Environmental Education/Awareness Activities

We believe it is vital that all employees improve their knowledge of environmental matters, and to this end, related manuals, regulations and procedures must be put in place, and we must attain the necessary specialised knowledge and techniques, in order that environmental conservation activities can be rolled out effectively.

Environmental Management and Promotion of Measures

We are working on improving the overall level of our employees' awareness, with appropriate educational systems implemented at every level, throughout each plant and workplace within the company.

- Executive management education (general environmental management, ISO 14001, management responsibilities, etc.)
- Education of new employees (general environmental awareness, Nikon's environmental activities)
- Environmental seminars for mid-level employees (general environmental management, ISO 14001, product assessment, etc.)
- Education of EMS representatives (environmental policy, environmental objectives, environmental manuals/regulations/ procedures, evaluation procedure for environmental aspects)
- Everyday on-the-job education (general environmental management, environmental manuals/regulations/procedures, environmental targets, separation of waste and recycling, energy saving, paper and resources saving, etc.)
- Link between midterm plan and target management, and conducting of seminars
- Presentations on "Nikon Environmental Action Plan"
- Green procurement education

Awareness Activities

Nikon implements a full programme of awareness activities, with the aim of supplying information, informing employees of new policies and increasing awareness in environmental matters, as well as applying standards for decision-making.

- Publication and website posting of "Environmental Report"
- Publication and distribution of "Environment/Product Safety Information", for use in product development
- Publication of environmental awareness journals "Report from the Environmental Administration Section" via the company intranet and display of "Environmental Panels" at all plants
- Publication and distribution of "ISO Update" (Ohi Plant), "EMS News" (Yokohama and Sagamihara Plants) and "ISO 14001 News" (Mito Plant)
- Sharing of ideas for improvement mottos, posters and the like promoting environmental conservation, with recognition and prizes for the best ideas
- Organising environment month (Environmental month seminars, etc.)
- Implementation of an energy-saving patrol
- Distribution of an environmental strategy card showing the environmental policy and objectives to all employees
- Clear posting and notification of all waste-separation categories and provision of waste-disposal areas that encourage recycling
- Notice boards within the workplace, displaying such information as environmental objectives, targets, and management programmes
- Publication of site report
- Participation in various environmental events



Internal environmental auditor development course

Nikon is developing the following environmental education and awareness activities, which are to be provided to all employees. Some group companies and suppliers are also required to participate in the education process. We are also active in various events that serve to strengthen our bonds with local communities.

Specialist Environmental Education

Nikon employees are encouraged to undertake specialist education both within and outside the company, in order to gain the necessary knowledge, skills and technical abilities to carry out their individual responsibilities with consideration for the environment. We are working to develop specialists and increase specialist knowledge within the company.

- Internal environmental auditor development course
- Step-up seminar for internal environmental auditors
- Control of chemical substances (handling procedures, PRTR, etc.)
- Environmental facilities operation management
- Specialised industrial waste management qualification course
- Energy management course
- Pollution control management course
- Course for persons in charge of handling dangerous substances
- Emergency countermeasures (simulation of accidental leak)



Emergency countermeasures (simulation of accidental leak)



Step-up seminar for internal environmental auditors

ISO 14001 certification acquisition support and related activities

Our Environmental & Technical Administration department is providing education and support for organisations within Nikon — and outside as well — that wish to acquire ISO 14001 and ISO 9001 certification.

Topics

Company-wide Environment Month Activities

Nikon's 3rd annual Environmental Month was held from June 1st to June 30th. The event kicked off with a company-wide broadcast by Executive Vice President, and Member of the Board Yasujiro Hara, calling for "incorporation of the environmental action plan into management by objective (MBO), because without environmentally aware management we cannot remain internationally competitive." Environmental Month saw activities such as energy-conservation award presentations, emergency-response training, tours of waste

processing facilities, Environmental Month seminars, environmental quizzes, and

clean-up programmes around Nikon plants.



Emergency-response training Energy-Conservation Award (Ohi Plant)



(Sagamihara Plant)



Waste processing facility tour Environmental guiz (Yokohama Plant)



(Yokohama Plant)



Participants in clean-up of facility grounds and surrounding area (Mito Plant)

"Sai-no-Kuni" Ecological Awareness Declaration - Kumagaya Plant

This programme is designed to promote communication with the local community and reduce the environmental impact of business activities to comply with regulations for the protection of the daily living environment in Saitama Prefecture. Business operators formulate, implement and publicly announce their own plans for reducing environmental impact. The Kumagaya Plant announced its plans on June 27th.

