

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Environmental Management

Basic Approach

The effects of climate change are becoming more pronounced, leading to increasingly severe social and economic losses and damages. 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 various sectors, including industry, transportation, and households, as well as contributions by field.

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 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 on the TNFD* framework and perform nature-related risk and opportunity assessments toward becoming Nature Positive by 2030, a movement to halt biodiversity loss and put nature on a recovery track.

The Nikon Long-Term Environmental Vision stipulates our three pillars of Realizing a Decarbonized Society, Realizing a Resource Circulating Society, and Realizing a Healthy and Environmentally Safe Society. Under this vision, the Nikon Group contributes to building a sustainable society by balancing environmental responsibility with business growth.

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

Strategy

Policy and Long-Term Environmental Vision

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

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 Key Themes and the Nikon Medium-Term Environmental Goals, which targets fiscal year 2030. 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 reviews and approves self-evaluations of performance, identifies issues, and incorporates these issues into activities for the following year and thereafter.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals ▶ **p.030**

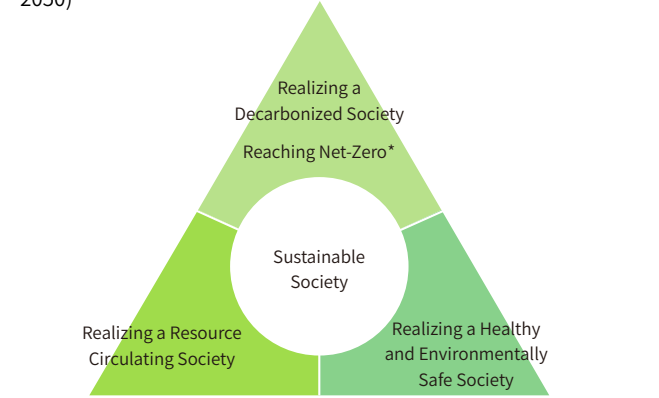
Environmental Action Plan Achievements for Fiscal Year 2025 [Summary] ▶ **p.038**

Environmental Action Plan Targets for Fiscal Year 2026 [Summary] ▶ **p.039**



▶ Nikon Environmental Policy

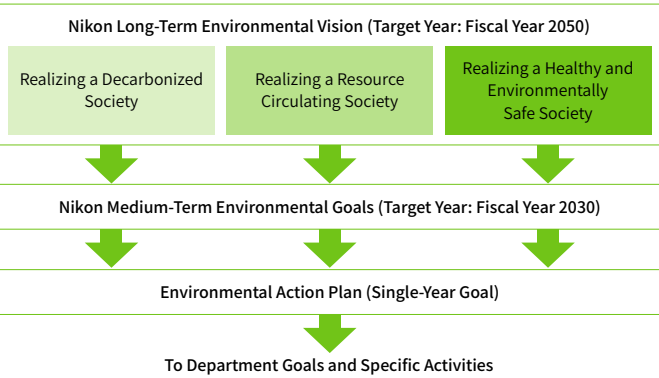
● Nikon Long-Term Environmental Vision (Target Period: Fiscal Year 2050)



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

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.

● Nikon Environmental Goal Relationship Diagram



CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

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	Achieving net zero throughout the value chain by fiscal year 2050	•Improve manufacturing facilities and production processes and promote decarbonization	•Reduce greenhouse gas emissions (Scope 1 ¹ and Scope 2 ²) by 57% compared to fiscal year 2022
			•Promote eco-office and diverse work styles to achieve a decarbonized workstyle	
			•Accelerate renewable energy adoption	•Achieve renewable energy adoption rate of 100%
			•Visualize the environmental impact in each process within products’ lifecycles and implement new environmental initiatives harnessing expertise	
			•Downsize cargo, promote modal shift, and establish a transportation system requiring minimal energy	•Reduce Scope 3 ³ greenhouse gas emissions by 25% compared to fiscal year 2022
			•Require procurement partners to formulate and pursue greenhouse gas reduction targets	
Materiality 4 Promoting Resource Circulation	Realizing a Resource Circulating Society	Minimizing resource consumption and maximizing resource circulation throughout the value chain	•Reduce waste through streamlining processes from development to manufacturing •Minimize the amount of abrasives used	•Achieve the following zero emissions level ⁴ at all manufacturing companies •Japan: Level S •Group manufacturing companies in China: Level 1 •Other locations: Levels determined individually •Reduce total amount of waste generated by 10% or more compared to fiscal year 2018
			•Promote the 3Rs of water (reduce water consumption, and recycle and reuse water)	
			•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	•Reduce freshwater consumption ⁵ by 5% compared to fiscal year 2018 •Reduce waste by extending product life, reducing size, decreasing weight, etc. •Reduce the average amount of plastic packaging materials used per product by 10% compared to fiscal year 2022 •Promote the reuse and recycling of products, parts, materials, and related packaging materials •Ensure plastic materials used in products contain an average of at least 5% recycled content •Ensure an average of at least 10% recycled or bio-based plastics in packaging materials per product.
Materiality 5 Preventing Pollution and Conserving Ecosystems	Realizing a Healthy and Environmentally Safe Society	Zero negative impacts on human health or ecosystems in the value chain	•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	•Zero usage of hazardous chemical substances in manufacturing processes ⁷ •Zero hazardous chemical substances contained in products ⁸
			•Conduct ecosystem conservation activities •Quantify and minimize impact and dependence on ecosystems	•Continue Environmental Conservation Activities to contribute to the prevention of marine plastic pollution •Product catalogs: Electronic data or FSC-certified paper 100% •Instruction Manuals: Electronic data or FSC-certified paper/recycled paper (80% or more recycled pulp content) 100% •Packing boxes: FSC-certified paper or recycled paper 100%

^{*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. This concept 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 introduced level-specific targets into our zero emissions initiatives. Zero emissions Level 1 refers to a final landfill disposal rate of less than 1%. Zero emissions Level S refers to a final landfill disposal rate of 0.5%.
^{*5} 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) C: Water withdrawal from groundwater D: Return water of equal or better quality than the water withdrawal source (applicable to B and C only)
^{*6} the 3Rs: Here, this term refers to *reducing* the amount of resources used and the amount of waste generated, *reusing* products and components, and *recycling*.
^{*7} Conducted in accordance with our internal Hazardous Chemical Substances Guideline.
^{*8} Zero hazardous chemical substances contained in products: Here, “contained” is defined as having an amount that exceeds the threshold level specified by law.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Participation in Environmental Initiatives and
Outreach to Society

The Nikon Group supports ambitious public policies and regulations related to climate change measures aligned with the Paris Agreement. Specifically, we support greenhouse gas emissions reduction targets aligned with the 1.5°C target, significant expansion of renewable energy, and the introduction and strengthening of carbon pricing systems.

By participating in a range of environmental initiatives, the Nikon Group is able to play an active role in influencing governments and society.

In October 2025, we endorsed the Japan Climate Action Summit 2025 Declaration *Leading the Transition to a Decarbonized Society — We Will Never Stop —*. This declaration, issued by the Japan Climate Initiative (JCI), calls on non-state actors, including companies, to take action. The declaration reaffirms a commitment and responsibility to confront the climate crisis and underscores continued efforts toward a decarbonized society.

● Major Environmental Initiatives and Organizations With Nikon's Participation

Initiatives and Organizational Activities	
Science Based Targets (SBT) (2019 -)	 SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
Business Ambition for 1.5°C (2021 -)	 BUSINESS AMBITION FOR 1.5°C
RE100 (2021 -)	 RE100  CLIMATE GROUP  CDP
Japan Climate Initiative (JCI) (2018 -)	
Task Force on Climate-related Financial Disclosures (TCFD) (2018 -)	 TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
GX Future Consortium (Established April 2026)	 GX FUTURE CONSORTIUM
Japan Climate Leaders' Partnership (JCLP) (2023 -)	 JCLP

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Environmental Management Promotion System

The Nikon Group promotes environmental activities as shown in the environmental promotion system diagram on the right.

The Environmental Subcommittee operates under the Sustainability Committee. This subcommittee formulates specific policies, targets, and achievement criteria in relation to overall Nikon Group environmental issues and environmental activities, verifies implementation status, and promotes relevant response measures in line with Nikon Long-Term Environmental Vision. The Environmental Subcommittee meets twice a year, chaired by an officer serving as the General Manager of Production Technology. Subcommittee members consist of the heads of departments relating to the environment, procurement, logistics, and sustainability.

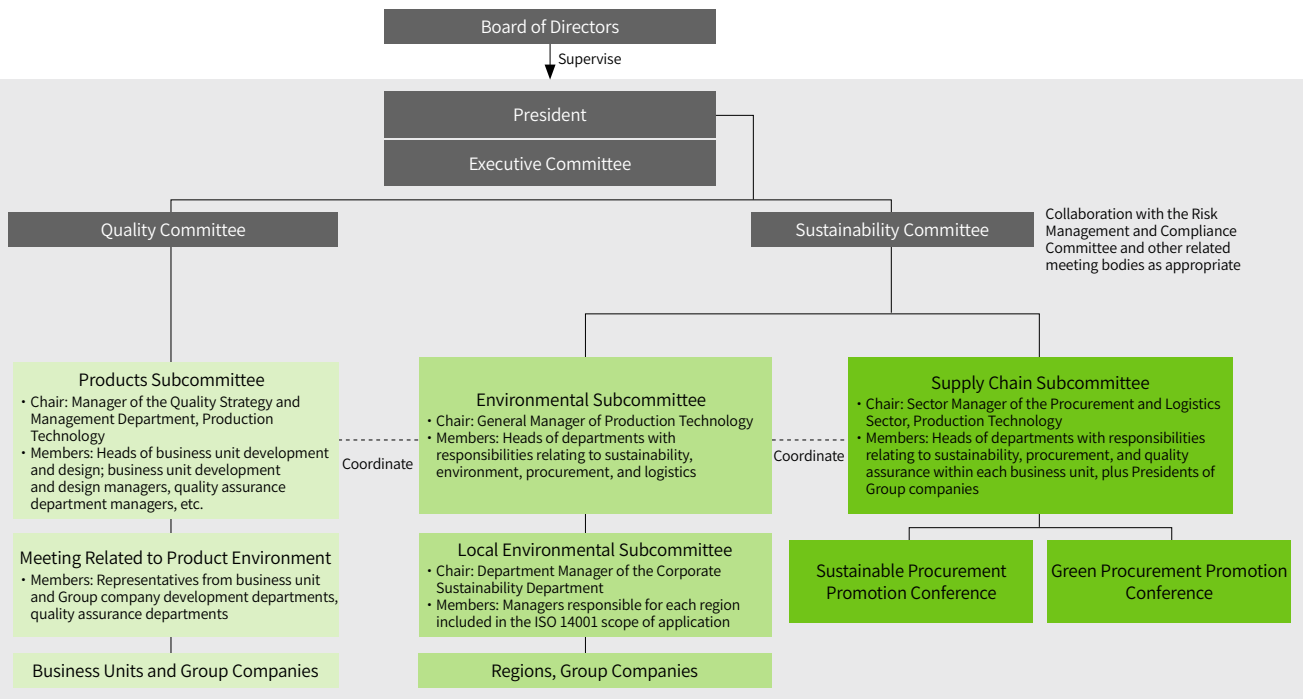
The Supply Chain Subcommittee, which also operates under the Sustainability Committee, promotes sustainable procurement, including addressing environmental issues, together with procurement partners.

Nikon considers environmental considerations in our products to be an element of product quality. To this end, we established the Product Subcommittee under the Quality Committee, ensuring collaboration between the two.

We report details from the Environmental Subcommittee and the Supply Chain Subcommittee to the Sustainability Committee twice a year. The Board of Directors oversees sustainability initiatives, including those related to the environment, and links such initiatives to executive compensation. In fiscal year 2025, the Board received reports on key performance indicator progress and results under the sustainability strategy in the Medium-Term Management Plan. These reports covered greenhouse gas reduction rates, renewable energy usage rates, and contributions from each business unit to decarbonization and resource circulation.

Sustainability Promotion System	▶ p.010
Supply Chain Management System	▶ p.087

Environmental Management Promotion System (As of April 1, 2026)



Key Topics Discussed by the Environmental Subcommittee in Fiscal Year 2025

September 2025	February 2026
•Development of EMS operational policies •Progress of renewable energy adoption •Progress of the Environmental Action Plan	•EMS management review report •Progress of renewable energy adoption •Issues in the management and reduction of hazardous chemical substances •Confirming Environmental Action Plan results (projections)

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Environmental Management System

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

Utilization of ISO 14001 Certification

The Nikon Group conducts environmental management in accordance with ISO 14001 and aims to have all manufacturing Group companies 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.

