

Nikon Group Slavery and Human Trafficking Statement for the fiscal year ended March 2024

This statement is made in accordance with the Federal *Fighting Against Forced Labour and Child Labour in Supply Chain Act, 2024*, for the fiscal year ending March 31, 2024 (“FY2023”). The only reporting entity for purposes of this report is Nikon Canada Inc (“Nikon Canada”). The policies and procedures with respect to forced and child labour at Nikon Canada are the same as those that apply to The Nikon Group, Nikon Corporation, and its other consolidated subsidiaries (“Nikon” or “we”) more generally. Nikon endeavours to ensure that there are no human rights violations through our own business operations or our supply chains. To confirm the factual accuracy of the statements above regarding application of the policies

A.) Its structure, activities, and supply chains

Nikon has been engaged in various business fields, such as Imaging Products (digital cameras and interchangeable lenses, Healthcare (microscopes and retinal diagnostic imaging systems), and others, based on the opto-electronic and precision technologies that Nikon has developed since its establishment in 1917. Nikon manufactures and sells such equipment and apparatuses. Details of our company and business information can be found on the “Corporate Information” page of the Nikon Corporation’s website.

Nikon’s product parts and a small portion of the final products are supplied from external procurement partners, in and outside of Japan. More than 90% (calculated by the transaction amount in the country in which they are located) of procurement partners are based in Japan, China, and Southeast Asia. Details can be found on the “Sustainability Report” page of the Nikon Corporation’s website. Nikon Canada engaged in the business of sales and distribution of product manufactured by Nikon Corporation.

<https://www.nikon.com/about/sustainability/report/>

B.) Its policies and its due diligence processes in relation to forced labour and child labour

Nikon Code of Conduct/ Nikon Human Rights Policy

Nikon has the “Nikon Code of Conduct” was revised in April 2024 (“Code”) in place where we set out our stance on social responsibility and the standard of conduct for individuals who work for Nikon. (See [Nikon Code of Conduct](#)). The Code includes the sections of “Respect for Human Rights” and “Social Responsibility in the Supply Chain”, where we clarify our stance against forced labour and child labour not only with respect to Nikon, but also our suppliers and business partners.

Furthermore, we launched our “Nikon Human Rights Policy” (“Policy”) [Nikon Human Rights Policy](#) in April 2019 in order to provide further detail on our approach to addressing human rights issues related to our business activities, based on the Code. We all ” state our commitment to respect the ten principles of the United Nations Global Compact, International Bill of Human Rights, International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, as well as the United Nations Guiding Principles on Business and Human Rights.

In the Policy, we identify seven issues as particularly relevant to our business that we commit to addressing, including “Prohibition of Forced Labour and Child Labour” and “Working Hours and Wages”. We seek to continually improve our approach to address these issues.

Nikon is a member of the Responsible Business Alliance (RBA), the world’s largest industry coalition dedicated to corporate social responsibility (CSR) in global supply chain. Nikon strives to comply with the RBA’s code of conduct which specifies responsibilities for member companies, such as to improve working environments in their own organization and supply chains or to support the rights and wellbeing of employees.

Nikon CSR Procurement Standards

The Nikon Group recognizes that CSR procurement activities are essential for the sustainable development of business, both for ourselves and for our procurement partners. As for our supply chain, we require our procurement partners to comply with the “Nikon CSR Procurement Standards”

CSR Procurement Policy which defines our stance on CSR. The Standards are based on the RBA’s code of conduct, which articulates the prohibition of forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons and the prohibition of child labour, as well as the requirements on working hours and wages.

Responsible Minerals Sourcing Policy

In response to issues related to conflict minerals, we stipulated the “Responsible Minerals Sourcing Policy.” Recognizing there are mineral resources that are extracted and traded in conflict-affected and high-risk areas which may become a source of human rights abuses that include child labour and forced labour, or a source of environmental destruction, conflict, and social injustice, we are collaborating with our procurement partners on surveys of conflict mineral sources and on due diligence.

Details can be found on the “Responsible Minerals Sourcing Report” page of the Nikon Corporation’s website. https://www.jp.nikon.com/company/sustainability/society-labor/supply-chain/Responsible_Minerals_Sourcing_Report_2022_Survey.pdf

C.) The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk

In our Human Rights Policy, we identify seven human rights issues as particularly relevant issues to our business; “Prohibition of Forced Labour and Child Labour”, “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”. We seek to continually improve our approach to address these issues.

Confirmation of the presence of immigrant workers and foreign technical interns

Within Nikon, we conduct human rights and labour monitoring surveys annually to help ensure child and forced labour practices are not occurring.

