

Highlights

### Sharing a Global Awareness with the "Nikon Code of Conduct"

Until now, the Nikon Group has gone about promoting compliance at Group companies in Japan and overseas using as a standard of behavior, the Nikon Code of Conduct for companies in Japan, and individual code of conduct for overseas companies, which has been built upon the basic concepts in the Nikon Code of Conduct. In April 2011, the Nikon Code of Conduct was revised to make it applicable to Group companies everywhere in order to strengthen internal control across the entire Group.

The revised Nikon Code of Conduct reflects the Nikon Group's endorsement of the UN Global Compact in July 2007 and the publication of ISO 26000 in November 2010, placing emphasis on a more international CSR perspective of human rights,

CSR-oriented procurement, anti-corruption, and other issues, and organizing all items in more concise language.

In Japan, booklets explaining the content of the revised Code of Conduct were distributed to all employees.

The Nikon Group will continue in its effort to increase understanding of the Nikon Code of Conduct to help each employee maintain an awareness of compliance and make the most appropriate judgments in their work.



Educational booklet distributed in Japan

#### Making compliance more accessible

Compliance is often perceived as a difficult issue, so we in the Compliance Section are doing various things to make it a more accessible endeavor, such as by providing information through the intranet and holding quizzes during Compliance Month. I'm in charge of creating and sending out the in-house compliance newsletter, so I plan to write about the Nikon Code of Conduct in future newsletters. My goal is to make our newsletters more accessible and easy to follow so that everyone can reach a personal understanding of compliance.

Misa Teramoto  
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#### Voice

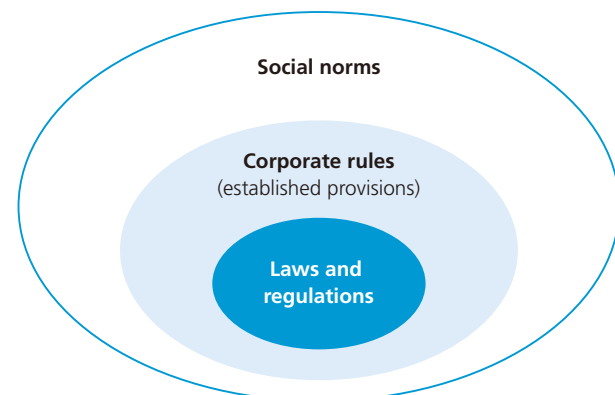


## Global Promotion of Compliance Activities

The Nikon Group is committed to making all its employees aware of the importance of compliance to ensure that each employee is able to take appropriate action.

### Compliance in the Nikon Group

#### The Nikon Group's Definition of Compliance



All three are considered to be a part of compliance.

#### Definition of Compliance

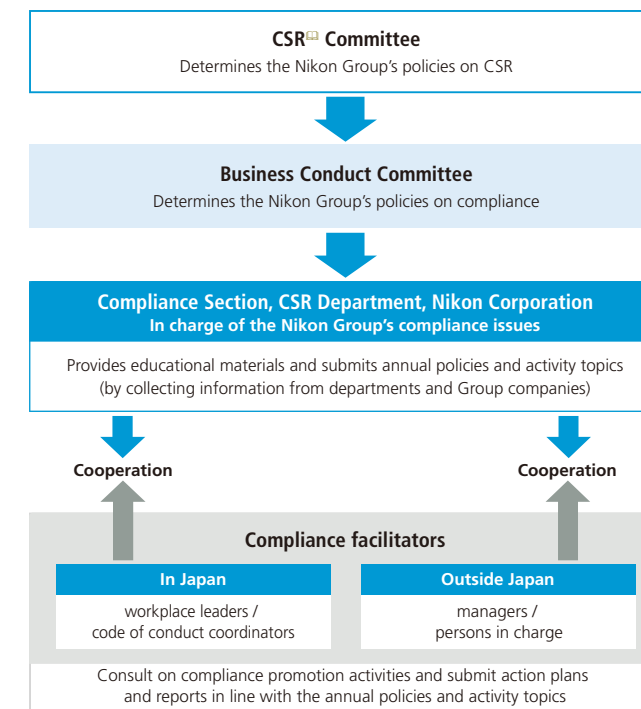
The Nikon Group defines compliance as "meeting the expectations of stakeholders and earning their trust by not only complying with laws and regulations, but also conducting business activities that are sound, fair, and conform to corporate rules and social norms."

