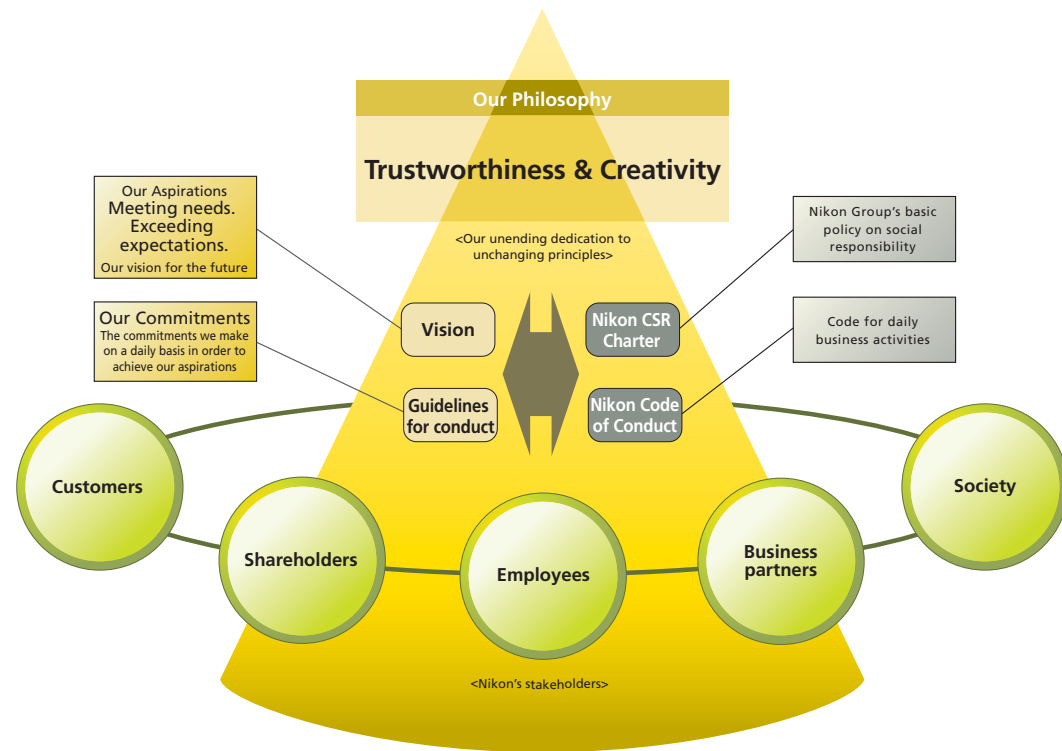


Nikon's CSR Policy

For the Nikon Group, fulfilling CSR means implementing its corporate philosophy: "Trustworthiness and Creativity." In 2007, we formulated our management vision and the Nikon CSR Charter, and structured the Nikon High-Level Policy to be shared across the Group, which comprises the corporate philosophy, the Code of Conduct, the Vision, and the Charter. Also in 2007, we participated in the UN Global Compact.

Nikon High-Level Policy and Stakeholders



► For investor relations information, please access the following website:
<http://www.nikon.com/about/ir/>

The Nikon Group's Approach to CSR

For the Nikon Group, fulfilling CSR means implementing its corporate philosophy: "Trustworthiness and Creativity." In 2007, celebrating the 90th anniversary of our foundation, we formulated our management vision: "Meeting needs. Exceeding expectations." and made "Our Commitments" to achieve our vision. The management vision was formulated through a project in which both management and employees participated to show the aspirations of the Nikon Group moving toward the 100th anniversary of its foundation. Also in 2007, we set the Nikon CSR Charter, structured the Nikon High-Level Policy, and participated in the UN Global Compact and expressed our support for its 10 principles regarding human rights, labor standards, the environment, and anti-corruption. All members of

the Group share these principles and are striving to implement them to ensure that the Group will continue to be supported and trusted by society.

Relationships with Stakeholders

The Nikon Group is engaged in global business activities based on relationships with our various stakeholders. To foster bidirectional communication with our stakeholders, we are collecting information widely and making improvements by methods that suit the individual stakeholder categories. These activities are helping us to build stronger relationships of trust with our stakeholders and to continue to be a company that is "Meeting needs. Exceeding expectations."

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 UN 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: Businesses 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 Revised December 1, 2009

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 labor 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 humankind.

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, shareholders, 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.

