the Group. This survey is administered to Nikon's general managers and above, as well as

presidents of Group companies in and outside Japan. We select critical risks based on the results of this survey, in addition to risks from a management perspective and risks not apparent from the survey.

In response to selected critical risks, we develop risk management systems and mitigate risks by stipulating such risks in the Risk Management Committee Policy for Activities, etc., for improvement, based on measures and progress of relevant departments to such risks.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Progress in identifying important risks and implementing measures based on risk assessments: 100% (every fiscal year)

#### ▶ FY2023

##### Plan

1. Support optimization of export control system
2. BCM Review

##### Results

1. Established an export control system to ensure compliance with local laws and regulations and implement measures related to foreign exchange law related matters
2. Decided on assumptions for each business unit on core businesses, target recovery time, and critical operations for BCM. Organized our enterprise system

#### ▶ FY2024

##### Plan

1. Support the optimization of export control systems in Group companies

2. Implement measures to improve the effectiveness of BCP for large-scale disasters and BCM for international conflict contingencies (familiarization and training, continuous updates).

## Major Initiatives

### Risk Management Education

We established the Nikon Global Operating Standard to provide guidance for business units and Group companies to ensure efficient and sound operations. The standards outline 40 items to be considered in business management.

With the issuance of Nikon Global Operating Standard in fiscal year 2023, we held a briefing session for presidents and administrative division managers of all Group companies on how to use these standards. In fiscal year 2024, we will continue to explain internal controls and the Nikon Global Operating Standard to newly appointed presidents of Group companies.

### BCM\*1 Activities Measures

The Nikon Group has formulated BCPs\*2 in preparation for large-scale disasters and other emergencies, including pandemics, and reviews them every year.

In fiscal year 2023, we prepared initial response plans for international conflict contingencies, such as those in Taiwan and the Korean Peninsula. We also reviewed and updated BCPs for major business divisions to ensure business continuity in preparation for earthquakes

directly under the Tokyo metropolitan area and other such large-scale disasters.

The Nikon Group in Japan taught e-learning sessions on actions to be taken during major disasters and conducted various simulation drills, including drills on communications during disasters. These efforts are in preparation for large-scale earthquakes, including earthquakes directly under the Tokyo metropolitan area and Nankai megathrust earthquakes, both of which are assumed to be highly probable.

\*1 Business Continuity Management (BCM)

Typical management activities such as BCP formulation, updates, and maintenance, as well as the implementation of proactive measures, education, trainings, inspections, and continuous improvements.

\*2 Business Continuity Plan (BCP)

A plan describing the policy, systems, procedures, etc., by which corporations can avoid suspension of critical business activities, or can restore critical business quickly if it is interrupted, even when unforeseen contingencies arise, including natural disasters such as major earthquakes, pandemics, etc.

# Risk Management for Information Assets and Cybersecurity

## Basic Approach

At the Nikon Group, the management and security of information assets is conducted in accordance with the Nikon Group Information Security Policy. The Nikon Group Information Management Rules and other internal rules have been established based on the Policy, to ensure optimal and efficient business conduct while properly protecting information assets according to the circumstances in each country and region. These rules are posted on the internal portal site for employees to access anytime.



Nikon Group Information Security Policy

[https://www.nikon.com/company/sustainability/governance/risk-management/security\\_policy.pdf](https://www.nikon.com/company/sustainability/governance/risk-management/security_policy.pdf)

## Strategy

### Risk

We recognize risks to the trust of the Nikon Group, including business activity delays or suspensions due to cyberattacks, as well as theft or leakage of confidential or personal information.

### Opportunity

We strive to reduce risk and enhance trust in the Nikon Group by implementing information security measures and appropriate information asset management.

## Strategy

Based on the Medium-Term Management Plan, we avoid financial loss or damage to our reputation through the sound operation and management of IT infrastructure and the implementation of cybersecurity and personal information protection measures.

We discuss risk maps for priority measures on an annual basis with relevant departments to determine areas of resource concentration. We also take measures using the Zero Trust model, review Endpoint Detection and Response (EDR), and pursue the global integration of monitoring platforms, including those in Europe and the United States. We also strengthened email security monitoring.

## Governance

The Nikon Group has appointed the Representative Director and President as the head of information management, including personal information protection. We have also established operating processes in accordance with Information Security Management Systems (ISMS). In terms of operating processes, under the leadership of the Representative Director (officer in charge of the Information Security Department), the Information Security Department carries out management and supervision of activities across the entire Nikon Group. This includes formulating measures regarding information security, including responses to cyberattacks, as well as establishing and maintaining systems.

In addition, the head of each organization of Nikon's business units, divisions, and Group companies are designated

as information managers. By working with the Information Security Department, these individuals are establishing an information security management system compatible with the situation in each country and region, while comprehensively managing the entire Nikon Group. Material matters involving information asset risks are reviewed by the Risk Management Committee, which includes members of the Executive Committee and others.

In the Healthcare Business, Nikon works to expand business in information services centered on digitalization, including support for network-based remote diagnosis and services that store and manage cloud-based pathology images. As business expands, we will be faced with handling more personal medical information for subjects and patients, which requires strict management at medical institutions. Given these circumstances, Nikon works to ensure thorough information security management. We not only increased the number of organizations subject to ISO27001 in December 2023, but we also obtained ISO27017 certification (a code of practice in information security management for cloud services) and launched operations.

\* ISMS: Information Security Management System

## Risk Management

The Information Security Department determines areas to concentrate resources by discussing risk maps with relevant departments. Such risk maps take into account the comprehensive situation of social trends, the Nikon Group, and other factors.

## Indicators and Targets

### Indicators and Targets (Target Fiscal Year)

Progress in identifying important risks and implementing measures based on risk assessments: 100% (every fiscal year)

#### ► FY2023

##### Plan

Continue compliance with applicable personal information protection laws and regulations in various countries

##### Results

We took necessary measures to comply with the applicable personal information protection laws and regulations of various countries

#### ► FY2024

##### Plan

Strengthen cybersecurity systems and comply with laws and regulations in each country that require product cybersecurity measures.

## Major Initiatives

### Response to Information Security Incidents

When an information security incident occurs at the Nikon Group, the site where the incident occurred is obligated to report it immediately to the Information Security Department. The Information Security Department works with relevant departments to establish a system and procedures for minimizing damage and impact, and processes for promptly resuming business. Serious cases

are promptly reported to the director in charge by the Information Security Department.

There have been no major information security incidents involving the payment of fines or compensation in the past three years.

### Information Security Education

The Nikon Group conducts information security e-learning education programs as part of new employee training, etc., in order to raise employee awareness and improve the effectiveness of information security. Within this education program, we include not only information about the policies and rules related to information management, but also provide specific examples as well.

In addition, the Nikon Group Information Security Handbook, an educational document that provides easy-to-understand explanations of the information security measures that are disseminated through internal regulations and bulletins, is posted on the portal site for all employees to refer to at any time. This handbook is used in regular training to make sure that every one of the employees understands the importance of information asset management and complies with the rules with strong awareness.

In the fiscal year 2023, as in previous years, we designated February as Information Security Awareness Month, raising awareness through in-house newsletters and conducting an e-learning program for domestic Group companies. We also conducted an e-mail drill to improve proficiency in handling suspicious e-mails.

For regular new employees, we conduct training led by instructors, and for mid-career hires, we provide

e-learning programs. Group companies outside Japan also conducted information security education through e-learning or other methods as appropriate.

Through these training programs, we ensure that our employees are thoroughly familiar with information security. In the event that an employee violates the relevant rules and causes an incident such as information leakage of personal information, etc., the employee may be subject to disciplinary action in accordance with the employment regulations of the company to which the employee belongs.

### Information Security Audit

The Nikon Group periodically conducts internal audits pursuant to the Nikon Group Information Management Rules to improve the level of our information security.

In the fiscal year 2023, we conducted a paper audit (on the management of personal information, etc.) on all divisions of the Nikon Group in Japan. On-site audits were carried out on selected organizations based on key topics. The results of these audits indicate there were no significant risks. The Nikon Group plans to conduct internal audits focusing on the presence of appropriate information security measures in the fiscal year 2023.

### Personal Information Protection

The Nikon Group has established the Nikon Group Privacy Protection Statement based on its respect for privacy and acknowledgment that processing personal data in a lawful and proper manner is an important social responsibility. Additionally, under this Statement, we

established the Nikon Group Personal Data Processing Rules as a common set of rules covering the entire Group. We are now working to make these rules known within the Group and ensuring that personal data is handled in accordance with these rules under the information management system.

Furthermore, we established the Personal Data Protection Subcommittee under the Risk Management Committee comprised of members from the Executive Committee and other organizations. The subcommittee carries out risk management concerning privacy and personal information covering the entire Nikon Group.

Our specific initiatives include posting privacy notices on the website of each Nikon Group company in accordance with relevant laws and regulations, and notifying customers of contact information for support regarding privacy and individual rights. This includes the purpose of use of personal information and how to delete their personal information.

In addition, we request that procurement partners follow the Nikon CSR Procurement Standards in order to maintain information security, including privacy protection.



Nikon Group Privacy Protection Statement

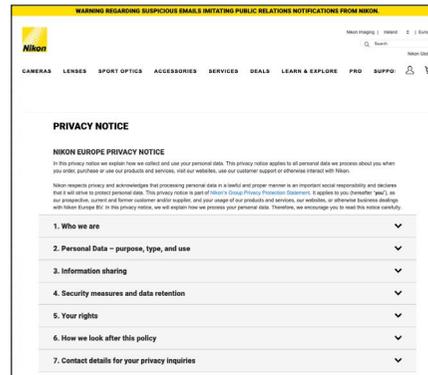
<https://www.nikon.com/privacy/group/>

Privacy Notice of Nikon Europe B.V. in accordance with the EU General Data Protection Regulation (GDPR)

[https://www.nikon.ie/en\\_IE/footers/privacy\\_policy.page](https://www.nikon.ie/en_IE/footers/privacy_policy.page)

Nikon CSR Procurement Standards

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



Privacy Notice of Nikon Europe B.V. in accordance with the EU General Data Protection Regulation (GDPR) (excerpt)

## Response to the Personal Information Protection Laws of Each Country

The Nikon Group complies with the personal information protection laws of each country where it operates, including the General Data Protection Regulation (GDPR) in the EU. We are also working to develop a system to prevent violations in order to achieve appropriate management of personal information under an information security management system.

In fiscal year 2023, we amended our privacy policy in accordance with the California Consumer Privacy Act and relevant sub-regulations. We continuously collect information on legislation and revision trends of personal information protection-related laws and regulations in other countries and regions.

In fiscal year 2024, we will continue to take necessary actions in line with the enactment or revision of personal information protection-related laws and regulations in each country and region.

## Improving Cybersecurity Infrastructure and Processes

In order to maintain a high level of defense against increasingly sophisticated and stealthy cyberattacks, the Nikon Group is improving and strengthening its operational system to collectively monitor and respond to cyberattacks on a global basis. This includes enhancing early detection and early response capabilities. We also operate a system deployed to filter out phishing scams and other suspicious e-mails.

Furthermore, we work to continuously improve our existing operating processes. For example, we conduct periodic checks on the vulnerability of our corporate website, which could become an entry point for cyberattacks. We also conduct training for designers on information security rules for the product development process.

# Corporate Citizenship Activities

# Corporate Citizenship Activities

## Basic Approach

The Nikon Group strives to be a good corporate citizen, developing in partnership with our communities through corporate citizenship activities for future generations based on the Nikon Corporate Citizenship Policy.

### Nikon Corporate Citizenship Policy

Nikon has stated in the Nikon Code of Conduct, which sets out the standards for behavior that embodies its corporate philosophy of "Trustworthiness and Creativity", that it will actively promote participation in activities that contribute to communities and serve public interests.

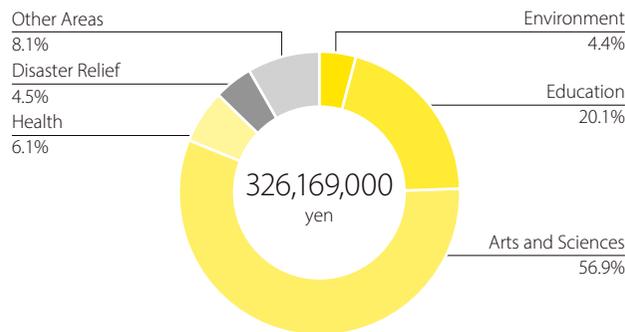
With the strong desire to be a good corporate citizen, Nikon will carry out corporate citizenship activities based on the following policy in order to build good relationships as a member of the community, and to work with the community to achieve sustainable development collectively.

1. We will engage primarily in activities that target the next generation with a focus on the areas of the environment, education, arts and sciences, and health.
2. We will effectively utilize resources such as the technologies and know-how that Nikon possesses.
3. We will build cooperative relationships with organizations (governments, educational institutions, NGOs, NPOs, etc.) that work to promote public interests, resolve social issues, and contribute to technology development through academic research.
4. We value the participation of employees in corporate citizenship activities and will strive to create opportunities for employees' participation in these activities.

## System

Nikon engages in corporate citizenship activities, pursuing sustainability through all Group companies. The Sustainability Committee is the entity that drives our sustainability promotion structure. We implement an annual survey on the Nikon Group Corporate Citizenship Activities to monitor whether initiatives adopted by individual Group companies conform with the Corporate Citizenship Policy. Survey results are reported to the Sustainability Committee. Furthermore, with regard to donations, we closely monitor the Nikon Group's current situation in accordance with internal regulations and report it to the Board of Directors.

### Expenditures on Corporate Citizenship Activities by Area (Fiscal Year 2023)



### Employee Participation

The Nikon Group strives to create a culture in which employees participate in corporate citizenship activities. In addition to support through the Nikon volunteer leave and other programs, we plan easy-to-join activities and

encourage employees to participate.

### Participation in Nikon Group Corporate Citizenship Activities

Total participants (fiscal year 2023)	2,575
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## Major Initiatives

### Encouraging Future Generations to Appreciate Global Environmental Issues

The Nikon Group aims to pass on a healthy global environment to future generations. To this end, we conduct environmental awareness activities for children.

We support the Akaya Project, which aims to restore biodiversity in Japan. As part of our efforts here, Nikon created a study booklet named the AKAYA NOTE for children, and we have distributed this booklet to schools free of charge. We distributed 150 booklets to schools during the fiscal year 2023. In the Netherlands, Nikon Europe B.V. offers an environmental education program called Light on Small, conducted in collaboration with the local branch of the Foundation for Environmental Education (FEE), an international education NGO. The program produces educational materials using the EZ-Micro stereoscope manufactured by Nikon. A total of 1,162 school children used these teaching materials during fiscal year 2023. Nikon Vision in Japan is involved in the *Ikimono Observation Day* in which children learn the joy of science and the importance of environmental conservation through hands-on observation of living

things. The event was held twice In fiscal year 2023, with 220 total participants among parents and children.

Support for Biodiversity Conservation and Restoration → p.102

● Participation in Nikon Group Environmental

Fiscal Year 2023 Results	1,532
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Children participated in *Ikimono Observation Day*, viewing marine life through using the Nikon Fabre Mini portable microscope.

Helping Children Envision the Future

The Nikon Group assists school enrollment and attendance for children who struggle to go to school due to economic reasons. We support children who live primarily in areas involved in Nikon and Nikon products.

Nikon, Nikon (Thailand) Co., Ltd. and Nikon Lao Co., Ltd. provide scholarships in Thailand and Laos through an international NGO.

In Thailand, we provided scholarships to 170 junior high, senior high, and university students during fiscal year 2023. Our efforts have brought scholarships to a

total of 2,917 recipients over the past 17 years. In Laos, we provide scholarships to 100 junior high school students every year, and 1,000 students have received scholarships over the past 10 years. In addition, the Nikon Group in Japan cooperates with the United Nations World Food Programme (WFP) in supporting school feeding to improve the health of children in developing countries and encourage school attendance. In fiscal year 2023, we donated ¥1,381,452 to pay for 46,048 school meals. These meals supported 184 students for one year.

● Children Receiving Financial Assistance from Nikon Group

Fiscal Year 2023 Results	454
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Scholarships in Thailand are provided through Shanti Volunteer Association in Japan and Sikkha Asia Foundation in Thailand. The photo above was taken at an awards ceremony in Phayao, Thailand, in June 2023.

Column

Delivering Picture Books from Japan: Picture Books in the Lao Language

The Nikon Group in Japan participates in the Lao Language Picture Book Project of the specified nonprofit corporation Action with Lao Children (ALC) and conducts volunteer activities with employees. In this project, employee volunteers create Lao language picture books by sticking Lao texts on Japanese picture books and delivering them to school libraries in Laos through ALC.

In Laos, children have limited access to books, and the country generally lacks the number and diversity of books and bookstores found in Japan. Understanding the situation, we launched this activity in the fiscal year 2017 as an educational support program from Japan to Laos, continuing these efforts on an annual basis. During fiscal year 2023, a total of 41 employees participated, producing 105 picture books in the Lao language. To date, 477 employees have participated in this activity over the past seven years, sending 1,022 picture books to Laos.



As the COVID-19 pandemic subsided in fiscal year 2023, we came together physically to create picture books, while offering ways for people to participate from home as well.

## Encouraging Younger Generations to Build the Future

Nikon has sponsored the Nikon Photo Contest, an international photography contest, since 1969 to contribute to the development of photographic culture. Through a divisional structure that aligns with the trends of the times, the contest continues to provide opportunities for creators to share the message they wish to convey, regardless of age, nationality, experience, or manufacturer of photographic equipment. Furthermore, Nikon Imaging Japan continues to manage the Nikon Salon, a photography exhibition space we established in 1968 to popularize and strengthen photographic culture. The Nikon Salon is a venue for the exhibition of outstanding images in all categories, breaking down barriers between professional and amateur photographers and unaffected by corporate strategies, in pursuit of the true nature of photography exhibitions. Nikon Salon is committed to supporting young photographers. Since 1999, the Salon has presented the Miki Jun Award for the most outstanding exhibition of work by an emerging photographer. Since 2008, Nikon Imaging Korea Co., Ltd. has been actively supporting programs to develop the talents of young people interested in photography, including sponsorship of the Daum Junior Photo Festival organized by the Parkgeonhi Foundation each year. Group companies overseas are also making various efforts to support the next generation in the realm of visual culture.