#### Compliance Promotion

In the Nikon Group, Group policies on compliance are determined by the Business Conduct Committee, which is chaired by Nikon Corporation's executive vice president.

The Compliance Section of Nikon Corporation's CSR Department develops compliance activities based on these policies and in cooperation with persons in charge of promoting CSR and compliance stationed in the various departments of the company and in Group companies.

#### Compliance Promotion



### Compliance Promotion Activities

#### Compliance education

In the fiscal year ended March 31, 2011, educational activities with a focus on workplace communication and engineering ethics were conducted at Group companies in Japan, with compliance facilitators selecting the issues most relevant to their workplace from a set of issues prepared by the Compliance Section.

Meanwhile, overseas Group companies held group readings of educational materials, group educational events, and other activities geared toward familiarizing all employees with their respective company's Code of Conduct and the UN Global Compact.

We also provide compliance education as part of the initial training for regular employees and mid-career workers, as well as education and training in response to individual requests. Compliance section also obtains the latest information on compliance by attending conferences on business ethics hosted by external organizations.

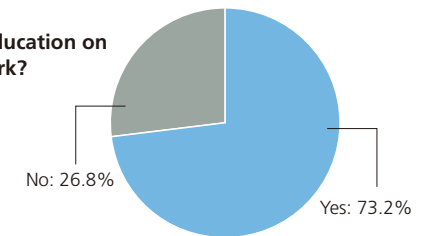
#### Compliance awareness survey (monitoring)

Every year in October, we conduct a compliance awareness survey targeting employees of Nikon Group companies in Japan. With response rates declining (76% in 2008, 72% in 2009) in previous years, in 2010—the fourth year in which an awareness survey targeting all employees was conducted—we more actively encouraged participation from employees, and achieved an 84% (11,243 employees) response rate. Survey answers are collected under anonymous conditions and a summary of the results is released via the intranet. Additionally, each department and company is given feedback based on their own survey results. For departments with weak scores, the Compliance Section directly explains the results, offers advice, and requests that improvements be made.

In our ongoing effort to raise awareness of compliance, the Nikon Group will pursue a PDCA cycle to increase awareness of relevant issues and improve performance in each department.

#### Compliance Awareness Survey Results (conducted Oct. 2010; 11,243 respondents)

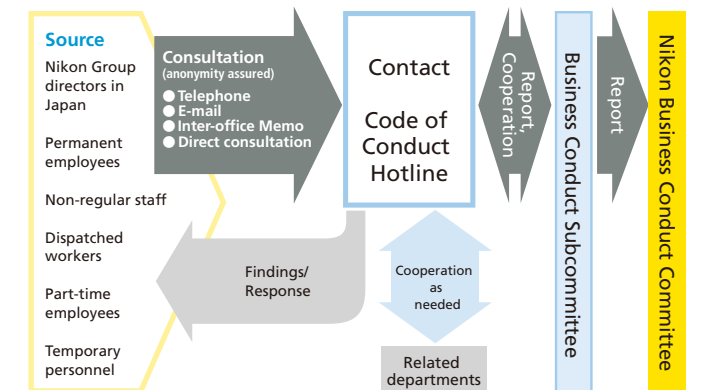
Q. In the last year, did you receive education on compliance at work?



#### Reporting/Consulting system

The Nikon Group established the Code of Conduct Hotline as a central point of contact for employees of Group companies in Japan wanting to discuss a situation that might run counter to Nikon Code of Conduct. In the fiscal year ended March 31, 2011, the hotline was used 32 times, and these matters are now being dealt with in cooperation with the relevant departments. The Code of Conduct Hotline protects the privacy of its users and ensures that they do not experience any prejudicial treatment. Our overseas Group companies have also established compliance reporting and consultation hotlines and are informing their employees about services.

#### Code of Conduct Hotline Flow Diagram (Japan)



#### Preventing violations

The Nikon Group takes disciplinary action against all violations of the working regulations of each Nikon Group company and the Nikon Code of Conduct based on its in-house disciplinary rules after investigating and confirming the facts. In the fiscal year ended March 31, 2011, disciplinary action was taken regarding five cases of violation at Nikon Corporation and two at Group companies in Japan. In order to prevent the recurrence of similar problems, the circumstances and basic details of the disciplinary action are disclosed internally.