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Ensuring Quality and Safety

Basic Approach

Ensuring that products and services that are widely utilized in the market are safe to use is an important precondition for the sustainable development of society. As IoT, AI, and other technologies continue to advance, it is necessary to ensure quality not only in terms of product safety, service safety, and environmental considerations, but also in areas such as product security. We also consider it important to respond more actively to changing customer needs that change in line with evolving lifestyles and values.

In response to these growing social demands for quality, the Nikon Group has established in the Basic Quality Policy that we will continue to enhance the value we provide to customers through our products and services, contributing to the healthy development of society. To put this policy into practice, we have also established the Quality Management Directive (QMD), which applies to the Nikon Group as a whole.

Basic Quality Policy

Based on our philosophy of Trustworthiness and Creativity, Nikon has established the following Basic Quality Policy. It aims to increase the value that we provide to customers through our products and services, contributing to the healthy development of society.

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

Strategy

Risk

Customer needs in the market are diversifying and becoming more sophisticated each day due to changes in lifestyles and values. Demands on companies regarding quality management also grow stronger each year as countries and regions develop various safety and environmental laws and regulations for the sustainable development of society. Failing to meet those requirements results in not only fines and other penalties, but also the loss of public trust. This could lead to a decline in the value of our corporate brand and a decrease in sales, which in turn may have a significant impact on the Nikon Group's continued business activities.

Amidst these changes in the social environment, the Nikon Group recognizes the importance of compliance with laws and regulations, including safety and environmental measures, and ensuring quality that leads to customer satisfaction. We are also strengthening the mechanisms in place to ensure quality.

Opportunities

Although the aforementioned trends in the social environment pose risks to the Group, we also recognize these risks as opportunities to earn the trust of our customers and society through rapid response to changes in customer needs, quality assurance, and improvement. Opportunities also exist for business growth by improving brand value through creative and efficient manufacturing and differentiating ourselves from competitors with our quality.

With these various actions, we will contribute to our business activities and coexist with our stakeholders.

Strategy

The Nikon Vision is to become a key technology solutions company in a global society where humans and machines co-create seamlessly. To achieve this vision, we must establish a global quality management system across the entire Nikon Group that ensures the maintenance and improvement of the trust our customers have in our quality. This system also needs to anticipate changes in the values sought by society and customers, as well as technological innovations and shifts in manufacturing.

For this reason, we have created a Quality Manual (QM) based on the QMD for each business unit (including the Group companies). This QMD encompasses the requirements of ISO 9001*, and we are implementing swift and appropriate revisions in response to changes in trends and situations happening around the world. Within the Nikon Group, manufacturing companies are leading the way in obtaining ISO 9001 certification, with approximately 67% of Nikon and Nikon Group manufacturing companies holding this certification (as a ratio to total companies).

We have also established a global quality management system to strengthen our global governance, which includes deploying it to Group companies outside Japan that joined the Nikon Group through M&A. In addition, this initiative includes the reduction of quality risks.

As part of these activities, we introduced major revisions to the QMD in fiscal year 2025 to ensure these Group companies outside Japan practice QMD even more consistently. The Nikon Group strives to improve quality management across the Nikon Group by clarifying the items to be implemented by the Group companies outside Japan as members of the Nikon Group in line with the requirements of ISO 9001.

We also strive to strengthen our culture of quality by establishing a system to improve the level of quality education, form behavioral principles in manufacturing, and ensure product safety and product security in response to technological advances.

Through these efforts, we work to prevent quality issues on an ongoing basis. By undertaking the above, we will build a group-

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wide quality foundation within the Nikon Group that supports both our proactive prevention system for quality risks and our ability to deliver products that earn customer satisfaction.

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

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The Nikon Group has established a Quality Committee to deliberate and make decisions on important matters related to quality control for the entire Group. The committee convenes twice a year on a fixed schedule and is chaired by a responsible officer, with general managers from each business unit and others serving as standing committee members. We have established the Product Subcommittee and the Education Subcommittee under the Quality Committee. The purpose of these subcommittees is to strengthen the functions of the Quality Committee in (1) preventing product quality and environmental problems, (2) complying with legal and regulatory standards, as well as ensuring safety, and (3) maintaining and improving manufacturing technologies.

Decisions made at the Quality Committee are shared at the QMS/CMS* Promotion Liaison Meeting which is held twice a year as a forum for exchanging information among all the business units. Decisions are also shared at the monthly Business Unit Quality Managers Meeting. Based on this, each business unit reflects decisions made at the Quality Committee in its business processes, revising each QM where necessary, thereby strengthening the Quality Management System.

