Nikon's CSR Policy

In order to be an enterprise trusted by all, the Nikon Group has formulated "Our Aspirations" and "Our Commitments" to articulate the corporate philosophy. In 2007, we also participated in the United Nations Global Compact. We are thus striving to put CSR into practice.



Our Aspirations

Meeting needs. Exceeding expectations.

- Providing customers with new value that exceeds their expectations.
- Sustaining growth through a break with the past and a passionate commitment by one and all.
- Maximizing our understanding of light to lead the way towards transformation and a new future.
- Maintaining integrity in order to contribute to social prosperity.

Our Commitments

Be proactive: Alertness, Decisiveness, Strategic planning, Initiative

Be broad-minded and well-informed in order to act quickly and resolutely.

Communicate well: Dialog, Understanding Team solidarity, Sensitivity

Harmonize diverse skills by thinking out of the box and communicating effectively with others.

Seek new knowledge: Research, Leadership, Innovation, Creativity

■ Pioneer new potential through self-study and insatiable curiosity.

Display integrity: Self-discipline, Fairness, Honesty, Respect

■ Work with diligence and sincerity as a responsible individual.

Ten Principles of the Global Compact

[Human Rights]

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: Make sure that they are not complicit in human rights abuses.

[Labor Standards]

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining:
- Principle 4: The elimination of all forms of forced and compulsory labor;
- Principle 5: The effective abolition of child labor; and
- Principle 6: The elimination of discrimination in respect of employment and occupation.

[The Environment]

- Principle 7: Business should support a precautionary approach to environmental challenges;
- Principle 8: Undertake initiatives to promote greater environmental responsibility; and
- Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

[Anti-Corruption]

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Nikon Corporate Social Responsibility (CSR) Charter Established April 27, 2007

1. Sound corporate activities

The Nikon Group endeavors to comply with international regulations, related laws, and internal rules, exercise sound and fair corporate practices, earn the trust of stakeholders such as customers, shareholders, employees, business partners, and society. The Group will maintain constructive relationships with administrative bodies, remaining politically neutral and complying with laws, and will not engage in relationships with individuals or groups that threaten social order or safety.

2. Provision of valuable goods and services for society

The Nikon Group will provide valuable products and services to society, endeavoring to increase the satisfaction and trust of our customers and contributing to the healthy development of society.

3. Respect for human beings

The Nikon Group will respect diversity and individual human rights and provide a healthy and safe working environment in which all persons receive fair treatment without discrimination. It will also oppose enforced labor and child labor and respect fundamental human rights as well as workers' rights.

4. Protection of the natural environment

The Nikon Group will proactively engage in environmental efforts and work to protect the natural environment, as these are common issues for all of mankind.

5. Responsibility to society as a corporate citizen

The Nikon Group will carry out corporate activities that take into account the cultures and practices of each country and region and proactively engage in activities that contribute to society as a good corporate citizen.

6. Transparent operating activities

The Nikon Group will communicate extensively with customers, share-holders, employees, business partners, and society and disclose business information in a timely and fair manner. It will also conduct reliable financial reporting through accurate accounting processes.

7. Responsibility of top management

Top management and employees in managerial positions within each department must understand that they play an essential role in fulfilling the spirit of this Charter and thus, in addition to leading by example, they must ensure that this information is disseminated to everyone in the Group and all related parties. Management must always strive to understand the opinions of those both inside and outside of Nikon to develop a sound internal framework that ensures that the spirit of this Charter is upheld. If any incident occurs that violates this Charter, top management will demonstrate, internally and externally, their determination to solve the problem and strive to identify the cause and prevent its recurrence. Furthermore, they will uphold information disclosure and accountability obligations. They will clarify the authority and responsibility of each manager and employee and deal rigorously and objectively with all people involved in the matter, including top management.