The Kumagaya Plant's declaration set forth concrete targets and programmes for reduction of environmental impact. The declaration, which includes methods of verifying environmental impact, is on display in the plant lobby, accessible to the public.



Plant lobby Contents of declaration



Declaration certificate

"Energy Conservation Management Award" Presented by the Minister of Economy Trade and Industry – Tochigi Nikon

Mr. Toshio Itoh, Assistant General Manager of the Management Administration Department at Tochigi Nikon, was awarded the Minister's Award of 2003, one of the Energy Conservation Management Awards presented by the Minister of Economy Trade and Industry. This award is presented to individuals and facilities which have made exceptional progress in promoting and increasing the effectiveness of energy management.

The Nikon Group is committed to maintaining a high level of environmental awareness, and is actively engaged in myriad programmes to reduce energy and resource consumption. It is truly significant to receive government recognition for our efforts. Each and every Nikon employee will continue to perform their daily tasks with an awareness of their effect on the environment.



Vice President Serves as Environmental Management Officer, Inspects All Plants

In April and May 2004, after the conclusion of fiscal 2004 environmental activities, Executive Vice President Hara — acting Environmental Management Officer — toured Nikon plants. He saw first-hand the progress made in the workplace and product environments at each plant,

along with environmental measures implemented for each production site or facility.

Following his plant visits, he stressed the importance of Nikon's stance on environmental issues in terms of Corporate Social Responsibility (CSR), and our role as a good corporate citizen.







Sagamihara Plant



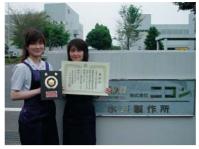
Kumagaya Plant



Mito Plant

Outstanding Disaster Preparedness Award - Mito Plant

In recognition of the Mito Plant's daily fire prevention practices and continued cooperation with the Mito Fire Department, the Mito City Fire Prevention Management Association presented Nikon's Mito facility with the Outstanding Disaster Preparedness Award on June 5th. The award was given for "recognising the importance of fire prevention management and significant results in preventing disasters, making this facility a model for others to follow."



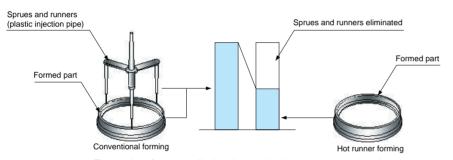


(Examples of Improvements)

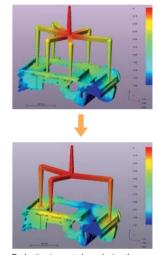
Technology for Reducing Waste in Mould Development (elimination of sprues/runners)

Cameras and interchangeable lenses employ a wide variety of plastic parts. These parts are made by injecting molten plastic into a mould. However, there is plastic remaining in the injection tubes referred to as sprues or runners — that is disposed of as waste.

We reviewed our mould design, adopting hot runner technology in the forming of precision parts. At the same time, we performed a dynamic analysis of plastic flow during forming to develop moulds which greatly reduce or prevent the forming of sprues and runners.



Example of waste elimination using hot runner technology



Reduction in waste by reducing the number of sprues and runners (dynamic flow analysis)

Improved Collection and Sorting of Metal Scrap

Thanks to an excellent idea from a plant employee, the collection and sorting of metal scrap has become significantly more effective. It is a device consisting of a vacuum cleaner with two used pails stacked one on top of the other connected to the cleaner, affectionately referred to as "Pochi No. 2", after the cart the vacuum cleaner is mounted on. By opening a small hole in the base of the top pail, metal scraps sucked up from the shop floor are caught in the top pail while cutting fluid collects in the bottom pail. The top pail can easily be exchanged for another, to enable organised collection of different metals.



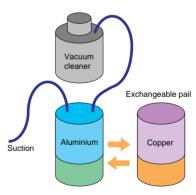
Pochi No. 2 in use



and cutting fluid into the bottom



Metal scraps are sucked into the top pail,
Different types of metal stored in individual pails



Outline of Pochi No. 2

Contributing to Society (Environment)

"Zero Trash" Event - Yokohama Plant

On May 30th, 32 people joined forces to clean up the area around the Yokohama Plant. The Zero Trash event, conducted on a particularly hot day, yielded 31 bags of trash of varying sizes. And though the event might not be described as "enjoyable", it met with great appreciation on the part of the local community.