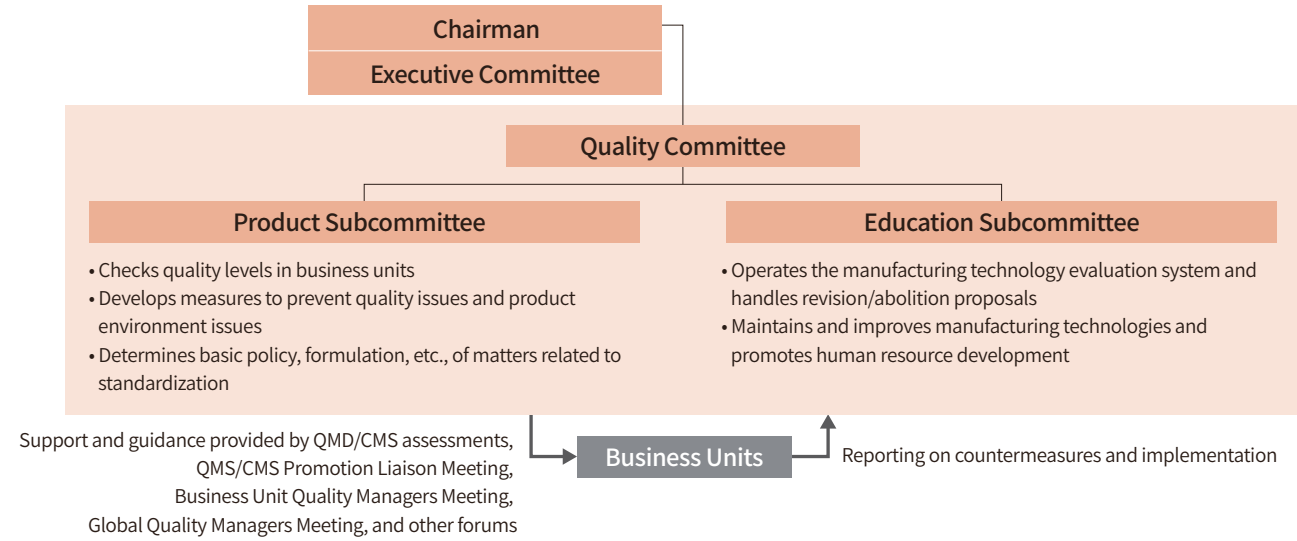
Furthermore, to promote global awareness, in 2025, we began a Global Quality Managers Meeting, which is attended by representatives from relevant Group companies outside Japan, to discuss how to strengthen quality governance across the entire Group. The meeting also addresses how to improve group-wide understanding of the QMD and compliance with laws and regulations.

*QMS: Quality Management System, CMS: Chemical Substances Management System
(Management of chemical substances in products)

Main Reporting and Deliberations at the Quality Committee Meetings in Fiscal Year 2025

April 2025 (regular meetings)	October 2025 (regularly scheduled)	January 2026 (extraordinary)
•Globalization of quality control •Enhancement of quality management related to chemicals •Enhanced product security •Review/revision of the QMD for FY2025	•Review of the Quality Committee organization (subordinate organizations) •Globalization of quality control •Enhanced quality management related to chemicals •Enhanced product security •Revision of quality accident escalation response procedures	•Globalization of the QMD

Quality Management System (as of April 1, 2026)



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Kakekomi Dera: Quality Maintenance and Improvement Hub

We have established the Nikon Kakekomi Dera* as a consultation service for employees who have technical problems or questions that are difficult to resolve in their own department or workplace.

The hub handles about 30 consultations a year, covering a wide range of issues, including new technologies, process improvements, various evaluation methods, and root cause analysis of problems with processes and products. Depending on the nature and scale of the case, the hub can even undertake development itself.

The Optical Engineering Division, Advanced Technology Research & Development Division, and Production Technology Division, which are all specialized technical divisions, are responsible for responding to requests for consultation, with the aim of further sustaining and improving quality by enhancing the technology of the entire Group.

After handling a case, we create a report, organize the findings in list form, and use these items to support horizontal deployment and efficient responses to similar cases.

Integration of Emerging Technologies

Toward greater product quality improvements, the Nikon Group integrates emerging technologies across the entire lifecycle of the product from design and development to production and after market launch. We strive to advance processes and ensure quality based on sensing and precision control technologies.

For example, Tochigi Nikon leveraged Nikon's strengths in sensing and precision control technologies to incorporate wavefront measurement and adjustment technology in the assembly and adjustment process for imaging and objective lenses. This approach improved quality stability and production performance by eliminating the need to rely on human sensory perception. In addition, we strive to improve quality through analysis of data obtained throughout the

processes in question. In the future, we expect to deploy this system more widely to enhance quality throughout the Nikon Group.

Risk Management

The Nikon Group identifies and assesses quality risks across the entire value chain, primarily through the Quality Committee and its subordinate Product Subcommittee.

Important risk factors are reported to the Risk Management and Compliance Committee with the Quality Committee driving efforts to improve quality by prioritizing responses and formulating countermeasures based on the level of impact.