Nikon Code of Conduct

Formulated on May 1, 2001 and revised on April 1, 2008

1. Basic Matters (1) Respect for human rights (3) Social responsibilities and (2) Compliance contributions 2. Response to Customers, Trading Partners, etc. (1) Fair competitions (4) Entertainment and gifts (2) Legal contracts (5) Response to officials of (3) Export control public agencies 3. Environment (1) Prevention of pollutions (3) Green procurement (2) Efficient use of energy and (4) Provision of environmentally resources conscious products and services 4. Information Management (1) Treatment of business (2) Treatment of intellectual information property rights 5. Proper Accounting Practices 6. Creation of a Comfortable Working Environment (1) Consideration for others (3) Fair and appropriate labor (2) Safety-conscious management 7. Points to Note in Daily Business (1) Appropriate and sincere (2) Protection of corporate performance of business assets and separation of public and private matters 8. Honoring the Company Name as Individuals and Members of the Nikon Group (1) Avoiding conflicts of interest (5) Ban on dealing with (2) Side business antisocial individuals and (3) Ban on insider trading aroups (6) Political and religious (4) Volunteer activities

activities

Nikon's CSR Activities

In addition to setting up a CSR Committee and expert subcommittees that represent a cross-section of the organization, the Nikon Group has developed a Medium Term Plan and is working to ensure more practical and effective CSR activities.

CSR Medium Term Plan

■ Basic Approach to the CSR Medium Term Plan

In the Medium Term Management Plan announced in 2006, the Nikon Group set forth CSR-oriented management as one of its priority policies, and it has been implementing this. CSR is the key to realizing the corporate philosophy of Trustworthiness & Creativity and the management vision of "Meeting needs. Exceeding expectations." The Group is thus committed to business activities that prioritize CSR in the years ahead.

In the year ended March 31, 2009, we also formulated our first CSR Medium Term Plan to clearly state our priority CSR measures, and have since been implementing them. With the entire Group engaged in highly transparent and sincere management that contributes to environmental protection and emphasizes CSR, we are aiming to be a truly outstanding company, well respected by our stakeholders.

Priority Policies of the CSR Medium Term Plan (Three-year plan, from April 2009 to March 2012)

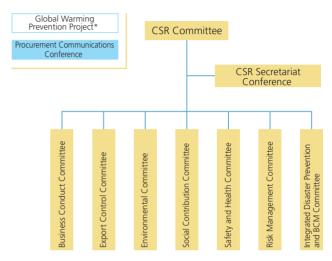
Expanding and promoting environmental management
Globally promoting compliance activities
Expanding social contribution activities worldwide
Implementing a risk management PDCA cycle
Fostering diversity activities
Expanding CSR-oriented procurement
Promoting communication with stakeholders

CSR Promotion Organization

In order to achieve our corporate goal of sincere and highly transparent management, we have established our CSR Committee (Secretariat: CSR Section, Corporate Planning Department), through which we are further raising employees' awareness of CSR and encouraging them to conduct CSR activities in a steady manner.

The CSR Committee, which meets twice a year, is chaired by the president of Nikon Corporation and composed of the company's standing directors and heads of the CSR-related departments. The CSR Committee implements comprehensive measures for CSR, supervising the activities of the following seven subordinate committees that each focus on an important CSR theme: Business Conduct Committee; Export Control Committee; Environmental Committee; Social Contribution Committee; Safety and Health Committee; Risk Management Committee; and Integrated Disaster Prevention and BCM Committee. Also, the CSR Committee collaborates with two other in-house groups that are not under its supervision, namely the Global Warming Prevention Project and the Procurement Communications Conference, to further strengthen its measures for CSR.

CSR Promotion Organization



^{*}See page 7 for further information.

Secretariats and Chairpersons of CSR-related Committees

Committees						
Committee	Secretariat	Chairperson				
CSR Committee	CSR Section, Corporate Planning Department	President				
Business Conduct Committee	Compliance Section, Administration Department	Executive Vice President				
Export Control Committee	Compliance Section, Administration Department	President of Business Administration Center				
Environmental Committee	Environmental Administration Section, Environmental & Technical Administration Department					
Social Contribution Committee	Social Contribution Section, Administration Department					
Safety and Health Committee	Safety and Health Welfare Section, Human Resources Department					
Risk Management Committee	Corporate Planning Department, Information System Planning Department, Administration Department and Human Resources Department	Executive Vice President				
Integrated Disaster Prevention and BCM Committee	BCM Section, Corporate Planning Department					
Global Warming Prevention Project	Environmental Administration Section, Environmental & Technical Administration Department					
Procurement Communications Conference	Procurement Planning Section, Procurement & Facilities Management Department	General Manager of the Procurement & Facilities Management Department				