ISO 14001 Acquisition Status and Data Categories ▶ **p.034**

Implementing EMS Assessments^{*1}

The Nikon Group conducts HQ EMS Assessments to check the state of top management and the EMS Secretariat per region^{*2}, 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^{*3} 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 163 employees completed this training in fiscal year 2025. 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 191 employees completed this training in fiscal year 2025. 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 districts.

^{*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 Simplified EMS

The Nikon Group implements the Nikon Simplified EMS at Group companies in Japan and overseas that do not hold ISO 14001 certification. In fiscal year 2025, we revised the related guidelines to clarify the scope of application and required activities. Group companies eligible under the Nikon Simplified EMS focus on compliance with environmental laws and regulations, environmental awareness-raising activities, environmental impact reduction initiatives, and the collection and reporting of environmental data. The Group reviews the results of these efforts through an annual internal environmental survey.

● Breakdown of EMS Activities

Environmental Management Systems	ISO 14001	Nikon Simplified EMS
Major applicable entities	Nikon and Group manufacturing companies, Group non-manufacturing companies requiring ISO 14001 certification, etc.	Group companies that have not obtained ISO 14001 certification
Compliance with environmental laws and regulations	○	○
Implementation of environmental awareness-raising activities	○	○
Implementation of environmental impact reduction activities (energy and resource conservation, proper waste disposal and management of chemical substances, etc.)	○	○
Collection and reporting of environmental data	○	○
Other ISO 14001 requirements (setting environmental goals, PDCA cycle operation, environmental impact assessment, compliance evaluation, EMS assessments, management review, etc.)	○	—

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

● ISO 14001 Acquisition Status and Data Categories (Fiscal Year 2025)

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 CeLL innovation Co., Ltd.	*1
Group non-manufacturing companies in Japan	Nikon Imaging Japan Inc.	○
	Nikon Vision Co., Ltd.	○
	Nikon Tec Corporation	○
	Nikon Systems Inc.	○
	Nikon Business Service Co., Ltd.	○
	Nikon Engineering Co., Ltd.	○
	Nikon Product Support Corporation	*1
	Nikon Solutions Co., Ltd.	○
Group manufacturing companies outside Japan	Optos, Inc.	○
	Nikon X-Tek Systems Ltd.	○
	Optos Plc	○
	Nikon SLM Solutions AG	○
	Nikon (Thailand) Co., Ltd.	○
	Hikari Glass (Changzhou) Optics Co., Ltd.	○
	Nikon Lao Co., Ltd.	○
	Nanjing Nikon Jiangnan Optical Instrument Co., Ltd.	○
Group non-manufacturing companies outside Japan *2	49 other companies	*1

Note:
1. The ISO 14001 certification rate for the Nikon Group as a percentage of the number of employees at manufacturing sites is nearly 100%.
2. Data classification for environmental performance data in this report is based on the above data categories.
*1 These companies have introduced the Nikon Simplified EMS.
*2 Three non-manufacturing Group companies in Japan with extremely limited environmental impact that have not obtained ISO 14001 are included. We also excluded 11 companies such as private funds and companies in the process of liquidation.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Environmental Education and Awareness-Raising
Activities for Employees

The Nikon Group believes that employee awareness and understanding are essential to advancing environmental initiatives and raising standards.

Based on this belief, we introduced various education and awareness-raising activities to help employees have a better understanding and awareness of our 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 2025) (Unit: persons)

Content	Participants	
	Nikon	Group companies in and outside Japan
Education on environmental issues and EMS	205	1,876
Education on EMS assessments	131	173
Education on environmental laws, hazardous chemical substances, and waste	166	721

Environmental Awareness-Raising Activities

The Nikon Group conducts a range of ongoing environmental awareness-raising initiatives, including e-learning programs for employees. In fiscal year 2025, the Group provided e-learning on climate change prevention and the circular economy. The Group also marked World Environment Day on June 5 by delivering a message from the responsible officer, hosting an environmental seminar with a guest speaker, and presenting environmental awareness-raising slideshow videos on internal digital signage. These efforts deepen understanding of environmental issues and encourage employees to reflect on their actions and apply them in their daily work and behavior.

● Environmental Awareness-Raising Activities (Fiscal Year 2025)

Major Environmental Activities		Eligible Organizations	Results
World Environment Day (June 5)	Distribute newsletters	Nikon Group	15 languages supported
	Share environmental awareness-raising slideshow videos	Nikon Group	Shared in Japanese and English
	Hold an environmental seminar	Nikon Group in Japan	281 participants (on-site and online)
E-learning (June)		Nikon Group in Japan	Attendance rate: 91%
		Group companies outside Japan	Implemented for eligible personnel
Earth Hour * (March)		Nikon Group	Participants: 50 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

The Risk Management and Compliance Committee oversees risk management across the Nikon Group. The Environmental Subcommittee manages environmental risks and opportunities, taking into account environmental impacts, external environmental factors, applicable regulations, and stakeholder expectations. The subcommittee reviews response strategies for identified risks and opportunities within the environmental management system (EMS) and incorporates priority actions into the Environmental Action Plan. The actions are then discussed and approved by the Sustainability Committee.

Each site and Group company identifies environmental risks and opportunities at the local level and sets local environmental targets based on the Environmental Action Plan.

The Nikon Group reviews and follows up regularly with each site and Group company regarding progress and target achievement through the Local EMS Assessments and HQ EMS Assessments. We conduct a management review at least once a year to confirm that the EMS framework is operating appropriately, properly, and effectively. The review also confirms progress in the environmental targets of the districts. The Sustainability Committee confirms the results of said review.

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. Such regulations 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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

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 strengthen our management framework by developing and updating internal policies and providing training to relevant personnel. We monitor regulatory developments on an ongoing basis and respond appropriately.

Legal Violations

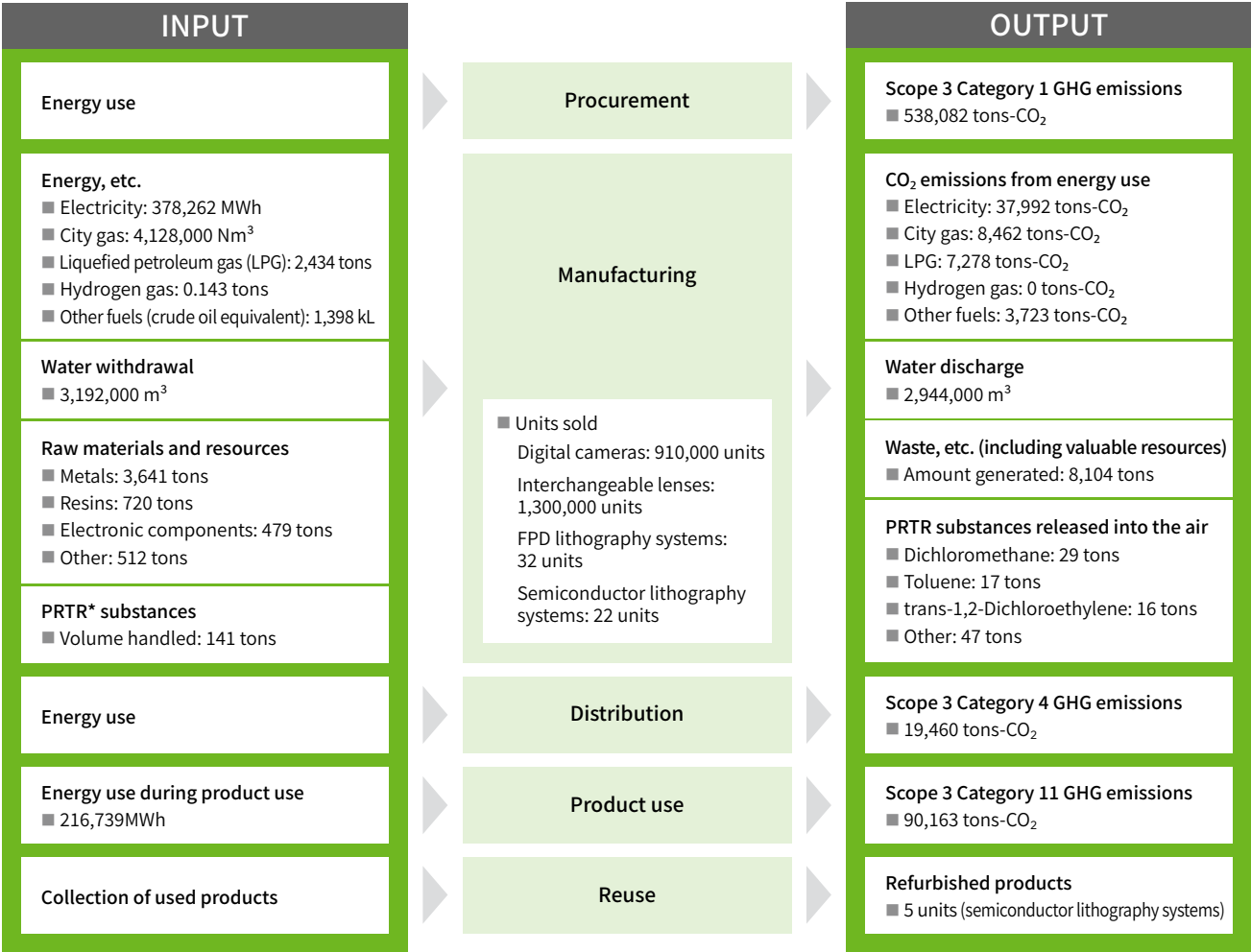
In fiscal year 2025, the Nikon Group recorded one violation of environmental laws and received a fine. The violation occurred at Nikon (Thailand) Co., Ltd. due to deficiencies in procedures related to waste treatment handled by an outsourced contractor. Nikon (Thailand) Co., Ltd. has already implemented corrective measures and strengthened controls over outsourced operations to prevent recurrence.

Business Activities and the Environment

The Nikon Group ensures 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.

Based on this approach, the Nikon Group actively collects environmental data on electricity and other forms of energy, waste, and water in Japan and overseas.

Relationship Between Nikon Group Businesses and the Environment



Note: Numbers reflect the 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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

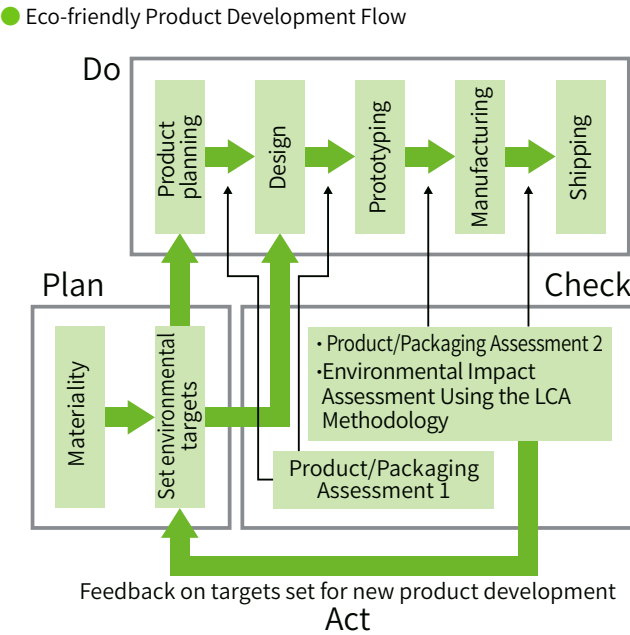
- Addressing Climate Change
- The 3Rs for Products and Packaging Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of Hazardous Chemical Substances
- Biodiversity Conservation

Society

Governance

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.



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 on the right, these assessments evaluate the degree of reduction in weight and volume for products and packaging, reduction in hazardous substances, and material

commonality and recyclability from the planning, design, prototype, and production phases.

We revise the Nikon Product Assessment items and criteria as needed based on amendments to laws and regulations, social trends, and key themes. In fiscal year 2024, we began classifying products into three categories and revised the weighting of key items and evaluation criteria based on the characteristics of each category.

The Nikon Packaging Assessment includes evaluation categories such as the usage reduction of packaging materials and a change to materials with less environmental impact. We use this assessment to encourage a reduction in plastic packaging materials and a shift to paper-based materials.