The Nikon Group identifies and reduces risks through QMD/CMS assessments* and other such tools. We extract supplier risks through self-inspections related to quality management and assessments conducted by the Nikon Group, and work together with suppliers to implement improvements.

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

Implementing QMD/CMS assessments

The Nikon Group conducts QMD/CMS assessments to check the status of quality management and the management of chemical substances in products based on QMD, and investigates, confirms, and evaluates the status of quality management operations throughout the Group.

The person responsible for these assessments is the Product Subcommittee Chairperson of the Quality Committee. In the event of an unsatisfactory situation occurring, we issue directions for corrective action or improvement and ensure such measures are promptly implemented to maintain and improve our quality control activities. Additionally, we report assessment results to the Quality Committee in a timely manner, share important findings with the Executive Committee, and reflect such findings in our internal controls.

In fiscal year 2025, we formulated a plan focusing on business units and Group companies outside Japan, and QMD/CMS assessments were conducted for four business units and four Group companies outside Japan using assessment check sheets adapted to the individual company being assessed.

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

Initiatives for Procurement Partners

Cooperation from procurement partners is essential to promote Quality First initiatives. Therefore, we conclude quality assurance agreements with our procurement partners based on their understanding of the Nikon Group's Quality First philosophy. To quantitatively understand and manage QMS maintenance status, we conduct a self-evaluation using a Self-assessment Sheet once every three years. We also conduct QMS assessments for procurement partners whom we have determined to be important. In fiscal year 2025, we switched to a new assessment method and conducted QMS assessments for 65 procurement partners to improve our ability to detect issues. We discuss countermeasures with procurement partners that do not meet Nikon's required standards based on the assessment and work together to implement systematic improvements.

Main Initiatives

Small Group Activities

The Nikon Group believes that maintaining high quality requires each employee to stay highly aware and take initiative in improving daily operations. Since 1979, we have promoted small group activities, with 679 groups totaling 5,799 employees participating across Nikon Group companies in and outside Japan in fiscal year 2025.

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Furthermore, every year, the Nikon Group holds Nikon Group Select Small Group Activity Presentation. It is presided over by the company president, and the best activity groups from each region get together to talk and educate each other. In fiscal year 2025, more than 200 employees participated, including executives, and the excellent presentations were used as a reference for improvement activities in each unit.

Quality Training and Raising Awareness

The Nikon Group believes it is imperative that each and every employee acquires the relevant knowledge and quality control skills, and that they tailored to the specific requirements of an individual employee's position, level, and specialty. With this approach, we are promoting internal education and awareness-raising related to quality in order to improve standards for all employees and to strengthen and foster the development of certain selected employees.

The Technical College program, a forum for training and educating young engineers, had 2,715 participants (92% of eligible individuals) in the mandatory training course on quality control in fiscal year 2025. The Expert Package Training program to create experts in statistical quality control has completed its eleventh term, and a total of 202 students from the first through eleventh terms are active across each field, using the practical skills they learned.

We produced e-learning video materials in English, Chinese, and Thai to raise the overall competency level of all employees, including those outside Japan. We are also planning to implement the same training required in Japan at Group companies outside Japan.

Furthermore, every year during Quality Month in November, Nikon hosts the Quality Month Conference. In fiscal year 2025, we welcomed Mr. Osamu Nagata, former President and Member of the Board of Directors of Toyota Motor Kyushu, Inc., Director, Auditing Director of Nishi-Nippon Railroad Co. Ltd, and CEO of Management Consulting DOGEN-SHITATO. Mr. Nagata gave a lecture titled *When*

the Quality of the Management Team is Questioned: My Reflections and Lessons Learned. He spoke about the importance of the quality of the management team—in other words, the quality of the attitude and actions of the leaders as individuals—required to prevent fraud and misconduct that could shake the foundation of management, sharing experiences from his own career. This lecture was attended by approximately 110 Nikon Group executives and employees and 110 procurement partners, including those watching via a simultaneous webcast.

Product and Service Safety Training (Applicable to: Nikon Group in Japan)

Mandatory training for all employees

- E-learning for all employees
 - Basic Quality Control Training (QC Grade 3)
 - Introduction to Statistical Methods Training (QC Grade 3)
- Basic Quality Control Training for new employees

Specialist training for engineers

- Expert package training
(comprehensive training that combines experimental design and multivariate analysis, etc.)
- SQC^{*1} leader training
(basic training combining Q7, N7, exams and estimations, etc.)

^{*1} Statistical Quality Control (SQC)

Ensuring Safety of Products and Services

The Nikon Group regards safety as an integral part of the quality of our products and services, and believes that our most important mission is to provide safe products and services to our customers. We give due consideration to the safety of products and services

for the entire lifecycle of the product from the planning stage, right through to disposal.

