

Risk Management

Sustainability Risk Management

The Nikon Group established the Risk Management Committee, chaired by the chief risk officer (CRO), to respond properly to risks that could have a critical impact on corporate management.

To identify risks across the Nikon Group, the Risk Management Committee conducts risk identification surveys and prepares a risk map based on the results of these surveys. This risk map depicts the scale and probability of certain risks. The Risk Management Committee identifies risks requiring a special response, designating a priority from a management perspective (top priority risks). The committee decisions are based on information from three subordinate entities: the Quality Committee, the Export Control Committee, and Compliance Committee. The Sustainability Committee also provides risk-related information. The Risk Management Committee issues directions for action and manages progress. The Board of Directors receives these reports and supervises Nikon Group risk and risk management overall. Internal audits conducted by the Internal Audit Department confirm the adequacy of risk management.

The Risk Management Committee and Sustainability Committee hold liaison meetings regularly to share reports, identify issues and matters for both committees to address in the future, and work together in forming responses to risks as necessary.

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Understanding and identifying sustainability risks and opportunities

The Nikon Group strives to understand risks and opportunities around materiality through external ESG surveys and analysis of the results, information gathering from industry associations, dialogue with stakeholders, RBA self-checks, internal sustainability surveys, and CSR surveys/audits of procurement partners. The Sustainability Committee, subordinate committee secretariats, and relevant departments communicate and evaluate the risks and opportunities identified in a timely manner. The Sustainability Committee or subcommittees consult with the Director in charge of sustainability regarding risks identified as significant. These risks are added to meeting agendas for discussion and action planning.

During the process of reviewing materiality, the Group identifies and assesses risks and opportunities related to sustainability in general, referencing these risks and opportunities when selecting materialities.