To foster the next generation of industrial human resources, Nikon established the Nikon Optical & Precision Frontiers Research Program in the Institute of Industrial Science at the University of Tokyo. This program contributes to the education of engineers who will be the next generation of leaders in the optics industry, while at

the same time, identifying research categories that will serve to create value of the type society will demand in the future. Through this new program, Nikon aims to contribute to the cultivation of the next generation of talent while striving to generate research themes that can lead to social implementation and create value that society will demand by society in the future. In addition, the Nikon-JICA scholarship at Savannakhet University in Laos supports the development of talented individuals who will support Laos in the future, and improves the educational environment in the Japanese language department to foster industry personnel who understand Japanese. Within our overseas Group companies, Morf3D Inc., a U.S.-based company specializing in additive manufacturing design and production, is involved in various initiatives. These include conducting lectures on additive manufacturing for university students and organizing events for high school students to learn about career paths for becoming technicians. Nikon SLM Solutions AG of Germany sponsors a student formula racing team from Technische Hochschule Lübeck to help local students improve their technical skills.

### ● Participation in Nikon Group Talent Search and Educational Initiatives

Fiscal Year 2023 Results	18,137
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*Tears in the rain* won the Grand Prize in the Single Photo category of the Nikon Photo Contest for 2022-2023.



Young people participating in the Daum Junior Photo Festival supported by Nikon Imaging Korea Co., Ltd.



The Nikon-JICA scholarship award ceremony was held for the first time in four years at Savannakhet University in December 2023.

Column

### Established Scholarships for Students of National Colleges of Technology

In fiscal year 2022, Nikon established a scholarship for students of national colleges of technology in cooperation with the National Institute of Technology, and began providing funds to 40 students in the first phase of scholarships beginning fiscal year 2023.

These scholarships are intended for students at technical colleges of technology—institutions of higher education that aim to foster practical and creative—to foster practical and creative engineers. Nikon hopes to increase the number of next-generation professionals with whom the Company will create a *global society where humans and machines co-create seamlessly* as described in the Nikon Group Vision 2030. The Company also aims to contribute to the development of human resources in the fields of science and engineering who will support the future industrial infrastructure of Japan.

Nikon not only provides scholarships, but also supports students by communicating with them and providing information helpful in developing future careers.



Students from national colleges of technology gathered at the scholarship certificate award ceremony held in September 2023.

### Sustainable Community Well-Being

The Nikon Group aspires to create better communities for the future, and we are committed to activities that contribute to community happiness and health.

#### Nikon India Private Limited

Nikon India Private Limited has been helping to provide home-based fostering for 72 children in need of social care through SOS Children's Villages of India. In addition, through Magic Bus India Foundation's Youth Skilling Program, the company contributes to the creation of employment opportunities and skills development support for approximately 150 NEET (Not in Education, Employment, or Training) youth.



Children in need of social care supported by SOS Children's Villages of India through donations from Nikon India Private Limited.

#### Nikon Europe B.V.

Nikon Europe provided support for the Kinder Beest Feest event. This event invites children with chronic illnesses and their families to fun outdoor activities. Employees operated two booths, one for photography and the other for the use

of microscopes. The company gave away commemorative photos and provided children with the opportunity to make observations using a microscope.



Nikon Europe B.V. staff members took commemorative photos of children with chronic illnesses and their families at the event.

#### Nikon Precision Taiwan Ltd.

Every year since fiscal year 2010, Nikon Precision Taiwan has supported welfare organizations and children's homes through donations. The company also encourages employees to donate to these organizations and homes through matching gifts.



In fiscal year 2023, Nikon Precision Taiwan delivered unused monitors, PCs, cell phones, and other items to local facilities for use by people with disabilities.

### Nikon Canada Inc.

Each year during the holiday season, we hold a toy drive for underprivileged children. This charity event has grown in scale each year thanks to the dedication of our employees.



Gifts brought to the toy drive by employees

### Nikon India Private Limited

Nikon India provided support to an ophthalmic assistant training program at one of India's leading eye care institutions. The program aims to address the shortage of ophthalmology specialists capable of making initial diagnoses, as well as to encourage the empowerment of women. Training young women, often marginalized in their communities, in basic ophthalmology skills and assigning them to various locations helps the country battle blindness due cataracts and other treatable diseases that are still common in India. In fiscal year 2023, the program provided support in training 40 ophthalmic assistants.



Training course for ophthalmic assistants supported by Nikon India Private Limited.

### Nikon Europe B.V.

Since 2017, Nikon Europe B.V., France Branch has been a sponsor of Tous HanScène, a student video contest that conveys the reality of living with handicaps and students with disabilities.



The contest is designed to expand learning opportunities for young people with disabilities.

### Nikon Imaging Korea Co., Ltd.

Nikon Imaging Korea began recruiting a CSR Crew within the company in fiscal year 2023 to promote CSR and volunteer activities. Volunteer activities included

the distribution of charcoal briquettes for use in heating systems during the winter to families in financial need.



Approximately 20 volunteers distributed charcoal briquettes to 10 families.

### Nikon Precision Inc. / Nikon Research Corporation of America

Nikon Precision and Nikon Research Corporation of America support volunteer activities conducted by employees. These volunteer activities include an annual food bank drive, which assists families in the community who are in financial need.



Company employees support local food bank activities.



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NIKON  
SUSTAINABILITY  
REPORT **2024**

ニコン サステナビリティ報告書

Data index データ集

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## Boundary

Nikon Group (Nikon Corporation and all Nikon consolidated subsidiaries (81 entities))

Notes:

1. "Nikon Group in Japan" refers to Nikon and Group companies in Japan.
2. The boundary for environmental data is defined on D-03 in "Data classification and ISO 14001 Certification Status." In other cases where a specific boundary is defined, details are clearly specified in each respective section.
3. Partial changes have been made to past performance data due to the expansion of the boundary.
4. Unless otherwise stated, the term "employees" includes Nikon Group executive officers, permanent and non-regular staff, contract workers, contract workers from staffing agencies, part-time employees, and temporary personnel.
5. The figures related to the financial content of this report are truncated to the nearest 100 million yen when stated in hundred millions of yen and rounded to the nearest 1 million yen when stated in millions of yen. Other figures are also rounded after presentation. Therefore, sums of detailed figures may not match total amounts.

## Independent Practitioner's Assurance

Certain data have also received third-party assurance in order to enhance their credibility (relevant data are marked with ★).

## 範囲

ニコングループ(株式会社ニコンおよび全連結子会社(81社))

※1「国内ニコングループ」とはニコンと国内グループ会社を表しています。

※2 環境データについては、D-03の「データ区分とISO 14001取得状況」に対象範囲を定義しています。また、これ以外に個別の対象範囲を定義している場合には、各掲載場所にその旨を明示しています。

※3 パウンダリ拡大等に伴い、過去のパフォーマンスデータを一部変更しています。

※4「従業員」には、ニコングループの役員、正社員、嘱託、契約社員、派遣社員、パートタイマー、アルバイトが含まれています。

※5 財務内容にかかわる数値は、億円表示は単位未満を切り捨て、百万円表示は単位未満で四捨五入しています。また、それ以外の数値については、表示以降四捨五入しており、内訳と合計値が一致しない場合があります。

## 第三者保証

数値の信頼性向上のため、一部データについては、第三者保証を受けています(該当のデータには★を付けています)。

# Data on "Business activity" field / 「事業」に関するデータ

## Analysis and Review Breakdown of Call Center Inquiries (Japan)

### 分析・検討したコールセンターへのお問い合わせ内訳 (日本)

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Total number of inquiries お問い合わせ総件数		27,117	17,787	14,639	13,550	13,673	cases 件
Breakdown 内訳	Requests ご要望	66.1	70.2	70.0	68.2	65.6	%
	Feedback ご意見	31.9	28.1	27.6	28.5	30.0	
	Favorable comments 好評価	2.0	1.7	2.4	3.3	4.4	

Note: The number of inquiries received, excluding questions about dealers and usage methods, out of a total number of inquiries to the call center, used for analysis and review in product development.

※ コールセンターへのお問い合わせ総数のうち、販売店や使用方法に関する質問などを除き、製品開発などのための分析・検討に活用した件数。

## Customer Satisfaction Survey Results

### お客様対応時の満足度調査の結果

Unit: % / 単位: %

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Customer satisfaction お客様満足度	86.6	87.0	86.9	88.4	87.0

Note: The above figures represent the level of satisfaction taken from call center inquiries in the Americas, Europe and China.

※ 上記数値は米州、欧州および中国でのコールセンターの対応に対するもの。

# Data on "Environment" field / 「環境」に関するデータ

## Data classification and ISO 14001 Certification Status (Fiscal Year 2023)

### データ区分とISO 14001取得状況(2023年度)

Data classification データ区分	Company 会社名	ISO 14001 Certification Status ISO 14001取得状況
Nikon ニコン	Nikon Corporation / ニコン	○
Group manufacturing companies in Japan 国内グループ生産会社	Tochigi Nikon Corporation / 栃木ニコン	○
	Tochigi Nikon Precision Co., Ltd. / 栃木ニコンプレシジョン	○
	Sendai Nikon Corporation / 仙台ニコン	○
	Miyagi Nikon Precision Co., Ltd. / 宮城ニコンプレシジョン	○
	Hikari Glass Co., Ltd. / 光ガラス	○
	Nikon Engineering Co., Ltd. / ニコンエンジニアリング	○
	Nikon CeLL innovation Co., Ltd. / ニコン・セル・イノベーション	*1
Group nonmanufacturing companies in Japan 国内グループ非生産会社	Nikon Tec Corporation / ニコンテック	○
	Nikon Solutions Co., Ltd. / ニコンソリューションズ	○
	Nikon Systems Inc. / ニコンシステム	○
	Nikon Business Service Co., Ltd. / ニコンビジネスサービス	○
	Nikon Product Support Corporation / ニコンプロダクトサポート	*1
	Nikon Vision Co., Ltd. / ニコンビジョン	○
Group manufacturing companies outside Japan 海外グループ生産会社	Nikon Imaging Japan Inc. / ニコンイメージングジャパン	○
	Hikari Glass (Changzhou) Optics Co., Ltd.	○
	Nanjing Nikon Jiangnan Optical Instrument Co., Ltd.	○
	Nikon (Thailand) Co., Ltd.	○
	Nikon Lao Co., Ltd.	○
	Nikon X-Tek Systems Ltd.	○
	Optos Plc	○
Optos, Inc.	○	
Nikon SLM Solutions AG	○	
Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など <sup>*2</sup>	41 companies 41社	*1

Notes:

1. The ISO 14001 certification rate for the Nikon Group as a percentage of the number of employees at manufacturing sites is roughly 100%.

2. Since Nikon SLM Solutions AG has joined in Nikon Group, in FY 2023, so data for previous years is not included.

\*1 Introduced the Nikon Eco Program.

\*2 3 Group nonmanufacturing companies in Japan that have very minimal environmental impact and have not obtained ISO 14001 are included. 18 companies such as private funds, companies in the process of liquidation and Companies that have just joined the Nikon Group through M&A, etc. are excluded.

\*1 ニコングループにおけるISO 14001認証の取得率は、生産拠点における従業員ベースで約100%。

\*2 Nikon SLM Solutions AGについては、2023年度よりニコングループに加わったため、それより前の年度のデータには含まれない。

\*1 ニコン簡易EMSを導入

\*2 環境負荷のごく小さいISO 14001未取得の国内グループ非生産会社3社含む。またプライベートファンドや、清算に向けた諸手続き中の会社、M&A等によりニコングループに入ったばかりの会社など18社は除く。

## GHG Emissions List Breakdown by Scope and Category (1) Scope・カテゴリ別 GHG 排出量 (1)

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: t-CO<sub>2</sub>e / 単位: t-CO<sub>2</sub>e

Data classification データ区分	Company 会社名	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Scope 1	Nikon, Group companies in Japan, Group manufacturing companies outside Japan ★ ニコン, 国内グループ会社, 海外グループ生産会社 ★	32,945	31,300	33,027	33,056	28,311
	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	4,107	2,598	1,709	1,612	1,646
	Total 合計	37,052	33,898	34,736	34,668	29,957
Scope 2 Location-based/ロケーション基準	Nikon, Group companies in Japan, Group manufacturing companies outside Japan ニコン, 国内グループ会社, 海外グループ生産会社	173,840	160,925	159,788	166,178	173,999
	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	6,874	6,011	5,502	5,421	4,901
	Total 合計	180,714	166,936	165,290	171,599	178,899
Scope 2 Market-based/マーケット基準	Nikon, Group companies in Japan, Group manufacturing companies outside Japan ★ ニコン, 国内グループ会社, 海外グループ生産会社 ★	167,165	156,780	154,185	135,896	53,337
	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	5,683	4,999	4,165	4,303	4,058
	Total 合計	172,848	161,779	158,350	140,199	57,395

Notes:

1. The following values were used for CO<sub>2</sub> conversion factors.

[Electric power]

●Japan: The CO<sub>2</sub> emission factors without adjustment for each electric power utility noted in the "List of Basic Emissions Factors by Electric Power Utility" specified in the Act on Promotion of Global Warming Countermeasures. ●UK: Residual mix. ●US: NERC regional residual mix. ●Other countries outside Japan: Individual country factor in International Energy Agency (IEA) factors.

[City gas]

●Japan: The gas company eigenvalues noted in the guidance document for Periodic Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act) were multiplied by the values given in Appended Table 2 of the "List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems" specified in the Act on Promotion of Global Warming Countermeasures, and by 44/12. ●UK: Factors from the Report on Greenhouse Gases. ●Other countries outside Japan: Same value as a typical Japanese gas company.

[Heat and other fuels]

●The factors noted in the "List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems specified in the Act on Promotion of Global Warming Countermeasures (Using the FY2009 edition)."

2. CO<sub>2</sub> emissions from energy consumption are calculated by subtracting amounts of green power plan, green power certificate, solar power, and green heat certificate from total energy consumption, and multiplying that by the basic emission factors.

3. Data coverage of Scope 1 and 2 for the fiscal year 2023 is 100% on an employee basis.

※1 CO<sub>2</sub> 換算係数は、下記の値を使用。

[電力]

●日本: 温対法「電気事業者別基礎排出係数」 ●英国: 残渣ミックス ●米国: NERC 地域別残渣ミックス ●その他海外: 国際エネルギー機関(IEA)の国別係数。

[都市ガス]

●日本: 省エネ法「定期報告書記入要領」のガス会社固有値に、温対法「算定・報告・公表制度における算定方法・排出係数一覧」の「別表2」の値と 44/12 を乗じた値 ●英国: 「温室効果ガス報告書」用係数 ●その他海外: 日本の代表的なガス会社と同じ値

[熱およびその他燃料]

●温対法「算定・報告・公表制度における算定方法・排出係数一覧」の係数(2009年度(平成21年度)版を使用)

※2 エネルギー起源 CO<sub>2</sub> 排出量は、総エネルギー使用量から、グリーン電力プラン、グリーン電力証書、太陽光自家発電および、グリーン熱証書のエネルギー量分を減算し、基礎排出係数を使用して算出。

※3 2023年度におけるScope1、2のデータのデータカバー率は従業員ベースで100%

## GHG Emissions List Breakdown by Scope and Category (2) Scope・カテゴリ別 GHG 排出量 (2)

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: t-CO<sub>2</sub>e / 単位: t-CO<sub>2</sub>e

Data classification データ区分		Company 会社名	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Scope 3	1 Purchased goods and services 購入した製品・サービス	Imaging Products Business, Precision Equipment Business 映像・精機事業	725,837	438,434	544,185	428,226	473,023
	2 Capital goods 資本財	Entire Nikon Group ニコングループ全体	58,184	58,879	60,917	76,577	144,160
	3 Fuel and energy-related activities not included in Scope 1,2 Scope1、2に含まれない燃料およびエネルギー関連活動	Nikon, Group companies in Japan, Group manufacturing companies outside Japan ニコン, 国内グループ会社, 海外グループ生産会社	17,402	15,914	17,412	24,934	30,642
	4 Upstream transportation and distribution 輸送、配送(上流)	Entire Nikon Group ニコングループ全体	52,668	29,007	27,532	25,411	21,266
	5 Waste generated in operations 事業から出る廃棄物	Nikon, Group companies in Japan, Group manufacturing companies outside Japan ニコン, 国内グループ会社, 海外グループ生産会社	2,501	2,291	1,934	2,209	2,225
	6 Business travel 出張	Entire Nikon Group ニコングループ全体	28,022	8,928	12,341	47,742	55,211
	7 Employee commuting 雇用者の通勤	Entire Nikon Group ニコングループ全体	9,714	8,567	7,672	9,283	10,177
	8 Upstream leased assets リース資産(上流)	Included in Scope 2 Scope2に含む	—	—	—	—	—
	9 Downstream transportation and distribution 輸送、配送(下流)	Excluded *1 除外 *1	—	—	—	—	—
	10 Processing of sold products 販売した製品の加工	Excluded *1 除外 *1	—	—	—	—	—
	11 Use of sold products ★ 販売した製品の使用 ★	Imaging Products Business, Precision Equipment Business, Healthcare Business 映像・精機・ヘルスケア事業	185,684	108,524	108,903	100,851	117,753
	12 End-of-life treatment of sold products 販売した製品の廃棄	Imaging Products Business, Precision Equipment Business 映像・精機事業	3,175	1,544	1,591	1,726	1,997
	13 Leased assets (downstream) リース資産(下流)	Excluded *1 除外 *1	—	—	—	—	—
	14 Franchises フランチャイズ	Out of scope 対象外	—	—	—	—	—
	15 Investments 投資	Out of scope 対象外	—	—	—	—	—
		Total 合計	1,083,187	672,089	782,488	716,958	856,454

4. Category 11 is calculated by the following calculation method for each product category in Imaging Products Business, Precision Equipment Business and Healthcare Business.