Our Basic Quality Policy states clearly our commitment to ensuring safety, and we also incorporate this commitment into QMD and the regulations of each business unit, which must be adhered to. In addition, we confirm in our regular QMD and CMS assessments that each division and department is implementing the safety-related matters incorporated in those QMDs and rules.

In addition, the Nikon Group is obliged to conduct safety assessments for all of our products. In line with the established Safety Design Principles (Safety Design Principles [General Standards], Common Standards and Product Area-Specific Safety Design Standards) which are based on international standards, etc., we identify risks and implement safe designs to eliminate these risks.

In fiscal year 2025, we revised three standards. The details are as follows: revisions of three technical standards, consisting of EMC standards, Wireless Communication Standards, and Industrial Equipment Safety Design Standards.

The Nikon Group also ensures safety through design reviews at the development and design stages and inspections of manufacturing processes during mass production, obtaining certification from third-party certification bodies as necessary.

Note that the number of serious product accidents related to safety^{*2} for fiscal 2025 was zero.

^{*2} Serious product accidents related to safety: Based on the definition of serious product accidents used in the Consumer Product Safety Act.

Training for Employees

To ensure the safety of our products and services, the Nikon Group conducts a variety of periodic safety education programs for employees. These programs include training covering the Fundamental Safety Design Principles that define standards of safety design, the Product Liability Act, and the Electrical Appliance and Material Safety Act.

In fiscal year 2025, approximately 1,360 employees of the Nikon Group in Japan participated in the educational training courses held

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

Product Security

The Nikon Group engages in product security initiatives throughout the product life cycle, from the planning stages to disposal after sale. We established Nikon-PSIRT^{*1} as a new response organization, putting a group-wide product security system into place systematically. We also established a contact point to receive information from customers and other parties regarding vulnerabilities related to security.

Nikon-PSIRT wrote the PSIRT Product Security Regulations to clarify policies, roles, and processes related to product security. Based on the Product Security Implementation Regulations, each business unit implements security measures by individual product in cooperation with Nikon-PSIRT. We also have a system in place to receive and evaluate vulnerability information provided by external organizations and customers. This system is part of a rapid-response, highly transparent process for vulnerability management and incident response in compliance with the PSIRT Vulnerability and Incident Response Implementation Regulations. Furthermore, we have established a framework for product security education and talent development for each business unit to ensure continuous improvement. We are working to strengthen our security response capabilities further throughout the product lifecycle.

With regard to AI, we have verified there is no use of prohibited AI systems in any of our business units, as stipulated by the EU Artificial Intelligence Act, which came into effect on August 1, 2024. We will also continue to monitor and assess other categories of AI systems to ensure we provide our customers with safe products.

^{*1} PSIRT: Product Security Incident Response Team



► Security Vulnerability Report Form

Response in Case of an Accident

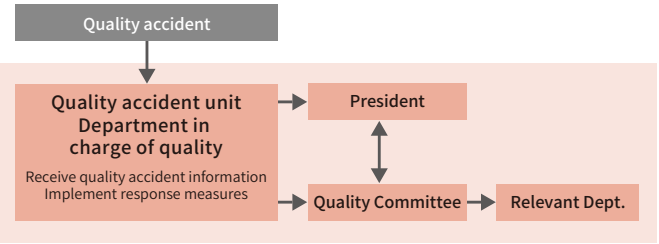
The Nikon Group carries out planning, design, manufacturing, quality assurance, sales, logistics, and services with sufficient consideration to product safety. In the event of a quality problem in the market, including safety issues, or even if there are concerns regarding such an occurrence, we immediately cooperate with the relevant departments to ascertain the facts and promptly take any necessary measures in accordance with our escalation response procedures^{*2}.

In particular, quality problems that may have a significant impact on customers are reported to top management and disclosed as quickly as possible, and a system is in place to respond appropriately to customer inquiries.

Although no incidents were noted that resulted in serious damages or significant impact on customers in fiscal year 2025, we took action to prevent damages and recurrence in connection with four matters as a result of this procedure. These measures are also reviewed annually, and suitably revised if needed.

^{*2} Escalation response procedures: These procedures stipulate that in the event of a quality accident, our first priority is to ensure the safety of customers, related parties, and employees, responding promptly and in an organized manner to minimize damage and maintain public trust.

● Flowchart Outlining Communication After Accidents Occur



Information Provision for Safe Use

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

Information which needs to be disclosed is stipulated in our proprietary Fundamental Safety Design Principles and we are verifying its appropriateness in product risk assessment and safety evaluation.

Additionally, certification marks are indicated in accordance with the laws and regulations of each country or region where the product is sold. For example, products with wireless functions are labeled as compliant with the Radio Act of various countries and regions.

Furthermore, in fiscal year 2025, there were no violations of laws, regulations, etc., with regard to safety labeling and information provision.