

Materiality 7

Respecting Human Rights



Reason for Prioritization

As companies do business in a more globalized way, the potential that they infringe on human rights increases day by day, and companies are now required to take action to minimize and prevent these infringements. Companies must also work to ensure that human rights are respected for all stakeholders, including those in the supply chain and their employees, in their business activities.

Commitment

As an organization doing business on a global scale, the Nikon Group is profoundly aware of the importance of respecting human rights in its business activities. We recognize that one of our significant responsibilities to society is addressing human rights issues with sincerity. In accordance with the Nikon Human Rights Policy and with respect to the seven human rights issues specified in this policy, we will implement human rights due diligence steadily based on the UN Guiding Principles on Business and Human Rights and advance initiatives to respect the human rights of all people involved in our business activities, including those in the supply chain, as well as constantly inspect for new risks. We will also foster a corporate culture that respects human rights so that all employees of the Nikon Group will conduct their business activities with integrity and respect human rights in accordance with this policy and relevant laws and regulations.

Toshikazu Umatate
Representative Director and President

【Activity Policies】

- Nikon Human Rights Policy

【Organizations】

- Sustainability Committee

● Fiscal Year 2022 Materiality Goals and Results

Self-evaluation ○: Achieved △: Measures started but not yet achieved

Goals for Fiscal Year 2030	What Nikon Needs to Do	Related SDGs	Scope	Goals for Fiscal Year 2022	Results for Fiscal Year 2022	Self-Evaluation
Ensuring that the principles embodied by the Nikon Human Rights Policy are instilled throughout the value chain, and that the measures outlined by the policy are properly implemented Ensuring that the RBA Code of Conduct is instilled in every company in the Nikon Group, and is strictly observed	Spread awareness of human rights and of the Nikon Human Rights Policy	8,10,16	Nikon Group	Conduct risk assessments from both business and corporate perspectives as part of human rights due diligence	New business areas: Conducted interviews and feedback on business activities and their risks Corporate divisions: Developed an improvement plan to address the findings of the RBA VAP audit	○
				Continue to educate all employees on human rights	Implemented human rights education for employees as planned Offered human rights e-learning to all employees in Japan, with a 92% participation rate	○
	Implement public relations and marketing activities that take human rights into consideration		Nikon Group	Education on respect for human rights related to communication	Implemented an educational event on the theme of Communications with an Inclusive Perspective of Human Rights Handbook Implemented education on the handbook through human rights e-learning	○
	Enhance conformity with the RBA Code of Conduct		Nikon Group	Educate related department employees on the RBA Code of Conduct	All eligible employees received training on the RBA Code of Conduct	○
				Conduct self-checks at each Nikon plant and Group manufacturing companies in Japan and outside Japan	Conducted self-checks and analyzed results for target plants and Group manufacturing companies in Japan and outside Japan	○

Human Rights Initiatives

Basic Approach

In our business activities, the Nikon Group is directly and indirectly involved in the human rights of a variety of stakeholders. It is for this reason that our stance, which emphasizes respect for the human rights of all these people, is clearly enunciated in "2. Respect for Human Rights" of the Nikon Code of Conduct. Furthermore, we have established our Nikon Human Rights Policy in order to clearly show how we address human rights issues related to our business activities under our Code of Conduct. The Nikon Human Rights Policy sets forth fundamental principles for us to practice in line with the UN Guiding Principles on Business and Human Rights, which were adopted by the United Nations in 2011. The policy was created through internal discussions with major relevant departments and incorporating advice from external experts, and was established after approval by the Board of Directors.

The Nikon Group has other policies and standards in place specific to individual human rights issues, including the Nikon Group Privacy Protection Statement, the Nikon CSR Procurement Standards, and the Responsible Minerals Sourcing Policy. Nikon also supports the 10 Principles of the UN Global Compact, and we continue to implement measures aimed at realizing Principles 1 and 2 (Human Rights) and Principles 3 through 6 (Labour).