※4 カテゴリ11は、映像・精機・ヘルスケア事業ともに、製品カテゴリ毎に以下の算出方法で算出。

ヘルスケア事業は2023年度より集計開始。

●映像事業:生涯撮影コマ数×代表機種1コマ当たり電力使用量×販売台数

●精機事業:ヘルスケア事業:代表機種1台の電力使用量×年間稼働時間×耐用年数×販売台数

\*1 少量のため除外。

## Energy Consumption ★ エネルギー使用量 ★

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

			FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Renewable energy 再生可能エネルギー	Electricity 電力	Nikon Group in Japan / 国内ニコングループ	17,507	17,751	18,305	67,000	147,568	MWh
		Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	6,032	13,115	119,797	
	Cold water and steam 冷水・蒸気	Nikon Group in Japan / 国内ニコングループ	8,224	0	0	0	0	1,000 MJ
		Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0	
Nonrenewable energy 非再生可能エネルギー	Electricity 電力	Nikon Group in Japan / 国内ニコングループ	236,964	224,246	219,003	180,029	100,174	MWh
		Group manufacturing companies outside Japan / 海外グループ生産会社	113,345	105,847	109,384	105,835	12,108	
	City gas 都市ガス	Nikon Group in Japan / 国内ニコングループ	4,966	4,642	4,528	3,782	4,076	1,000 Nm <sup>3</sup>
		Group manufacturing companies outside Japan / 海外グループ生産会社	90	130	102	75	211	
	Liquefied petroleum gas (LPG) 液化石油ガス	Nikon Group in Japan / 国内ニコングループ	2,153	2,186	2,130	2,069	1,875	t
		Group manufacturing companies outside Japan / 海外グループ生産会社	217	208	228	225	223	
	Compressed natural gas (CNG) 圧縮天然ガス	Nikon Group in Japan / 国内ニコングループ	0	0	0	0	0	1,000 m <sup>3</sup>
		Group manufacturing companies outside Japan / 海外グループ生産会社	4	0	0	0	0	
	hydrogen gas 水素ガス	Nikon Group in Japan / 国内ニコングループ	0	0	0	0	0.264	t
		Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0	
	Other fuels <sup>*1</sup> その他燃料 <sup>*1</sup>	Nikon Group in Japan / 国内ニコングループ	1,203	1,239	1,196	1,253	1,146	kL
		Group manufacturing companies outside Japan / 海外グループ生産会社	853	682	730	701	920	
	Cold water and steam 冷水・蒸気	Nikon Group in Japan / 国内ニコングループ	0	7,109	8,084	9,005	9,748	1,000 MJ
		Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0	
Total energy consumption <sup>*2</sup> 総使用量 <sup>*2</sup>	Nikon Group in Japan / 国内ニコングループ		2,880	2,744	2,690	2,753	2,760	TJ
	Group manufacturing companies outside Japan / 海外グループ生産会社		1,178	1,098	1,195	1,226	1,370	
	Energy consumption per unit of sales / 売上高原単位		6.87	8.51	7.20	6.34	5.76	

\*1 Calculated as crude oil equivalent.

\*2 The following values were used for calorific-value conversion factors for total consumption.

[Electric power]

● The factors given in the guidance document for Periodical Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act).

[City gas]

● Japan: Gas company-specific factors under the guidance document for Periodical Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act).

● UK: Value calculated from the factors for the Report on Greenhouse Gases.

● Other countries outside Japan: Same value as a typical Japanese gas company.

[Heat and other fuels]

● The factors given in the guidance document for Periodical Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act) (Using the FY2009 edition).

\*1 原油換算値。

\*2 総使用量の熱量換算係数は、下記の値を使用。

[電力]

● 省エネ法「定期報告書記入要領」の係数

[都市ガス]

● 日本: 省エネ法「定期報告書記入要領」のガス会社固有係数

● 英国: 「温室効果ガス報告書」用係数より算出した値

● その他海外: 日本の代表的なガス会社と同じ値

[熱およびその他燃料]

● 省エネ法「定期報告書記入要領」(2009年度(平成21年度)版を使用)の係数

## Energy Consumption (MWh conversion) エネルギー使用量 (MWh換算)

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: MWh / 単位: MWh

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Non-renewable energy consumption 非再生可能エネルギー使用量	Nikon Group in Japan, Group manufacturing companies outside Japan ★ 国内ニコングループ, 海外グループ生産会社 ★	469,053	446,103	442,417	389,928	220,320
	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	33,013	24,327	18,928	17,596	16,332
	Total 合計	502,066	470,430	461,345	407,524	236,652
Renewable energy consumption 再生可能エネルギー使用量	Nikon Group in Japan, Group manufacturing companies outside Japan ★ 国内ニコングループ, 海外グループ生産会社 ★	19,792	17,751	24,337	80,116	267,365
	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	3,818	4,027	4,266	4,533	4,273
	Total 合計	23,610	21,778	28,603	84,648	271,638

Notes:

- Fuel: Value converted to calorific value and then multiplied by the power conversion coefficient (1MJ = 0.2778kWh). The following values are used for the conversion coefficient of calorific value.  
[City gas]
  - Japan: Gas company-specific factors under the guidance document for Periodical Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act).
  - UK: Value calculated from the factors for the Report on Greenhouse Gases
  - Other countries outside Japan: Same value as a typical Japanese gas company  
[Heat and other fuels]
  - The factors given in the guidance document for Periodical Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act) (Using the FY2009 edition).
- Cold water and steam: Value converted to calorific value, and then multiplied by the power conversion coefficient (1MJ = 0.2778kWh).

- ※1 燃料: 熱量に換算した後、電力換算係数 (1MJ=0.2778kWh) を乗じた値。熱量への換算係数は、下記の値を使用。  
[都市ガス]
- 日本: 省エネ法「定期報告書記入要領」のガス会社固有係数
  - 英国: 「温室効果ガス報告書」用係数より算出した値
  - その他海外: 日本の代表的なガス会社と同じ値  
[熱およびその他燃料]
  - 省エネ法「定期報告書記入要領」(2009年度(平成21年度)版を使用)の係数
- ※2 冷水・蒸気: 熱量換算後、電力換算係数(1MJ = 0.2778kWh)を乗じた値

## Ratio of renewable energy to electricity consumption

## 電力使用量における再生可能エネルギー使用量

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

Unit: MWh / 単位: MWh

			FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Electricity consumption 使用電力量	Nikon Group in Japan ★ 国内ニコングループ ★		254,471	241,998	237,308	247,029	247,742
	Group manufacturing companies outside Japan ★ 海外グループ生産会社 ★		113,345	105,847	115,416	118,950	131,905
	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など		16,422	15,396	14,041	13,418	12,307
	Total 合計		384,237	363,240	366,765	379,397	391,954
Renewable energy consumption ★ 再生可能エネルギー使用量 ★	Nikon Group in Japan, Group manufacturing companies outside Japan 国内ニコングループ、海外グループ生産会社	Green Power Plan グリーン電カプラン	16,259	16,487	16,493	67,801	150,586
		Green Power Certificate グリーン電力証書	1,147	1,136	7,681	12,000	116,282
		Solar power 太陽光発電	101	128	164	314	496
	Total 合計		17,507	17,751	24,337	80,116	267,365
Renewable energy consumption 再生可能エネルギー使用量	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	Green Power Plan グリーン電カプラン	3,792	3,999	4,239	4,401	4,143
		Green Power Certificate グリーン電力証書	0	0	0	0	0
		Solar power 太陽光発電	26	27	27	132	131
	Total 合計		3,818	4,027	4,266	4,533	4,273
Ratio of renewable energy consumption 再生可能エネルギー使用量割合			5.6%	6.0%	7.8%	22.3%	69.3%

## CO<sub>2</sub> Emissions from Energy Consumption ★ エネルギー起源CO<sub>2</sub> 排出量 ★

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Nikon Group in Japan 国内ニコングループ	131,965	124,035	118,815	101,740	64,589	t-CO <sub>2</sub>
Group manufacturing companies outside Japan 海外グループ生産会社	59,086	55,693	56,584	54,855	10,098	
Total 合計	191,051	179,728	175,399	156,594	74,687	
Emissions per unit of sales 売上高原単位	0.32	0.40	0.33	0.25	0.10	t-CO <sub>2</sub> /¥1M

Notes:

1. The following values were used for CO<sub>2</sub> conversion factors.

[Electric power]

- Japan: The CO<sub>2</sub> emission factors without adjustment for each electric power utility noted in the "List of Basic Emissions Factors by Electric Power Utility" specified in the Act on Promotion of Global Warming Countermeasures.
- UK: Residual mix
- US: NERC regional residual mix
- Other countries outside Japan: Individual country factor in International Energy Agency (IEA) factors.

[City gas]

- Japan: The gas company eigenvalues noted in the guidance document for Periodic Report pursuant to the Act on the Rational Use of Energy (Energy Conservation Act) were multiplied by the values given in Appended Table 2 of the "List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems" specified in the Act on Promotion of Global Warming Countermeasures, and by 44/12.
- UK: Factors from the Report on Greenhouse Gases
- Other countries outside Japan: Same value as a typical Japanese gas company.
- The factors noted in the "List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems" specified in the Act on Promotion of Global Warming Countermeasures. (Using the FY2009 edition)

2. CO<sub>2</sub> emissions from energy consumption are calculated by subtracting amounts of green power plan, green power certificate, solar power, and green heat certificate from total energy consumption, and multiplying that by the basic emission factors.

※1 CO<sub>2</sub> 換算係数は、下記の値を使用。

[電力]

- 日本: 温対法「電気事業者別基礎排出係数」
- 英国: 残渣ミックス
- 米国: NERC 地域別残渣ミックス
- その他海外: 国際エネルギー機関(IEA)の国別係数
- [都市ガス]
- 日本: 省エネ法「定期報告書記入要領」のガス会社固有値に、温対法「算定・報告・公表制度における算定方法・排出係数一覧」の「別表2」の値と44/12を乗じた値
- 英国: 「温室効果ガス報告書」用係数
- その他海外: 日本の代表的なガス会社と同じ値

[熱およびその他燃料]

- 温対法「算定・報告・公表制度における算定方法・排出係数一覧」の係数(2009年度(平成21年度)版を使用)

※2 エネルギー起源CO<sub>2</sub> 排出量は、総エネルギー使用量から、グリーン電力プラン、グリーン電力証書、太陽光自家発電および、グリーン熱証書のエネルギー量分を減算し、基礎排出係数を使用して算出。

## Breakdown of Greenhouse Gas Emissions ★

### 温室効果ガス内訳 ★

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

Unit: t CO<sub>2</sub>e / 単位: t CO<sub>2</sub>e

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
CO <sub>2</sub> Emissions from Energy Consumption エネルギー起源CO <sub>2</sub>	Nikon Group in Japan / 国内ニコングループ	131,965	124,035	118,815	101,740	64,589
	Group manufacturing companies outside Japan / 海外グループ生産会社	59,086	55,693	56,584	54,855	10,098
	Total / 合計	191,051	179,728	175,399	156,594	74,687
CO <sub>2</sub> Emissions from Nonenergy Consumption 非エネルギー起源CO <sub>2</sub>	Nikon Group in Japan / 国内ニコングループ	37	30	30	30	35
	Group manufacturing companies outside Japan / 海外グループ生産会社	1	0	0	0	0
	Total / 合計	38	30	30	30	35
CH <sub>4</sub>	Nikon Group in Japan / 国内ニコングループ	92	92	90	54	51
	Group manufacturing companies outside Japan / 海外グループ生産会社	66	70	75	75	78
	Total / 合計	158	161	166	129	129
N <sub>2</sub> O	Nikon Group in Japan / 国内ニコングループ	51	42	39	38	28
	Group manufacturing companies outside Japan / 海外グループ生産会社	23	23	24	25	27
	Total / 合計	74	65	63	63	55
HFCs HFC類	Nikon Group in Japan / 国内ニコングループ	7,017	6,625	8,337	8,722	4,902
	Group manufacturing companies outside Japan / 海外グループ生産会社	1,539	1,216	1,710	3,284	1,165
	Total / 合計	8,556	7,841	10,046	12,005	6,067
PFCs PFC類	Nikon Group in Japan / 国内ニコングループ	1	1	1	2	1
	Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0
	Total / 合計	1	1	1	2	1
SF <sub>6</sub>	Nikon Group in Japan / 国内ニコングループ	233	235	178	129	674
	Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0
	Total / 合計	233	235	178	129	674
NF <sub>3</sub>	Nikon Group in Japan / 国内ニコングループ	0	0	0	0	0
	Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0
	Total / 合計	0	0	0	0	0
Total 合計	Nikon Group in Japan / 国内ニコングループ	139,396	131,058	127,490	110,714	70,280
	Group manufacturing companies outside Japan / 海外グループ生産会社	60,715	57,022	58,393	58,239	11,368
		200,111	188,081	185,883	168,953	81,648

**CO<sub>2</sub> from Nonenergy Consumption and Other Greenhouse Gases<sup>\*1</sup> Emissions ★**  
**非エネルギー起源CO<sub>2</sub> およびその他の温室効果ガス<sup>\*1</sup> 排出量 ★**

★: Values assured by the third party (only for fiscal year 2023)  
 ★: 第三者保証を受けている数値(2023年度のみ)

Unit: t CO<sub>2</sub>e / 単位: t CO<sub>2</sub>e

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon Group in Japan 国内ニコングループ	7,431	7,023	8,675	8,974	5,691
Group manufacturing companies outside Japan 海外グループ生産会社	1,628	1,309	1,809	3,384	1,270
Total 合計	9,059	8,332	10,484	12,358	6,961

\*1 CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>

\*1 CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>

## CO<sub>2</sub> Emissions Reduction through the Use of Renewable Energy 再生可能エネルギー活用によるCO<sub>2</sub>削減効果

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: t CO<sub>2</sub>e / 単位: t CO<sub>2</sub>e

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	
Renewable energy consumption ★ 再生可能エネルギー使用量 ★	Nikon Group in Japan, Group manufacturing companies outside Japan 国内ニコングループ、海外グループ生産会社	Solar power / 太陽光発電	47	59	79	180	299
		Green Power Plan / グリーン電力プラン	7,609	7,534	7,372	31,002	69,352
		Green Power Certificate / グリーン電力証書	599	600	3,725	5,850	57,839
		Green Heat Certificate / グリーン熱証書	469	0	0	0	0
	Total 合計	8,724	8,193	11,177	37,033	127,490	
Renewable energy consumption 再生可能エネルギー使用量	Group nonmanufacturing companies outside Japan, etc. 海外グループ非生産会社など	Solar power / 太陽光発電	22	22	22	58	60
		Green Power Plan / グリーン電力プラン	1,095	1,135	1,393	1,462	1,317
		Green Power Certificate / グリーン電力証書	0	0	0	0	0
		Green Heat Certificate / グリーン熱証書	0	0	0	0	0
	Total 合計	1,118	1,157	1,414	1,520	1,377	
Total 合計		Solar power / 太陽光発電	70	81	101	239	360
		Green Power Plan / グリーン電力プラン	8,704	8,669	8,765	32,464	70,669
		Green Power Certificate / グリーン電力証書	599	600	3,725	5,850	57,839
		Green Heat Certificate / グリーン熱証書	469	0	0	0	0
		Total 合計	9,842	9,350	12,591	38,553	128,867

Note: CO<sub>2</sub> emissions factors including the Basic Emissions Factors by Electric Power Utility, the country factors defined by International Energy Agency (IEA), and those used in "List of Calculation Methods and Emissions Factors for Calculation, Reporting, and Announcement Systems" specified in the Act on Promotion of Global Warming Countermeasures, have been used in calculating the effects of CO<sub>2</sub> reductions.

※CO<sub>2</sub>削減効果の算出には、電力事業者別基礎排出係数、国際エネルギー機関 (IEA) の国別係数、または温対法「算定・報告・公表制度における算定方法・排出係数一覧」のCO<sub>2</sub>排出係数を使用。

## GHG Emissions from Distribution in Japan, International Shipment and Distribution outside Japan

### 日本国内、国際間、海外領域の物流によるGHG 排出量

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
GHG emissions in distribution 物流GHG 排出量	53	29	28	25	21	1,000 t-CO <sub>2</sub>
GHG emissions per ton-kilometer トンキロ当たりのGHG 排出量	0.55	0.42	0.54	0.48	0.51	kg-CO <sub>2</sub> / ton-km

## Sales Trends of Refurbished Semiconductor Lithography Systems (For IC)

### 中古露光装置 (IC用) の販売台数

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Units sold 販売台数	11	11	18	18	15	Unit 台
Percentage of total units sold 全販売台数に対する割合	24.4	40.7	66.7	52.9	38.5	%
Cumulative total 累計	402	413	431	449	464	Unit 台

## Zero Emission Levels ゼロエミッションレベル状況

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン		Level S レベル S				
Group manufacturing companies in Japan 国内グループ生産会社						
Group manufacturing companies outside Japan 海外グループ生産会社	Hikari Glass (Changzhou) Optics Co., Ltd.	Level 1 レベル 1				
	Nikon X-Tek Systems LTD.					
	Nanjing Nikon Jiangnan Optical Instrument Co., Ltd.					
	Optos Plc	—			Level 1 レベル 1	Level 1 レベル 1

Note: Zero Emission Level-specific Targets

- Level 5: Final landfill disposal rate of less than 0.5%
- Level 1: Final landfill disposal rate of less than 1%
- Level 2: Final landfill disposal rate of less than 5%
- Level 3: Final landfill disposal rate of less than 10%
- Level 4: Final landfill disposal rate of less than 20%

※ゼロエミッションのレベル別指標

- レベル5:最終(埋立)処分率0.5%未満
- レベル1:最終(埋立)処分率1%未満
- レベル2:最終(埋立)処分率5%未満
- レベル3:最終(埋立)処分率10%未満
- レベル4:最終(埋立)処分率20%未満

**Amount of Waste (Waste plus Resources with Economic Value), Total waste used/recycled/sold, and Final landfill waste**  
**廃棄物など排出量、再資源化量、最終(埋立)処分量**