Promoting CSR in Japan

Conducting a Survey Targeting Employees of Nikon Group Companies within Japan

In August 2008, we conducted an awareness survey on CSR and global warming, targeting about 14,000 employees of Nikon Group companies within Japan. Through this survey, we collected data on matters such as the level of employees' awareness of CSR and past CSR activities conducted by the Nikon Group. We received replies from about 63% of targeted employees.

Since January 2009, the survey results have been introduced in a series of articles posted on the blog on CSR that was started on our Vision and CSR Website. In addition, we plan to hold feedback seminars and e-learning sessions so that employees of Nikon Group companies within Japan can share the survey results and further raise their CSR awareness.

Results of the awareness survey conducted across employees of Nikon Group companies within Japan (summary)

- Measures are being steadily implemented regarding compliance and the quality and safety of Nikon products.
- 2. Improvements to the working environment are expected to be strengthened.
- Employees are aware of the importance of environmental measures such as anti-global warming measures but seem to have not yet taken specific actions.
- 4. Information needs to be dispatched both inside and outside the company in a more proactive manner.
- 5. Employees are not much interested in social contribution activities or in overseas social problems.

■ Opening the Vision and CSR Website

In July 2008, we launched the Vision and CSR Website, which is accessible to employees of Nikon Group companies within Japan. Moreover, on this intranet site, we opened a blog to introduce our CSR and anti-global warming activities as well as a blog on diversity to disseminate information on improving the employment of women's abilities. We use these blogs as communication tools that employees are familiar with.

■ Holding a CSR seminar for Group companies within Japan

Since August 2007, we have been holding CSR seminars for Group companies within Japan as part of our CSR promotion activities. In the year ended March 31, 2009, we held seminars twice a year focusing on Nikon's CSR, compliance and anti-global warming measures, and a total of 39 employees participated. In addition, we gave a total of nine CSR lectures for new employees including mid-career workers, and 333 employees attended these lectures. We distributed a questionnaire to participants at all these seminars and lectures,

with a view to incorporating the survey results in our future CSR promotion activities.

In November 2007, we began publishing a series of articles on CSR in our in-house magazine *Koyu Tsushin* to raise employees' awareness of CSR. In the year ended March 31, 2009, we published articles on promoting CSR-oriented procurement, compliance, and BCM*. Also in July 2008, we started publishing special articles on global warming in this inhouse magazine, as part of our campaign to encourage all employees of the Nikon Group to contribute to reducing global warming. Through these articles, we are urging employees to reduce their CO₂ emissions in their private lives as well as in their daily business operations.

Domestic Group companies are also independently giving CSR and compliance-related education to employees, thus encouraging them to meet their CSR commitments.

*BCM: Business Continuity Management

Promoting CSR outside Japan

Overseas Group companies are endeavoring to establish compliance systems as a basis for fulfilling their own CSR commitments. Each of these companies has established its own code of conduct in line with local laws and ordinances and has designated managers to be in charge of CSR. These managers conduct activities to raise employees' awareness of and promote their compliance with their own codes of conduct and the Nikon Corporate Social Responsibility (CSR) Charter. In North America, employees were given a handbook and online training on CSR, while in Europe each Group company created its own code of conduct based on the shared code of conduct that applied to all Group companies in the region. In Asia and Oceania, briefing sessions were held to help employees understand the Nikon CSR Charter and the codes of conduct of their companies, at which brochures and wallet cards on CSR were given out. Moreover, overseas Group companies are establishing optimal internal reporting systems that accord with the local situation.