Nikon Code of Conduct (nikon.com)
https://www.nikon.com/company/sustainability/management/codeofconduct/code_of_conduct_EN.pdf

Nikon Human Rights Policy
https://www.nikon.com/company/sustainability/society-labor/human-rights/human_rights_policy.pdf

*Nikon Human Rights Policy (Japanese) is a provisional translation of the Nikon Human Rights Policy (English).

Nikon Group Privacy Protection Statement
https://www.nikon.com/privacy/privacy_policy.htm

Nikon CSR Procurement Standards
<https://www.nikon.com/company/corporate/procurement/csr/>

Responsible Minerals Sourcing Policy
https://www.nikon.com/company/sustainability/society-labor/supply-chain/Responsible_Minerals_Sourcing_Policy.pdf

Joining the UN Global Compact (➔ [p.014](#))

System

In the Nikon Group, the Nikon Human Rights Policy is implemented under the supervision of Nikon's Sustainability Committee, which includes several members of the Nikon Board of Directors. Instructions from the Sustainability Committee are handled by the Corporate Sustainability Department, which functions as the secretariat for the Corporate Sustainability Department, together with related departments and committees. In the case that an emerging issue is identified, we will enhance our organizational framework and systems as necessary by consulting these departments and other appropriate departments as necessary.

With the Nikon Group, we have reporting and consulting systems in place by company or by region. Any Group employee can use these systems to report violations of the Nikon Code of Conduct (including issues related to human rights). For external stakeholders, we have several channels of inquiry, including contact points for suppliers and customer support, a hotline dedicated to conflict minerals issues, etc.

Main Committees and Departments in Charge of Human Rights Issues (➔ [p.110](#))

Code of Conduct Hotline (Reporting and Consulting System) (➔ [p.133](#))



Inquiries (Procurement, CSR Procurement, Green Procurement)

<https://www.nikon.com/company/corporate/procurement/form/>

Responsible Minerals Sourcing Hotline

<https://www.nikon.com/company/sustainability/society-labor/supply-chain/form/>

● Main Committees and Departments in Charge of Human Rights Issues

Committees And Departments In Charge	Main Issues Handled
Sustainability Committee	General human rights issues (supervising implementation of the Nikon Human Rights Policy)
Human Resources Department	Prohibition of forced labor and child labor, elimination of discrimination and harassment, occupational health and safety, wages, working hours, freedom of association and collective bargaining rights, etc., with respect to Nikon employees
Administration Department	Contact points for employee reporting and consulting system
Information Security Department	Privacy (including protection of personal information)
Bioethics Review Committee	Bioethics
Supply Chain Subcommittee	Human rights issues in the supply chain (labor, conflict minerals, etc.)

● Major Human Rights Initiatives by the Nikon Group

FY1997	Established the Business Conduct Committee (currently the Compliance Committee)
FY2001	Established the Nikon Code of Conduct, which touches on respect for human rights Established the Code of Conduct Hotline
FY2004	Established the Nikon Charter of Corporate Behavior, clearly stating respect for human rights as the basic approach of the Nikon Group
FY2006	Established the CSR Committee (currently the Sustainability Committee) to integrate CSR-related activities, including respect for human rights, and create a company-wide promotion system
FY2007	Revised the Nikon Charter of Corporate Behavior and newly established the Nikon CSR Charter (revised content regarding respect for human rights) Established the Nikon Procurement Partner's CSR Guidelines, clearly stating our approach to CSR in procurement, including respect for human rights, and what we expect of our procurement partners Joined the United Nations Global Compact (UN Global Compact)
FY2010	Launched monitoring surveys to manage human rights and labor standards globally for Group companies
FY2011	Established the Policy on Conflict Minerals and established a hotline for conflict minerals
FY2012	Launched conflict minerals survey and disclosure of survey results
FY2014	Joined the Responsible Minerals Initiative (RMI)*
FY2015	Abolished the Nikon Procurement Partner's CSR Guidelines and established the Nikon CSR Procurement Standards, and launched CSR assessments and CSR audits
FY2016	Launched disclosure of compliance statement with the UK Modern Slavery Act
FY2018	Integrated the Nikon CSR Charter and Nikon Code of Conduct into a new Nikon Code of Conduct to serve as the Group's unified standard Joined the Responsible Business Alliance (RBA)
FY2019	Established the Nikon Human Rights Policy
FY2020	Launched streaming of the message from the president for Human Rights Day in the internal newsletter
FY2021	Created the Communications with an Inclusive Perspective of Human Rights handbook
FY2023	Established the Nikon Global Diversity, Equity & Inclusion Policy