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: t / 単位: t

			FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Amount of waste (waste, plus valuable resources) ★ 廃棄物など排出量 ★	Waste 廃棄物	Nikon Group in Japan / 国内ニコングループ	3,756	3,761	3,538	3,707	3,189
		Group manufacturing companies outside Japan / 海外グループ生産会社	3,333	2,228	2,264	2,487	3,049
		Total / 合計	7,089	5,989	5,803	6,194	6,237
	Resources with economic value 有価物	Nikon Group in Japan / 国内ニコングループ	1,096	1,248	962	843	579
		Group manufacturing companies outside Japan / 海外グループ生産会社	1,169	765	516	923	1,054
		Total / 合計	2,265	2,012	1,478	1,766	1,632
Total / 合計			9,354	8,001	7,281	7,960	7,870
Recycled amount ★ 再資源化量 ★	Nikon Group in Japan / 国内ニコングループ		4,849	5,006	4,497	4,547	3,764
	Group manufacturing companies outside Japan / 海外グループ生産会社		3,667	2,120	1,972	2,866	3,878
	Total / 合計		8,516	7,127	6,469	7,413	7,642
Waste incinerated with energy recovery エネルギー回収で焼却された廃棄物の量	Nikon Group in Japan / 国内ニコングループ		554	533	560	525	570
	Group manufacturing companies outside Japan / 海外グループ生産会社		1,438	1,033	1,091	1,867	2,494
	Total / 合計		1,992	1,567	1,651	2,392	3,064
Waste incinerated without energy recovery エネルギー回収なしで焼却された廃棄物の量	Nikon Group in Japan / 国内ニコングループ		0.0	0.0	0.0	0.0	0.0
	Group manufacturing companies outside Japan / 海外グループ生産会社		0.0	0.0	0.0	0.0	0.0
	Total / 合計		0.0	0.0	0.0	0.0	0.0
Final landfill waste ★ 最終(埋立)処分量 ★	Nikon Group in Japan / 国内ニコングループ		2.8	2.5	3.9	2.8	3.4
	Group manufacturing companies outside Japan / 海外グループ生産会社		835.0	872.4	808.9	544.2	223.8
	Total / 合計		837.7	874.8	812.8	547.0	227.3
Waste with unknown disposal method 処分方法不明の廃棄物	Nikon Group in Japan / 国内ニコングループ		0.0	0.0	0.0	0.0	0.0
	Group manufacturing companies outside Japan / 海外グループ生産会社		0.0	0.0	0.0	0.0	0.0
	Total / 合計		0.0	0.0	0.0	0.0	0.0

**Breakdown (by Category) of Waste (Waste plus Resources with Economic Value) Generated by Nikon Group in Japan (Fiscal Year 2023)**  
国内ニコングループの廃棄物など(廃棄物+有価物)の種類別内訳 (2023年度)

Unit: t / 単位: t

	Emissions 排出量	Percentage 割合(%)
Sludge 汚泥	1,206	32.0
Metals 金属くず	517	13.7
Glass, Concrete, Ceramics(debris) ガラス・コンクリート・陶磁器くず(がれき類)	595	15.8
Plastics 廃プラスチック	410	10.9
Paper 紙類	217	5.8
Alkalis 廃アルカリ	256	6.8
Oil 廃油	198	5.3
Acids 廃酸	252	6.7
Wood 木くず	110	2.9
Kitchen waste 厨芥類	4	0.1
General refuse, Fiber 一般ごみ、繊維くず	4	0.1
Other その他	1	0.0
Total 合計	3,767.0	100

## Water Withdrawal ★

### 取水量 ★

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

Unit: 1,000 m<sup>3</sup> / 単位: 1,000 m<sup>3</sup>

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Tap water 水道水	Nikon Group in Japan / 国内ニコングループ	762	671	601	602	588
	Group manufacturing companies outside Japan / 海外グループ生産会社	825	731	751	753	843
	Total / 合計	1,587	1,403	1,352	1,355	1,430
Groundwater 地下水	Nikon Group in Japan / 国内ニコングループ	2,102	1,934	1,694	1,779	1,660
	Group manufacturing companies outside Japan / 海外グループ生産会社	293	300	498	553	538
	Total / 合計	2,395	2,234	2,192	2,331	2,198
Industrial water 工業用水	Nikon Group in Japan / 国内ニコングループ	3	3	3	3	4
	Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0
	Total / 合計	3	3	3	3	4
River water and rainwater 河川水・雨水	Nikon Group in Japan / 国内ニコングループ	0	0	0	0	0
	Group manufacturing companies outside Japan / 海外グループ生産会社	1	0	0	0	0
	Total / 合計	1	0	0	0	0
Recycled water 再生水	Nikon Group in Japan / 国内ニコングループ	0	0	0	0	0
	Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0
	Total / 合計	0	0	0	0	0
Total 合計		3,985	3,640	3,546	3,689	3,632

## Water Discharge ★ 排水量 ★

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: 1,000 m<sup>3</sup> / 単位: 1,000 m<sup>3</sup>

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Rivers, etc 河川等	Nikon Group in Japan / 国内ニコングループ	1,386	1,285	1,177	1,236	1,140
	Group manufacturing companies outside Japan / 海外グループ生産会社	0	0	0	0	0
	Total / 合計	1,386	1,285	1,177	1,236	1,140
Sewage 下水道	Nikon Group in Japan / 国内ニコングループ	1,272	1,190	978	1,026	976
	Group manufacturing companies outside Japan / 海外グループ生産会社	889	822	999	1,045	1,104
	Total / 合計	2,161	2,012	1,977	2,071	2,080
Total 合計		3,547	3,297	3,154	3,307	3,220

## Freshwater consumption ★

### 淡水消費量 ★

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

Unit: 1,000 m<sup>3</sup> / 単位: 1,000 m<sup>3</sup>

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
a) Withdrawal: Total municipal water supplies (or from other water utilities) a) 地方自治体の水道設備からの取水(水道水等)	Nikon Group in Japan 国内ニコングループ	765	675	604	605	591
	Group manufacturing companies outside Japan 海外グループ生産会社	825	731	751	753	843
b) Withdrawal: Fresh surface water (lakes, rivers, etc.) b) 地表水からの取水(湖沼、河川等)	Nikon Group in Japan 国内ニコングループ	0	0	0	0	0
	Group manufacturing companies outside Japan 海外グループ生産会社	0	0	0	0	0
c) Withdrawal: Fresh groundwater c) 地下水からの取水	Nikon Group in Japan 国内ニコングループ	2,102	1,934	1,694	1,779	1,660
	Group manufacturing companies outside Japan 海外グループ生産会社	293	300	498	553	538
d) Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to b and c) d) 取水源と同等またはそれ以上の品質での戻り水(bとcにのみ適用)	Nikon Group in Japan 国内ニコングループ	2,016	1,856	1,623	1,728	1,603
	Group manufacturing companies outside Japan 海外グループ生産会社	116	119	200	223	216
e) Total Net Freshwater Consumption (a+b+c-d) e) 淡水の消費量合計(a+b+c-d)	Nikon Group in Japan 国内ニコングループ	850	753	675	655	648
	Group manufacturing companies outside Japan 海外グループ生産会社	1,003	912	1,048	1,083	1,165

## Water consumption 水消費量

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: 1,000 m<sup>3</sup> / 単位: 1,000 m<sup>3</sup>

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
a) Water withdrawal(excluding saltwater) ★ a) 取水量(海水を除く)	Nikon Group in Japan 国内ニコングループ	2,866	2,609	2,297	2,384	2,251
	Group manufacturing companies outside Japan 海外グループ生産会社	1,119	1,031	1,249	1,306	1,381
	Total 合計	3,985	3,640	3,546	3,689	3,632
b) Water discharge(excluding saltwater) ★ b) 排水量(海水を除く)	Nikon Group in Japan 国内ニコングループ	2,657	2,474	2,155	2,262	2,116
	Group manufacturing companies outside Japan 海外グループ生産会社	889	822	999	1,045	1,104
	Total 合計	3,547	3,297	3,154	3,307	3,220
Total water consumption(a-b) 水消費量(a-b)	Nikon Group in Japan 国内ニコングループ	209	134	142	122	135
	Group manufacturing companies outside Japan 海外グループ生産会社	230	209	250	261	277
	Total 合計	439	343	392	382	412

## Water Reuse ★ 再利用水量 ★

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

Unit: 1,000 m<sup>3</sup> / 単位: 1,000 m<sup>3</sup>

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon Group in Japan 国内ニコングループ	31	59	57	52	52
Group manufacturing companies outside Japan 海外グループ生産会社	245	197	216	227	218
Total 合計	276	256	273	279	270
Reusing water rate 再利用水率	6.5%	6.6%	7.2%	7.0%	6.9%

Notes:

1. Reusing water discharged from one process in another process.
2. The reusing water rate is the ratio of the reusing water amount to the total of the water withdrawal amount and the reusing water amount: the reusing water rate = the reusing water amount / (water withdrawal amount + reusing water amount)

※1 再利用水とは、ある工程から排出されたのち、別の工程で利用される水。

※2 再利用水率は、取水量と再利用水量の合計に対する再利用水量の割合: 再利用水率 = 再利用水量 / (取水量 + 再利用水量)

## PRTR Survey Results PRTR 調査結果

Unit: t / 単位: t

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Amount released 排出量	Air / 大気	63.5	48.2	41.4	53.4	67.0
	Surface water / 公共用水域	0.0	0.0	0.0	0.0	0.0
	Amount in on-site landfill / 事業所内埋立	0.0	0.0	0.0	0.0	0.0
	Soil / 土壌	0.0	0.0	0.0	0.0	0.0
Amount transferred 移動量	Sewage / 下水道	0.0	0.0	0.0	0.0	0.0
	Waste / 廃棄物	10.5	16.5	25.5	22.0	28.7

## Volatile Organic Compounds (VOCs) Emissions ★ VOC (揮発性有機化合物) 排出量 ★

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

Unit: t / 単位: t

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon Group in Japan 国内ニコングループ	132	69	60	122	116
Group manufacturing companies outside Japan 海外グループ生産会社	413	384	257	309	323

Note: For group manufacturing companies outside Japan, data for Nikon X-Tek Systems Ltd. has been included from FY2020 and is therefore not included in the FY2019 data.

※ 海外グループ生産会社について、Nikon X-Tek Systems Ltd. は2020年度から集計を開始したため、2019年度のデータには含まれない。

# Data on "Society/Labor" field / 「社会・労働」に関するデータ

## Regional Procurement Amount Ratio and Partner Ratio at Production Sites (Fiscal Year 2023)

### 生産拠点における地域別調達額比率と地域別パートナー比率 (2023年度)

Unit: % / 単位: %

	Procurement amount based regional location rate 調達金額ベースの地域別比率	Regional location rate of Procurement Partners (Tier 1 suppliers) 地域別の調達パートナー比率
Japan / 日本	72	73
Southeast Asia / 東南アジア	22	6
China / 中国	6	8
Others / その他	0	13

## Number of Procurement Partners (Tier 1 suppliers) and Critical Procurement Partners

### 調達パートナー(一次調達先)と重点的に取り組む調達パートナー数

Unit: Companies / 単位: 社

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Procurement Partners (Tier 1 suppliers) 調達パートナー(一次調達先)	approx. 2,700 約 2,700	approx. 2,700 約 2,700	approx. 2,300 約 2,300	approx. 2,250 約 2,250	approx. 2,250 約 2,250
Critical Procurement Partners 重点的に取り組む調達パートナー	approx. 200 約 200	approx. 200 約 200	approx. 200 約 200	approx. 200 約 200	approx. 250 約 250

## Assessment Achievements アセスメント実績

Unit: Companies / 単位: 社

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Subjects 対象
CSR questionnaire diagnosis CSR 調査票診断	—	211	—	—	247	Critical Procurement Partners (Tier 1 suppliers) 重点的に取り組む調達パートナー(一次調達先)
	8	—	15	7	20	New Procurement Partner(Tier 1 suppliers) 新規調達パートナー(一次調達先)
	—	60	43	10	30	Suppliers other than Tier 1 suppliers (Including Tier 2 suppliers, key partners) 一次調達先以外の調達先(二次以降、キーパートナーを含む)
Request for improvement based on CSR survey results CSR 調査結果による改善要請	10	10	13	—	20	
Requests for improvement through CSR audits CSR 監査による改善要請	3	3	—	2	3	Critical Procurement Partners (Tier 1 suppliers) 重点的に取り組む調達パートナー(一次調達先)
Improvement completed 改善完了	14	13	26	—	3	Improvement may be completed in the next fiscal year after the improvement request 改善完了は改善要請の翌年度になる場合あり

## Conflict Minerals Survey 紛争鉱物調査

Unit: Companies / 単位: 社

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Procurement partners requiring the surveys 調査対象社数	773	776	909	877	793
Percentage of procurement partners who conducted the surveys 調査実施率	86%	92%	79%	85%	81
RMAP Conformant Smelter RMAP 適合製錬所	235	243	240	225	236
Non-RMAP Conformant Smelter 非RMAP 適合製錬所	64	84	104	116	120

Note: The figures were calculated in May of the year following the column year.  
※ 翌年5月集計時点の数値。

## Environmental Partner Certifications 環境パートナー認定の実績

Unit: Companies / 単位: 社

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Number of Environmental Management System Assessments 環境管理システムアセスメント数	126	139	149	180	167
Newly Certified Environmental Partners 環境パートナー新規認定数	21	18	36	31	15
Total Certified Environmental Partners* 環境パートナー認定総数*	—	420	453	456	456

\* The figures have reflected decreases due to termination of business, business closures, etc. since fiscal year 2020.

\* 取引中止、廃業などによる減少数を反映した値。2020年度から、減少数を反映した集計を開始した。

## CSR Briefings for Procurement Partners 調達パートナー向けCSR調達説明会の実績

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Participating companies 参加社数	In Japan 国内	772	849	716	802	920	Companies 社
	Outside Japan 海外	193	212	253	202	76	
Participants 参加者数	In Japan 国内	888	1,066	1,135	951	988	Persons 名
	Outside Japan 海外	324	389	402	317	170	

Note: CSR Briefings have been held online since fiscal year 2021. The briefings were separated by languages (Japanese, Thai and Chinese) in fiscal year 2023. On 2023 results, Japanese sessions are counted as "in Japan," and Thai and Chinese sessions as "outside Japan."  
 ※ 2021年度以降はオンライン開催。2023年度から言語別の会議を設定し、日本語の説明会を「国内」、タイ語・中国語の説明会を「海外」とカウント。

## Number of Employees (As of March 31, 2024) 従業員数(2024年3月末現在)

Unit: persons / 単位:名

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	4,442	4,183	4,174	4,184	4,388
Group companies in Japan 国内グループ会社	4,340	4,646	4,472	4,119	4,138
Group companies in Europe 欧州グループ会社	1,816	1,836	1,842	2,525	2,591
Group companies in Americas 米州グループ会社	995	921	924	971	997
Group companies in Asia and Oceania アジア・オセアニアグループ会社	8,597	7,862	7,025	6,991	7,330
Nikon Group (total) ニコングループ(合計)	20,190	19,448	18,437	18,790	19,444

Note: Permanent employees of the Nikon Group. Regarding regional figures, employees who are seconded to affiliates are counted as employees of the affiliates.

※ ニコングループの正社員。地域別人数について、出向者は出向先の人数に含む。

## Composition ratio by gender/age by management and employment type of Nikon (As of March 31, 2024) ニコンの管理職・雇用形態別の男女別／年齢別構成比(2024年3月末現在)

Unit: % / 単位: %

		Senior Managers 上級管理職	Managers other than senior 上級以外の管理職	Permanent employees 一般正社員	Part-time and temporary employees パート・アルバイト等	Total 合計
Gender 性別	Men 男性	100	92	81	33	84
	Women 女性	0	8	19	67	15
Age 年齢別	Under 30 30歳未満	0	0	15	0	13
	Between 30 and 49 30歳以上50歳未満	0	41	59	33	56
	Over 50 50歳以上	100	59	26	67	31

Note: Senior managers refers to directors and officers.

\* 上級管理職は役員。

## Proportion of Management Hired from the Local Community outside Japan 海外における地元コミュニティから採用した管理職比率

Unit: % / 単位: %

			FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Group companies in Europe 欧州グループ会社	Senior Managers 上級管理職	Men 男性	46	50	55	83	80
		Women 女性	—	—	—	—	—
	Managers other than senior 上級以外の管理職	Men 男性	92	91	92	91	92
		Women 女性	100	100	100	100	100
Group companies in Americas 米州グループ会社	Senior Managers 上級管理職	Men 男性	11	22	67	100	100
		Women 女性	—	—	100	100	100
	Managers other than senior 上級以外の管理職	Men 男性	89	87	84	78	80
		Women 女性	100	100	98	95	96
Group companies in Asia and Oceania アジア・オセアニアグループ会社	Senior Managers 上級管理職	Men 男性	13	13	8	67	80
		Women 女性	100	100	—	—	—
	Managers other than senior 上級以外の管理職	Men 男性	72	78	70	71	72
		Women 女性	98	99	97	95	94

## Notes:

1. Senior managers refers to full-time director and officers.

2. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.