D.) Any measures taken to remediate any forced labour or child labour

In FY2022, we conducted education and self-assessments on the RBA Code of Conduct for a total of eighteen domestic and overseas production sites to assess the level of adherence to the RBA Code of Conduct across the entire group. In FY2023, we held explanatory sessions on the results of the self-assessment of the RBA Code of Conduct conducted in FY2022 and provided feedback to the sites. Each site developed improvement plans based on these results. Furthermore, we disseminated the manual for preventing child labor, which was established in FY2022, to all domestic and overseas sites and subsidiaries. In FY2024, we plan to implement the improvement plans formulated.

E.) How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains

Reporting and consultation system

We have internal as well as regional or local external hotline(s) by which they can report if they become aware of an actual or potential violation of the Nikon Code of Conduct. Our employees can use the hotline(s) anonymously.

F.) The training provided to employees on forced labour and child labour

We consider it important to raise awareness and increase sensitivity on human rights risks among employees for our company to respond to human rights issues including modern slavery and human trafficking.

In FY2023, we continued to conduct training on human rights for all directors and employees in Nikon group companies in Japan through e-learning as in the previous period. The completion rate was 95%. Every year on World Human Rights Day in December, the CEO's message outlining our principle on respecting human rights is communicated to employees globally via our newsletter. To strengthen and ensure Nikon Group's commitment to respecting human rights, we advocated for the establishment of a work environment where the rights of all employees by the theme "Respecting Human Rights is at the Core of DEI". In December 2023, we held a human rights event titled "Towards World Human Rights Day 2023", targeting our domestic employees. The event included a series of talk sessions focusing on human rights, which lasted for approximately one month and saw the participation of numerous employees. Additionally, as part of our training program for new employees, we conducted training sessions with a focus on human rights.

In Canada, we had training sessions on modern slavery and human trafficking, to all employees but also in particular those who are in the functions to hire people, to procure/purchase goods & services.

G.) Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains

Procurement partners - We hold biannual Supply Chain Committee meetings, consisting of key members such as the Quality Department Manager, Procurement Department Manager, and Presidents of domestic and overseas group production companies, to discuss and review activity reports and plans for building a resilient supply chain. Under the umbrella of the Headquarters Committee, we have established the Sustainable Procurement Promotion Meeting (held monthly) and the Green Procurement Promotion Meeting (held twice a year). These meetings collaborate with procurement departments and related divisions of each business unit, as well as administrative departments of manufacturing facilities, to drive specific activities towards building a resilient supply chain. Furthermore, we conduct annual training sessions for internal practitioners involved in procurement and new employees, deepening their understanding of the fundamentals and context of procurement operations to enhance supply chain stability and promote procurement activities that consider the environment and society. In FY2023, we introduced a new session on the importance of protecting human rights and how they relate to procurement operations. We also use a recording of a lecture by the certified non-profit organization Terra Renaissance as teaching material to deepen understanding of the issue of conflict minerals and how these issues relate to procurement activities for all employees.

Employee of our procurement departments and sections In Nikon Group, we hold annual briefing sessions to help our procurement partners understand our ESG policies and perspectives. In FY2023, we revamped the traditional partner briefing session and organized the "Sustainable Procurement Briefing 2023" with a new name and content. This briefing session was conducted over two days, with a total of four sessions targeting procurement partners from Japan, China, and Thailand, and we had the participation of 996 companies and 1,158 attendees. Additionally, we recognized and commended procurement partners who contributed with flexible, prompt, and resilient approaches to quality management and ESG promotion. Furthermore, we emphasized the importance of corporate responsibility and efforts towards human rights and encouraged promotion and collaboration.

Supply Chain Building a resilient supply chain

Nikon recognizes the establishment of a resilient supply chain as a material issue and has set a goal to achieve a 100% implementation rate of human rights due diligence for key procurement partners by FY2025. Key procurement partners are selected based on factors such as procurement amount, importance of procurement parts, availability of substitutes, and location as well as environmental, social, and governance risk assessments (ESG evaluations). A CSR survey (self-assessment method) is conducted every three years for these key partners. Furthermore, for procurement partners deemed to have high CSR procurement risks or deemed to be important, an annual CSR audit (third-party audit) is conducted to confirm risks in the supply chain, including modern slavery and human trafficking, and we request and provide support for improvements. We may review the business relationship with procurement partners who are found to have significant violations of Nikon's CSR procurement standards, who do not cooperate sufficiently toward survey or audits, or who fail to make any improvements regarding identified issues.