*The name of the organization on joining was the Conflict-Free Sourcing Initiative (CFSI). Its name was changed in 2018.

Initiatives for Preventing Human Rights Violations

Human Rights Risk Assessment

In the process of developing the Nikon Human Rights Policy in fiscal year 2019, the Nikon Group implemented a risk assessment to identify significant human rights issues for the Group. This assessment used international human rights standards as a reference, benchmarking Nikon's situation against industry peers and reviewing past human rights violations reported in business domains where Nikon is active.

As a result of this assessment, we identified the following seven human rights issues as particularly important to our business, specifying them as such in the Nikon Human Rights Policy: Prohibition of Forced Labor and Child Labor, Elimination of Discrimination and Harassment, Occupational Health and Safety, Freedom of Association and the Right to Collective Bargaining, Working Hours and Wages, Right to Privacy, and Human Rights Issues in the Supply Chain. Since establishment of this policy, we have been working to enhance our efforts to address these issues and, if necessary, review our efforts.

In the event of any major changes in management, including in the scope of our business, or if it is deemed otherwise necessary to review these important issues, we take steps needed for review, including deliberation by the Sustainability Committee.

In fiscal year 2022, we interviewed the persons responsible for the new Contract Cell Manufacturing business and Imaging Solutions business to capture human rights risks of stakeholder in each activity of the value chain and examine risk severity and frequency. This assessment

revealed no serious human rights risks in these new businesses. We will continue to conduct regular interviews, not only for new businesses.

Monitoring

In the Nikon Group, we conduct human rights and labor monitoring surveys for Group companies each year in order to continuously improve how we address human rights. The results of these surveys are reported to the Sustainability Committee, which provides instructions for further confirmation or corrective actions to prevent the occurrence or recurrence of human rights violations. No major problems were identified in the surveys for fiscal year 2022.

In addition, Nikon has joined the Responsible Business Alliance (RBA) and uses the self-assessment tool for RBA Code of Conduct compliance to monitor human rights risk. In fiscal year 2022, our Group manufacturing companies in and outside Japan, as well as Nikon plants, conducted education on the RBA Code of Conduct and self-assessments, analyzed results, and repeated their self-assessments. These assessments revealed no major problems. In fiscal year 2023, based on the results of these self-assessments, we plan to develop initiatives to ensure more appropriate compliance with the Code of Conduct.

In addition, given the current tendency toward more restrictive laws and regulations related to personal information protection in various countries and regions, we are enhancing our measures for appropriate handling of personal information to ensure that it is securely managed.

Initiatives for RBA (→ p.015)

Risk Management for Information Assets and Cybersecurity (→ p.145)

Other related measures

Promoting CSR Procurement (→ p.101)



Responsible Minerals Sourcing Report 2022 (Results of the 2021 Survey)

https://www.nikon.com/company/sustainability/society-labor/supply-chain/Responsible_Minerals_Sourcing_Report_2022_Survey.pdf

Details of the Human Rights and Labor Survey

Date: End of each fiscal year

Target: Group companies (including non-consolidated companies)

Content:

- Presence of child labor (prohibition of forced labor), working environment for young workers and trainees (state of acceptance, type of employment/acceptance, work tasks, methods of age verification at the time of hiring/acceptance, state of compliance with respective local laws)
- State of employment of migrant workers and foreign technical trainees/specified skilled foreign workers, presence of explanation of employment work conditions before hiring, state of company burden for hiring expenses
- State of compliance with laws and regulations relating to minimum wages and working hours
- State of occupational accidents (outside Japan)

Human Rights Training

The Nikon Group works to disseminate information and raise awareness about human rights among our executives and employees.