※1 上級管理職は、常勤役員。

※2 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

## Number and Rate of New Hires

### 新規雇用者数と新規雇用率

Unit: persons / 単位: 名

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	FY2023 New hires rate 2023年度 新規雇用率
Nikon ニコン	Men 男性	96	138	152	253	352	7.9%
	Women 女性	25	33	42	72	127	15.5%
	Total 合計	121	171	194	325	479	9.0%
Group companies in Japan 国内グループ会社	Men 男性	86	585	302	123	133	5.2%
	Women 女性	19	73	110	55	71	13.2%
	Total 合計	105	658	412	178	204	6.6%
Group companies in Europe 欧州グループ会社	Men 男性	171	125	214	217	315	16.6%
	Women 女性	66	67	94	96	118	18.4%
	Total 合計	237	192	308	313	433	17.1%
Group companies in Americas 米州グループ会社	Men 男性	86	66	70	102	41	6.2%
	Women 女性	24	19	30	29	37	16.8%
	Total 合計	110	85	100	131	78	8.8%
Group companies in Asia and Oceania アジア・オセアニア グループ会社	Men 男性	214	63	159	233	164	7.4%
	Women 女性	644	45	160	350	557	11.2%
	Total 合計	858	108	319	583	721	10.0%

## Notes:

1. Permanent employees of the Nikon Group.
2. Group companies in Japan for fiscal year 2020 and fiscal year 2021 include those who have transferred from Nikon to Nikon Nisso Prime under the Nikon post-retirement reemployment system.
3. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.
4. Rate of new hires: Number of new hires ÷ Number of employees as of March 31

※1 ニコングループの正社員。

※2 2020年度および2021年度の国内グループ会社には、ニコン定年後再雇用制度に基づき、ニコンからニコン日総プライムへ転籍した者を含む。

※3 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

※4 新規雇用率: 新規雇用者数 ÷ 3月31日時点の従業員数

## Breakdown of Nikon's new hires by attributes ニコンの新規雇用者の属性別の人数内訳

Unit: persons / 単位: 名

		FY2023 2023年度		
		Men 男性	Women 女性	Total 合計
年齢別 Age	Under 30 30歳未満	144	74	218
	Between 30 and 49 30歳以上50歳未満	201	52	253
	Over 50 50歳以上	7	1	8
国籍別 National	日本籍 Japanese	337	116	453
	中国籍 Chinese	9	6	15
	韓国籍 Korean	3	2	5
	その他 Others	3	3	6
管理職・非管理職別 Managers, Non-managers	管理職相当 Managers	7	1	8
	非管理職 Non-managers	345	127	471

## Average Age 平均年齢

Unit: years old / 単位: 歳

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Men 男性	46.2	45.0	45.0	44.8	44.0
	Women 女性	40.9	41.0	41.2	40.7	39.5
Group companies in Japan 国内グループ会社	Men 男性	44.9	46.6	46.6	45.8	45.9
	Women 女性	45.9	46.3	45.8	46.1	45.1
Group companies in Europe 欧州グループ会社	Men 男性	45.0	44.8	44.4	44.6	42.7
	Women 女性	42.4	42.4	42.7	42.8	41.6
Group companies in Americas 米州グループ会社	Men 男性	48.0	45.4	46.0	45.7	45.9
	Women 女性	46.9	46.7	46.6	46.7	46.7
Group companies in Asia and Oceania アジア・オセアニア グループ会社	Men 男性	37.3	37.5	38.1	38.6	39.0
	Women 女性	35.5	37.1	38.2	37.9	37.6

## Notes:

1. Permanent employees of the Nikon Group. Employees who were seconded to affiliates are counted as those of their original companies.
  2. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.
- ※1 ニコングループの正社員。関係会社への出向者は、出向元の人数に含む。  
 ※2 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

## Age Group 年齢層

Unit: persons / 単位: 名

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Under 30 30歳未満	409	427	427	463	569
	Between 30 and 49 30歳以上50歳未満	2,354	2,319	2,319	2,341	2,470
	Over 50 50歳以上	1,420	1,428	1,428	1,380	1,349
Group companies in Japan 国内グループ会社	Under 30 30歳未満	192	212	212	249	297
	Between 30 and 49 30歳以上50歳未満	2,395	2,188	2,188	2,127	2,018
	Over 50 50歳以上	2,059	2,072	2,072	1,743	1,602
Group companies in Europe 欧州グループ会社	Under 30 30歳未満	221	225	225	259	420
	Between 30 and 49 30歳以上50歳未満	1,037	1,006	1,006	1,019	1,422
	Over 50 50歳以上	578	611	611	662	749
Group companies in Americas 米州グループ会社	Under 30 30歳未満	97	103	103	124	104
	Between 30 and 49 30歳以上50歳未満	435	425	425	440	438
	Over 50 50歳以上	389	396	396	407	425
Group companies in Asia and Oceania アジア・オセアニア グループ会社	Under 30 30歳未満	1,365	1,098	1,098	1,064	1,344
	Between 30 and 49 30歳以上50歳未満	6,253	5,634	5,634	5,492	5,508
	Over 50 50歳以上	244	293	293	435	478

## Notes:

1. Permanent employees of the Nikon Group. Regarding regional figures, employees who are seconded to affiliates are counted as employees of the affiliates.
  2. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.
- ※1 ニコングループの正社員。地域別の数値について、出向者は出向先の人数を含む。  
 ※2 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

## Average Years of Service 平均勤続年数

Unit: years / 単位: 年

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Men 男性	20.2	18.6	18.5	17.9	16.5
	Women 女性	15.4	15.3	15.4	14.4	12.5
Group companies in Japan 国内グループ会社	Men 男性	17.0	16.2	15.4	17.2	18.0
	Women 女性	18.2	15.7	17.0	16.0	15.9
Group companies in Europe 欧州グループ会社	Men 男性	9.6	9.1	9.0	9.0	8.0
	Women 女性	7.8	7.5	7.8	7.3	7.2
Group companies in Americas 米州グループ会社	Men 男性	12.8	12.8	12.7	12.5	12.8
	Women 女性	11.4	11.5	10.7	10.9	10.2
Group companies in Asia and Oceania アジア・オセアニア グループ会社	Men 男性	11.3	12.1	12.0	12.8	13.2
	Women 女性	11.6	13.6	13.9	14.5	14.1

## Notes:

1. Permanent employees of the Nikon Group. Employees who were seconded to affiliates are counted as those of their original companies.
  2. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.
- ※1 ニコングループの正社員。関係会社への出向者は、出向元の人数に含む。  
 ※2 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

## Number and Rate of Turnover

## 離職者数と離職率

Unit: persons / 単位: 名

		FY2019 2019年度		FY2020 2020年度		FY2021 2021年度		FY2022 2022年度		FY2023 2023年度				Turnover rate 離職率
		Mandatory retirees 定年	Other retirees 定年以外	Mandatory retirees 定年	Other retirees 定年以外	Mandatory retirees 定年	Other retirees 定年以外	Mandatory retirees 定年	Other retirees 定年以外	Mandatory retirees 定年	Other retirees 定年以外			
											Contract expiration 契約期間満了	Retired for personal reasons 自己都合	Others その他	
Nikon ニコン	Men 男性	16	79	453	160	154	105	192	119	229	7	66	10	6.7%
	Women 女性	1	25	9	10	4	31	24	25	24	0	23	0	5.7%
Group companies in Japan 国内グループ会社	Men 男性	9	97	10	191	9	296	7	85	15	38	51	10	4.1%
	Women 女性	0	24	1	99	1	80	0	21	3	15	1	15	3.5%
Group companies in Europe 欧州グループ会社	Men 男性	6	215	7	148	8	219	12	174	20	9	39	146	3.6%
	Women 女性	1	95	3	53	2	96	2	75	5	14	15	56	5.3%
Group companies in Americas 米州グループ会社	Men 男性	5	64	7	72	6	66	8	72	7	0	0	35	1.1%
	Women 女性	8	24	1	34	18	22	0	19	4	0	3	45	3.2%
Group companies in Asia and Oceania アジア・オセアニア グループ会社	Men 男性	5	286	5	189	1	554	4	131	6	3	85	20	4.2%
	Women 女性	1	1,239	6	598	2	509	8	411	11	5	209	369	4.5%
Nikon Group (total) ニコングループ (合計)	Men 男性	41	741	482	760	178	1,240	223	581	277	57	241	221	4.9%
	Women 女性	11	1,407	20	794	27	738	34	551	47	34	251	485	4.6%

## Notes:

1. Permanent employees of the Nikon Group. Employees who were seconded to affiliates are counted as those of their original companies.
2. Starting from the fiscal year 2020, Nikon's retirees includes those who have transferred from Nikon to Nikon Nisso Prime Corporation based on the Nikon's reemployment system for retirees.
3. Starting from the fiscal year 2020, "others" of group companies in Japan include those who have transferred from Nikon to Nikon Nisso Prime Corporation under the Nikon post-retirement reemployment system and then retired. However, from FY2022, this number is not included due to the conversion of Nikon Nisso Prime Corporation into an affiliated company.
4. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.
5. "Others" include retirement due to death or transfer to another company, etc.
6. Turnover rate: Turnover (excluding the number of others) ÷ Number of employees as of March 31.

- ※1 ニコングループの正社員。関係会社への出向者は、出向元の人数に含む。
- ※2 2020年度以降のニコンの定年には、ニコン定年後再雇用制度に基づき、ニコンからニコン日総プライムへ転籍した者を含む。
- ※3 2020年度以降の国内グループ会社の定年以外には、ニコン定年後再雇用制度に基づき、ニコンからニコン日総プライムへ転籍し、その後退職した者を含む。ただし、2022年度以降は、ニコン日総プライムの関連会社化により当該人数は含まない。
- ※4 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。
- ※5 「その他」には、死亡や他社への転籍等による退職を含む。
- ※6 離職率: 離職者 (その他を除く) ÷ 3月31日時点の従業員数

## Ratio of Female Employees 女性従業員比率

Unit: % / 単位: %

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	13.5	14.8	15.2	15.8	16.9
Group companies in Japan 国内グループ会社	13.3	13.2	12.9	14.4	15.5
Group companies in Europe 欧州グループ会社	27.5	26.5	26.1	27.1	24.7
Group companies in Americas 米州グループ会社	24.1	22.4	22.6	21.9	23.3
Group companies in Asia and Oceania アジア・オセアニアグループ会社	70.3	69.5	67.7	67.4	68.1
Nikon Group (total) ニコングループ(合計)	39.2	38.0	36.2	36.8	37.3

## Notes:

1. Permanent employees of the Nikon Group. Employees seconded to affiliates have been counted as employees of the affiliates.
  2. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.
- ※1 ニコングループの正社員。関係会社への出向者は出向先の人数を含む。  
 ※2 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

## Ratio of Females in Management Positions 管理職における女性の割合

Unit: % / 単位: %

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	General manager / 部長相当	3.4	4.8	7.1	8.9	7.1
	Manager / 課長相当	7.5	6.8	7.2	6.4	7.9
	Total / 合計	6.6	6.4	7.2	6.9	7.8
Group companies in Japan 国内グループ会社	General manager / 部長相当	0.8	3.0	3.0	4.0	3.2
	Manager / 課長相当	2.8	3.2	4.2	3.4	4.1
	Total / 合計	2.2	3.1	3.7	3.6	3.8
Group companies in Europe 欧州グループ会社	General manager / 部長相当	16.9	21.8	23.4	20.5	18.0
	Manager / 課長相当	28.4	24.3	25.5	25.3	23.2
	Total / 合計	23.9	22.9	24.4	23.1	20.6
Group companies in Americas 米州グループ会社	General manager / 部長相当	14.3	29.1	17.6	15.0	16.7
	Manager / 課長相当	38.6	28.1	35.8	32.1	35.7
	Total / 合計	29.7	28.7	28.4	22.5	26.9
Group companies in Asia and Oceania アジア・オセアニア グループ会社	General manager / 部長相当	14.6	11.1	12.4	12.5	13.7
	Manager / 課長相当	26.7	31.5	31.0	27.5	31.4
	Total / 合計	22.0	23.6	23.7	22.1	25.4
Nikon Group (total) ニコングループ (合計)	General manager / 部長相当	10.2	15.2	13.3	12.3	11.8
	Manager / 課長相当	16.9	14.8	16.8	14.6	16.5
	Total / 合計	14.8	15.0	15.6	13.8	14.9

## Notes:

1. Permanent employees of the Nikon Group. Regarding regional figures, employees who are seconded to affiliates are counted as employees of the affiliates.

2. The Companies that have become consolidated subsidiaries through acquisition are not included in the calculations for the fiscal year in which they were acquired.

※1 ニコングループの正社員。地域別の数値について、出向者は出向先の人数を含む。

※2 買収により連結子会社化した子会社は、当該買収を実施した年度の集計対象には含まない。

## Ratio of Females in Junior Management Positions at Nikon ニコンの初級管理職における女性の割合

Unit: % / 単位: %

		FY2023 2023年度
Nikon ニコン	Junior manager 係長相当	7.6

## Number of Part-time and Temporary Employees パート・アルバイトなどの人数

Unit: persons / 単位: 名

	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	5	4	3	3
Group companies in Japan 国内グループ会社	850	802	203	162
Group companies in Europe 欧州グループ会社	29	26	40	41
Group companies in Americas 米州グループ会社	5	9	8	5
Group companies in Asia and Oceania アジア・オセアニア グループ会社	43	39	38	38
Nikon Group (total) ニコングループ (合計)	932	898	292	249

## Employment of People with Disabilities under Group Certification グループ認定における障がい者雇用率

Unit: % / 単位: %

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Japan 日本	2.60	2.48	2.40	2.42	2.32

Note: The rates are as of June 1 of each year.  
※ 毎年6月1日時点のもの。

## Number of Employees Taking Childcare Leave 育児休暇取得者数

Unit: persons / 単位: 名

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Men 男性	42	31	46	61	53
	Women 女性	25	24	28	28	18
Group companies in Japan 国内グループ会社	Men 男性	12	9	13	16	12
	Women 女性	23	13	9	8	7

## Return-to-Work Rates after Childcare Leave

### 育児休暇後の復職率

Unit: persons / 単位: 名

			FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Men 男性	Number of employees retuning to work after childcare leave 復職した社員数	42	31	49	57	56
		Return-to-work Rate 復職率	100%	100%	100%	100%	100%
	Women 女性	Number of employees retuning to work after childcare leave 復職した社員数	31	23	29	24	25
		Return-to-work Rate 復職率	100%	100%	94%	100%	100%
Group companies in Japan 国内グループ会社	Men 男性	Number of employees retuning to work after childcare leave 復職した社員数	9	7	16	12	10
		Return-to-work Rate 復職率	100%	100%	100%	100%	100%
	Women 女性	Number of employees retuning to work after childcare leave 復職した社員数	14	19	19	6	4
		Return-to-work Rate 復職率	100%	90%	100%	100%	100%

Note: The return-to-work rate is the percentage of employees who returned to work among those who completed their childcare leave in that fiscal year.

※ 復職率とは、当該年度に育児休暇を終了した者のうち、復職した者の割合。

## Number of Employees Taking Family Care Leave

### 介護休暇取得実績

Unit: persons / 単位: 名

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Men 男性	2	1	1	1	1
	Women 女性	0	0	1	0	0
Group companies in Japan 国内グループ会社	Men 男性	3	5	2	2	3
	Women 女性	3	3	2	3	0

## Retention Rates after Childcare Leave 育児休暇後の定着率

Unit: % / 単位: %

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Men 男性	100	95	97	92	96
	Women 女性	100	97	100	97	96
Group companies in Japan 国内グループ会社	Men 男性	100	100	100	100	100
	Women 女性	92	79	79	100	100

Note: The retention rate is the proportion of employees returning to work from childcare leave in the previous fiscal year that were still with the company at least 12 months after returning to work.

※ 定着率とは、前年度に育児休暇から復職した者のうち、復職後12カ月以上在籍した人数の割合。

## Annual Number of Training Days per Employee at Nikon ニコンの一人あたりの年間研修受講日数

Unit: days / 単位: 日

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Managers 管理職	1.3	1.1	1.6	1.1	1.1
Non-managers 管理職以外	2.8	2.6	2.6	3.0	3.9
Men 男性	2.5	2.3	2.5	2.5	3.1
Women 女性	3.3	2.9	2.7	3.8	5.1
Total 合計	2.6	2.4	2.5	2.7	3.5

## Number of employees represented by an independent labor union 独立した労働組合または労働協約にカバーされている従業員

Unit: persons / 単位: 名

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Number of employees 従業員数	4,102	4,173	4,062	4,067	4,110
	Percentage 割合	—	79.8%	78.8%	78.8%	77.5%

## Satisfaction of Nikon Group Employees in Their Companies (Group Employee Awareness Survey Results) 国内ニコングループ従業員の会社への満足度意識 (グループ意識調査の結果)

Unit: % / 単位: %

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Satisfaction 満足度		72.7	78.7	80.1	82.4	77.5
Response rate 回答率		95.4	94.5	95.1	93.5	94.0

## Notes:

- The above figure was prepared based on the response to the following question.  
Question until fiscal year 2021: Do you feel that the Company's policies and targets are conveyed clearly?  
Questions after fiscal year 2022: Do you feel that you are working with enthusiasm in your workplace?
- Targeted satisfaction rate: 100%

※1 上記数値は次の設問への回答数値をもとに作成した。

2021年度までの設問: 会社の方向性や目標がきちんと伝達されているか?

2022年度以降の設問: あなたは職場で熱意をもって仕事に取り組むことができていると感じるか?

※2 目標満足度: 100%

## Occupational Accidents Attributed/Related to Work 業務起因性・業務遂行性の高い労働災害件数

Unit: cases / 単位: 件

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon Group ニコングループ		29	19	21	27	52

## Notes:

- Figures up to fiscal year 2022 are for Nikon Group in Japan only.
- Targets to be achieved by fiscal year 2025: less than 60 and carried out activities.
- There were 22 Group companies in Japan, including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies, in the fiscal year 2023.
- There were 53 Group companies outside Japan in the fiscal year 2023.

※1 2022年度までは、国内ニコングループのみの値。

※2 2025年度までの達成目標: 60件以下

※3 2023年度の国内グループ会社は、連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象。

※4 2023年度の海外グループ会社は、53社が対象。

## Frequency Rate of Lost Time Accidents (1 or More Days)

### 休業災害(1日間以上) 度数率

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
All industries in Japan (calendar year) 日本の全産業(暦年)	1.80	1.95	2.09	2.06	2.14
Manufacturing industry in Japan (calendar year) 日本の製造業(暦年)	1.20	1.21	1.31	1.25	1.29
Nikon ★ ニコン ★	0.20	0.19	0.18	0.55	0.09
Group companies in Japan ★ 国内グループ会社 ★	0.61	0.64	0.33	0.32	0.47
Group companies in Europe 欧州グループ会社	1.37	0.83	1.09	2.41	2.54
Group companies in Americas 米州グループ会社	1.04	0.70	1.51	0.73	0.53
Group companies in Asia and Oceania アジア・オセアニアグループ会社	0.10	0.29	0.33	0.28	0.27
Nikon Group (total) ニコングループ(合計)	0.39	0.43	0.42	0.56	0.55

Notes:

1. Frequency rate: The number of deaths and injuries resulting from occupational accidents per million hours worked, which is used as an index for the frequency of occupational accidents.

2. There were 22 Group companies in Japan, including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies, in the fiscal year 2023.

3. There were 53 Group companies outside Japan in the fiscal year 2023. The frequency rate was calculated based on total imputed working hours.

