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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.

 Web

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Strategy

Risk

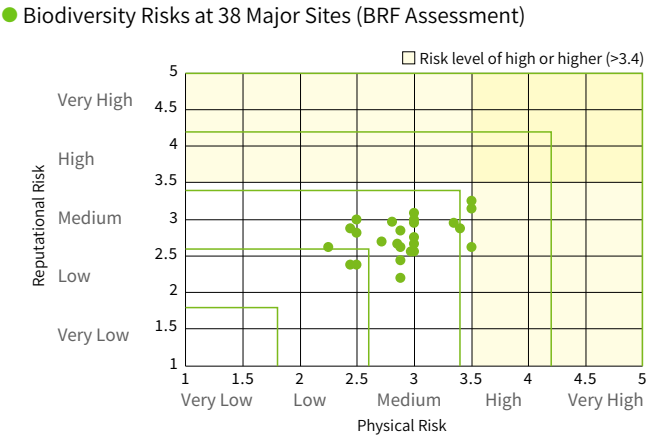
The Nikon Group used WWF Biodiversity Risk Filter^{*2} to assess physical and reputational risks at 38 major sites. The granularity of physical risk and reputational risk indicated that several business facilities face high physical risk (greater than 3.4). All business facilities ranked below medium (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>



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● 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

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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	 Riblet processing
	Resource Efficiency	Expanded sales of technologies and products that reduce resource use and waste	Target 16: Sustainable consumption	Additive manufacturing	 Optical processing machine "Lasermeister"
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*	 Nikon Comedy Wildlife Awards  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.

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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