■ Holding study meetings on CSR and compliance in China In China, study meetings on Nikon's CSR, Code of Conduct, and anti-global warming measures were held in Wuxi on September 18, 2008 and in Shanghai on the next day. A total of 38 employees, mainly managers, from six Group companies participated in the meetings. According to the results of the post-meeting questionnaire, it is essential for Group companies in China to raise employees' awareness of the corporate philosophy and management visions as a preparatory step in encouraging them to become more committed to CSR. Also, there are great expectations for the companies to make social contributions mainly through their compliance, environmental, and philanthropic activities.

CSR Achievements for the Year Ended March 31, 2009, and Future Targets

The Nikon Group evaluates the results of its CSR activities every fiscal year, in order to ensure efficiency and effectiveness, and sets targets for the next year that reflect both the achievements made and problems identified with existing activities. Also, we conduct these activities in communication with our stakeholders.

Targets and Results for the Year Ended March 31, 2009 and Targets for the Next Fiscal Year

	CSR item	Targets for the year ended March 31, 2009		
Nikon Group's CSR Disseminating CSR and enhancing organizations to promote CSR		Establish CSR promotion organizations at overseas Group companies Consider CSR seminars for overseas Group companies Raise CSR awareness among employees of Group companies within Japan		
Corporate governance	J-SOX compliance	Early completion of enhancement activities; embed changes within management processes Improve internal control structure, taking the long-term view		
	Enhancing internal auditing	Enhance overseas internal auditing		
Compliance	Disseminating & ensuring thorough compliance practices	Ensure thorough dissemination of the Nikon Code of Conduct in Japan and abroad Implement improvements based on awareness survey results (PDCA cycle) Enhance Code of Conduct Hotline to allow external input		
tisk management	Establishing BCM & integrated disaster prevention	Establish permanent PDCA cycle Implement e-learning and applied table-top training		
	Promoting information security	Review rules of Group companies in Japan Continue to conduct information management audits at Group companies Expand the targets of information security training to include employees of overseas Group companies Enhance measures to prevent information leaks at Nikon Corporation and Group companies in Japan and Asia		
	Risk management for employees assigned overseas	Compile manual on how to set up an internal system		
E	Ensuring thorough export controls	Enhance export control system for each internal company Ensure thorough compliance with EAR (US Export Administration Regulations)		
Customers	Strengthening quality control systems	Conduct quality control audits six times a year Compile and publish quality action plan Compile and publish integrated manual		
	Strengthening manufacturing	•Implement measures to reform all aspects of manufacturing so as to establish a Strong Nikon		
Shareholders & investors	CSR promotion	Improve both the amount and the quality of the content of Nikon's website Conduct IR activities suited to investor characteristics		
Employees	Fostering of human resources & employee education	Implement basic training for running an organization (linked to the operation of an MBO system) Start running new system for OIT support for new employees (enhance quality of instruction)		
	Fostering a climate conducive to "Meeting needs. Exceeding expectations."	Implement a 360-degree diagnostics for managers Operate dual-track personnel system (promotions and transfers)		
	Support for women in the workplace	Review multiple systems, revise current systems, and establish new systems Start training program for women designed to foster leadership		
	Employment of the disabled	• Establish and run another Tsubasa workshop in Sagamihara		
v	Immediate re-employment of retired employees	• Expand re-employment of retirees		
Main stakeholders	Safety control	• Improve safety (eliminate risk factors) through risk assessment • Improve safety and health management levels at domestic Group companies		
	Health management	Actively promote mental healthcare		
ain		•Enhance measures for preventing health impairment through overwork		
Ž	Safety and health overseas	• Establish measures for dealing with health risks (infectious diseases, etc.) faced by staff posted overseas		
	Support for a work-life balance	Establish a dynamic work style		
Business partners	Promotion of CSR procurement	Conduct CSR procurement seminars for domestic and overseas Group companies Conduct seminars for procurement partners in Japan and overseas Conduct training for staff in charge of procurement at domestic and overseas Group companies Conduct questionnaire for procurement partners in Japan and overseas		
Local communities	Social contribution with a distinctively Nikon approach	Build a system to manage the scholarship program in Thailand for university students and those wanting to study abroad Make improvements to website (open to the public)		
	Participative social contribution	•Implement Mt. Fuji reforestation project		
	rarticipative social contribution			
	Harmonious coexistence with local communities	Start awareness program for domestic Group companies		
Environment		Start awareness program for domestic Group companies Foster activities in line with the Kyoto Protocol*		

^{*}All Nikon Group sites in Japan and major manufacturing subsidiaries in Asia will strive to meet their greenhouse gas emission targets set in line with the Kyoto Protocol, while overseas marketing companies and other sites will endeavor to meet the reduction targets that they have voluntarily set for energy conservation and other purposes. The Nikon Group will raise the CSR awareness of employees and their families, thereby contributing to preventing global warming.