※1 度数率: 100万のべ実労働時間当たりの労働災害による死傷者数で、災害発生の頻度を表す。

※2 2023年度の国内グループ会社は、連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象。

※3 2023年度の海外グループ会社は、53社が対象。度数率は、のべみなし労働時間数から算出。

## Severity Rate of Lost Time Accidents (1 or More Days)

## 休業災害(1日間以上)強度率

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
All industries in Japan (calendar year) 日本の全産業(暦年)	0.09	0.09	0.09	0.09	0.09
Manufacturing industry in Japan (calendar year) 日本の製造業(暦年)	0.10	0.07	0.06	0.08	0.08
Nikon ★ ニコン ★	0.00	0.00	0.00	0.01	0.00
Group companies in Japan ★ 国内グループ会社 ★	0.00	0.01	0.00	0.00	0.00
Group companies in Europe 欧州グループ会社	0.06	0.04	0.08	0.03	0.06
Group companies in Americas 米州グループ会社	0.01	0.00	0.00	0.00	0.01
Group companies in Asia and Oceania アジア・オセアニアグループ会社	0.00	0.00	0.00	0.00	0.00
Nikon Group (total) ニコングループ(合計)	0.01	0.01	0.01	0.01	0.01

## Notes:

1. Severity rate: The number of work days lost per 1,000 hours worked, which is used as an index for the severity of occupational accidents.

2. 0.00 indicates a rate of less than 0.005.

3. There were 22 Group companies in Japan, including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies, in the fiscal year 2023.

4. There were 53 Group companies outside Japan in the fiscal year 2023. The severity rate was calculated based on total imputed working hours.

※1 強度率: 1,000のべ実労働時間当たりの労働損失日数で、災害の重さの程度を表す。

※2 「0.00」は、小数点第3位において四捨五入しても小数点第2位に満たないもの。

※3 2023年度の国内グループ会社は、連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象。

※4 2023年度の海外グループ会社は、53社が対象。強度率は、のべみなし労働時間数から算出。

## Occupational Accidents Requiring Time Off (1 or More Days) 休業災害 (1日間以上)

★: Values assured by the third party (only for fiscal year 2023)  
★: 第三者保証を受けている数値(2023年度のみ)

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Nikon ★ ニコン ★	Accidents requiring time off / 休業災害	2	2	2	6	1	persons / 名
	Lost days / 業務災害労働損失日数	27.9	30.4	27.1	85.5	9.8	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	0.0	0.0	0.0	0.0	%
Group companies in Japan ★ 国内グループ会社 ★	Accidents requiring time off / 休業災害	8	7	4	4	6	persons / 名
	Lost days / 業務災害労働損失日数	39.3	178.4	10.7	58.4	14.3	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	0.0	0.0	0.0	0.0	%
Group companies in Europe 欧州グループ会社	Accidents requiring time off / 休業災害	5	3	4	9	13	persons / 名
	Lost days / 業務災害労働損失日数	222.1	148.0	282.7	112.6	289.3	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	33.3	25.0	0.0	0.0	%
Group companies in Americas 米州グループ会社	Accidents requiring time off / 休業災害	2	2	4	2	1	persons / 名
	Lost days / 業務災害労働損失日数	24.6	4.1	3.3	4.5	15.6	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	0.0	0.0	0.0	0.0	%
Group companies in Asia and Oceania アジア・オセアニアグループ会社	Accidents requiring time off / 休業災害	2	5	5	4	4	persons / 名
	Lost days / 業務災害労働損失日数	15.6	32.9	7.4	62.5	4.9	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	0.0	0.0	0.0	0.0	%
Contractors (in Japan) ★ 請負 (国内) ★	Accidents requiring time off / 休業災害	0	0	0	0	0	persons / 名
	Lost days / 業務災害労働損失日数	0.0	0.0	0.0	0.0	0.0	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	0.0	0.0	0.0	0.0	%
Contractors (outside Japan) 請負 (海外)	Accidents requiring time off / 休業災害	0	0	0	0	0	persons / 名
	Lost days / 業務災害労働損失日数	0.0	0.0	0.0	0.0	0.0	days / 日
	Ratio of seriously injured / 重篤者の割合	0.0	0.0	0.0	0.0	0.0	%

Notes:

1. Lost days: The number of missed work days in the past multiplied by 300/365 (for the fiscal year 2019, multiplied by 300/366) (Round to the nearest tenth).
2. There were 22 Group companies in Japan, including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies, in the fiscal year 2023 (Round to the nearest tenth).
3. There were 53 Group companies outside Japan in the fiscal year 2023.
4. Contracts are for on-site contract workers entrusted by companies outside the Nikon Group.
5. Seriously injured: the worker with injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

- ※1 損失日数: 暦日の休業日数に300/365 (2019年度、2023年度は300/366) を乗じた日数(小数点第2位以下を四捨五入)
- ※2 2023年度の国内グループ会社は、連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象。
- ※3 2023年度の海外グループ会社は、53社が対象。
- ※4 請負は、ニコングループ外の会社が受託した構内請負労働者が対象。
- ※5 重篤者: 6ヶ月以内に傷害前の健康状態に完全に回復することができないか、回復しないまたは死亡すると予想される傷害を負った労働者。

## Fatalities

### 死亡者数

★: Values assured by the third party (only for fiscal year 2023)

★: 第三者保証を受けている数値(2023年度のみ)

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Nikon ★ ニコン ★	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%
Group companies in Japan ★ 国内グループ会社 ★	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%
Group companies in Europe 欧州グループ会社	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%
Group companies in Americas 米州グループ会社	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%
Group companies in Asia and Oceania アジア・オセアニアグループ会社	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%
Contractors (in Japan) ★ 請負(国内) ★	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%
Contractors (outside Japan) 請負(海外)	Fatalities 死亡者数	0	0	0	0	0	persons 名
	Ratio of fatalities 死亡者の割合	0.00	0.00	0.00	0.00	0.00	%

## Notes:

- There were 22 Group companies in Japan, including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies, in the fiscal year 2023.
- There were 53 Group companies outside Japan in the fiscal year 2023.
- Contracts are for on-site contract workers entrusted by companies outside the Nikon Group. Other than on-site contract workers, one fatality occurred during the construction of a new store for a Group company outside Japan in fiscal year 2023. The response to this incident is described on p.148 of the Sustainability Report 2024.

※1 2023年度の国内グループ会社は、連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象。

※2 2023年度の海外グループ会社は、53社が対象。

※3 請負は、ニコングループ外の会社が受託した構内請負労働者が対象。構内請負以外では、2023年度、海外グループ会社の新店舗施工中の事故において1名死亡。当該事案の対応についてはサステナビリティ報告書2024のp.148に記載。

## Frequency Rate of Occupational Illnesses

### 職業性疾病度数率

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Nikon ニコン	Frequency Rate of Illnesses 疾病度数率	0.00	0.00	0.00	0.00	0.00	—
	Fatalities 死亡者数	—	0	0	0	0	persons 名
Group companies in Japan 国内グループ会社	Frequency Rate of Illnesses 疾病度数率	0.00	0.00	0.00	0.00	0.00	—
	Fatalities 死亡者数	—	0	0	0	0	persons 名
Group companies in Europe 欧州グループ会社	Frequency Rate of Illnesses 疾病度数率	0.00	0.00	0.00	0.00	0.00	—
	Fatalities 死亡者数	—	0	0	0	0	persons 名
Group companies in Americas 米州グループ会社	Frequency Rate of Illnesses 疾病度数率	0.00	0.00	0.00	0.00	0.00	—
	Fatalities 死亡者数	—	0	0	0	0	persons 名
Group companies in Asia and Oceania アジア・オセアニアグループ会社	Frequency Rate of Illnesses 疾病度数率	0.00	0.00	0.00	0.00	0.00	—
	Fatalities 死亡者数	—	0	0	0	0	persons 名
Nikon Group (total) ニコングループ(合計)	Frequency Rate of Illnesses 疾病度数率	0.00	0.00	0.00	0.00	0.00	—
	Fatalities 死亡者数	—	0	0	0	0	persons 名

## Notes:

1. There were 22 Group companies in Japan, including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies, in the fiscal year 2023.

2. There were 53 Group companies outside Japan in the fiscal year 2023.

※1 2023年度の国内グループ会社は、連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象。

※2 2023年度の海外グループ会社は、53社が対象。

## Number of People with Major Injuries and Illnesses Due to Occupational Accidents (Fiscal Year 2023) 業務災害における主な傷病や疾病の被災者数 (2023年度)

Unit: persons / 単位: 名

Types 分類	Number of injuries 被災者数
Bruise 打撲	13
Cut wound/fissure 切創・裂創	13
Broken bone 骨折・脱臼	11
Chemical inflammation etc. 化学炎症など	3
Back pain etc. 腰痛など	2

Notes: Data on types of occupational accidents and diseases, injuries collected only from Nikon Group in Japan.

※1 業務災害と疾病の傷病の種類は国内ニコングループのみを集計

# Data on "Governance" field / 「ガバナンス」に関するデータ

## Use of Reporting and Consulting System (Fiscal Year 2023)

### 倫理ホットライン（報告相談制度）利用実績（2023年度）

Unit: cases / 単位: 件

	Results by Consultation Type 相談内容別実績
Employment/Labor/Work Environment 雇用・労働・職場環境	80
Environment, occupational health and safety 環境・安全衛生	2
Quality 品質	1
Procurement 調達	1
Misappropriation of corporate assets and expenses 会社資産・経費の不適切な使用	5
Bribery 贈収賄	1
Information management 情報管理	3
Others その他	9

Note: The total number of reports received through the domestic and overseas reporting and consulting systems. If the same reporter makes multiple reports to this systems, each report is counted separately.

※国内・海外の相談内容の合計値。相談者が複数通報する場合は、それぞれカウントしている。

## Directors and Officers (As of March 31, 2024)

### 取締役・執行役員概況 (2024年3月末現在)

		Directors 取締役	Among the directors, Audit and Supervisory Committee members 取締役のうち監査等委員	Officers* 執行役員*	Unit 単位
Number of persons 人数	Internal 社内	6	2	21	persons 名
	External 社外	6	3	0	
Ratio of women 女性比率		17	40	0	%
Ratio of non-Japanese 外国人比率		0	0	5	
Attendance at Meetings of the Board of Directors 取締役会出席率	Internal 社内	99	100	—	
	External 社外	98	97	—	
Term of office 任期		Within 1 year 1年以内	Within 2 years 2年以内	Within 1 year 1年以内	—

\* Including three Directors serving concurrently as Officer, and an Executive Fellow and those equivalent to other Officer.

\* 取締役兼執行役員3名、およびエグゼクティブ・フェローその他執行役員に準ずるものを含む。

## Number of Women and Non-Japanese Appointed as Nikon Group Directors/Officers and Corporate Auditors ニコングループの取締役・執行役員および監査役の女性、外国人の人数

Unit: persons / 単位: 名

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Nikon ニコン	Women 女性	0	1	1	1	2
	Non-Japanese 外国人	0	1	1	1	1
Group companies グループ会社	Women 女性	2	3	4	4	4
	Non-Japanese 外国人	30	31	25	30	51

Note: Local equivalent to director, officer, and corporate auditor included in the count. Cases of directors or officers serving in concurrent posts are counted as one individual.

※ 取締役、執行役員、監査役の現地相当職をそれぞれ内数としてカウント。なお兼務している場合は、1とカウント。

## Compensation for Directors (Fiscal Year 2023)

### 取締役の報酬などの額 (2023年度)

		Fixed compensation 固定報酬	Performance-based compensation 業績連動報酬		Stock compensation 株式報酬	Total 合計	Unit 単位
		Fixed monthly compensation 月例定額報酬	Bonuses 賞与	Performance-based stock remuneration 業績連動型株式報酬	Restricted stock remuneration 譲渡制限付株式報酬		
Directors other than those who are Audit and Supervisory Committee members (of which External Directors) 監査等委員以外の取締役(内、社外取締役)	Number of persons 支給人数	7 (3)	3 (-)	3 (-)	3 (-)	7 (3)	persons 名
	Amount of compensation 支給額	257 (44)	78 (-)	15 (-)	61 (-)	411 (44)	¥1,000,000
Directors who are Audit and Supervisory Committee members (of which External Directors) 監査等委員である取締役(内、社外取締役)	Number of persons 支給人数	6 (4)	—	—	—	6 (4)	persons 名
	Amount of compensation 支給額	111 (48)	—	—	—	111 (48)	¥1,000,000
Total 合計	Number of persons 支給人数	13 (7)	3 (-)	3 (-)	3 (-)	13 (7)	persons 名
	Amount of compensation 支給額	368 (92)	78 (-)	15 (-)	61 (-)	521 (92)	¥1,000,000

## Notes:

- The number of persons and the amount of compensation pertaining to fixed compensation/fixed monthly compensation, and total shown above include one Director who is an Audit and Supervisory Committee Member (of which, one External Director) who retired at the conclusion of the 159th Annual General Shareholders' Meeting held on June 29, 2023.
- The amount of bonuses shown above indicates the total amount of bonuses for Directors other than those who are Audit and Supervisory Committee Members (excluding Non-Executive Directors) resolved at the Board of Directors' meeting held on May 7, 2024 after deliberation by the Compensation Committee.
- The amount of performance-based stock remuneration shown above indicates the total amount to be paid to Directors other than those who are Audit and Supervisory Committee Members (excluding Non-Executive Directors) during the fiscal year, by resolution at the meeting of the Board of Directors held on May 17, 2024. Note that the number of persons and the amount of compensation include the monetary compensation paid in exchange for shares as the performance-backed stock remuneration to an individual who resigned as Director as of March 31, 2024.

※1 上記のうち、固定報酬/月例定額報酬および合計に係る支給人数・支給額には、2023年6月29日開催の第159期定時株主総会終結の時をもって辞任した監査等委員である取締役1名(うち、社外取締役1名)を含む。

※2 上記の賞与の支給額は、報酬審議委員会の審議を経て、2024年5月17日開催の取締役会にて監査等委員以外の取締役(非業務執行取締役を除く)に支給することを決議した総額。

※3 上記の業績連動型株式報酬の支給額は、報酬審議委員会の審議を経て、2024年5月17日開催の取締役会にて監査等委員以外の取締役(非業務執行取締役を除く)に支給することを決議した業績連動型株式報酬の総額。なお、支給人数・支給額には2024年3月31日付で辞任した取締役1名に支給する業績連動型株式報酬としての株式に代わる金銭を含む。

## Compensation Amount for Each Director (Fiscal Year 2023)

### 役員ごとの報酬額 (2023年度)

Unit: ¥1,000,000 / 単位: ¥1,000,000

	Total amount of compensation on a consolidated basis 連結報酬等の総額	Officer category 役員区分	Fixed monthly compensation 月例定額報酬	Bonuses 賞与	Performance-based stock remuneration 業績連動型株式報酬	Restricted stock remuneration 譲渡制限付株式報酬
Toshikazu Umatate 馬立 稔和	152	Director 取締役	77	35	8	32

Note: Only persons with total compensation, etc., over 100 million yen are shown.

※ 報酬等の総額が1億円以上である者のみ記載。

## Ratio at Nikon of Basic Salary and Remuneration of Women to Men (Fiscal Year 2023)

### ニコンにおける基本給と報酬総額の男女比 (2023年度)

Unit: % / 単位: %

		Women / Men 女性 / 男性
Basic salary 基本給	Managers other than senior 上級以外の管理職	98.7
	Permanent employees 一般正社員	82.3
Total Compensation Amount 報酬総額	Managers other than senior 上級以外の管理職	98.4
	Permanent employees 一般正社員	83.6

Note: Nikon applies the same salary system for men and women. The main reason for the discrepancies is the composition of personnel by job grade.

※ 給与体系は、男女で同一の体系を適用。差は等級別人員構成などによる。

## Compensation at Nikon of President and Average Annual Salary of Employees ニコンにおける社長執行役員と従業員平均年間給与比

	FY2023 2023年度	Unit 単位
Average annual salary of employees / 従業員平均年間給与	8,639,269	¥
Ratio (employees' salary: president's salary) / 比率(従業員給与: 社長執行役員給与)	1:18	—

## Number of Meetings of the Board of Directors and Committees (Fiscal Year 2023) 取締役会および委員会開催回数 (2023年度)

Unit: Times / 単位: 回

	FY2023 2023年度
Board of directors / 取締役会	17
Audit and supervisory committee / 監査等委員会	14
Nominating committee / 指名審議委員会	5
Compensation committee / 報酬委員会	3
Executive committee / 経営委員会	34

## Revenue, Tax payment, and Number of Employee by Region (Fiscal Year 2022) 地域別売上収益、納税額、従業員数 (2022年度)

Unit: ¥1,000,000 / 単位: ¥1,000,000

Unit: persons / 単位: 名

	Revenue 売上収益	Tax payment 納税額	Employee 従業員数
Japan / 日本	122,947	4,871	8,303
United States / 米国	159,757	2,788	905
Europe / 欧州	106,814	1,578	2,525
China / 中国	129,042	982	932
Others / その他	109,546	2,252	6,125
Total / 合計	628,105	12,471	18,790

# Data on Corporate Citizenship / 企業市民活動に関するデータ

## Expenses of Corporate Citizenship and Breakdown by field 企業市民活動費と分野別の内訳

		FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度	Unit 単位
Expenses 支出		522,115	280,890	336,203	381,782	326,169	¥1,000
Breakdown by field 分野別内訳	Environment 環境	3.5	2.6	2.5	3.9	4.4	%
	Education 教育	10.9	20.6	19.5	13.0	20.1	
	Art and science 芸術・科学	69.7	58.2	59.6	49.5	56.9	
	Health 健康	3.5	5.5	6.2	3.0	6.1	
	Disaster Relief Assistance 災害支援	6.1	5.7	6.5	20.5	4.5	
	Other その他	6.4	7.4	5.7	10.1	8.1	

## How to contribute corporate citizenship expenses 企業市民活動費の拠出方法

Unit: ¥1,000,000 / 単位: ¥1,000,000

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Cash contributions 現金寄付	180	235	295	347	292
Time contributions* 時間の寄付*	24	5	4	17	25
In-kind contributions of product, property, or services 現物寄付 (製品、資産、サービスによる)	297	31	30	10	2
Management costs (overheads) マネジメント・コスト (諸経費)	21	9	7	7	7