Participation in "Global Environment Partnership Fair" - Mito Plant

The "Global Environment Partnership Fair" organised by Ibaraki Prefecture was held at the Ibaraki prefectural government offices on October 18th and 19th. the Mito Plant participated again this year, introducing environmental initiatives of their own, as well as those of the Nikon Group. Visitors were especially intrigued by environmental considerations in mould design, and zero-emission and energy-saving activities at the plant.

In an observation corner inside the booth, visitors got hands-on time with a Fieldmicroscope and binoculars. A telescope and magnifying glass-making workshop proved very popular among elementary school children.



Participation in Campaign to Halt Illegal Dumping - Sagamihara Plant

On November 8th, Sagamihara City held a campaign to encourage an end to illegal dumping. Sponsored by the Sagamihara City Beautification Movement Promotion Council, the event was held at the "Sagamihara Shimomizo Koyama Park and Athletic Grounds". This was the 12th such event, and the Sagamihara Plant is now a member of the Council as well. A speech by Sagamihara mayor Isao Ogawa kicked off the event, in which 600 people divided into three teams to collect approximately 10 tons of material, including televisions and refrigerators.



Participation in Yokohama City Forum - Yokohama Plant

Representatives from the Yokohama Plant took part in the "Yokohama City Forum" held on November 19th. The forum was chaired by Yokohama mayor Hiroshi Nakata and many residents were in attendance. A panel comprised of delegates from the five southern districts of the city discussed issues such as the "G30 Plan" for the reduction of waste in Yokohama. Nikon representatives outlined our environmental management stance and policies, status of implementation, and zero-emission efforts.

There wasn't an empty seat in the house — a clear indication of the genuine concern of city residents over environmental preservation.



Participation in "ECO Earth Day" - Ohi Plant

On February 21st the "ECO Earth Day" event was held at the Ohi Kurata Children's Centre in Shinagawa Ward, and the Ohi Plant participated for the first time. The centre stresses coexistence with nature, and to help children better understand the nature around them, activities were designed to be both enjoyable and instructive.

The Ohi Plant prepared a microscope observation corner for children to enjoy, along with a workshop in making telescopes and magnifying glasses, delighting both parents and children.



Planning Support, Participation in "Clean Up Hinuma Network" - Mito Plant

The Hinuma area, situated southeast of Mito City in Ibaraki Prefecture, is an estuarial fishing ground featuring a mixture of fresh and salt water. It is home to precious organisms such as the Hinuma dragonfly, and people from Ibaraki and elsewhere come to enjoy camping, fishing, windsurfing and

other activities. The "Clean Up Hinuma Network" is a joint initiative involving residents, businesses, organisations and government (national and local) involved with Hinuma and related rivers to improve water quality. It was established in March 2001, and the Mito Plant is one of the founding members.





RSED MEREZA-SA











Nature observation event

Contributing to Society (General)

COOLPIX Cameras Donated to Chernobyl Children's Fund - Nikon Photo Products Inc.

The Chernobyl Children's Fund is a non-government organisation established by photojournalist Ryuichi Hirokawa in 1991, with the aim of helping care for the children of chernobyl and assisting local aid organisations. Mr. Hirokawa told Nikon Photo Products Inc. that he wanted to introduce the children to photography, and on July 23rd Nikon made it happen with a donation of 20 COOLPIX digital cameras.

We received the following message of appreciation from Vecheslav Maksinski, Director of the "Hope 21 (Nadezhda) *" Rehabilitation Centre in Belarus: "The children required digital cameras, but until now it was merely a dream. Thanks to this precious gift the children have another wonderful way to learn about the world. I thank Nikon from the bottom of my heart for this most generous gift of 20 digital cameras." He went on to describe how the children used the COOLPIX to learn about cameras, and created a newspaper which features images



they've taken themselves. They are delighted with their new COOLPIX, because now they can capture images just like real journalists.

*The centre provides assistance and rehabilitation for children injured in the Chernobyl nuclear reactor accident, aiding some 2,800 children annually.

"Edible Crayon Workshop" On the Road - Mito Plant

The "Edible Crayon Workshop", a social welfare organisation, visited the Mito Plant on September 26th to sell their wares. Situated adjacent to the Mito Plant, the workshop was established in 1995 with the goals of helping to provide employment for the disabled and helping them learn to work together with those without disabilities. Today the workshop is staffed by 11 disabled and 50 volunteer workers. The Mito Plant has sold cookies and cakes made by the workshop at its in-house shop since about 1996. Now, on the last Friday of each month, the mobile workshop visits the plant during lunch hour to sell goods directly to plant employees.