► Summary of the Nikon Code of Conduct (formulated on May 1, 2001 and revised on April 1, 2008)

<http://www.nikon.com/about/csr/compliance/code-and-rules/summary/>

Nikon's CSR Activities

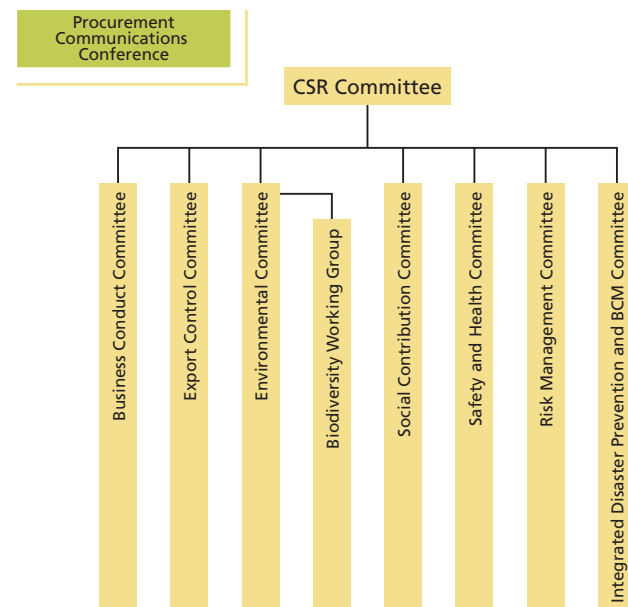
In addition to setting up a CSR Committee and expert subcommittees that represent a cross-section of the organization, the Nikon Group has developed a Medium Term Plan and is working to ensure more practical and effective CSR activities.

CSR Promotion Organization

In order to achieve our corporate goal of sincere and highly transparent management, we have established our CSR Committee, which supervises the activities of the following seven subordinate committees: the Business Conduct Committee; Export Control Committee; Environmental Committee; Social Contribution Committee; Safety and Health Committee; Risk Management Committee; and Integrated Disaster Prevention and BCM Working Group Committee. Through these committees, we are further raising employees' awareness of CSR and encouraging them to conduct CSR activities in a steady manner.

The CSR Committee is chaired by the Chairman of Nikon Corporation and composed of the members of the Executive Committee (▶ p.6) and the heads of the CSR-related departments. In the year ended March 2010, the new Biodiversity Working Group was established by the secretariats of the related committees in order to implement specific measures for biodiversity in a proactive manner.

CSR Promotion Organization



Secretariats and Chairpersons of CSR-related Committees

Committee	Chairperson	Secretariat
CSR Committee	Chairman	CSR Section, Corporate Planning Department
Business Conduct Committee	Executive Vice President	Compliance Section, Administration Department
Export Control Committee	President of Business Administration Center	Compliance Section, Administration Department
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	Executive Vice President	Corporate Planning Department, Information System Planning Department, Administration Department, and Human Resources Department
Integrated Disaster Prevention and BCM Committee		BCM Section, Corporate Planning Department
Procurement Communications Conference	General Manager of the Procurement & Facilities Management Department	Procurement Planning Section, Procurement & Facilities Management Department

Voice

Familiarizing Employees More with CSR

CSR tends to be regarded as a responsibility that is fulfilled by the department in charge, but in fact a company cannot meet its CSR targets unless all its employees are committed to them in their daily business operations. It is easy to say, but difficult to make each employee understand the meaning of CSR and to take action. CSR is a relatively new concept and is often regarded as something special. I will continue to familiarize employees more with the concept and encourage them to implement it in their daily operations.



Kaori Suzuki
Assistant Manager
CSR Section
Corporate Planning Department
Nikon Corporation

Promoting CSR in Japan

Implementing a practical CSR education program for employees in Japan

In Japan, the Nikon Group held a comprehensive and practical CSR education program from April to October 2009, with a view to providing employees with an opportunity to share the results of the in-house awareness survey on CSR and global warming held in August 2008 and to further raise their CSR awareness. According to the results of the survey, individual employees had yet to take specific anti-global warming measures and their workplace communication needed to be improved. In response, in the second step of the education program, we set the following two themes to be discussed in our workplaces: CO₂ emission reduction activities that could be started immediately and case studies on poor workplace communication.

About 4,800 employees also answered the questionnaire survey on the CSR Report for 2009 and expressed a range of opinions, which was referred to when publishing this report. The in-house blog is allowing employees of the Nikon Group to share their workplace opinions and learn more about CSR, including the meanings of CSR-related terms, increasing their CSR awareness.