\* Cost of paid work hours contributed by employees in community activities

\* コミュニティの活動で従業員が貢献した有給労働時間の費用

## Types of Corporate Citizenship Expenses 企業市民活動費の種類

Unit: ¥1,000,000 / 単位: ¥1,000,000

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Charitable Donations 慈善寄附 (公益団体への資金や物資の提供)	21	60	65	53	60
Community Investments コミュニティ投資 (地域の長期的な発展を支えるための支出)	99	80	79	144	93
Commercial Initiatives コマーシャル・イニシアチブ (事業と関連のある活動による支出)	402	140	192	184	173

## Number of Employees Participating in Corporate Citizenship Activities (Total) 企業市民活動への従業員参加人数 (のべ)

Unit: persons / 単位: 名

	FY2019 2019年度	FY2020 2020年度	FY2021 2021年度	FY2022 2022年度	FY2023 2023年度
Employee participants 従業員参加者	3,310	1,888	1,681	3,974	2,575

# Independent Practitioner's Assurance / 第三者保証

The Nikon Group obtains independent practitioner's assurance in order to increase the reliability of reported information.  
ニコングループでは、情報の信頼性を高めるため、第三者による保証を受けています。

## Assurance Scope

### 保証対象

	Item / 項目	Scope / 対象
Promoting a decarbonized society 脱炭素化の推進	Scope 3 (Category 11) Emissions Scope3 (カテゴリ11) 排出量	Imaging Products Business, Precision Equipment Business and Healthcare Business 映像事業、精機事業、ヘルスケア事業
	Energy Consumption and Energy Consumption per Unit of Sales エネルギー使用量、売上高原単位	
	Renewable Energy Consumption 再生可能エネルギー使用量	
	CO <sub>2</sub> Emissions from Energy Consumption and Emissions per Unit of Sales エネルギー起源 CO <sub>2</sub> 排出量、売上高原単位	
	CO <sub>2</sub> from Nonenergy Consumption and Other Greenhouse Gases Emissions 非エネルギー起源 CO <sub>2</sub> およびその他の温室効果ガス排出量	
	CO <sub>2</sub> Emissions Reduction through the Use of Renewable Energy 再生可能エネルギー活用による CO <sub>2</sub> 削減効果	
Promoting resource circulation 資源循環の推進	Breakdown of Greenhouse Gas Emissions 温室効果ガス内訳	Nikon, Group companies in Japan, and Group manufacturing companies outside Japan ニコン、国内グループ会社、海外グループ生産会社
	Amount of Waste (Waste plus Resources with Economic Value), Total waste used/ recycled/sold, Final landfill waste 廃棄物など排出量、再資源化量、最終(埋立)処分量	
	Water Withdrawal 取水量	
	Water Discharge 排水量	
Preventing pollution and conserving ecosystems 汚染防止と生態系への配慮	Water Consumption 淡水消費量	
	Water Reuse 再利用水量	
Employees' health and safety 従業員の健康と安全	Volatile Organic Compounds (VOCs) Emissions VOC (揮発性有機化合物) 排出量	Nikon and Group Companies in Japan (22 companies including 17 consolidated subsidiaries, 1 non-consolidated subsidiary, and 4 affiliated companies) ニコン、国内グループ会社(連結子会社17社、非連結子会社1社、関連会社4社の計22社が対象)
	Frequency Rates and Severity Rate of Lost Time Accidents (1 or More Days) 休業災害(1日間以上)の度数率、強度率	
	Number of Employees and Contractors for Occupational Accidents Requiring Time Off (1 or More Days), and Fatalities 従業員および請負の休業災害(1日間以上)、死亡者数	

**Target period: Fiscal year 2023 (April 1, 2023 – March 31, 2024)**

**対象期間: 2023年度(2023年4月1日~2024年3月31日)**

## Independent Practitioner's Assurance Report



デロイト トーマツ

### Independent Practitioner's Assurance Report

To the Representative Director and Chairman of Nikon Corporation

We have undertaken a limited assurance engagement of the Data on "Environment" and "Society/Labor" field indicated with ★ for the fiscal year 2023 (the "Sustainability Information") included in the "NIKON SUSTAINABILITY REPORT 2024 Data Index" (the "Report") of Nikon Corporation (the "Company").

#### The Company's Responsibility

The Company is responsible for the preparation of the Sustainability Information in accordance with the calculation and reporting standard adopted by the Company (indicated with the Sustainability Information). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

#### Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

#### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

*Deloitte Tohmatsu Sustainability Co., Ltd.*

Deloitte Tohmatsu Sustainability Co., Ltd.  
Tokyo, Japan  
June 28, 2024

Member of  
Deloitte Touche Tohmatsu Limited

\* International Standard on Assurance Engagements (ISAE) 3000 and 3410

These assurance engagement standards were developed by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). ISAE 3000 deals with "assurance engagements other than audits or reviews of historical financial information of entities," which encompass assurance engagements on environmental information and information about social aspects. ISAE 3410 determines procedures for assurance engagements concerning greenhouse gas statements based on ISAE 3000. Compliance with ISAE 3410 necessitates that the requirements of ISAE 3000 also be fulfilled.

\* Inherent uncertainty

Uncertainty is inherent in the calculation of the amount of greenhouse gases. This uncertainty is unavoidable for any entity that performs the calculations, because the global warming potential values and other elements used in the calculations are based on current scientific hypotheses and errors generated by measuring equipment and other sources are inevitable. This uncertainty does not mean that the calculated values are inapplicable. The ISAE 3410 stipulates that reported information can be assured as long as the hypotheses are reasonable and sufficient disclosure is provided regarding their content.



**NIKON CORPORATION**

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NIKON  
SUSTAINABILITY  
REPORT **2024**

GRI Content Index

# Universal Standards

GRI 1: Foundation	
Statement of use	Nikon has reported in accordance with the GRI Standards for the period 1 April 2023 to 31 March 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not currently available

Explanation of Information Disclosure Level Symbols ○ = Fulfills disclosure requirements △ = Partially fulfills disclosure requirements × = Non-disclosure - = Not applicable

Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
GRI 2: General Disclosures 2021			
2-1	Organizational details	○	P008 Corporate Information Nikon Group Companies [Web Page] <a href="https://www.nikon.com/company/corporate/group/">https://www.nikon.com/company/corporate/group/</a>
2-2	Entities included in the organization's sustainability reporting	○	P002 About Sustainability Report 2024 Securities Report (in Japanese)
2-3	Reporting period, frequency and contact point	○	P002 About Sustainability Report 2024
2-4	Restatements of information	○	P002 About Sustainability Report 2024
2-5	External assurance	○	P002 About Sustainability Report 2024 D-57 Independent Practitioner's Assurance [Data Index]
2-6	Activities, value chain and other business relationships	○	P008 Corporate Information P.105-115 Supply Chain Management Securities Report (in Japanese)
2-7	Employees	○	D-27 Employee Composition [Data Index] D-28 Composition Ratio by Gender/Age by Management and Employee Type of Nikon [Data Index] D-38 Number of Part-Time and Temporary Employees [Data Index]
2-8	Workers who are not employees	△	D-38 Number of Part-Time and Temporary Employees [Data Index]

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
2-9	Governance structure and composition	○	P025-031 Governance P.151-155 Corporate Governance  D-50 Directors and Officers [Data Index]  Corporate Governance Organization [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a>  Directors, Officers and Executive Fellows [Web Page] <a href="https://www.nikon.com/company/corporate/management/">https://www.nikon.com/company/corporate/management/</a>
2-10	Nomination and selection of the highest governance body	○	Corporate Governance Guideline [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/guideline/">https://www.nikon.com/company/ir/governance/organization/guideline/</a>
2-11	Chair of the highest governance body	○	Corporate Governance Organization [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a>
2-12	Role of the highest governance body in overseeing the management of impacts	○	P.020-024 Strategy P025-031 Governance P032 Risk Management P.151-155 Corporate Governance
2-13	Delegation of responsibility for managing impacts	○	P025-031 Governance P032 Risk Management P.151-155 Corporate Governance P.157-159 Risk Management  Corporate Governance Organization [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a>
2-14	Role of the highest governance body in sustainability reporting	○	P025-026 Sustainability Promotion System
2-15	Conflicts of interest	○	Corporate Governance Guideline [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/guideline/">https://www.nikon.com/company/ir/governance/organization/guideline/</a>
2-16	Communication of critical concerns	○	P.151-155 Corporate Governance P.157-159 Risk Management

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
2-17	Collective knowledge of the highest governance body	○	P.025-026 Sustainability Promotion System P.028-031 Stakeholder Engagement P.121 Human Rights Training P.148 Compliance Training for Directors and Employees of the Nikon Group
2-18	Evaluation of the performance of the highest governance body	○	Corporate Governance Organization > Evaluation of the Board of Directors' Effectiveness [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a>
2-19	Remuneration policies	○	Corporate Governance Organization > Compensation of Directors and Officers [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a> D-52 Compensation for Directors [Data Index] D-53 Compensation Amount for Each Director [Data Index]
2-20	Process to determine remuneration	○	Corporate Governance Organization > Compensation of Directors and Officers [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a> Securities Report (in Japanese)
2-21	Annual total compensation ratio	○	D-54 Compensation at Nikon of President and Average Annual Salary of Employees [Data Index]
2-22	Statement on sustainable development strategy	○	P.004-007 Message from the Presiden P.046 Ensuring Trustworthiness by Maintaining and Increasing Quality > Commitment P.057 Environment > Commitment P.104 Building a Resilient Supply Chain > Commitment P.116 Respecting Human Rights > Commitment P.123 Diversity, Equity & Inclusion > Commitment P.135 Employees' Health and Safety > Commitment P.144 Thorough Compliance > Commitment P.150 Strengthening Corporate Governance > Commitment P.156 Strengthening Risk Management > Commitment

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
2-23	Policy commitments	○	P.008 Corporate Philosophy/Corporate Vision P.019 Sustainability Policy P.047 Basic Quality Policy P.058 Environmental Strategy > Policy and Long-Term Environmental Vision P.136 Nikon Group Health and Safety Policy P.164 Nikon Corporate Citizenship Policy  Nikon Code of Conduct [Data Index] <a href="https://www.nikon.com/company/sustainability/policy/codeofconduct/">https://www.nikon.com/company/sustainability/policy/codeofconduct/</a> Nikon Environmental Activity Policy [Data Index] <a href="https://www.nikon.com/company/sustainability/environment/environment_policy.pdf">https://www.nikon.com/company/sustainability/environment/environment_policy.pdf</a> Nikon Basic Green Procurement Policy [Data Index] <a href="https://www.nikon.com/company/corporate/procurement/green/">https://www.nikon.com/company/corporate/procurement/green/</a> Paper Procurement Policy [Data Index] <a href="https://www.nikon.com/company/sustainability/environment/safety/paper_procurement_policy.pdf">https://www.nikon.com/company/sustainability/environment/safety/paper_procurement_policy.pdf</a> Nikon Basic Procurement Policy [Data Index] <a href="https://www.nikon.com/company/corporate/procurement/policy/">https://www.nikon.com/company/corporate/procurement/policy/</a> Nikon CSR Procurement Standards [Data Index] <a href="https://www.jp.nikon.com/company/corporate/procurement/pdf/csr-procurement1_3_e.pdf">https://www.jp.nikon.com/company/corporate/procurement/pdf/csr-procurement1_3_e.pdf</a> Responsible Minerals Sourcing Policy [Data Index] <a href="https://www.nikon.com/company/corporate/procurement/conflict_minerals/">https://www.nikon.com/company/corporate/procurement/conflict_minerals/</a> Nikon Human Rights Policy [Data Index] <a href="https://www.nikon.com/company/sustainability/society-labor/human-rights/human_rights_policy.pdf">https://www.nikon.com/company/sustainability/society-labor/human-rights/human_rights_policy.pdf</a> Nikon Global Diversity, Equity & Inclusion Policy [Data Index] <a href="https://www.nikon.com/company/sustainability/society-labor/diversity-inclusion/dei_policy.pdf">https://www.nikon.com/company/sustainability/society-labor/diversity-inclusion/dei_policy.pdf</a> Nikon Anti-Bribery Policy [Data Index] <a href="https://www.nikon.com/company/sustainability/governance/compliance/anti-bribery_policy.pdf">https://www.nikon.com/company/sustainability/governance/compliance/anti-bribery_policy.pdf</a> Basic Policy on Internal Control System [Data Index] <a href="https://www.nikon.com/company/ir/governance/internal-control/policy/">https://www.nikon.com/company/ir/governance/internal-control/policy/</a> Global Tax Policy [Data Index] <a href="http://www.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf">www.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf</a> Nikon Group Information Security Policy [Data Index] <a href="https://www.nikon.com/company/sustainability/governance/risk-management/security_policy.pdf">https://www.nikon.com/company/sustainability/governance/risk-management/security_policy.pdf</a> Nikon Group Privacy Protection Statement [Data Index] <a href="https://www.nikon.com/privacy/group/">https://www.nikon.com/privacy/group/</a>

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
2-24	Embedding policy commitments	○	P.011-017 Overview of the Medium-Term Management Plan P.019 Our Approach to Sustainability P.020-024 Strategy P.025-031 Governance P.032 Risk Management P.047-054 Ensuring Quality and Safety P.060-063 Environmental Management System P.110-115 Promoting CSR Procurement P.116-122 Respecting Human Rights P.124-134 Diversity, Equity & Inclusion P.136-142 Employees' Health and Safety P.144-149 Thorough Compliance P.149-154 Strengthening Corporate Governance P.156-162 Strengthening Risk Management P.163-167 Nikon Corporate Citizenship Activities  Corporate Governance Organization [Web Page] <a href="https://www.nikon.com/company/ir/governance/organization/">https://www.nikon.com/company/ir/governance/organization/</a>
2-25	Processes to remediate negative impacts	○	P.027 Main Achievements for the Fiscal Year Ended March 2023 in Relation to the Ten Principles of the UN Global Compact P.061-062 Environmental Management System P.120-121 Monitoring P.147-148 Reporting and Consulting System (Code of Conduct Hotline)
2-26	Mechanisms for seeking advice and raising concerns	○	P.107 Procurement Hotline P.117 Human Rights Initiatives > Governance P.147-148 Reporting and Consulting System (Code of Conduct Hotline)
2-27	Compliance with laws and regulations	○	P.052 Quality Issues Encountered in FY2023 P.061 Legal Violations *In fiscal year 2023, there were no fines or sanctions for violation of environmental laws and regulations imposed on the Nikon Group. P.093 Use of Substances Restricted by the REACH Regulations P.148-149 Prevention of Bribery *In fiscal year 2023, no cases of violation of anti-bribery-related laws and regulations occurred in the Nikon Group. P.149 Violation of the Production Safety Law of the People's Republic of China P.161 Response to Information Security Incidents *There have been no major information security incidents involving the payment of fines or compensation in the past three years.

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
2-28	Membership associations	○	P027 Participation in International Initiatives P029 List of Main Affiliated Organizations Related to Sustainability P059 Participation in Environmental Initiatives and Influencing Society
2-29	Approach to stakeholder engagement	○	P028-031 Stakeholder Engagement
2-30	Collective bargaining agreements	○	P122 Labor Relations D-42 Number of Employees Represented by an Independent Labor Union [Data Index]
GRI 3: Material Topics			
3-1	Process to determine material topics	○	P020-025 Sustainability Materiality
3-2	List of material topics	○	P020-025 Sustainability Materiality

# Topic Standards

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
<b>Materiality 1</b> Creating Social Value Through Core Technologies			
3-3	Management of material topics	○	P038-045 Materiality 1 Creating Social Value Through Core Technologies
<b>Materiality 2</b> Ensuring Trustworthiness by Maintaining and Increasing Quality			
3-3	Management of material topics	○	P046-054 Materiality 2 Ensuring Trustworthiness by Maintaining and Increasing Quality
416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	○	P051 Ensuring Safety of Products and Services
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	○	P051 Response in Case of an Accident P052 Quality Issues Encountered in FY2023
417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	○	P052 Information Provision for Safe Use P091-093 Management and Reduction of Hazardous Chemical Substances in Products
417-2	Incidents of non-compliance concerning product and service information and labeling	○	P052 Information Provision for Safe Use *In fiscal year 2023, there were no violations of laws, regulations, etc. with regard to safety labeling and information provision.
417-3	Incidents of non-compliance concerning marketing communications	○	*In fiscal year 2023, there were no violations of laws or self-regulations with regard to marketing communications.
<b>Materiality 3</b> Promoting a Decarbonized Society			
3-3	Management of material topics	○	P055-057 Environment P058-059 Environmental Strategy P060-063 Environmental Management Promotion System P064-066 Risk Management P067-069 Metrics and Targets P070-079 Materiality 3 Promoting a Decarbonized Society

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
201: Economic Performance 2016			
201-2	Financial implications and other risks and opportunities due to climate change	○	P064-066 Risk Management P071-072 Promoting a Decarbonized Society > Strategy P072-073 Promoting a Decarbonized Society > Risk Management
302: Energy 2016			
302-1	Energy consumption within the organization	○	P076 Changes in Energy Consumption P075-076 Utilizing Renewable Energy  D-06 Energy Consumption [Data Index] D-07 Energy Consumption (MWh conversion) [Data Index] D-08 Ratio of renewable energy to electricity consumption [Data Index]
302-2	Energy consumption outside of the organization	△	P074 Scope 3 Emissions P078 Greenhouse Gas Emissions from Distribution in Japan, International Shipment and Distribution Outside Japan  D-05 GHG Emissions List Breakdown by Scope and Category (2) [Data Index] D-13 GHG Emissions from Distribution in Japan, International Shipment and Distribution outside Japan [Data Index]
302-3	Energy intensity	○	P076 Changes in Energy Consumption  D-06 Energy Consumption [Data Index]
302-4	Reduction of energy consumption	○	P076 Greenhouse Gas Reduction Measures at Business Facilities  D-06 Energy Consumption [Data Index] D-07 Energy Consumption (MWh conversion) [Data Index]
302-5	Reductions in energy requirements of products and services	△	P074-075 Initiatives to Reduce Greenhouse Gas Emissions in Products