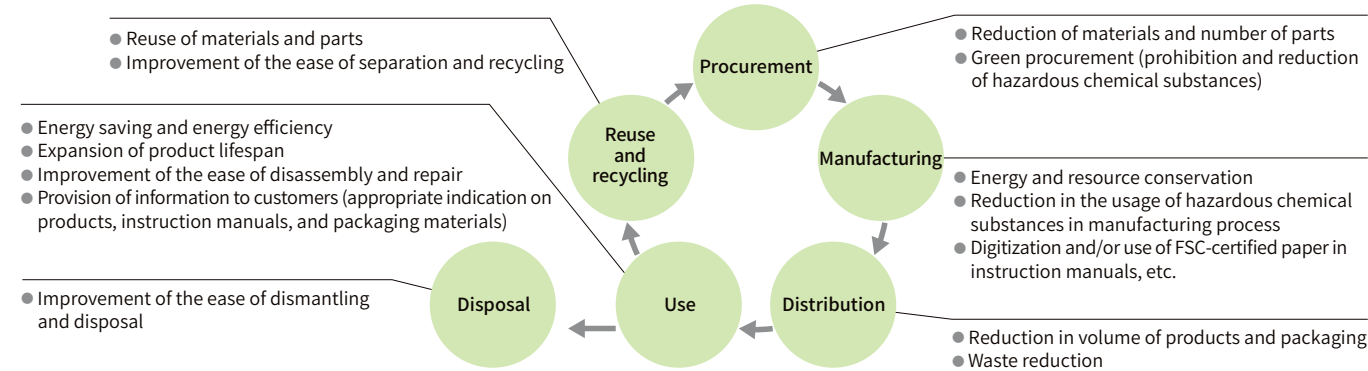
The 3Rs for Products and Packaging ▶ p.048

Eco-friendly Product Certification System

The Group operates a certification program under which products developed through product assessments that meet defined criteria are certified as Eco-friendly Products or Super Eco-friendly Products.

This system is based on ISO 14021, the international standard for *Environmental labels and declarations — Self-declared*

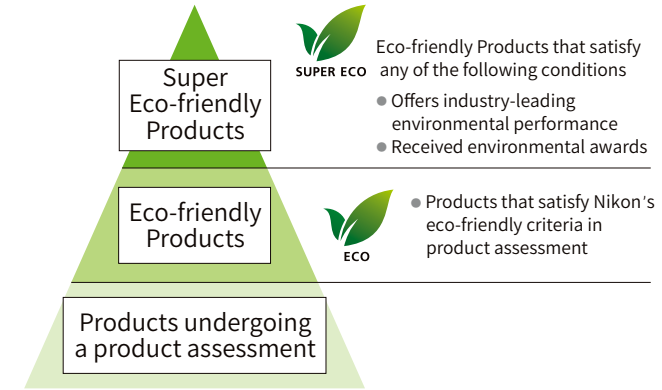
● Nikon Product/Packaging Assessment Items



environmental claims (Type II environmental labeling).

In fiscal year 2025, approximately 59% of new products were classified as Eco-friendly Products.

Web ▶ Eco-friendly Products (Certified as of March 2026)



Note: 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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Indicators and Targets

● Environmental Action Plan Achievements for Fiscal Year 2025 [Summary] Self-Evaluation ○:Achieved △:Measures partially achieved or revised

Materiality		Fiscal Year 2025 Targets		Results	Self-Evaluation	Corresponding Page
Decarbonized society	Materiality 3 Promoting a Decarbonized Society	Greenhouse gas reduction	•Reduce Scope 1 and Scope 2 greenhouse gas emissions by at least 52% compared to fiscal year 2022	• Reduced Scope 1 and Scope 2 greenhouse gas emissions by 64.5% compared to fiscal year 2022	○	p.040
			•Achieve a renewable energy adoption rate of 71% or higher in electricity used for business activities	•Renewable energy adoption rate of electricity used for business: 76.0%	○	p.045
		Reduction of the environmental impact from products	•Reduce environmental impact by making effective use of the LCA methodology	•Continued to expand the range of product models subject to LCA calculation (100% for new products)	○	p.043
			•Create at least 50% eco-friendly products	•Approximately 59% of new products certified as eco-friendly products	○	p.037
		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 8.5% year on year	○	p.047
Resource circulating society	Materiality 4 Promoting Resource Circulation	Zero emissions	•Identify CO ₂ emissions of critical procurement partners (150 or more companies = top 80% of procurement value)	•Identified CO ₂ emissions of 150 applicable procurement partners	○	p.044
			•Nikon and Group manufacturing companies in Japan: Maintain Level S •Group manufacturing companies in China: Maintain Level 1 •Group manufacturing companies outside Japan: Implement initiatives in line with national circumstances	•Nikon and Group manufacturing companies in Japan: Maintained Level S •Group manufacturing companies in China: Achieved Level S •Group manufacturing companies outside Japan: Processed in accordance with the laws and regulations of each country	○	p.052
		Waste reduction	•Reduce total waste emissions from business activities by 10% or more compared to fiscal year 2018 (total waste emissions: 6,993.9 tons)	•Reduced total waste emissions from business activities by 15.8% compared to fiscal year 2018 (total waste emissions: 6,541 tons)	○	p.052
		Promotion of the appropriate use and effective utilization of water	•Reduce freshwater consumption by at least 3% compared to fiscal year 2018 (freshwater consumption in fiscal year 2018: 1,877,000 m ³)	•Reduced freshwater consumption by at least 10.6% compared to fiscal year 2018 (freshwater consumption in fiscal year 2025: 1,678,000 m ³)	○	p.054
		Promotion of reduce, reuse, and recycling	1) Reduce • Reduce environmental impact of products and packaging materials (reduce size, extend product life, etc.)	•Reduced plastic packaging material for certain healthcare and imaging products (shifted from plastic to paper)	○	p.050
			2) Reuse • Promote reuse of products, parts, materials, and packaging materials	•Continued sales of used FPD lithography systems and used semiconductor lithography systems	○	p.049
			3) Recycle • Promote use of recycled materials in products	•Used recycled materials for certain imaging products	○	p.050
Healthy and environmentally safe society	Materiality 5 Preventing Pollution and Conserving Ecosystems	Reduction of hazardous chemical substances, etc.	•Implement measures to abolish prohibited level hazardous chemical substances based on our own Nikon Group standards (Hazardous Chemical Substances Guideline); reduce new input of PRTR substances among prohibited rank substances by at least 50% compared to fiscal year 2023 (new input in fiscal year 2023: 39.7 tons)	•Reduced new input of PRTR substances among prohibited rank substances by 16%	△	p.058
			•Comply with the laws and regulations of each country •Explore substitutes for hazardous chemical substances	•Achieved zero regulatory violations •Conducted chemical substance surveys using chemSHERPA and substitution activities in each division	○	p.056
		Implementation of activities aimed at biodiversity conservation	•Perform local contribution activities related to preventing marine plastic pollution or other biodiversity conservation at least once a year at each business facility	•Performed local contribution activities related to prevention of marine plastic pollution at least once a year at each business facility and 39 times annually	○	p.063
			•Promote paperless operations or the use of FSC-certified paper for paper items bearing the Nikon logo	•Digitized product catalogs and instruction manuals •Printed approximately 96% of newly ordered product catalogs for use in Japan, North America, and Europe on FSC-certified paper, excluding special paper types	○	p.062

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

● Environmental Action Plan Targets for Fiscal Year 2026 [Summary]

Materiality	FY2026 Targets	
Decarbonized society	Greenhouse gas reduction	•Maintain Scope 1 and Scope 2 greenhouse gas emissions at least 57% below fiscal year 2022 levels •Achieve a renewable energy adoption rate of at least 75% in electricity used for business activities
	Reduction of the environmental impact from products	•Reduce environmental impact by making effective use of the LCA methodology •Create at least 50% eco-friendly products
	Reduction of the environmental impact of transportation	•Reduce greenhouse gas emissions in distribution by 2.7% year on year
	Engagement with procurement partners	•Hold meetings with eligible suppliers to explain calculation support and reduction policies, communicate Nikon’s vision, and share support measures •Identify the challenges of each company and understand reduction potential by verifying the accuracy of primary data received from suppliers and through individual dialogues with companies with ambitious reduction targets •Encourage and support suppliers to set and disclose voluntary GHG reduction targets through individual dialogues and other initiatives
Resource circulating society	Zero emissions	•Nikon and Group manufacturing companies in Japan: Maintain Level S •Group manufacturing companies in China: Maintain Level 1 •Group manufacturing companies outside Japan: Implement initiatives in line with national circumstances
	Waste reduction	•Reduce total waste emissions from business activities by 10% or more compared to fiscal year 2018 (total waste emissions: 6,993.9 tons)
	Promotion of the appropriate use and effective utilization of water	•Reduce freshwater consumption by at least 3% compared to fiscal year 2018 (freshwater consumption in fiscal year 2018: 1,877,000 m³)
	Promotion of reduce, reuse, and recycle	1) Reduce •Reduce environmental impact of products and packaging materials (reduce size, extend product life, etc.) 2) Reuse •Promote reuse of products, parts, materials, and packaging materials 3) Recycle •Promote use of recycled materials in products
Healthy and environmentally safe society	Reduction of hazardous chemical substances, etc.	•Implement measures to abolish prohibited level hazardous chemical substances based on our own Nikon Group standards (Hazardous Chemical Substances Guideline); reduce atmospheric emissions of hydrofluorocarbons (HFCs) among prohibited rank substances by 85% or more compared to fiscal year 2022 (fiscal year 2022: 7,260 kg) •Comply with the laws and regulations of each country •Explore substitutes for hazardous chemical substances
	Implementation of activities aimed at biodiversity conservation	•Perform local contribution activities related to preventing marine plastic pollution or other biodiversity conservation at least once a year at each business facility •Promote paperless operations or the use of FSC-certified paper for paper items bearing the Nikon logo

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging
Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Addressing Climate Change

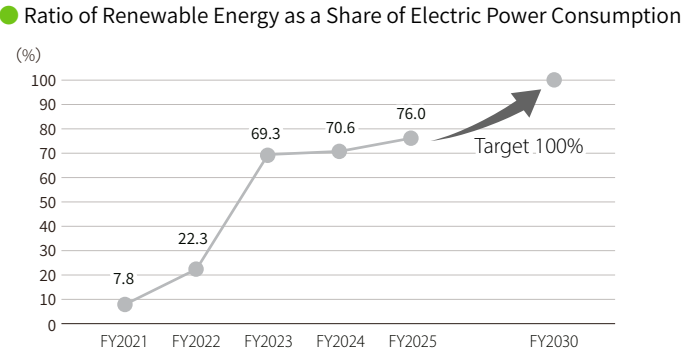
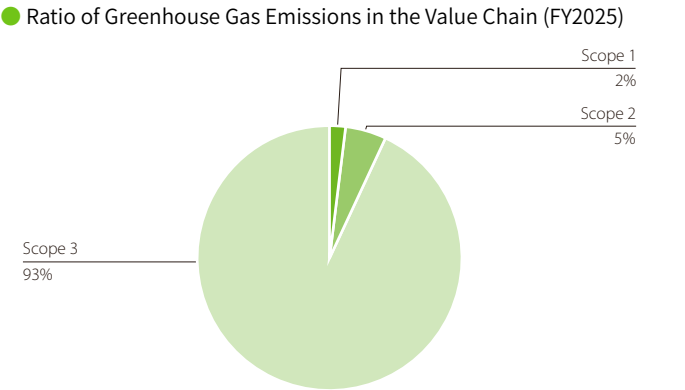
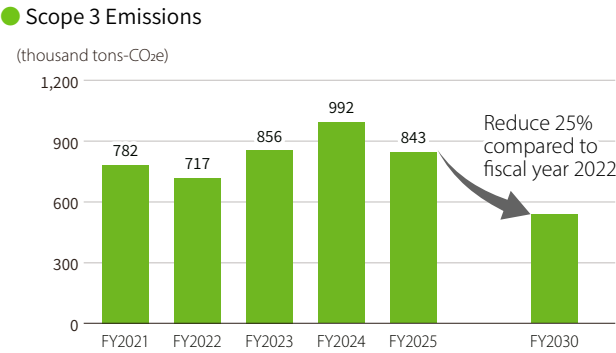
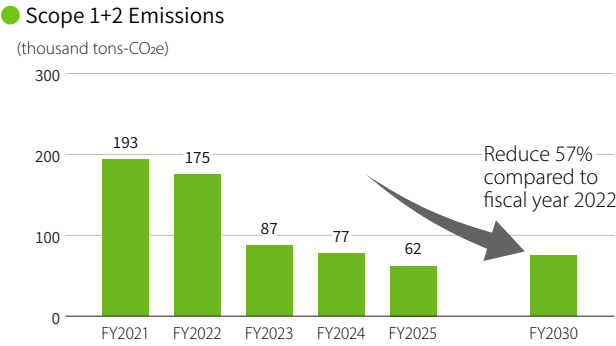
Environmental Action Plan Achievements for Fiscal Year 2025
[Summary] ▶ [p.038](#)

Environmental Action Plan Targets for Fiscal Year 2026 [Summary]
▶ [p.039](#)

Achievements

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

Scope 1 and Scope 2 emissions for fiscal year 2025 amounted to 62,172 tons-CO₂e, a reduction of 64.5% compared with fiscal year 2022 and meeting our fiscal year 2025 target (52% reduction compared with fiscal year 2022). This reduction was higher than expected due to the impact of renewable energy, as described on the following pages. We will continue to make steady progress toward achieving our medium-term targets. Our Scope 3 results were 843,216 tons-CO₂e emissions. Emissions from Category 1 (Purchased Goods and Services) and other categories increased as product sales volumes grew. Meanwhile, emissions from Category 2 (Capital Goods), which had risen significantly in the previous fiscal year, decreased by approximately 60% following the completion of the Nikon headquarters. As a result, fiscal year 2025 Scope 3 emissions decreased by approximately 15% compared with the previous fiscal year.



CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Basic Approach

The Nikon Group established, in the Nikon Environmental Policy, measures aimed at mitigating climate change, in light of the emerging impacts of climate change and social trends toward decarbonization. These measures focus on reducing greenhouse gas emissions in our value chain, not only across business operations but also across the procurement partners and customers across our value chain. We also take measures to reduce environmental impact throughout product life cycles. We also take efforts under Realizing a Decarbonized Society, one of the pillars of the Nikon Long-Term Environmental Vision (see the figure to the right for Nikon Group SBTs related to GHG reduction targets). Our target is to achieve a 100% rate of renewable energy adoption by fiscal year 2030.



► Nikon Environmental Policy

The Nikon Group's SBTs ^{*1} (Certified in January 2024)

- Net-Zero target
Reach net zero^{*2} 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 GHG emissions by 25% by fiscal year 2030 compared to the base year of fiscal year 2022



^{*1} 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 the Paris Agreement-mandated objective of limiting the increase in the global average temperature to below 2°C above pre-industrial levels. The initiative certifies the CO₂ emission reduction targets of companies that are in line with emissions reduction scenarios based on scientific facts.

^{*2} 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

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Strategy

Risk

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

● 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.		Medium	Medium	•Building a resilient supply chain •Promoting business continuity management (BCM)
	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	•Promoting aggressive energy-saving activities
	Long-term changes in precipitation patterns, as well as droughts, could constrain the use of water resources and adversely affect operations.		Medium	Low	•Reducing water withdrawal •Promoting water resource recycling
Transition risks	Policies and regulations	•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. •Changes in national energy policies where we have business sites could lead to higher electricity prices, which would increase operating costs and purchasing costs.	High *	Medium	•Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy •Reducing greenhouse gas emissions through modal shifts and improved distribution routes •Requiring suppliers to reduce greenhouse gas emissions
	Technologies	•Failure to reduce emissions during product use and shift to low-carbon manufacturing methods and materials could result in reduced sales opportunities.	High	Low	•Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy •Improving energy-saving performance for products •Creating new materials and manufacturing methods
	Markets/ Reputation	•Failure to adequately meet customer decarbonization requirements could result in reduced sales opportunities. •Inadequate response to decarbonization could damage our evaluations/reputation and affect stock price and sales.	Medium	Low	•Reducing greenhouse gas emissions through promotion of energy conservation and adoption of renewable energy •Promoting proactive information disclosure

* 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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Opportunities

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

Opportunities for the Nikon Group	Applicable Period
•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. - Increase energy efficiency in society with additive manufacturing and fine processing using optics - Additive processing contributing to longer product lifespans through repair of existing parts, etc. - Robots with sophisticated hands and eyes and device manufacturing processes, that enhance manufacturing efficiency - Longer lasting light sources and more durability in our products that contribute to a healthy global environment - Image production technologies that contribute to a society where people connect transcending time and space and real and virtual	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 of 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. The Nikon Group will continue to carry out and refine our 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 officer remuneration.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals ▶ p.030

Governance

The Nikon Group sets greenhouse gas reduction and decarbonization targets for each site and Group company, and manages energy and emissions data. The Local Environmental Subcommittee secretariat, which operates under the Environmental Subcommittee, monitors results and progress toward targets for each entity on a regular basis.

Each business unit sets targets for product-related greenhouse gas reductions and advances initiatives using Life Cycle Assessment (LCA) methodology. Meetings related to product environment, organized under the Products Subcommittee, check progress against these targets.

Environmental Management Promotion System ▶ p.032

Risk Management

The Risk Management and Compliance Committee manages risks overall for the Nikon Group. In addition, the Sustainability Committee identifies and assesses risks related to climate change based on reports from the Environmental Subcommittee and the content of management reviews, deliberating the response to risks identified. 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. We prioritize and address those risks related to laws and regulations, risks impacting the entire organization, and risks related to multiple businesses across our organization. Each site and Group company monitors energy consumption and greenhouse gas emissions on a monthly basis using an environmental data

Environment-Related Risk Management ▶ p.035

Main Initiatives

Reducing Greenhouse Gas Emissions in Products

Environmental Impact Assessment Using the LCA Methodology

Nikon calculates CO₂ emissions in each phase of a product lifecycle by conducting evaluations of our environmental impact using the LCA methodology. We found that CO₂ emissions for imaging products tend to be relatively large in the raw material procurement phase. CO₂ emissions also tend to be large in the use phase for flat panel displays (FPD) lithography systems, semiconductor lithography systems, and industrial metrology. Based on these findings, making improvements at each phase is a key priority for Nikon. We revise design and procurement, improve energy efficiency, and take other measures to incorporate improvements at each phase into new product development.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

CO₂ Reduction Measures for Products

For imaging products, CO₂ emissions are highest in the raw material procurement phase. The zoom lens, NIKKOR Z 24-70mm f/2.8 S II, released in September 2025, is approximately 16% lighter than its predecessor, the NIKKOR Z 24-70mm f/2.8 S. The lighter weight reduced procurement-stage CO₂ emissions per unit by approximately 13%.

Orders for the FX-88SL FPD lithography system began in November 2025. This system is the first FPD lithography system to employ a UV-LED (ultraviolet LED) light source. Compared with conventional light sources, the system reduces power consumption during operation by approximately 26%. In addition, compared with the conventional model (FX-88S2), it reduces product life cycle CO₂ emissions per unit by approximately 22%.

Increasing Productivity and Environmental Value With FPD
Lithography Systems ▶ **p.027**



Zoom lens NIKKOR Z 24-70mm f/2.8 S II

Reducing GHGs With Procurement Partners

The Nikon Group encourages major procurement partners to calculate and reduce GHGs.

In fiscal year 2025, we introduced a greenhouse gas emissions visualization platform to reduce the burden our procurement partners face in calculating emissions. We collect information on Scope 1, 2, and 3 emissions for 150 procurement partners that together account for approximately 80% of total procurement spend.

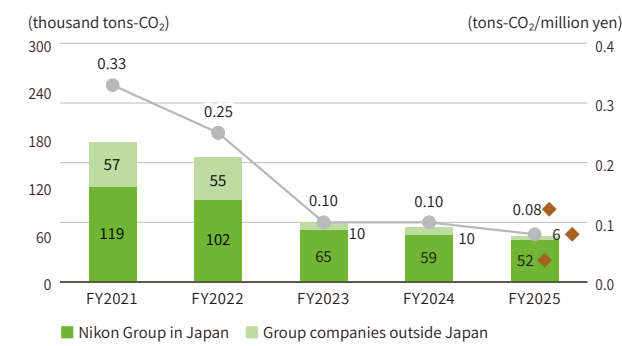
In fiscal year 2026, we will take action to reduce greenhouse gas emissions throughout the supply chain by providing procurement partners with information on reduction measures and support for setting reduction targets.

Reducing Greenhouse Gas Emissions at Business Facilities

CO₂ Emissions From Energy Consumption and Related Reduction Measures

CO₂ emissions from energy consumption by the Nikon Group in Japan and Group manufacturing companies outside Japan for fiscal year 2025 amounted to 57,456 t-CO₂, down 63.3% compared with fiscal year 2022.

Changes in CO₂ Emissions from Energy Consumption



Note:

1. The following values were used for CO₂ conversion factors.

[Electricity]

Japan: CO₂ emission factors without adjustment for each electric power utility noted in the "List of 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: Emission factors from the *List of Emission Factors by Gas Utility* specified in the Act on Promotion of Global Warming Countermeasures

UK: Factors from the Report on Greenhouse Gas

Other countries: Equivalent values to a typical Japanese gas company

[Heat and other fuels]

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

2. The above factors were also used for the calculation of CO₂ emissions according to market-based criteria for Scope 1 and Scope 2 on p.072

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

◆ : Values in Data Index assured by third party

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

● Nikon Group Energy Management

The Nikon Group conducts monthly energy management operations at each business facility. Each business facility enters energy consumption by type into the in-house system, and the Local Environmental Subcommittee secretariat monitors this data. The secretariat confirms details with the manager at each business facility when a significant increase or decrease is identified. The Local Environmental Subcommittee secretariat verifies 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 energy CO₂ emissions derived from energy consumption, the Nikon Group undertakes various actions, including improving product development and production processes, making production equipment more efficient, implementing energy conservation measures, and adopting renewable energy.

In addition, we train employees on energy conservation and other topics as part of employee environmental education to ensure the steady advancement of initiatives and raise the level of our environmental responsiveness.

● Utilizing Renewable Energy

The Nikon Group pursues renewable energy use as a key measure in reducing greenhouse gas emissions from business facilities. Our goal is to increase the ratio of renewable energy in electricity consumption to 100% by fiscal year 2030 through in-house power generation, renewable energy power plans, procurement of renewable energy certificates, and a wide range of other means tailored to each business facility. The ratio of renewable energy adoption reached 76.0% in fiscal year 2025, exceeding the target of at least 71% in the same fiscal year.

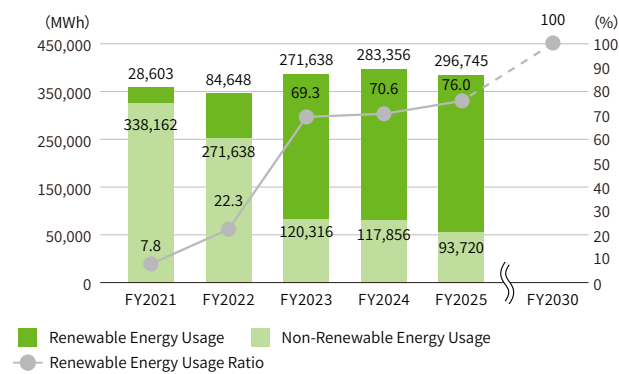
Tochigi Nikon Corp., Sendai Nikon Corp., Nikon (Thailand) Co., Ltd., and Optos Plc, and other company locations have already achieved 100% renewable energy electricity use. In fiscal year 2025, Hikari Glass (Changzhou) Optics Co., Ltd., Nanjing Nikon Jiangnan Optical Instrument Co., Ltd., and Nikon X-Tek Systems Ltd. joined

these sites in achieving 100% of electricity consumption from renewable energy.

Looking ahead, the Nikon Group will further strengthen Group-wide efforts to contribute to the wider adoption and expansion of renewable energy, while giving due consideration to additional^{*1} and sustainability.

^{*1} Requirement that the impact encourages new renewable energy installations

● Renewable Energy as a Share of Electric Power Consumption



● Membership in RE100

Nikon joined RE100^{*2}, 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.

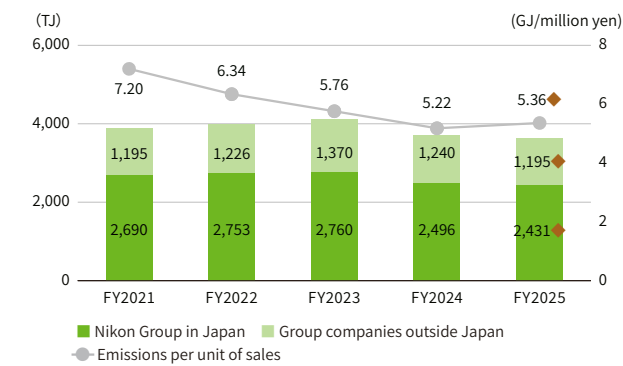
^{*2} RE100: Operated as a partnership by the Carbon Disclosure Project (CDP) and The Climate Group (an NPO focused on activities in response to climate change), RE100 is an international initiative with participation from companies all over the world.

● Conserving Energy at Each Business Facility

When planning new equipment installation at all Nikon Group business facilities, one important process is checking energy savings impact and determining whether or not to install the equipment based on these checks. After installation, we monitor actual energy consumption of the relevant equipment and track differences between planned and actual results to confirm effectiveness and make improvements.