Practical CSR Education Program

	Description	Trainee	Attendance rate
Step 1: Collective seminar	Attending the feedback seminar	Departmental and sectional managers of Nikon Group companies in Japan	86%
Step 2: Workplace activities	(1) Sharing the knowledge learned at the feedback seminar (thorough lectures by workplace managers)	All employees of Nikon Group companies in Japan	-
	(2) Discussing the predefined themes in each workplace		
	(3) Checking CSR-related documents		
Step 3: e-Learning	Mandatory: Test on the understanding of in-house CSR-related documents		90%
	Optional: Questionnaire on the CSR Report for 2009		(38%)

Opinions of participants in the workplace discussion

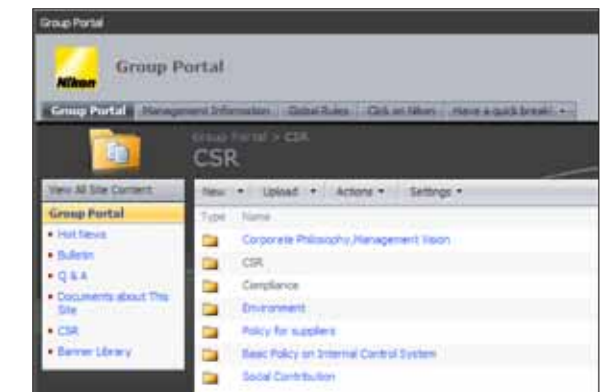
We rarely have a meeting where all members of the workplace participate and exchange opinions, and so the discussion provided us with a good opportunity to listen to each other's opinions. It was helpful for all members to discuss the same theme. For CSR and anti-global warming measures, I have found it critical for individuals to become more aware of the issues.

Promoting CSR outside Japan

The Nikon Group's business operations extend all over the world and it conducts a range of grassroots activities that can be taken over by local communities. In line with its group-wide policies, Group companies outside Japan have been establishing a compliance system as the basis for CSR since 2007. Specifically, each of the companies appointed dedicated CSR managers, localized the Nikon Code of Conduct to meet the local laws and social norms, made employees aware of the provisions and the Nikon CSR Charter, and established a contact person who employees could ask for advice and to whom they could report cases of noncompliance with their code of conduct. In the year ended March 31, 2010, we further increased the number of Group companies in which compliance measures were further promoted, and it was confirmed that 39 overseas Group companies had established their own code of conduct and a contact person for noncompliance cases. At present Nikon Group companies have their own versions of the Code of Conduct in a total of 12 different languages.

In the year ended March 31, 2010, we included an activity designed to disseminate the UN Global Compact to employees in group-wide activity targets, and started it first in Group companies outside Japan. To support each of the companies in their related education and awareness-raising activities, we have established a new CSR-related English-language website within the in-house portal site and created educational and awareness-raising tools for the entire Group.

Since 2007, we have been conducting an annual questionnaire survey to check how CSR is promoted in each Group company. In the year ended March 31, 2010, we reviewed the survey items on human rights and labor and checked the companies' year-end situations on human rights, labor, the environment, social contribution, and compliance. We will continue to conduct this annual survey to check how CSR measures are promoted and to discover if there are related problems across the board.



CSR English-language website within the internal portal site

CSR Achievements for the Year Ended March 31, 2010, 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. We conduct these activities in communication with our stakeholders.

Priority Issues and Targets and Results for the Year Ended March 31, 2010 (April 1, 2009 to March 31, 2010)