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	○	P073 Scope 1+2 Emissions P075 CO <sub>2</sub> Emissions from Energy Consumption P075-077 Initiatives to Reduce Greenhouse Gas Emissions at its Business Facilities  D-04 GHG Emissions List Breakdown by Scope and Category (1) [Data Index] D-09 CO <sub>2</sub> Emissions from Energy Consumption [Data Index] D-10 Breakdown of Greenhouse Gas Emissions [Data Index] D-11 CO <sub>2</sub> from Nonenergy Consumption and Other Greenhouse Gases Emissions [Data Index]
305-2	Energy indirect (Scope 2) GHG emissions	○	P073 Scope 1+2 Emissions P075 CO <sub>2</sub> Emissions from Energy Consumption P075-077 Initiatives to Reduce Greenhouse Gas Emissions at its Business Facilities  D-04 GHG Emissions List Breakdown by Scope and Category (1) [Data Index] D-09 CO <sub>2</sub> Emissions from Energy Consumption [Data Index] D-10 Breakdown of Greenhouse Gas Emissions [Data Index] D-12 CO <sub>2</sub> Emissions Reduction through the Use of Renewable Energy [Data Index]
305-3	Other indirect (Scope 3) GHG emissions	○	P074 Scope 3 Emissions P074-075 Initiatives to Reduce Greenhouse Gas Emissions in Products P078-079 Initiatives to Reduce Greenhouse Gas Emissions in Distribution  D-05 GHG Emissions List Breakdown by Scope and Category (2) [Data Index] D-13 GHG Emissions from Distribution in Japan, International Shipment and Distribution outside Japan [Data Index]
305-4	GHG emissions intensity	○	P075-077 Initiatives to Reduce Greenhouse Gas Emissions at its Business Facilities  D-09 CO <sub>2</sub> Emissions from Energy Consumption [Data Index]

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
305-5	Reduction of GHG emissions	○	P074-075 Initiatives to Reduce Greenhouse Gas Emissions in Products P075-077 Initiatives to Reduce Greenhouse Gas Emissions at its Business Facilities P078-079 Initiatives to Reduce Greenhouse Gas Emissions in Distribution  D-04, 05 GHG Emissions List Breakdown by Scope and Category [Data Index] D-09 CO <sub>2</sub> Emissions from Energy Consumption [Data Index] D-10 Breakdown of Greenhouse Gas Emissions [Data Index] D-11 CO <sub>2</sub> from Nonenergy Consumption and Other Greenhouse Gases Emissions [Data Index] D-12 CO <sub>2</sub> Emissions Reduction through the Use of Renewable Energy [Data Index] D-13 GHG Emissions from Distribution in Japan, International Shipment and Distribution outside Japan [Data Index]
305-6	Emissions of ozone-depleting substances (ODS)	○	P092-093 Total Abolition of All Ozone-Depleting Substance and Reduction of CFC Use
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	○	P095 Nikon Group's PRTR and VOCs  D-21 PRTR Survey Results [Data Index] D-22 Volatile Organic Compounds (VOCs) Emissions [Data Index]  Environmental Data by Plants/Manufacturing Companies in Japan (in only Japanese) [Web Page] <a href="https://www.jp.nikon.com/company/sustainability/environment/data/">https://www.jp.nikon.com/company/sustainability/environment/data/</a>
<b>Materiality 4</b> Promoting Resource Circulation			
3-3	Management of material topics	○	P055-057 Environment P058-059 Environmental Strategy P060-063 Environmental Management Promotion System P064-066 Risk Management P067-069 Metrics and Targets P080-090 Materiality 4 Promoting Resource Circulation
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	△	P064-065 Business Activities and the Environment
301-2	Recycled input materials used	△	P064-065 Eco-friendly Product Development P080-083 3R Initiatives for Products and Packaging

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
301-3	Reclaimed products and their packaging materials	△	P080-083 3R Initiatives for Products and Packaging D-13 Sales Trends of Refurbished Semiconductor Lithography Systems (For IC) [Data Index]
303: Water and effluents 2018			
303-1	Interactions with water as a shared resource	○	P087-090 Protection of Water Resources
303-2	Management of water discharge-related impacts	○	P087-088 Protection of Water Resources > Governance P088 Appropriate Wastewater Treatment P096 Prevention of Air, Water and Soil Pollution
303-3	Water withdrawal	○	P064-065 Business Activities and the Environment P088 Protection of Water Resources > Risk Management P088-089 Water Withdrawal and Discharge > Changes in Water Withdrawal, Breakdown of Water Withdrawal D-17 Water Withdrawal [Data Index]
303-4	Water discharge	○	P064-065 Business Activities and the Environment P088 Protection of Water Resources > Risk Management P088-089 Water Withdrawal and Discharge > Changes in Water Discharge, Breakdown of Water Discharge D-18 Water Discharge [Data Index]
303-5	Water consumption	○	P088 Protection of Water Resources > Risk Management P088-089 Water Withdrawal and Discharge > Changes in Freshwater Consumption, Changes in Water Consumption D-19 Freshwater Consumption [Data Index] D-20 Water Consumption [Data Index]
306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	○	P084-086 Initiatives Aimed at Reducing Waste, Etc.
306-2	Management of significant waste-related impacts	○	P084-086 Initiatives Aimed at Reducing Waste, Etc. * Nikon Group does not import, or export hazardous wastes or other wastes specified in the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
306-3	Waste generated	○	P064-065 Business Activities and the Environment P085 Waste Reduction Performance  D-15 Amount of Waste (Waste plus Resources with Economic Value), Total Waste Used/Recycled/Sold, and Final Landfill Waste [Data Index] D-16 Breakdown (by Category) of Waste (Waste plus Resources with Economic Value) Generated by Nikon Group in Japan (Fiscal Year 2023) [Data Index]
306-4	Waste diverted from disposal	○	P084-086 Initiatives Aimed at Reducing Waste, Etc.  D-15 Amount of Waste (Waste plus Resources with Economic Value), Total Waste Used/Recycled/Sold, and Final Landfill Waste [Data Index] D-16 Breakdown (by Category) of Waste (Waste plus Resources with Economic Value) Generated by Nikon Group in Japan (Fiscal Year 2023) [Data Index]
306-5	Waste directed to disposal	○	P084-086 Initiatives Aimed at Reducing Waste, Etc.  D-15 Amount of Waste (Waste plus Resources with Economic Value), Total Waste Used/Recycled/Sold, and Final Landfill Waste [Data Index]
<b>Materiality 5 Preventing Pollution and Conserving Ecosystems</b>			
3-3	Management of material topics	○	P055-057 Environment P058-059 Environmental Strategy P060-063 Environmental Management Promotion System P064-066 Risk Management P067-069 Metrics and Targets P091-102 Materiality 5 Preventing Pollution and Conserving Ecosystems
<b>304: Biodiversity 2016</b>			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	△	P097 Biodiversity Conservation > Basic Approach P097-099 Biodiversity Conservation > Strategy
304-2	Significant impacts of activities, products, and services on biodiversity	○	P097 Biodiversity Conservation > Basic Approach P097-099 Biodiversity Conservation > Strategy P.100-102 Major Initiatives
304-3	Habitats protected or restored	○	P.102 Support for Biodiversity Conservation and Restoration
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	×	Reason for omission: We are currently considering methods to appropriately assess the relationship between our business and biodiversity.

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
<b>Materiality 6</b>			
<b>Building a Resilient Supply Chain</b>			
3-3	Management of material topics	○	P.104-115 Materiality 6 Building a Resilient Supply Chain
204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	○	P.105 The Nikon Group's Supply Chain > Regional Procurement Amount Ratio, Regional Partner Ratio D-23 Regional Procurement Amount Ratio and Partner Ratio at Production Sites (Fiscal Year 2023) [Data Index]
308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	○	P.113-115 Promoting Green Procurement * With the business contract requirement to follow Nikon Environment Standards, all new suppliers meet the environmental standards. D-25 Environmental Partner Certifications [Data Index]
308-2	Negative environmental impacts in the supply chain and actions taken	○	P.074-075 Promoting CO <sub>2</sub> Reductions with our Procurement Partners P.114-115 Results of Fiscal Year 2023 Assessment P.115 Action and Improvement Assistance Case for Findings from External Organizations D-24 Assessment Achievements [Data Index]
414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	○	P.110-113 Promoting CSR Procurement * When selecting new suppliers, we conduct a CSR assessment in advance to confirm they meet our management standard, and we do not enter into contracts with suppliers that do not meet our management standard.
414-2	Negative social impacts in the supply chain and actions taken	○	P.105-110 Supply Chain Management P.110-113 Promoting CSR Procurement D-24 Assessment Achievements [Data Index]

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
<b>Materiality 7</b>			
<b>Respecting Human Rights</b>			
3-3	Management of material topics	○	P.116-122 Materiality 7 Respecting Human Rights
202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	△	P.120-121 Monitoring P.121 Fair Treatment and Evaluation  D-53 Ratio at Nikon of Basic Salary and Remuneration of Women to Men (Fiscal Year 2023) [Data Index]  Recruitment Information > Application Requirements of Clerical Staffs for New Graduates (in only Japanese) [Web Page] <a href="https://www.jp.nikon.com/company/recruitment/portal/newgraduates/recruit/requirements_jim.html">https://www.jp.nikon.com/company/recruitment/portal/newgraduates/recruit/requirements_jim.html</a>  Recruitment Information > Application Requirements of Technical Staffs for New Graduates (in only Japanese) [Web Page] <a href="https://www.jp.nikon.com/company/recruitment/portal/newgraduates/recruit/requirements_tec.html">https://www.jp.nikon.com/company/recruitment/portal/newgraduates/recruit/requirements_tec.html</a>
202-2	Proportion of senior management hired from the local community	○	D-29 Proportion of Management Hired from the Local Community outside Japan [Data Index]
402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	○	P.122 Labor Relations
406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	○	P.118 Human Rights Initiatives > Governance P.120-121 Monitoring P.147-148 Reporting and Consulting System (Code of Conduct Hotline)  D-49 Use of Reporting and Consulting System (Fiscal Year 2023) [Data Index]
407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	○	P.110-113 Promoting CSR Procurement P.118-119 Risk Management P.120-121 Monitoring

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	○	P.110-113 Promoting CSR Procurement P.118-119 Risk Management P.120-121 Monitoring
409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	○	P.110-113 Promoting CSR Procurement P.118-119 Risk Management P.120-121 Monitoring
Materiality 8 Diversity, Equity & Inclusion			
3-3	Management of material topics	○	P.124-134 Materiality 8 Diversity, Equity & Inclusion
401: Employment 2016			
401-1	New employee hires and employee turnover	○	D-30 Number and Rate of New Hires [Data Index] D-35 Number and Rate of Turnover [Data Index]
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	○	P.129-131 Creating Comfortable Working Environments
401-3	Parental leave	○	P.129 Support for Balancing Work and Childcare/Nursing Care D-39 Number of Employees Taking Childcare Leave [Data Index] D-40 Return-to-Work Rates after Childcare Leave [Data Index] D-41 Retention Rates after Childcare Leave [Data Index]
404: Training and Education 2016			
404-1	Average hours of training per year per employee	○	P.133 Human Resource Development > Major Initiatives D-41 Annual Number of Training Days per Employee at Nikon [Data Index]
404-2	Programs for upgrading employee skills and transition assistance programs	○	P.128 Supporting Senior Employees in the Workplace P.133-134 Human Resource Development

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
404-3	Percentage of employees receiving regular performance and career development reviews	○	P.131-132 Fair Treatment and Evaluation * Nikon conducts target assessment interviews of all employees biannually and there is no difference in evaluations based on gender.
405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	○	P.127 Promoting Advancement of Women in the Workplace P.128-129 Supporting Mid-Career Hires in the Workplace  D-28 Composition Ratio by Gender/Age by Management and Employment Type of Nikon (As of March 31, 2024) [Data Index] D-33 Age Group [Data Index] D-36 Ratio of Female Employees [Data Index] D-37 Ratio of Females in Management Positions [Data Index] D-38 Ratio of Females in Junior Management Positions at Nikon [Data Index] D-39 Employment of People with Disabilities under Group Certification [Data Index] D-50 Directors and Officers (As of March 31, 2024) [Data Index] D-51 Number of Women and Non-Japanese Appointed as Nikon Group Directors/Officers and Corporate Auditors [Data Index]
405-2	Ratio of basic salary and remuneration of women to men	○	D-53 Ratio at Nikon of Basic Salary and Remuneration of Women to Men (Fiscal Year 2023) [Data Index]
Materiality 9 Employees' Health and Safety			
3-3	Management of material topics	○	P.135-142 Materiality 9 Employees' Health and Safety
403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	○	P.138 Employees' Health and Safety > Governance P.138-139 Employees' Health and Safety > Risk Management
403-2	Hazard identification, risk assessment, and incident investigation	○	P.138-139 Employees' Health and Safety > Risk Management P.140 Raising Health and Safety Management Standards (in Japan) P.141 Raising Health and Safety Management Standards (Outside Japan)
403-3	Occupational health services	○	P.138-139 Employees' Health and Safety > Risk Management P.140 Raising Health and Safety Management Standards (in Japan) P.141 Raising Health and Safety Management Standards (Outside Japan)

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
403-4	Worker participation, consultation, and communication on occupational health and safety	○	P.122 Labor Relations P.138 Employees' Health and Safety > Governance
403-5	Worker training on occupational health and safety	○	P.140 Raising Health and Safety Management Standards (in Japan) P.139 Raising Health and Safety Management Standards (Outside Japan)
403-6	Promotion of worker health	○	P.142 Maintaining and Improving Employee Health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	○	P.140 Raising Health and Safety Management Standards (in Japan) P.141 Raising Health and Safety Management Standards (Outside Japan) P.142 Initiatives with Business Partners
403-8	Workers covered by an occupational health and safety management system	○	P.135-142 Employees' Health and Safety * All Nikon group employees are covered by our occupational health and safety management system.
403-9	Work-related injuries	○	P.141 Nikon Group Occupational Accidents  D-42 Occupational Accidents Attributed/Related to Work [Data Index] D-43 Frequency Rate of Lost Time Accidents (1 or More Days) [Data Index] D-44 Severity Rate of Lost Time Accidents (1 or More Days) [Data Index] D-45 Occupational Accidents Requiring Time Off (1 or More Days) [Data Index] D-46 Fatalities [Data Index] D-48 Number of People with Major Injuries and Illnesses Due to Occupational Accidents (Fiscal Year 2023) [Data Index]
403-10	Work-related ill health	○	P.141 Nikon Group Occupational Accidents  D-42 Occupational Accidents Attributed/Related to Work [Data Index] D-46 Fatalities [Data Index] D-47 Frequency Rate of Occupational Illnesses [Data Index] D-48 Number of People with Major Injuries and Illnesses Due to Occupational Accidents (Fiscal Year 2023) [Data Index]
Materiality 10 Thorough Compliance			
3-3	Management of material topics	○	P.144-149 Materiality 10 Thorough Compliance
205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	○	P.148-149 Prevention of Bribery

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
205-2	Communication and training about anti-corruption policies and procedures	○	P.147-149 Compliance > Main Initiatives P.148-149 Prevention of Bribery
205-3	Confirmed incidents of corruption and actions taken	○	P.148-149 Prevention of Bribery * In fiscal year 2023, no cases of violation of related anti-bribery laws and regulations occurred in the Nikon Group.
206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	○	P.149 Prevention of Competition Law Violations * In fiscal year 2023, no cases of violation of related competition laws and regulations occurred in the Nikon Group.
Materiality 11 Strengthening Corporate Governance			
3-3	Management of material topics	○	P.150-155 Materiality 11 Strengthening Corporate Governance
207: Tax 2019			
207-1	Approach to tax	○	P.154-155 Taxation Global Tax Policy <a href="https://www.jp.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf">https://www.jp.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf</a>
207-2	Tax governance, control, and risk management	○	P.154-155 Taxation Global Tax Policy [Web Page] <a href="https://www.jp.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf">https://www.jp.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf</a>
207-3	Stakeholder engagement and management of concerns related to tax	○	P.154-155 Taxation Global Tax Policy [Web Page] <a href="https://www.jp.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf">https://www.jp.nikon.com/company/sustainability/governance/corporate-governance/tax_policy.pdf</a>
207-4	Country-by-country reporting	○	P.155 Tax Payments by Region D-54 Revenue, Tax payment, and Number of Employee by Region (Fiscal Year 2022) [Data Index]

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
Materiality 12 Strengthening Risk Management			
3-3	Management of material topics	○	P.156-162 Materiality 12 Strengthening Risk Management
418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	○	P.161 Response to Information Security Incidents * There have been no major information security incidents involving the payment of fines or compensation in the past three years.

# Topic Standard (non-material)

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201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	○	P.008 Main Financial Data Securities Report (in Japanese)
201-3	Defined benefit plan obligations and other retirement plans	○	Securities Report (in Japanese)
201-4	Financial assistance received from government	○	Securities Report (in Japanese)
203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	△	P.164-168 Nikon Corporate Citizenship Activities D-55, 56 Data on Corporate Citizenship [Data Index] Corporate Citizenship Activities [Web Page] <a href="https://www.nikon.com/about/sustainability/citizenship/">https://www.nikon.com/about/sustainability/citizenship/</a>
203-2	Significant indirect economic impacts	△	P.164-168 Nikon Corporate Citizenship Activities D-55, 56 Data on Corporate Citizenship [Data Index] Corporate Citizenship Activities [Web Page] <a href="https://www.nikon.com/about/sustainability/citizenship/">https://www.nikon.com/about/sustainability/citizenship/</a>
410: Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	-	Not applicable (because the disclosed matters regarding the training of security personnel have no relevance to or impact on material issues)
411: Rights of Indigenous Peoples 2016			
411-1	Incidents of violations involving rights of indigenous peoples	-	Not applicable (because the disclosed matters related to the violations of indigenous peoples' rights have no relevance to or impact on material issues)

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Disclosure Number	Disclosure	Disclosure Level	Location/Notes & Omissions
413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Δ	P.101-102 Initiatives at Each Plant and Business Facility P.164-168 Nikon Corporate Citizenship Activities  Corporate Citizenship Activities [Web Page] <a href="https://www.nikon.com/about/sustainability/citizenship/">https://www.nikon.com/about/sustainability/citizenship/</a>
413-2	Operations with significant actual and potential negative impacts on local communities	-	Not applicable (because the disclosed matters related to significant negative impacts on local communities have no relevance to or impact on material issues)
415: Public Policy 2016			
415-1	Political contributions	○	0 Yen



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