COOLPIX Cameras, Fieldmicroscope Donated to Higashi Torami Elementary School for Nature Preservation, Fish Breeding

We received the following letter from author Madoka Tsuburaya, a long-time user of Nikon cameras: "The Higashi Torami Elementary School near my home raises killifish and dragonfly nymphs, releasing them when they are large enough. They use a digital camera to record the growth of the creatures and their own activities, but are having a very difficult time taking good pictures. Would you be willing to donate a COOLPIX to them?"

The Higashi Torami Elementary School, run by Ichinomiya Town, Chiba Prefecture, has a total student body of 97, and pupils have been breeding and raising fish and other creatures since about 2000 for release to the wild. Their efforts have been praised for their close connection to environmental protection activities in the region. With over 100,000 of the nearly extinct killifish having been raised, the project now involves local residents who volunteer the use of rice paddies as nurseries.

We spoke with Fumio Tsukada, the principal of the school, and learned that though they could really benefit from a good digital camera, it wasn't financially feasible. He explained that their fish-raising activity was growing into a region-wide environmental protection effort. On October 15th, Nikon responded by donating three COOLPIX 3100 cameras and one Fieldmicroscope, which are being used by 6th-graders to study the growth of fish and other creatures, and to record their activities. The photographs are input into personal computers in PC class, and further processed and used.



Exhibition at Japan Bird Festival – Nikon Vision

Nikon Vision took part in "Japan Bird Festival 2003", the third edition of the event, held at Teganuma Aquatic Park near Teganuma on November 8th and 9th.

Teganuma was once known as one of the most heavily polluted wetlands in Japan, but the water quality has improved drastically in recent years, primarily through the efforts of Abiko City, enabling the area to regain its natural beauty and attract a host of avian life.

The Nikon Vision booth displayed a wide range of products from binoculars to Fieldscopes, highlighted by the Fieldscope ED82 and the Spotter XL II. The Fieldscope ED82 has been well-received by the market since its release. It is also widely used as a Digiscoping System through attachment to a digital camera. The booth attracted many visitors, and we were able to help people experience the enjoyment of natural photography.



Activities for Better Health

The "Nikon Charter of Corporate Behaviour" calls for the provision of a "healthy and safe workplace environment," stating that "the assurance of health and safety for employees is the basis of active business expansion and richer individual lives." Nikon is sincerely

Helping Prevent "Lifestyle Diseases"

Diseases such as high blood pressure, high cholesterol levels, diabetes and heart disease are caused or exacerbated by people's lifestyles, and can place heavy burdens on both patients and their families. In an effort to help resolve this social problem, Nikon is working to cure and prevent such afflictions, providing regular check-ups and guidance for employees suffering from these diseases.

All employees are given regular medical check-ups twice a year, forming the basis for health promotion programmes, and a special check-up programme exists for employees over 34.

Mental Health Care Activities

Nikon places equal importance on physical and mental well-being. We hold lectures on mental health care, and provide guidance for employees working excessive overtime hours.



interested in helping its employees gain and maintain good health, offering regular medical checkups and a variety of health-promotion programmes.

Smoking in the Workplace

Based on the Health Promotion Law and the Workplace Smoking Guidelines issued by the Ministry of Health, Labour and Welfare, company facilities have essentially become no-smoking zones to prevent non-smokers from exposure to second-hand smoke. Smoking is only permitted in special smoking areas equipped with air cleaners, or in outdoor smoking areas. We will continue our efforts to provide our employees with healthy, comfortable workplaces.



Other Activities

Throughout the year we hold a variety of physical activities to promote good health at plant units, such as bowling and baseball competitions.



Requests Received for Nikon Environmental Report 2003

Since Nikon Environmental Report 2003 was uploaded to our web site in September 2003, we have received about 400 requests (as of the end of July 2004). This chart indicates the approximate number of copies requested by each of a number of sectors. Business accounted for the most copies requested, with the breakdown by type showing the service industry to be most interested, followed by advertising/printing and manufacturing. The second-largest sector was students, with four times as many requests for use in research than for job-hunting students. There were relatively few requests received from public institutions and housewives, so these numbers are represented in the "Other" portion. This data will be used in the composition and production of future reports.