☑ : Achieved
 ☐ : Measures started but not yet achieved
 ✕ : Not started

Priority issue	Target	Achievement	Self-evaluation
Fulfilling CSR by conducting business while protecting the global environment and ensuring compliance ☑ See pp. 19-20	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	Conducted activities to disseminate the UN Global Compact ☑ among employees of overseas Group companies Opened a portal site to educate employees of overseas Group companies Held a feedback seminar for managers (attendance rate: 86%) and gave all employees education through e-learning	
Expanding and promoting environmental management (See pp. 27-28)	Reduce CO ₂ emissions Comply with environmental laws and regulations and implement environmental protection measures	Achieved the target in Japan but not yet overseas because of launch of new building operation and market impact Checked the situation through internal audits	
Promoting compliance activities globally (See pp. 38-39)	Further increase compliance awareness across the Nikon Group Conduct an awareness survey and promote PDCA incorporating the results of the awareness survey Increase employee awareness of the Code of Conduct Hotline	Established a promotion system for overseas Group companies and introduced an in-house consulting system Fed back the results of the employee awareness survey conducted in Japan and made individual improvements Enhanced the Code of Conduct Hotline confidentiality rules and increased employee awareness of the Hotline	
Implementing a risk management PDCA cycle (See pp. 39-40)	Review the rules of overseas 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 Enhance risk management at overseas Group companies Establish an emergency contact system Revise the management system for overseas business travel Improve risk management education Additional targets were set in the middle of the term.	The rules of overseas Group companies were not reviewed. Conducted information management audits in Sept. and reported the results in Feb. Distributed the handbooks to overseas Group companies and educated managers in China Implemented web security, PC encryption, and other measures Expanded the emergency support targets to include employees of overseas Group companies Launched a system to manage the contact information of employees dispatched overseas Improved the business traveler search function by revising the management system Expanded prior training for employees to be dispatched overseas and conducted emergency drills for them Established an emergency headquarters and put measures in place to prevent the spread of the flu Reviewed the action plan and increased the reserve of disinfectant products Held briefings for employees in Japan and published related articles in the in-house magazine	-
	Maintain and update the BCM ☐ system through PDCA, in preparation for a major earthquake Implement preventive measures and formulate a BCP ☐ against pandemic influenza (H1N1) Strengthen export controls at overseas Group companies	Educated new BCM staff, concluded SLAs with freight carriers, and put in place anti-seismic reinforcement Implemented measures to prevent the spread of pandemic influenza (H1N1) and formulated a BCP Supported overseas Group companies in formulating compliance programs Formulated guidelines on the provision and management of technical information	
	Implement measures to establish a sustainable internal control ☐ structure Further enhance internal auditing outside Japan	Reviewed internal controls based on the recommendations made by the auditing company in the previous year and on environmental changes Reviewed and reduced the internal control targets Reduced the use of external resources for evaluating progress Conducted internal audits at European Group companies	
Promoting diversity ☐ activities (See pp. 41-44)	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 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 Monitor and control working hours Raise employees' awareness of their work-life balance	Reorganized and implemented the training system based on the ability indicators linked with the personnel system Gave training and follow-up advice to managers, instructors, and newcomers based on the system Fed back the results of the 360-degree diagnostics and referred to the results in planning future training Promoted some employees and changed track of some others based on the dual-track personnel system Further regulated overtime work by such measures as setting a "no overtime day" Implemented a pilot project on working at home (for five months) Started a counseling service for better work-life balance	
	Start expanding the relevant systems to Group companies in Japan Further raise awareness among managers	Established a liaison meeting for diversity at five Group companies in Japan Provided managers with training by adding "help female employees display more of their abilities" as a training theme Launched a "reentry (comeback)" system	
	Expand the business scope of the Tsubasa workshop in Sagami-hara	Placed more orders to the Tsubasa workshop Promoted paperless business operations (use of electronic data)	
	Steadily implement the reemployment system for retirees	Achieved 69% in the reemployment rate of retirees Conducted a life plan seminar eight times, participated in by a total of 54 couples	
	Further improve safety (and eliminate risk factors) through risk assessment Raise the safety and health management levels of Group companies within Japan	Provided 88 field risk managers with risk assessment training Gave education to 17 employees in charge of safety and health at Group companies in Japan	
	Promote mental healthcare measures Check employees for mental health issues at their regular health examinations and implement follow-up measures Improve measures to prevent damage to health caused by overwork Strengthen the health management system (including measures against infectious diseases) for employees assigned overseas	Provided training for managers and opportunities for new employees to try the counseling service Checked for mental stress in the regular health examinations and implemented follow-up measures Examined the health of overworked employees Strengthened the system to check whether employees assigned overseas have undergone regular health examinations and implemented follow-up measures	
Globally managing the issues related to human rights and the labor environment (See p. 41)	New priority theme set for the year ending March 31, 2011	Developed a survey form on human rights and the labor environment based on the GRI ☐ indicators and distributed copies both inside and outside Japan Developed teaching materials for the UN Global Compact and started promoting the Compact at overseas Group companies	-
Expanding social contribution activities worldwide (See pp. 45-46)	Manage the Thai scholarship program Examine and implement a new project to conserve biodiversity ☐ Participate in the Mt. Fuji Reforestation Project	Granted scholarships to 75 junior high school students, 75 senior high school students, 23 university students, and three students studying abroad Supported the AKAYA project (for biodiversity conservation) Cancelled tree planting activities due to outbreak of pandemic influenza (H1N1). Grass cutting was conducted as a substitute activity.	
	Conduct activities to raise awareness in Group companies both in Japan and overseas	Established a system to collect relevant information from Group companies and carried out a questionnaire survey	
Expanding CSR-oriented procurement ☐ (See p. 47)	Conduct seminars at overseas Group companies (mainly in Asia) where no briefings have been held Plan briefings (on compliance with local laws and regulations) for procurement partners of overseas Group companies Hold e-learning sessions for the procurement staff of Group companies Examine whether to conduct a survey of overseas procurement partners	Held a briefing for Group companies in Thailand Sent guidelines to overseas procurement partners prior to briefings Held e-learning sessions for the procurement staff of Group companies in Japan (attendance rate: 91%) Conducted a questionnaire survey of 30 overseas procurement partners and fed back the results	
Communication with stakeholders (See p. 48)	Expand and improve the quality of the website content	Opened a special webpage on the environment on the CSR website Updated the CSR website	