Achievements for the year ended March 31, 2009	Self- evaluation	Targets for the year ending March 31, 2010	More info
 Appointed CSR managers at all overseas Group companies to educate local employees on the CSR Charter and Code of Conduct Held a study meeting in China with the participation of six Group companies Conducted an employee awareness survey and fed back the results Opened the Vision and CSR Website and disseminated information through blogs 	0 400	Improve CSR promotion activities at overseas Group companies Hold CSR seminars and provide teaching materials at the portal site for overseas Group companies, and continue to hold CSR seminars for the companies, in particular for those in Asia Feed back the results of the awareness survey and hold seminars in Japan	P19
Evaluated progress with regard to internal control and conducted improvement activities Evaluated the operation of the internal control system	00	• Implement measures to establish a sustainable internal control structure	20.4
Established an internal audit section at Nikon Holdings Europe B.V.	0	Further enhance internal auditing outside Japan	P24
Prepared teaching materials for Group companies and actually provided employees at the companies with	0	Raise employees' compliance awareness even more across the entire Nikon Group	
compliance education • Fed back the results to each workplace and company, which conducted improvement activities in response • Studied and decided how to establish a means of external input, which will actually be established in or after the next term	0	Promote PDCA incorporating the results of the awareness survey Increase employee awareness of the Code of Conduct Hotline	P25
 Provided education on BCM and ensured the maintenance of documents required for BCM through employees in charge of BCM at each workplace Provided employees of domestic Group companies with basic education on BCM through e-learning Conducted a desktop exercise for BCM with the participation of the relevant headquarters and branches of the Precision Equipment Company and the Imaging Company Conducted an emergency drill in preparation for a major earthquake in the Tokyo metropolitan area (with the participation of directors and employees of multiple sites) 	0	Maintain and update the BCM system through PDCA, in preparation for a major earthquake Implement preventive measures and formulate a BCP against pandemic influenza	P27
 Revised the Nikon Corporation information management rules and made them applicable to the entire group Conducted information management audits at each Nikon Group companies in Japan Distributed copies of the Nikon Group Information Security Handbook (in English) to overseas Group companies Enhanced measures to prevent information leaks at some Group companies 	0 0 0 4	Review the rules of overseas Nikon Group companies Continue to conduct information management audits at Nikon Group companies Expand the targets of information security training to include employees of overseas Group companies Enhance measures to prevent information leaks at Nikon Group companies	P27-28
Established and implemented the Nikon Group Risk Management Rules for Employees Assigned Overseas Prepared a manual for overseas emergency measures and revised the safety and health management manual for employees assigned abroad Gave explanations to risk managers at all Nikon Corporation's in-house companies and Group companies within Japan and overseas Built and started operating a new management system for business travels Opened a website on overseas security	0000	Enhance risk management at overseas Group companies Establish an emergency contact system Revise the management system for overseas business travel Improve risk management education	P27
 Established a section exclusively for export control within all in-house companies Checked the exportability and eligibility for license exceptions using check sheets at the time of shipment 	0	• Strengthen export controls at overseas Group companies	P28
Conducted audits six times a year as planned Created a draft basic policy on quality as a basis to formulating the action plan Prepared a draft manual and gave explanations to all in-house companies where necessary	O	Conduct quality control audits eight times a year Formulate a basic quality control policy for the entire Group based on the integrated manual Publish a temporary integrated manual and start using it on trial basis in major departments	P42
Conducted activities to reduce the time required for development, to save on costs, and to improve productivity	\triangle	• Implement measures to reform all aspects of manufacturing so as to establish a Strong Nikon	P43
 Reviewed and revised the menu classifications to make the website easier to use for visitors Disseminated information and communicated with investors in the most suitable way for each type of investor 	0	Improve both the amount and quality of the content of Nikon's website Examine and implement IR activities that reflect the diversification in types of investor	P46