Every December, for Human Rights Day, a message from the president is distributed to all employees through the internal newsletter and other means. In fiscal year 2022, this message was themed on diversity, equity and inclusion (DEI), as well as unconscious bias, with the intent of creating attractive workplaces. We also occasionally include human rights topics in our quarterly sustainability newsletter to raise employee awareness.

Furthermore, the Nikon Group in Japan conducts an annual e-learning course on human rights. In fiscal year 2022, course materials covered the history of human rights, the relationship between business and human rights, DEI, unconscious bias, and inclusive language, with a 92% attendance rate. Each year, sustainability divisions at our regional headquarters also lead e-learning courses on human rights at Group companies outside Japan.

In addition to this, we produced and disseminated the Communications with an Inclusive Perspective of Human Rights Handbook with the aim of improving the level of human rights-conscious marketing communication throughout the Group. The handbook helps to improve the quality of a range of operations thanks to content useful not only in marcom (marketing communications), but in other areas as well. In addition, we held the Events for World Human Rights Day 2022 in December 2022, mainly for employees in Japan. These events lasted about a month, and many employees participated in various programs, including a quiz on DEI, lectures by outside experts, and a talk event on the theme of Communications with an Inclusive Perspective of

Human Rights Handbook.

We also provide presentations about the importance of human rights issues to our procurement partners as well as persons in charge of procurement within the Nikon Group.

Promoting CSR Procurement(➡p.101)

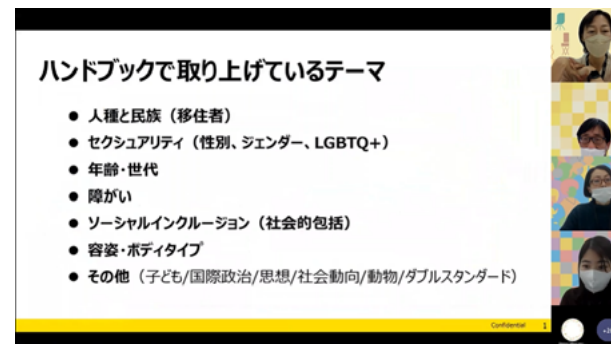


Image from Events for World Human Rights Day 2022

Compliance with the UK Modern Slavery Act

The Nikon Group has released a statement on its website in accordance with UK Modern Slavery Act (enacted in 2015).



Nikon Group Slavery and Human Trafficking Statement for Fiscal Year 2021 (Tentative Translation)

<https://www.nikon.com/company/sustainability/society-labor/human-rights/uk-modern-slavery2022.pdf>

Labor Relations

The Nikon Group respects basic labor rights and is committed to human rights as described in the Nikon Human Rights Policy following the International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work.

At Nikon, the Nikon Labor Union has been organized, which is a member of the Japanese Association of Metal, Machinery, and Manufacturing Workers (JAM), itself mostly made up of employees of SMEs in the metal and machine industries. As of March 31, 2023, the Nikon Labor Union had 4,067 members, and 78.8% of Nikon employees were members of the union. When implementing measures related to the personnel system or work styles, we strive for full consultation with the Nikon Labor Union. Nikon also holds joint study meetings with the Nikon Labor Union, and exchanges opinions as necessary.

At Group companies in Japan, Nikon Labor Union branch or employee-elected representatives are responsible for discussing with their company. At Group companies outside Japan, issues are discussed either by the company's in-house union or through consultations with an outside labor union to which employees belong. At companies where there is no labor union, we hold briefings for all employees, dialogue with employee groups, and face-to-face meetings with individual employees.

When ordering an employee to change the job description and/or work location, the Nikon Group will discuss with their union or employee representative and informs the employee within a sufficient period of time.