Priority Issues and Targets for the Year Ending March 31, 2011 (April 1, 2010 to March 31, 2011)

Priority issue	Target for the year ending March 31, 2011
Fulfilling CSR by conducting business while protecting the global environment and ensuring compliance ☑ See pp. 19-20	Promote cooperation with those involved in CSR at the in-house companies Give support to European Group companies in CSR activities and to Chinese Group companies in building a necessary system Feed back the results of e-learning sessions conducted at Group companies in Japan in the fiscal year ended March 2010
Expanding and promoting environmental management (See pp. 27-28)	Reduce CO ₂ emissions Strengthen measures for hazardous chemical substances (to comply with the REACH regulation ☐, the revised RoHS Directive ☐, and others) Formulate policies on biodiversity ☐, make impact assessments, and educate employees on these items
Promoting compliance activities globally (See pp. 38-39)	Implement drastic measures to promote global compliance activities Conduct an awareness survey on Group companies in Japan and execute a PDCA cycle based on the results Provide education on important themes
Implementing a risk management PDCA cycle (See pp. 39-40)	Make Chinese and Asian Group companies aware of the information management rules Continue conducting information management audits at Nikon Group companies (in April and Sept.) Support Group companies both in Japan and overseas in establishing an information management system Solve problems related to the Nikon ID access authorization foundation Expand the overseas emergency contact system to include employees of overseas Group companies in the target Expand the overseas business travel management system to Group companies in Japan Enhance risk management education and continue providing relevant training Review the action plan based on experience of pandemic influenza (H1N1) 2009 Establish an information collection system and start to use it Conduct desktop training for highly pathogenic strains of influenza Maintain and update the BCM ☐ system for large earthquakes by executing a PDCA cycle Maintain and update the BCM system for pandemic influenza by executing a PDCA cycle Hold e-learning sessions on labor management for all employees Make regular audits on export control at Group companies in Japan too Continue measures to establish a sustainable internal control ☐ system Further enhance internal audits outside Japan (Establish the necessary system for Asian Group companies)
Promoting diversity ☐ activities (See pp. 41-44)	Develop a global human resources development system for emerging economies and start to use it Build a training system to support employees' career development and start implementing it on a trial basis Make employees in Japan aware of the Japan's revised Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Childcare and Family Care Leave and examine flexible working styles Examine the results of the pilot project on working at home and determine policies for the project Conduct diversity training for managers on a trial basis Improve the percentage of women employed through regular recruitment to at least 20% and the percentage of women employed as engineers to at least 10% Foster the "reentry (comeback)" system Maintain the employment rate of people with disabilities stipulated by law (1.8%) Place more orders with Nikon Tsubasa Inc. Consolidate reemployment patterns Review when to determine reemployment Enhance education and expand support for employees in charge of safety and health at Group companies in Japan Proactively foster mental healthcare Strengthen the system to check whether employees assigned overseas have undergone regular health examinations
Globally managing the issues related to human rights and the labor environment (See p. 41)	Analyze the results of monitoring on human rights both in Japan and overseas, identify problems, and look at counter-measures Give e-learning sessions on the 10 Principles of the UN Global Compact ☐ to employees in Japan and promote the Compact among employees outside Japan Implement ISO 26000 ☐
Expanding social contribution activities worldwide (See pp. 45-46)	Manage the Thai scholarship program Plan and carry out educational activities for biodiversity Implement TABLE FOR TWO in areas other than Ohi
Expanding CSR-oriented procurement ☐ (See p. 47)	Interview procurement partners in Japan and examine and implement necessary measures Hold a briefing for Group manufacturing companies in Asia Hold a briefing for procurement partners of overseas Group companies Expand the target of EMS audits to include overseas Group companies and improve the proficiency of auditors
Promoting communication with stakeholders ☑ (See p. 48)	Continue updating the CSR website Improve the CSR Report and publish a digest of the report Foster communication with external stakeholders