Furthermore, each business facility pursues multifaceted energy conservation measures, including switching to energy saving lights, using motion sensor-equipped lighting, and working to make air conditioning equipment and office machinery more efficient. Effective measures are horizontally deployed within the Group for continuous improvement.

● Changes in Energy Consumption



Note: 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)
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CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

● 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 waste generation.

The development and manufacturing processes for optical glass, which supports optical technologies, use high temperatures from melting furnaces and require repeated experiments. These operations lead to high energy consumption and a large amount of waste. In response, 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, we 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. In fiscal year 2025, we introduced an electric (EV) bus at the Nikon Kumagaya Plant.

Many business facilities are also working to mitigate the environmental impact of employee commuting. Measures include encouraging employees to utilize car sharing, cycle to work, and use public transport.



EV bus introduced at the Kumagaya Plant

CO₂ Emissions From Non-Energy Consumption and Other Greenhouse Gas Emissions and Reduction Measures

For fiscal year 2025, CO₂ emissions from non-energy sources^{*1} and other greenhouse gases^{*2} totaled 1,334 t-CO₂e, accounting for 2.3% 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 1.8%.

The Nikon Group works to reduce CO₂ emissions from non-energy sources and other greenhouse gas emissions in accordance with the Nikon Hazardous Chemical Substance Guideline. Under this guideline, we thoroughly manage the use of chemical substances, explore and introduce alternative substances and technologies, and improve processes.

^{*1} CO₂ emissions from non-energy sources: CO₂ generated by fire extinguishers, sprays, waste incineration, etc.

^{*2} Other greenhouse gas: CH₄, N₂O, HFCs, PFCs, SF₆, NF₃

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

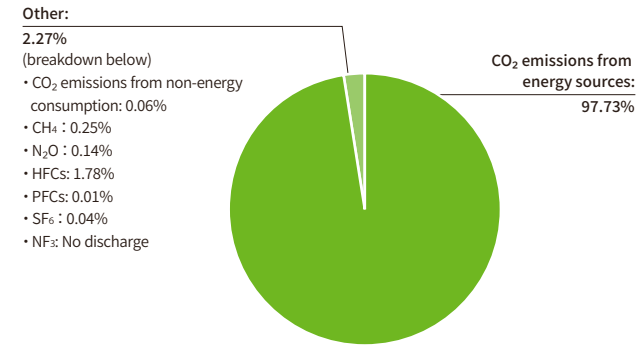
Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

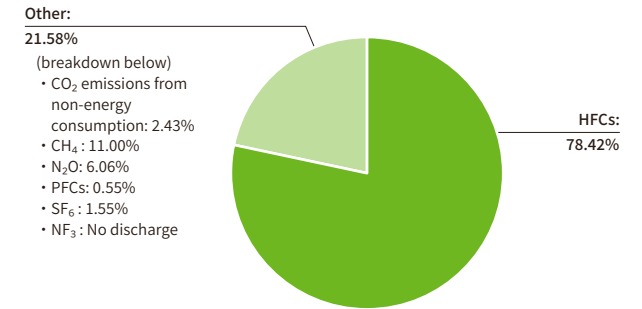
Governance

● Breakdown of Greenhouse Gas Emissions From Nikon and Group Manufacturing Companies ◆



◆:Values in Data Index assured by a third party

● Breakdown of CO₂ Emissions From Non-Energy Consumption and Other Greenhouse Gas Emissions ◆



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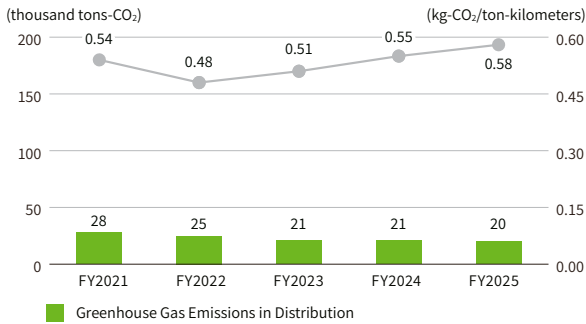
Reducing Greenhouse Gas (GHG) Emissions From Logistics

Visualizing Logistics GHG Emissions

Nikon products are manufactured mainly in Asia and sold worldwide. In light of this structure, we monitor global logistics routes and shipment volumes and strive to reduce greenhouse gas emissions.

In fiscal year 2025, GHG emissions for domestic transportation amounted to 622 t-CO₂ and 18,837 t-CO₂ for international transportation, including transportation within foreign country borders. The Nikon Group achieved an 8.5% year-on-year reduction in emissions, compared to the target of 2.7%.

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



Use of SAF in Air Cargo Transportation

We have used SAF in air cargo transportation continuously since fiscal year 2024.

Sustainable Aviation Fuel (SAF) is a fuel that helps reduce GHG emissions and is produced from biomass, such as waste cooking oil and sugar cane, as well as municipal waste and waste plastics.

Nikon also leverages a subsidy program offered by the Tokyo Metropolitan Government to conduct air shipment using SAF.

Promotion of Modal Shifts

The Nikon Group initiates modal shifts* to transition from air and truck transport to lower-impact modes such as marine, rail, and ferry transport.

In fiscal year 2025, the Healthcare Business Unit conducted marine transport from the Port of Tokyo to the Port of Singapore. The Healthcare Business Unit previously transported cargo as separate shipments by air to Asian countries around Singapore. In this initiative, the cargo was consolidated in Singapore and transported by sea.

We expect this initiative to reduce CO₂ emissions by approximately 7 t-CO₂ per shipment compared with conventional air transport.

* Modal shift: Reviewing transportation modes and transitioning to modes with lower environmental impact.

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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

The 3Rs for Products and Packaging

Environmental Action Plan Achievements for Fiscal Year 2025
[Summary] ▶ p.038

Environmental Action Plan Targets for Fiscal Year 2026 [Summary]
▶ p.039

Basic Approach

As the world shifts into a circular economy, companies exist as members of society expected to consider product life cycles that prevent waste generation and reduce environmental impact to the greatest extent possible.

The Nikon Environmental Policy discusses maximizing resource efficiency by optimizing raw material usage and extending product lifespan, etc., moving away from the use of virgin resources, and considering environmental friendliness throughout the product life cycle for the circular economy. Guided by this policy, the Nikon Group engages in the 3Rs (reduce, reuse, recycle) for products and packaging in the product development and design phases.

 ▶ Nikon Environmental Policy

Strategy

Risk

Many countries are tightening laws and regulations regarding the resource circulation of products and packaging (e.g., mandatory reuse of waste and taxation), and mandating the disclosure of amount information regarding plastic use. As laws and regulations are tightened, we face potential risks in procurement challenges and higher costs as recycled materials are likely to become scarce in the market. As the circular economy progresses, we also face potential risks of sales decline, a loss of social trust, and disinvestment due to slower responses to changing market and consumer preference in product choice.

Opportunities

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.

The 3R Initiatives of the Nikon Group

● Reduce

① Promote materials with low environmental impact, make products smaller, and reduce the number of parts

② Extend product lifespan

③ Reduce plastic packaging materials

④ Promote the switchover of containers and packaging from plastic to paper and bio-based plastic materials

● Reuse

① Pursue the reuse of products, parts, materials, and packaging

② Expand sales of used products

③ Decide whether to continue the sale of used equipment

● Recycle

① Decide on the new adoption of recycled materials

② Pursue the adoption of recycled materials (research, etc.)

③ Promote the switchover from plastic packaging and containers to recycled materials

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.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals ▶ p.030

Governance

Each business unit in the Nikon Group sets its own targets based on the Nikon Environmental Action Plan. Meetings related to product environment, organized under the Products Subcommittee, check progress, discuss, and decide on response policies. These meetings share information on product environment laws and regulations, while promoting the development of Eco-friendly Products and the 3Rs related to products and packaging materials. Results are reported semiannually in Quality Committee and Products Subcommittee meetings.

Environmental Management Promotion System ▶ p.032

Risk Management

To avoid risks related to resource recycling for products, we share the latest information on laws and regulations, as well as case studies of initiatives at other companies, with each business unit at meetings related to product environment. Each business unit conducts product and packaging assessments at the phase of product planning and development, as well as at the phase of the prototype and production. The secretariat confirm assessment results and the status of the 3Rs initiatives at these meetings.

Environment-Related Risk Management ▶ p.035

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

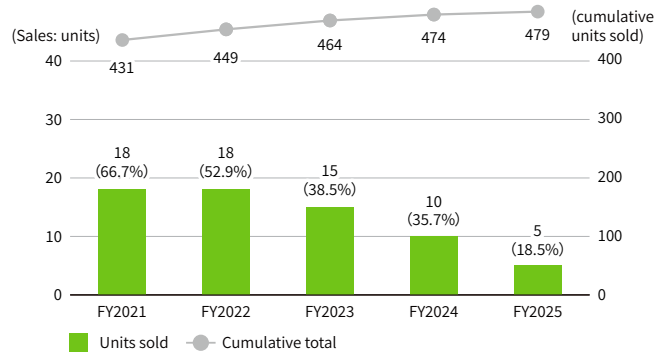
Main Initiatives

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 we replace and reconfigure parts and install the refurbished systems for new customers in and outside Japan. This business activity is an example of the Nikon Group's practice of reusing our own products within the Group. As of fiscal year 2025, the Nikon Group had sold a cumulative total of 474 refurbished products. We also began services to refresh and upgrade FPD lithography systems in fiscal year 2024.

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

Sales Volume of Refurbished Semiconductor Lithography Systems (for ICs)



Note: Figures in parentheses indicate share of total units sold

Extending 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.

Furthermore, the FX-88SL FPD lithography system, for which we began accepting orders in 2025, is the first FPD lithography system to employ a UV-LED light source. The longer life expectancy compared to conventional lamps allows the equipment to be used for a longer period of time.

Increasing Productivity and Environmental Value With FPD Lithography Systems ▶ p.027

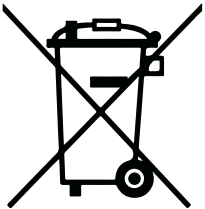
Battery Recycling

The Nikon Group works through JBRC^{*1} to recycle used digital cameras and other rechargeable batteries collected in the Japanese market.

^{*1} 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



EU recycling symbol

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^{*2}, 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 our 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 country. We are also implementing product assessments at the design stage 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^{*3} in Japan.

As for reuse, part of our services includes accepting imaging products and healthcare products, repairing them, and then selling them as refurbished cameras in and outside Japan.

^{*2} Waste Electrical and Electronic Equipment (WEEE) Directive: Legislation enacted in the EU in 2003 (and amended in 2012) requiring EU Member States to collect and recycle waste electrical and electronic equipment.

^{*3} 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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

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 promotes the active use of recycled materials from the development stage. Currently, we use recycled plastic materials in caps of digital camera, interchangeable lenses and binocular eyepiece.



Eyepiece caps for binoculars

Recycling of Packaging Materials

The Nikon Group facilitates sorted collection by providing recycling marks and material indications on product containers and packaging materials as specified in each country.

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

In Europe, under the EU Packaging and Packaging Waste Regulation, 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.



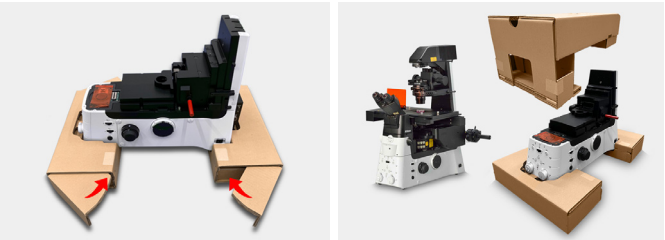
Examples of recycling marks in each country

Reducing Plastics in Packaging

The Nikon Group pursues the reduction of disposable plastics used in product packaging, not only for imaging products, but also for industrial products, as a key topic, reducing the volume of disposable plastics, switching to paper-based materials, etc.

Our packaging for the ECLIPSE Ti2-E, biological microscope (for healthcare product) uses paper as a cushioning material, completely replacing the foam plastic used previously. We also developed packaging configurations capable of withstanding the specified drop and vibration tests, reducing the weight of packaging materials by 16% and eliminating metal fasteners.

These efforts were recognized for both environmental impact reduction and product quality, receiving the Technical Packaging Award at the 2025 Japan Packaging Contest of the Japan Packaging Institute. In addition, we received the WorldStar Award, the world's most prestigious award in the packaging field, at the WorldStar Contest 2026 hosted by the World Packaging Organisation (WPO).



