

CSR Promotion System

We are promoting initiatives to achieve sustainable society by fulfilling our social responsibility across the whole Group through a system centering the CSR Committee.

CSR Promotion System

We have built a structure for efficient and effective CSR activities to support the sustainable growth of society and also continue the growth of our own companies at the Nikon Group. The heart of this structure is the CSR Committee that is chaired by the chairman with members drawn from the Executive Committee.

The CSR Committee convenes twice a year to set goals, receive reports on progress for all activities, to issue directions for improvement as required, and to take decisions about overall CSR activities. The Business Conduct Committee and the Environmental Committee have also been established as specialist sub-committees to further initiatives while liaising with the CSR Committee.

CSR Promotion in Overseas Group Companies

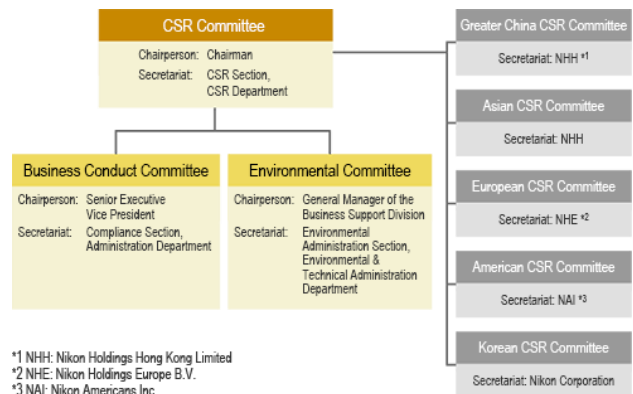
As a high percentage of the Nikon Group's sales and employees are based overseas, the expansion of CSR activities at overseas Group Companies is vital. However, it is difficult to promote CSR activities equally in countries and regions with different social backgrounds, such as culture and language. So, we have positioned the supervision and promotion of CSR to each holding company to consider the characteristics of each region to advance consistent initiatives throughout the Group. Nikon Group currently divides areas it operates in to six countries and regions -- Japan, Chinese regions*, Asia, Europe, the Americas, and Korea. Additionally, we are promoting CSR through establishing CSR Committees consisting of Group company directors in each region, and CSR Communication Meetings consisting of CSR coordinator in each company.

The CSR Global Communication meeting was held at the Head Office in the year ended March 31, 2016 with representatives from the CSR departments of holding companies. In addition to sharing social trends and the progress of activities in each region, they reviewed existing CSR issues and discussed on points of improvement. We will continue to promote CSR unified as a Group through close cooperation.

* Greater China refers to China, Hong Kong and Taiwan. The Asia Region refers to Asian countries excluding Greater China and Korea, Oceania, and the Middle East.

➤ [Priority Issues Set Forth in the CSR Medium-term Plan \(P19\)](#)

CSR Promotion Organization (As of March 31, 2016)



*1 NHH: Nikon Holdings Hong Kong Limited
 *2 NHE: Nikon Holdings Europe B.V.
 *3 NAI: Nikon Americans Inc.

Main Activities by Region During the Year Ended March 2016

Country/region	Main activities
Japan (Group wide)	<ul style="list-style-type: none"> - Revising priority issues for CSR - Start of surveys to understand the progress of raising CSR awareness - Implementation of communication risk education for employees involved with advertising and promotion - Revision of monitoring within the Group
Greater China	<ul style="list-style-type: none"> - Publication of the fourth Chinese CSR report - Confirmation of the effectiveness for multiple contact windows in the in-house consulting system
Asia	<ul style="list-style-type: none"> - Development of the Asian anti-bribery guideline - Confirmation of the awareness, etc., about the in-house consulting system through awareness survey
Europe	<ul style="list-style-type: none"> - Introduction of consistent e-Learning tools in Europe - Renewal of the in-house consulting system and implementation of internal contact window for representatives of Group companies
Americas	<ul style="list-style-type: none"> - Development of the Americas anti-bribery guidelines - Revision of the contact window of the in-house consulting system and thorough reaffirmation of the usage method - Formulation of the donation and contribution guidelines
Korea	<ul style="list-style-type: none"> - Development of the Korean anti-bribery guideline - Implemented education about the code of conduct