Provided targeted employees with training under the MBO system Gave guidance to managers/instructors and new employees under the OJT support system for new employees	0	Build a training system linked with the personnel system (Make the educational themes more consistent with ability indicators) Continue to operate and improve the OJT support system for new employees	P47
Carried out a 360-degree diagnostics targeting all managers Gave support to promotions and transfers under the dual-track personnel system and to job selection through training	0	Feed back the results of the 360-degree diagnostics to managers and encourage them to improve their behavior Steadily implement the dual-track personnel system	P47-48
 Improved the childcare and nursing care support system at Nikon Corporation As a result of a study, decided not to provide collective training 	0	 Start expanding the relevant systems to domestic Group companies Further raise awareness among managers 	P48–49 P52
Established and started to operate another Tsubasa workshop in Sagamihara	0	• Expand the business scope of Tsubasa workshop in Sagamihara	DEO
• Increased the reemployment rate of retirees	0	• Steadily implement the reemployment system for retirees	P50
 Carried out risk assessments at each of the sites Provided employees in charge of health and safety at Group companies within Japan with education to improve their practical abilities and built a network of these employees 	0	Further improve safety (and eliminate risk factors) through risk assessment Raise the safety and health management levels of Group companies within Japan	
 Provided managers in charge with training and gave new employees an opportunity to experience a counseling service Provided employees aged 35 with mental health education 	0	Promote mental healthcare measures Check employees for mental health issues at their regular health examinations and implement follow-up measures	P51
Regulated overtime work by means such as establishing a "no overtime work day"	0	• Improve measures to prevent damage to health caused by overwork	
Provided employees to be assigned overseas with education on how to prevent infectious diseases Established a health management system for employees assigned overseas	00	 Strengthen the health management system (including measures against infectious diseases) for employees assigned overseas 	P52
 Conducted a campaign to reduce working hours and implemented a pilot project on working at home 	0	Monitor and control working hours Raise employees' awareness of their work-life balance	
 Conducted seminars at two manufacturing subsidiaries in China (Had already conducted these seminars at all Group companies within Japan) Conducted seminars targeting 1,407 procurement partners of Group companies within Japan Held e-learning sessions for employees of Group companies within Japan in May 2008 and a total of 683 employees (93% of all) participated in them Conducted a survey targeting domestic procurement partners; received replies from 680, and fed back the results to the partners 	000	Conduct seminars at overseas Group companies (mainly in Asia) where no seminars have been held Plan seminars (on compliance with local laws and regulations) for procurement partners of overseas Group companies Hold e-learning sessions for staff in charge of procurement at Group companies Examine whether to conduct a survey of overseas procurement partners	P53–54
 Built a management system by giving guidance on the procedures for making announcements, request and process applications, and choosing scholarship recipients to the NGO in charge Introduced the written opinions of participants in the This scholarship program and the ML Fuil Reforestation Project on the website 	0	Manage the Thai scholarship program Examine and implement a new project to conserve biodiversity	P55
Employees of domestic Nikon Group companies and their families (120 people in total) planted 1,000 seedlings	0	Participate in the Mt. Fuji Reforestation Project	P15
Identified the progress made by each domestic and overseas Group company and held lectures at some of these companies to promote the activities	0	Conduct activities to raise awareness in both domestic and overseas Group companies	P57–58
• Met CO ₂ reduction targets by implementing measures under the global warming prevention project	0	• Reduce CO ₂ emissions	P7-14
 Established a committee on REACH to promote measures against hazardous chemical substances Conducted countermeasures against soil and underwater contamination at the Ohi Plant of Nikon Corporation and at Mito Nikon Precision 	0	 Comply with environmental laws and regulations and implement environmental pro- tection measures 	P33–34 P41