Packaging for ECLIPSE Ti2-E biological microscope

Using Bio-Based Plastic Packaging Materials

As a measure to reduce petroleum-based plastics, the Nikon Group is also moving forward with the switch to bio-based plastics for packaging materials. We have already switched from petroleum-based to bio-based foamed plastic cushioning materials for the package for certain healthcare products and industrial products.



Example of bio-based plastics

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Management and Reduction of Waste

Environmental Action Plan Achievements for Fiscal Year 2025
[Summary] ▶ p.038

Environmental Action Plan Targets for Fiscal Year 2026 [Summary]
▶ p.039

Basic Approach

As society transitions to the circular economy, companies are expected to reduce waste, reuse, and recycle resources, and reduce their environmental impact to the greatest extent possible.

We reduce final landfill disposal of waste or recycle waste as resources, and we are committed to environmental considerations throughout the product life cycle, striving to reduce waste from product manufacturing processes and business sites.

▶ Nikon Environmental Policy

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 the withdrawal of investments resulting from the public disclosure of our company name.

Opportunities

We recognize the opportunity to reduce costs through waste reduction efforts and to use resources more efficiently, thereby gaining credibility as an environmentally conscious company. We also recognize that these efforts will make it easier to establish a competitive advantage in the marketplace.

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.030

Governance

The Nikon Group sets waste reduction targets and manages data for each location and Group company. The Local Environmental Subcommittee secretariat, which operates under the Environmental Subcommittee, checks the results and the status of achievement of targets for each party.

Environmental Management Promotion System ▶ p.032

Risk Management

Every site and Group company in Japan uses a waste management system to manage monthly waste data (date of discharge, type of discharge, weight, amount of landfill waste, etc.) and monitor whether waste is transported and disposed of in accordance with laws and regulations.

Every site overseas conducts waste management. An annual HQ EMS Assessment is conducted to confirm that all waste is handled in accordance with the laws and regulations of each country.

Environment-Related Risk Management ▶ p.035

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Main 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 S status. Hikari Glass (Changzhou) Optics Co., Ltd. (China), Nikon X-Tek Systems Ltd. (UK), and Nikon SLM Solutions AG (Germany) achieved Level S status in fiscal year 2025. In addition, Nanjing Nikon Jiangnan Optical Instrument Co., Ltd. (China) achieved Level 1 status, while other Group manufacturing companies are making further efforts to achieve Level 1 by fiscal year 2030.

*Zero emissions: Standard proposed by the United Nations University in 1994. The concept is to utilize waste and other materials emitted from industrial activities as resources for other industries to achieve zero waste in society as a whole.

Zero Emission Level-Specific Targets

Level S: 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%

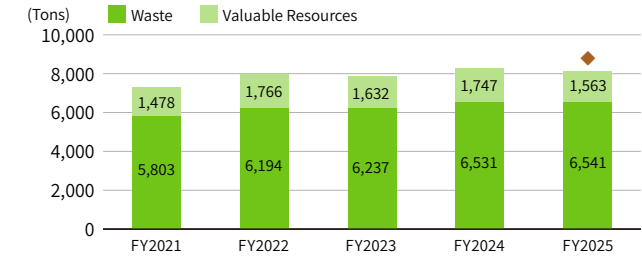
Note:

- 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

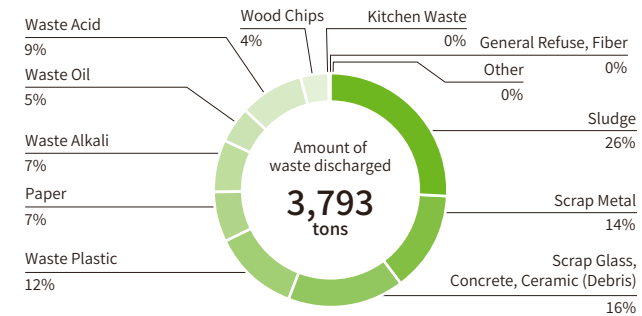
The amount of waste (excluding valuable resources) generated by the Nikon Group in Japan and by the Group manufacturing companies outside Japan during fiscal year 2025 was 6,541 tons. This figure represented a reduction of 15.8% (1,230 tons), achieving the Group target of reducing the total waste generated from operations by at least 10% compared to fiscal year 2018 (6993.9 tons or less in total waste). The total amount of final landfill waste generated was 267 tons ♦, with 6,274 tons of waste recycled (not including valuable resources).

Waste Generated by the Nikon Group in Japan and Group Manufacturing Companies Outside Japan



♦: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 2025)



Initiatives in the Manufacturing Process

Miyagi Nikon Precision Co., Ltd. collects and separates used soft vinyl (bubble cushioning material and plastic bags), converting the material into valuable resources. The company collects the used vinyl through the effective use of available space in company transport vehicles returning from transporting parts. The company introduced compression packaging machines in fiscal year 2025. As a result, more than 45% of used soft vinyl is recycled as a valuable resource.

Abrasive agents used to polish optical glass are discarded as abrasive sludge after use. Abrasive sludge accounts for around 15% of waste discharged by the Nikon Group in Japan. The Nikon Group established a method to reuse these abrasives, achieving an approximately 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 the recycled 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.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Protection of Water Resources

Environmental Action Plan Achievements for Fiscal Year 2025
[Summary] ▶ p.038

Environmental Action Plan Targets for Fiscal Year 2026 [Summary]
▶ p.039

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 water discharge and other means. Working to conserve water resources is therefore essential for business continuity. The Nikon Group formulated the Nikon Long-Term Environmental 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 Policy stipulates the conduct of regular water risk assessments, monitoring of water withdrawal, proactive water reuse, and the establishment and compliance of voluntary standards exceeding legal requirements. In this way, we reduce our environmental impact stemming from water use to the greatest extent possible. 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.

Web

▶ Nikon Environmental Policy

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 withdrawal of investment resulting from the public disclosure of our company name.

Opportunities

We believe that pursuing the efficient reuse and recycling of water resources will lead to business cost reductions.

Our efforts also represent an opportunity to earn trust by, for example, responding appropriately to stakeholder demands regarding water risk.

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 leads to a

reduction in the load on water withdrawal in each region. We also believe reducing freshwater consumption leads directly to reduced water-related costs, such as water supply costs.

In addition, Nikon Group production sites have created a water balance sheet to visualize water balance and usage according to process for the purpose of efficient and effective water use. Through these efforts, the Nikon Group identifies opportunities for water conservation, reuse, etc., and implements improvement measures accordingly.

For fiscal year 2025, the Nikon Group reduced freshwater consumption by 10.6% to 1,678,000 m³, achieving our Environmental Action Plan goals for the fiscal year to reduce water withdrawal by at least 3% 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.030

Governance

The Nikon Group sets reduction targets and manages data for each location and Group company. The Local Environmental Subcommittee secretariat, which operates under the Environmental Subcommittee, checks the results and the status of achievement of targets for each party.

Environmental Management Promotion System ▶ p.032

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

- Environmental Management
- Addressing Climate Change
- The 3Rs for Products and Packaging
- Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of
Hazardous Chemical Substances
- Biodiversity Conservation

Society

Governance

Risk Management

Since many water risks are specific to each region, each location and Group company identifies risks, determines initiatives to address identified risks, and incorporates risks into targets. The Local Environmental Subcommittee secretariat leads the assessment of the potential future impact on corporate activities of water-related issues. The secretariat works with outside specialists once every three years to conduct such assessments. In 2019, we conducted a water risk assessment using Aqueduct^{*1} for 16 domestic and overseas business facilities with high water withdrawal. We confirmed that there are no areas with significantly high water stress^{*2} in the regions where the Nikon Group conducts business activities.

In fiscal year 2024, we assessed the water risks of our suppliers in light of recent requests for the Group to understand and identify water risks in our supply chain. Specifically, we conducted a water risk survey of 245 suppliers (262 sites) selected by Procurement Department, identifying priority sites.

The Nikon Group uses an environmental data collection system to monitor data on water withdrawal, water discharge, freshwater consumption, etc., on a monthly basis for each location and Group company. Each site and Group company sets its own standards (voluntary standards) for wastewater quality, which are stricter than legal requirements, and monitors said standards on a regular basis. We set these voluntary standards at appropriate levels based on local government standards, and we notify the competent authorities of our targets as we engage in operations. 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.

^{*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.

Main Initiatives

Appropriate Wastewater Treatment

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

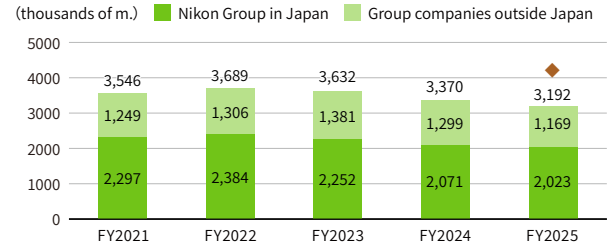
Specifically, we established voluntary standards even stricter than discharge standards found in each region, and we treat wastewater in accordance with wastewater quality levels alongside regular monitoring of the water discharge situation.

Water Withdrawal and Discharge

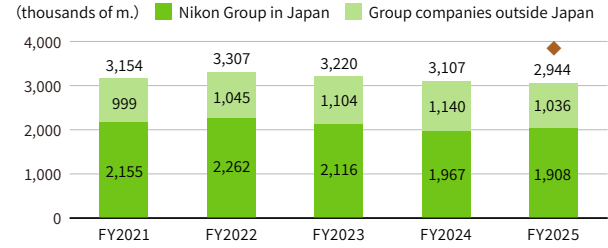
Nikon Group water withdrawal for fiscal year 2025 was 3,192,000 m³ (Nikon Group in Japan accounting for 2,023,000 m³ and Group manufacturing companies outside Japan accounting for 1,169,000m³). Water discharge volume amounted to 2,944,000 m³ (Nikon Group in Japan accounting for 1,908,000 m³ and Group manufacturing companies outside Japan accounting for 1,036,000 m³). We reduced freshwater consumption by 10.6% to 1,678,000m³, achieving our target of reducing freshwater consumption by at least 3% 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 2025 water reuse rate of the Nikon Group amounted to 8.0%.

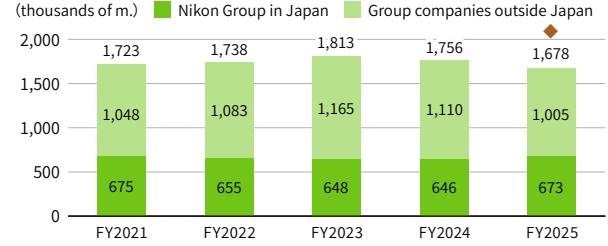
Changes in Water Withdrawal



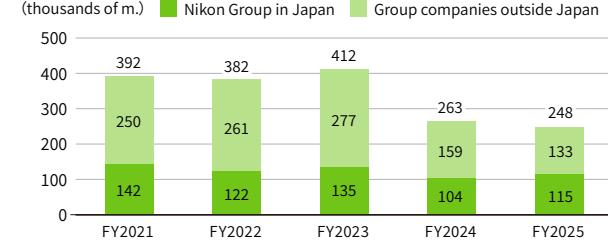
Changes in Water Discharge



Changes in Freshwater Consumption



Changes in Water Consumption



CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

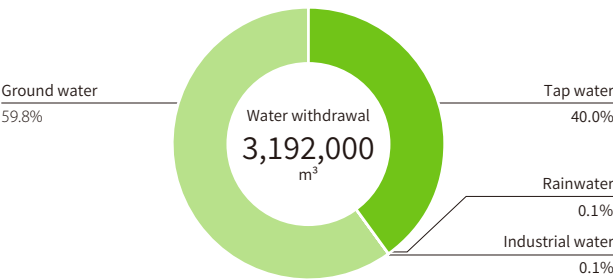
Environment

- Environmental Management
- Addressing Climate Change
- The 3Rs for Products and Packaging
- Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of Hazardous Chemical Substances
- Biodiversity Conservation

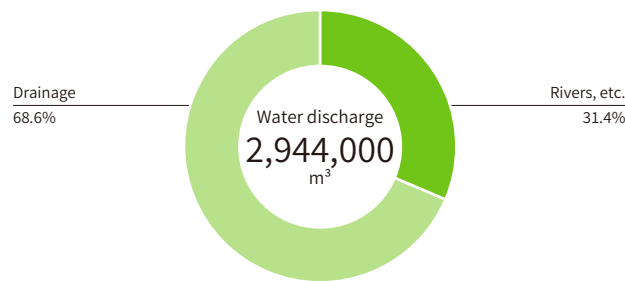
Society

Governance

● Breakdown of Water Withdrawal (Fiscal Year 2025) ◆



● Breakdown of Water Discharge (Fiscal Year 2025) ◆



◆: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 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 2025, the Nikon Shonan Branch reused approximately 9,600 m³ of water discharge, reducing water withdrawal 7.9% compared with water withdrawal prior to adoption.