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Environmental Management	Supply Chain Management	Respect for Human Rights	Labor Practices	Product Responsibility	Community Contribution Activities

■ Revision of monitoring within the Group

We conduct CSR activities throughout the entire group based on the Nikon Corporate Social Responsibility Charter and Nikon Code of Conduct, but we are also confirm whether these activities are suited to the international requirement levels and to implement an experimental check in the year ended March 31, 2016 to raise the level of Group-wide activities. We specifically conducted on-site surveys through an external auditor for the status of the ethics, labor, safety and health, environment, and management system by using the Nikon CSR Procurement Standards created following the code of conduct from the Electronic Industry Citizenship Coalition (EICC), which is the global standard of the electronics industry, at one Nikon business facility and three Group companies in Japan and overseas. As a result, we discovered some differences in level of activities by regions, business facilities, and Group companies. We have put a plan to review the existing standards and policies in the year ending March 31, 2017 to solve this issue.

Raising CSR Awareness of Employees

The Nikon Group began issuing a CSR newsletter to all Nikon Group employees in fifteen languages in January 2015 for the purpose of raising the CSR awareness of employees. The newsletter is filled with CSR topics of attention worldwide, reflecting the opinions from the CSR departments of overseas regional holding companies from the planning stage. Five editions were published in the year ended March 31, 2016 to introduce news related to compliance, activity examples of the best practices in Group companies, and CSR trends worldwide.

■ Measuring CSR Awareness of Employees

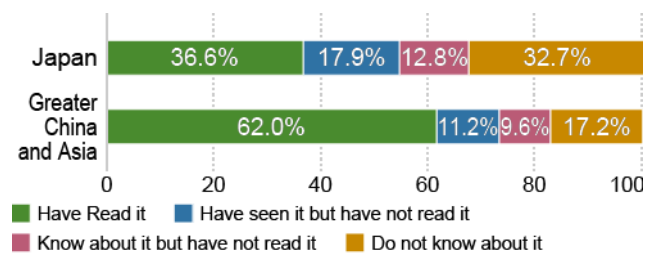
Raising the awareness of each and every employee is vital to strengthening CSR throughout the entire Group and responding to the expectations of society. Therefore, we started CSR awareness surveys at the Nikon Group to measure the current level of employee awareness as well as effectiveness and progress after the education and enlightenment efforts.

More specifically, we added some questions in our current compliance survey, to measure the CSR awareness, and evaluate the results on a yearly basis. We implemented this monitoring in Japan, Greater China, and Asia in the year ended March 31, 2016 and plan to conduct it in Europe, the Americas,

and Korea in the year ending March 31, 2017. The awareness of the CSR newsletter in the survey results was 73% in Greater China and Asia as well as 55% in Japan. We believe raising the awareness level of the CSR newsletter is important, and we are working to achieve over 70% awareness of it as the entire Group in the year ending March 31, 2017.

Results of the CSR Awareness Survey

CSR Newsletter



Avoiding Communication Risks in Advertising

In Nikon Group, the BtoC business has a large ratio in sales revenue, therefore we need to pay attention to CSR aspects of the targets selected and the messages sent. It is quite important to build a check system so that we do not include unintentional messages such as infringement of human rights, discrimination, and environmental disvalue without being aware of it due to the differences in values. Each and every employee related to advertising promotions is required to have a high awareness and sensitivity toward society.

The Nikon Group launched the project against communication risk centered around the imaging business and implemented the risk analysis based on interview survey as well as the education to employees in charge (50 employees attended in Japan and Asia) in May 2015. We also provided reminders for CSR related matters in these activities.