


Corporate Governance

To enhance the relationship of trust it enjoys with its stakeholders  amid continued globalization of the business environment, the Nikon Group aims to increase management efficiency and transparency by bolstering corporate governance.

Corporate Governance Organization

Management System

Since the introduction of an in-house company system, we have been fostering decentralized management, with an integrated system and responsibilities established for each product sector, including Group companies. A results-based evaluation system was also brought in to strengthen the relationship between performance and remuneration. We also installed an operating officer system to reduce the number of directors while consolidating a management system that can respond swiftly to changes in the business environment. In the fiscal year ended March 31, 2010, we revised the rules on final decision making. We will continuously implement measures to establish an even sounder management system, including reviewing and revising the regulations pertaining to the operating officer system, to further enhance internal controls .

Board of Directors and Executive Committee

The Board of Directors makes prompt decisions on matters of importance to the Nikon Group and monitors the exercise of duties by directors.

The Executive Committee deliberates on and resolves major issues regarding the general operation of company business, internal controls, and management, in accordance with the basic management policies as determined by the Board of Directors. This body also receives reports from each department regarding

critical matters. To separate the managerial supervisory function from the business execution function, it was decided that the Board of Directors would be chaired by the Chairman of the Board and the Executive Committee would be chaired by the President following the reelection of directors at the end of June 2010.

Compensation Committee

The Compensation Committee, which includes prominent figures from outside the Nikon Group, was set up to raise the objectivity and transparency of matters related to directors' compensation and to ensure that decisions on remuneration are linked to the corporate financial results. The obligations of this committee include examining and proposing guidelines for directors' compensation and other related systems.

Board of Corporate Auditors

The members of the Board of Corporate Auditors periodically attend important meetings such as those of the Board of Directors and Executive Committee in order to supervise the execution of duties by the directors, and to perform monitoring and auditing of corporate management and directors.

▶ Corporate governance:

<http://www.nikon.com/about/csr/governance/>

Nikon's Corporate Governance Organization (as of June 30, 2010)