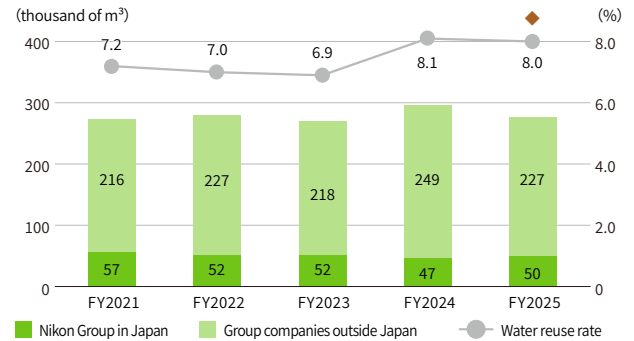
Effective Use of Concentrated Water (Nikon Kumagaya Plant)
Nikon Kumagaya Plant manufactures semiconductor lithography systems, a process requiring a large amount of ultrapure water. The process of producing semiconductor lithography systems requires large amounts of ultrapure water. To generate ultrapure 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 38,000 m³ of concentrated water as supplementary water for cooling towers in fiscal year 2025. This reused water accounted for approximately 12% 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 efficiency. The company purifies domestic wastewater for reuse in flushing toilets and in the company garden sprinkler system. Nikon Lao also reuses 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



CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

- Environmental Management
- Addressing Climate Change
- The 3Rs for Products and Packaging
- Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of Hazardous Chemical Substances**
- Biodiversity Conservation

Society

Governance

Management and Reduction of Hazardous Chemical Substances

Environmental Action Plan Achievements for Fiscal Year 2025
[Summary] ▶ **p.038**

Environmental Action Plan Targets for Fiscal Year 2026 [Summary]
▶ **p.039**

Basic Approach

While chemical substances enrich lives, highly hazardous substances can cause serious damage to human health and the environment when used and disposed of improperly. Countries around the 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 continue to tighten with every passing year. 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 the management of chemicals and compliance with laws and regulations, environmental consideration, and pollution prevention in the Nikon Environmental Policy, establishing Realizing a Healthy and Environmentally Safe Society as one of the pillars of the Nikon Long-Term Environmental Vision for the year 2050.

 Web

▶ Nikon Environmental Policy

Strategy

Risk

If products are improperly disposed of or incinerated, any hazardous chemical substances released may pose a risk of environmental contamination and health hazards to humans and other living organisms. As regulatory requirements become stricter, potential

consequences include the costs associated with violations (product recalls, compensation for damages, etc.), penalties (suspension of operations, etc.), loss of public trust, and withdrawal of investment. Avoiding the use of newly regulated hazardous chemical substances could make it impossible to manufacture products that meet the performance requirements of the market. Other risks include product manufacturing delays due to difficulties in obtaining alternate materials and sub-materials, as well as delays in technological development relying on alternate materials.

Leakage of hazardous chemical substances from business facilities can contaminate soil, groundwater, and public waters, posing a threat not only to human health, but also a risk of adverse effects on the surrounding ecosystem.

Opportunities

Managing and reducing chemical substances in a proper manner to comply with increasingly tightening 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 also help strengthen our competitiveness through taking preemptive measures to avoid the use of chemical substances facing potential stricter regulations. We expect our continued implementation of these activities to maintain the trust of stakeholders.

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. As part of our efforts to manage chemical substances, we established and operate unique Nikon Group standards under the Hazardous Chemical Substances Guideline that are stricter than laws and regulations for chemical substances used in production processes, safety and health, and chemical substances contained in products. We may make special exceptions to use restricted chemical substances only within the scope of laws and regulations when replacing or discontinuing use is

technically difficult. At the same time, we pursue activities to eliminate such substances.

Chemical Substances Contained in Products

We comply with the EU RoHS Directive^{*1}, REACH Regulation^{*2}, and other laws and regulations on chemical substances contained in products around the world. To this end, we manage regulated substances in two categories: *Prohibited and Control*. We require that procurement partners comply with Nikon Group management standards (Nikon Green Procurement Standards).

We follow the latest trends in chemical substance regulations and prohibit relevant substances in our procured items to control and reduce said substances before regulations are enforced. We also track trends 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 Regulation: 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.

Chemicals Used in Production Processes

We manage substances, categorized according to environmental and health risk: *Prohibited, Reduce, Control, and Other*.

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.030**

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Governance

In the Nikon Group, each business unit and office has established targets for chemical substance management under Nikon Environmental Action Plan.

Meetings related to the product environment, organized under the Products Subcommittee, confirm progress toward targets, examining and determining policies for dealing with chemical substances contained in products. The secretariats of these meetings gather the latest information on relevant laws, regulations, and industry trends, sharing information with relevant business units. Further, we instruct our business units to manage and reduce hazardous chemical substances based on the latest information and check the status of their response.

The person in charge of EMS at each production site and Group company collects environmental data on chemical substances, air, water, etc., used at each business facility, reporting to the Local Environmental Subcommittee secretariat (under the Environmental Subcommittee) twice a year.

In addition, the Chemical Substance Risk Control Team, organized under the Local Environmental Subcommittee, confirms the management and reduction of hazardous chemical substances at each production site.

Environmental Management Promotion System ▶ [p.032](#)

Risk Management

Chemical Substances Contained in Products

Since Nikon products consist of a very large number of materials and parts, we conduct surveys using chemSHERPA¹, a tool for communicating information on chemical substances in products. We conduct surveys with the cooperation of our partners. We obtain survey results from chemSHERPA before the start of production for new products. For existing products, we obtain survey results

periodically—about once a year. 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.

^{*1} chemSHERPA: A shared scheme for communicating information on chemical substances contained in products in the supply chain.

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 throughout 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/package assessments
6. Confirming how procurement partners manage chemicals and helping to upgrade their processes
 - Implementing CMS (Chemical Substances Management System)² assessments for procurement partners
 - Providing support to procurement partners for building CMS (Chemical Substances Management System)

^{*2} CMS: Chemical Substances Management System (management system for chemical substances in products)

Chemicals Used in Production Processes

The Nikon Group strives 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)³ is obtained and a risk assessment is conducted. Measures based on the results of the assessment are then checked and confirmed by the departments in charge of environment, health and safety, construction, and administration from an expert's point of view. Further, emergency drills are conducted annually in each region. In the event of an environmental accident, we report it to the relevant parties under a predetermined management system according to the level of accident.

^{*3} Safety data sheet (SDS): To promote improvements in the appropriate management of chemical substances by business enterprises, when a chemical substance specified by the PRTR Law (Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof), 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 ▶ [p.035](#)
Green Procurement ▶ [p.093](#)

Main Initiatives

Total Abolition of All Ozone-Depleting Substances 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

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

extend the product lifespan of older devices.

In 2024, the EU revised regulations (F-gas regulation) on hydrofluorocarbons (HFCs) and other greenhouse gases, making regulations more stringent than ever. Currently, the Nikon Group strives to reduce HFCs used in equipment or used as cleaning agents in the production process, or to switch from these HFCs to substances with lower global warming potential.

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^{*1}, 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%.

*1 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. Nikon uses lead- and arsenic-free glass for optics in most products, with certain exceptions for special applications.

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.

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. PFHxA is another type of PFAS, regulated under EU REACH and added to the list of restricted substances. The Nikon Green Procurement Standards have prohibited these substances ahead of the effective regulation date, and we have replaced components that contain these substances.

The State of California in the U.S. banned the use of PFAS in textile products effective January 1, 2025. The Nikon Group designated PFAS as a prohibited substance for relevant items in 2023 and substituted out components containing PFAS.

In May 2025, long-chain perfluorocarboxylic acid (LC-PFCA) was designated as a substance to be eliminated under the Stockholm Convention. Regulations are expected to be enforced in various countries in 2026. In anticipation, Nikon prohibited the use of this substance in procured products beginning in May 2026, and we are working on replacing parts containing the substance.

Management and Reduction of Chemical Substances in Manufacturing

The Nikon Group has completely eliminated the use of ozone-depleting substances, including HCFCs and other substances classified as *prohibited*. We also categorized dichloromethane (a possible carcinogen) as a prohibited rank substance, and have replaced the substance in certain processes.

However, we permit special certification and continued use for prohibited substances that are technically and cost-prohibitively difficult to abolish entirely. We permit said use only within the scope of legal regulations and provided that the impact is reduced as much as possible. Although the emission of dichloromethane into the atmosphere is of concern, as the substance is a VOC, we permit the use of the chemical in certain cleaning processes where the substance is technically difficult to replace. In these situations, we install detoxification equipment that absorbs, collects, and reuses most of the volatile dichloromethane,

thereby reducing its release into the atmosphere.

Our target for fiscal year 2025 was to reduce certain hazardous chemical substances, including dichloromethane, by 50% or more compared to fiscal year 2023. However, issues with the installation specifications of detoxification equipment resulted in an actual reduction of only 16%, falling short of the target. We formed a working group to begin studying measures to address this issue.

Our progress in reducing HFCs, a prohibited rank substance, is proceeding substantially ahead of the Kigali Amendment to the Montreal Protocol, which targets a reduction of 85% or more by 2036. We expect to achieve this target by the end of fiscal year 2026.

Nikon Group PRTR and VOCs

At the Nikon Group in Japan and Group manufacturing companies outside Japan, we use the unique Hazardous Chemical Substances Guideline to reduce the use of and manage chemical substances subject to inclusion in a pollutant release and transfer register (PRTR)^{*1}, 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 related to substances falling under PRTR Class I Designated Chemical Substances or Specific Class I Designated Chemical Substances, twice a year to compile data on uses, disposals, transfers, recycling, etc. We conduct the surveys for substances of which 100 grams or more are handled per year, implementing internal management that is more rigorous than the PRTR in Japan, which only requires reporting for substances of which 0.5 tons (Specific Class I Designated Chemical Substances) or 1 ton or more (Class I Designated Chemical Substances) 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, and conduct surveys twice every year to monitor status. We implement measures to make cleaning equipment more airtight, improve the rate of reuse, and otherwise reduce atmospheric emissions. For fiscal year 2025, VOC emissions totaled 68 tons from the Nikon Group in Japan and 291 tons from Group manufacturing

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

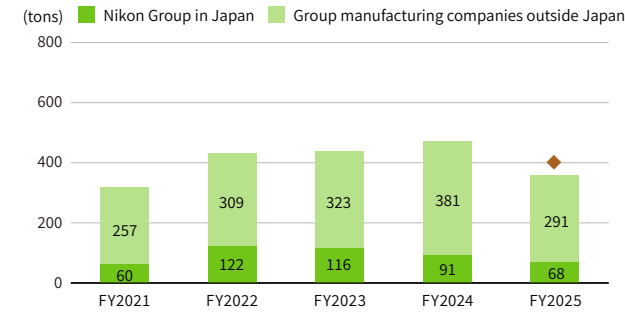
Governance

companies outside Japan. These figures represent a 24% reduction compared with the previous fiscal year.

*1 PRTR: A system for issuing a notice of the release and transfer of chemical substances under the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof

*2 VOC: The Nikon Group addresses the 100 major VOCs listed by the Ministry of the Environment.

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



◆:Values in Data Index assured by a third party
Note: 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.

Nikon has completed the treatment of all high-density PCB waste in the Nikon Group. We intended to dispose of any electrical components that may be contaminated with low-density PCBs by the end of fiscal year 2025. However, we discovered additional low-density PCBs, and we plan to take measures during fiscal year 2026 in accordance with the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes^{*3}.

*3 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. The disposal deadline is the end of March 2027.

Prevention of Air, Water, and Soil Pollution

Nikon and one Group manufacturing company in Japan reported two cases of a minimal excess of levels allowed by sewer water quality standards (BOD^{*4} and SS^{*5}).

We follow the government's administrative guidance in response to cases of exceeding allowed levels, including increasing the frequency of cleaning and conducting more water discharge analyses as we endeavor to maintain stable water quality below the maximum standard.

*4 BOD: Biochemical oxygen demand. The amount of oxygen required for microorganisms to decompose organic matter

*5 SS: Suspended solids, suspended particulates. An indicator of water turbidity.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

- Environmental Management
- Addressing Climate Change
- The 3Rs for Products and Packaging
- Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of Hazardous Chemical Substances
- Biodiversity Conservation**

Society

Governance

Biodiversity Conservation

Environmental Action Plan Achievements for Fiscal Year 2025
[Summary] ▶ **p.038**

Environmental Action Plan Targets for Fiscal Year 2026 [Summary]
▶ **p.039**

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, and included 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)^{*1} released the Recommendations of the Taskforce on Nature-related Financial Disclosures (Final TNFD Recommendations v1.0).

