

CEO Message

Toward a Sustainable Future



Toshikazu Umatate

Toshikazu Umatate
Representative Director and Chairman, CEO

Sustainability at Nikon

The Nikon Group aims to contribute to a sustainable society and achieve sustainable growth by putting into practice the Nikon philosophy of Trustworthiness and Creativity through our business activities. In line with this policy, we view our Sustainability Strategy to be one of the underlying foundations for us to achieve Vision 2030, *a key technology solutions company in a global society where humans and machines co-create seamlessly*. We pursue sustainability and businesses as one and the same.

Tragic conflicts continue around the world, and natural disasters causing significant damage are occurring with greater frequency. As a person focused on a sustainable future, I hope to see peaceful resolutions and recoveries as quickly as possible. As a global company, Nikon contributes to healthy environments for more prosperous and happy lives by mobilizing our strengths, including our technologies, brands, and networks.

Greater Abundance Through Our Business Activities

Over our more than 100-year history, Nikon has contributed to society, helping humanity use machines to explore new worlds, live new experiences, and achieve new possibilities through opto-electronics and precision technologies. As an example, microscopes contribute to the advancement of research across a wide range of fields, including medicine and life sciences. Cameras contribute to higher degrees of expression and enrichment of the spirit. Lithography systems, which are indispensable for the manufacture of semiconductors and FPDs, underpin the development of a convenient and comfortable IT society.

Society is entering a new stage of transition called *Industry 5.0*. We are determined to make society more sustainable and create more prosperity and happiness, playing an important role in this transition through our technologies and expertise. Based on this commitment, our Medium-Term Management Plan describes an evolution away from a business selling end products mainly toward strengthening the delivery of integrated solutions that encompass end products, services, and components. Our plan calls for developing business in two value domains: Industry that expands possibilities for people

and Quality of Life (QOL) that make lives better. Our greatest contributions will be in the areas of safety and work environment, decarbonization, circular systems for resources, health, and enriched spirits.

Innovation in the World of Manufacturing

We pursue a variety of initiatives to expand value creation across these five areas. The Digital Manufacturing Business is one of our strategic businesses. Here, we acquired the SLM Solutions Group AG (SLM) of Germany, a global leader in metal additive manufacturing solutions, making the company a wholly owned subsidiary in September 2023. In April 2023, prior to this acquisition, we established Nikon Advanced Manufacturing, Inc. as a global headquarters for our Additive Manufacturing Business on the West Coast of the United States, which is home to a concentration of aerospace industry and high-tech companies that have a large and growing needs for precision metal processing. This is the first time in our more than 100-year history that the global headquarters of a Nikon business unit is located outside Japan. The combination of SLM, now a subsidiary, Nikon AM Synergy Inc., which develops applications for aerospace components in the United States, and Nikon technology and expertise will bring innovation to the world of manufacturing.

A Company That Fosters Personal Development

I believe that human resources are of particular importance as we make major changes in the structures of our businesses and companies. This is why I took a personal hand in forming an HR team headed by myself. We continue regular discussions of what kind of human resources we need, the qualities and skills we seek for each business, and the measures we will take to acquire talent, develop talent, and leverage talent.

It is essential that we become a group of professionals who work with initiative, knowledge, and skills to propose optimal solutions that coordinate internal and external resources, always acting with the success of our client in mind. Nikon outlines a clear direction for company and organizational goals, incorporating these considerations

into our human resources strategy, providing opportunities for diverse employees to maximize their abilities. At the same time, we expect our employees to make the most of every opportunity, continuing to improve their skills proactively. Nikon supports the efforts of employees who strive for growth, and both fairly and impartially reward those employees who produce results and contribute to the company. Our aim is to be an organization in which employees can experience growth for themselves while helping Nikon grow as well.

Aiming for Further Growth

Nikon has continued discussions on optimizing the composition of our Board of Directors. Since June 2023, we had two female directors and half of the Board were external directors. Since June 2024, the chairperson of the Board has been an external director and the majority of the Board consists of external directors, further guaranteeing independence.

In April 2024, we transitioned to a management structure led by Mr. Tokunari as president and COO, and me as chairman and CEO. I have determined our management policy as we travel steadily toward a 2030 Vision as described in our Medium-Term Management Plan. At the same time, Tokunari leads the execution of growth strategies, including M&A and capital investment, while strengthening our business management systems and infrastructure, including profit management and risk management. Leveraging our different backgrounds, the two of us work hard to achieve further growth and social contributions at Nikon.

I ask you, our stakeholders, for your continued support and lofty expectations of the Nikon Group.

July 2024