The Nikon Environmental Policy stipulates that we strive to identify and disclose dependency, impact, risks, and opportunities related to biodiversity and ecosystems in our value chain. We also endeavor to conserve ecosystems through our business activities, environmental activities, and community contribution activities. 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 the 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

*1 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 Policy](#)

Strategy

Risk

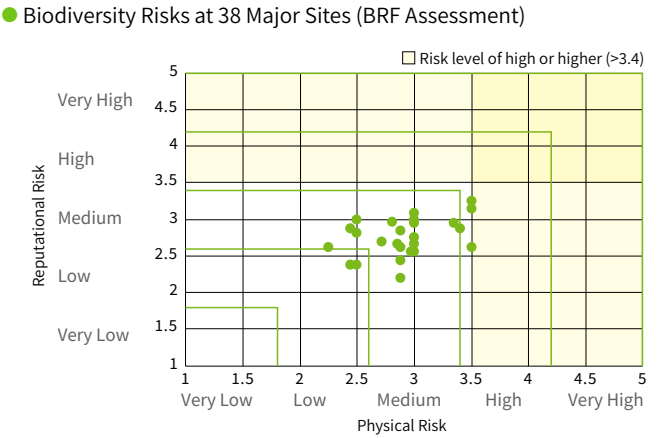
The Nikon Group used WWF Biodiversity Risk Filter^{*2} to assess physical and reputational risks at 38 major sites. The granularity of physical risk and reputational risk indicated that several business facilities face high physical risk (greater than 3.4). All business facilities ranked below medium (3.4 or lower) in terms of reputational risk. However, a closer look at the 33 indicators used in our evaluations showed a risk level of extremely high risk indicators. We also found that trends in risks differed by region.

Using Encore^{*3}, we also assessed the dependencies and impacts of the Nikon Group's main business activities on nature. The results showed a high dependency on nature for water supply, water purification, water flow regulation, and genetic material. The results also indicated a possible high impact on nature due to air pollutant emissions.

We took these results into account to identify risks related to biodiversity.

*2 A tool developed by the WWF to promote spatial understanding of the natural environment, including forests, oceans, and river basins, to conserve biodiversity, ecosystems, and business perspectives, and to determine issues and priorities for investment and business model considerations. <https://riskfilter.org/>

*3 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 (UNEPWCMC), and other organizations to understand the extent of the impacts and dependencies of private companies on nature. <https://www.encorenature.org/en>



Protection of Water Resources ▶ **p.053**

Management and Reduction of Hazardous Chemical Substances
▶ **p.056**

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

- Environmental Management
- Addressing Climate Change
- The 3Rs for Products and Packaging
- Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

● Dependencies and Impact on Nature (Encore Assessment)

Very High (VH), High (H), Moderate (M), Low (L), Very Low (VL), No Data (ND), Not Applicable (NA)

	Dependency									Impact						
	Water Supply	Water Purification	Water Flow Regulation	Flood Mitigation	Rainfall Pattern Regulation	Storm Mitigation	Soil and Sediment Retention	Solid Waste Remediation	Genetic Material	GHGs	Water Use	Air Pollutant Emissions	Soil and Water Pollutant Discharge	Solid Waste Generation and Emissions	Lifestyle Interference (Noise, Light Pollution, Etc.)	Nutrient Soil and Water Pollutant Discharge
Direct Operations	M-H	NA-VH	M-H	M	VL-M	M	L-M	ND-M	NA-H	L-M	M	L-H	ND-M	L-M	ND-M	NA-M

● Risks Related to Biodiversity

		Principle Risks	Related Major Dependencies and Impacts	Financial Impacts	Related GBF Targets	Nikon Initiatives	Corresponding Page
Physical Risk	Acute	Intensifying tropical cyclones due to natural degradation	Dependency: Flood mitigation, storm mitigation, soil and sediment retention Impacts: GHG emissions	Suspension of operations and decline in asset values due to damage to major bases	Target 8: Climate change measures	Decarbonization activities (energy conservation and renewable energy) Business continuity management (BCM)	p.044 p.110
	Chronic	Changes in precipitation patterns and droughts due to natural degradation	Dependency: Water supply, water purification, water flow regulation, rainfall pattern regulation Impact: Water use	Operating rate declines and shutdowns due to inability to extract sufficient water resources	Target 8: Climate change measures Target 11: Use of nature's regulation functions	Reduce water withdrawal Conduct active water recycling Conduct water risk assessments	p.053
Transition Risk	Policies	Stricter regulations on pollution	Impact: Pollutant emissions in air, water discharge, and soil; waste emissions	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 and wastewater treatment costs Lower sales and stock price due to fines or the loss of public trust	Target 7: Pollution prevention and reduction	Management and reduction of chemical substances in products Chemical substance management in production processes Waste reduction Proper waste management Appropriate wastewater treatment Reduce disposable plastics (e.g., packaging and packing materials)	p.056 p.056 p.052 p.051 p.054 p.050
		Tighter disclosure regulations	Dependency: Water and other natural resources Impact: GHG emissions, pollutant emissions, water discharge, etc.	Higher costs to respond to assessments that consider biodiversity as well as related information disclosures	Target 15: Business impact assessment and disclosure	Monitor and disclose environment-related information appropriately TNFD compliance	p.060
	Technologies	Mandates to replace with raw materials having less environmental impact	Dependency: Forest resources Impact: Use of chemicals and raw materials derived from oil refining	Inability to switch to raw materials with less environmental impact, resulting in exclusion from the market and weaker competitiveness	Target 7: Pollution prevention and reduction Target 16: Sustainable consumption	Implement product assessments Conduct 3R initiatives for products and packaging	p.037 p.048
	Reputation	Lower corporate reputation and brand value due to the use of natural resources that are not environmentally friendly	Reduce the use of virgin materials and switch to raw materials that are recycled, reclaimed, etc. Communicate and disclose information on product traceability Reduce waste at business facilities	Lower sales and stock price due to loss of public trust	Target 7: Pollution prevention and reduction Target 9: Sustainable use of wild species Target 16: Sustainable consumption	Implement product assessments Conduct 3R initiatives for products and packaging Use sustainable paper	p.037 p.048 p.062

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

- Environmental Management
- Addressing Climate Change
- The 3Rs for Products and Packaging
- Management and Reduction of Waste
- Protection of Water Resources
- Management and Reduction of
Hazardous Chemical Substances
- Biodiversity Conservation**

Society

Governance

Opportunities

The Nikon Group recognizes business opportunities in biodiversity. We believe technologies that improve energy efficiency and products and services that entail waste reduction and resource circulation represent contributions to biodiversity conservation through our core business. We also believe that providing our products to educational and research institutions and engaging in corporate citizenship activities contributes to an understanding of biodiversity, the accumulation of knowledge through observation and documentation, and expanded access to scientific information and information on nature.

Nikon Long-Term Environmental Vision and Medium-Term Environmental Goals ▶ **p.030**

Strategy

The Nikon Group's analysis of risks and opportunities related to biodiversity is currently in the screening stage. We recognize the

need for a more detailed analysis based on the characteristics of our business. We are committed to conducting further analysis on our unique risks, opportunities, and impacts from 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.

Governance

The secretariat of the Environmental Subcommittee examines Nikon Group-wide strategies for biodiversity conservation and the analysis of risks and opportunities. The meeting related to product environment (under the Products Subcommittee of the Quality Committee) and the Local Environmental Subcommittee (under the Environmental Subcommittee) propose targets and confirm the progress of initiatives.

Environmental Management Promotion System ▶ **p.032**

Risk Management

All environmental activities involve biodiversity conservation. The Nikon Group confirms nature-related dependencies, impacts, risks, and opportunities, as well as the progress of initiatives, related to our business and products at meetings related to product environment. The Local Environmental Subcommittee evaluates company production processes. 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 others.

Environment-Related Risk Management ▶ **p.035**

Main Initiatives

Forest Resource Initiatives

Sustainable Paper Use
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 our activities to conserve 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.

Nikon Product/Packaging Assessment ▶ **p.037**

▶ **Paper Procurement Policy**

Biodiversity Opportunities

Principle Opportunities		Related GBF Targets	Nikon Initiatives	Corresponding Page
Business Performance	Market	Expanded sales of technologies and products that improve energy efficiency and contribute to decarbonization	Target 8: Climate change measures	Riblet processing that contributes to carbon neutrality
	Resource Efficiency	Expanded sales of technologies and products that reduce resource use and waste	Target 16: Sustainable consumption	Additive manufacturing
Sustainability Performance	Ecosystem protection, restoration, and regeneration	More opportunities to use products and technologies in biodiversity research, conservation activities, and training and education	Target 21: Strengthen access to knowledge Target 22: Ensure the participation of women, youth, and indigenous peoples	Environmental awareness-raising activities for children Photo contests on themes of living creatures to raise awareness Support for the Akaya Project*
		Securing green space in cities	Target 12: Secure green and water-friendly spaces	Head office site greening

*Fiscal year 2025 forest conservation volunteer activities were canceled in light of the increasing number of bear-related incidents reported across Japan.

CONTENTS

Contents/Editorial Policy/
Nikon Group Profile

Message From the President

Sustainability Management

Creating Value

Environment

Environmental Management

Addressing Climate Change

The 3Rs for Products and Packaging

Management and Reduction of Waste

Protection of Water Resources

Management and Reduction of
Hazardous Chemical Substances

Biodiversity Conservation

Society

Governance

Conversion to FSC-Certified Paper

In accordance with the Paper Procurement Policy, the Nikon Group is switching to the use of FSC-certified paper^{*1}, prioritizing printed materials used externally that involve a high quantity of paper. In Japan, we use FSC-certified paper for product catalogs and for printed materials, corporate envelopes, business cards, and other items issued or used by Nikon's corporate administration divisions.

In addition, our Environmental Action Plan promotes the use of FSC-certified paper for paper used by business units. In fiscal year 2025, approximately 96% of newly published product catalogs in Japan, North America, and Europe were made from FSC-certified paper (excluding cases of specialty paper use). We also completed the switch to FSC-certified paper for packaging boxes for certain products.

^{*1} FSC-certified paper: Paper certified by the Forest Stewardship Council 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.

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 the manuals included in product boxes. 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 paper-based 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 with the product and published information on the website, reducing paper consumption.

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 the website. Customers now access the latest information whenever they need it using their preferred device, whether it be their laptop, target, computer, or smartphone. This helps to enhance customer convenience.

These initiatives not only help reduce paper usage, but also contribute

to cutting CO₂ 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^{*2}, 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 conduct 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 2025, we produced a collection of case studies of past relationship mapping between electrical and electronic businesses and biodiversity. We also held an OEMC workshop for member companies of the four electrical and electronic industrial associations.

^{*2} The following four electrical and electronic (E&E) associations work cooperatively on biodiversity: 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).

Photo and Video Contests to Encourage an Understanding and Interest in Nature

The Nikon Group holds photo and video contests to promote interest in the diversity of nature and life to society at large.

The Nikon Comedy Wildlife Awards is a contest that celebrates humorous and heartwarming wildlife photographs from around the world, and serves as an initiative to showcase the appeal of the diverse wildlife with which we coexist on our shared planet. The contest features unique, witty wildlife photos and videos, providing an opportunity to raise awareness and encourage dialogue about conservation, while deepening an understanding and interest

in nature. Humorous expressions of wild animals bring fun and excitement, while creating a way for people to feel closer to the relationship between people and nature. A portion of the proceeds from this contest is donated to organizations that support wildlife conservation activities. The Nikon Group believes in the importance of supporting photographers and filmmakers, encouraging creative activities that have social significance. Participation in this contest is an opportunity to celebrate outstanding expression and to publicize the importance of nature conservation.

Although these efforts do not constitute direct conservation activities or ecosystem restoration, we think contests like this help raise public interest in biodiversity and encourage citizen participation in nature conservation activities. We also believe that events of this sort enhance the Nikon Group brand value and strengthen engagement with stakeholders.



▶ Nikon Comedy Wildlife Awards



Nikon Comedy Wildlife Awards 2025
Overall Winner
"High Five"
Photo by Mark Meth Cohn (UK)

Initiatives at Each Plant and Business Facility

Through cleaning and beautification activities surrounding our business locations, the Nikon Group contributes to the preservation of local environments and prevention of urban waste flowing into the ocean. We also participate in nature conservation activities held in local communities. In fiscal year 2025, each location participated in at least one such activity, accounting for 39 activities in all.



▶ Environmental Actions at Business Facilities