CSR Survey and Audit

In FY2023, which was the first year of the three-year cycle for CSR surveys, we conducted CSR survey assessments for 247 key primary procurement partners and confirmed that 227 partners met the target criteria. Additionally, we requested improvement to twenty partners for non-compliance with labor, health and safety, environmental, and ethical standards. We requested the development of improvement plans, and we will monitor the progress and verify improvement results based on evidence, aiming to complete the improvements by the end of FY2024. Furthermore, we conducted CSR audits for three partners. Among them, one partner and the two partners audited last year had several issues identified in terms of labor, health and safety, ethics, and management systems. Prioritized issues included "the lack of notification of contract details in written form for fixed-term employment", "unnecessary medical checks prior to employment", "lack of policy and procedures for non-discrimination and response to discrimination", "unpaid health examination fees for new hires", "lack of notification of special retirement benefits at the end of employment contracts", and "long working hours". We requested improvements for these issues and confirmed their completion. For the remaining two partners, we will similarly issue improvement requests and provide support, aiming to complete the improvements by the end of FY2024.

For the twenty new procurement partners, we conducted CSR survey assessments and confirmed that they met the target criteria before commencing the business relationship. Additionally, we conducted CSR survey assessments for thirty key partners in secondary procurement and beyond and confirmed that they met the target criteria.

In FY2024, in addition to continuing improvement activities for the identified issues from the previous year, we plan to expand the scope to include assessment of procurement partners from M&A activities.

Responsible minerals sourcing

Considering conflict mineral issues, we endeavour to prevent human rights violations, such as modern slavery and human trafficking, through implementing our Responsible Minerals Sourcing Policy and conducting investigations of our product components on usage and supply chain of mineral resource. In FY2023, regarding the cobalt survey, we expanded the survey scope and conducted surveys in seven business units in addition to the ongoing 3TG* surveys towards products of all Business Units. We have started making donations to the Resilience Enhancement Project conducted by the certified non-profit organization Terra Renaissance in the Democratic Republic of Congo to support the people affected by human rights abuses related to minerals from FY2023. We organized an in-house lecture by the certified non-profit organization Terra Renaissance to deepen our understanding of the conflict minerals issue.

*Tin, tantalum, tungsten, and gold.

NIKON CANADA INC.
(the "Corporation")

RESOLUTIONS OF THE BOARD OF DIRECTORS

I. *Modern Slavery Act*

WHEREAS, the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada) (the "Modern Slavery Act") came into force on January 1, 2024 and requires, among other things, that businesses subject to the Modern Slavery Act prepare and file a report each year on, among other things, the steps that the business has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used in its supply chain;

WHEREAS, the Company has prepared its report for the financial year ended March 31, 2023, in response to the requirements under the Modern Slavery Act (the "Modern Slavery Report"), a copy of which has been provided to the Board; and

WHEREAS, the Modern Slavery Act requires that the Modern Slavery Report be approved by the Board and that an attestation be provided by a member of the Board prior to its filing with the Minister of Public Safety and Emergency Preparedness (the "Minister").

RESOLVED THAT:

1. The Modern Slavery Report, as presented to the Board, is hereby authorized and approved by the Company, subject to such further non-material changes thereto as may be approved by any director of the Company, such approval to be conclusively evidenced by the signing of the Modern Slavery Report by such director; Any director of the Corporation is authorized and directed to sign the financial statements on behalf of the board.
2. Any director of the Company is hereby authorized, for and on behalf of the Company to sign the Modern Slavery Report and the attestation contained therein;
3. Any director or officer of the Company is hereby authorized to file the Modern Slavery Report with the Minister;
4. Any director or officer of the Company is hereby authorized and directed to submit to Public Safety Canada a completed questionnaire with respect to forced labour and child labour in the form provided by Public Safety Canada through its online portal, as such officer deems necessary or advisable, provided that the content of the responses to such questionnaire are consistent with the Modern Slavery Report to the extent applicable; and
5. Any director or officer of the Company is hereby authorized and directed, for and on behalf of the Company, to take such actions and execute all such documents or other instruments as such officer deems necessary or advisable in order to complete the matters provided for herein, the execution and delivery of such documents or other instruments and the doing of any such other act by such officer to be conclusive evidence of such determination.

II. General

RESOLVED THAT:

5.

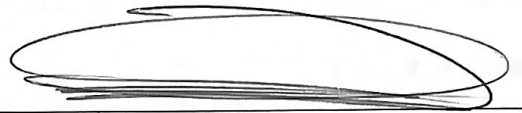
These resolutions may be executed in counterparts and by means of facsimile or portable document format (PDF), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

The foregoing resolutions are passed as evidenced by the signatures of all the directors of the Corporation pursuant to the provisions of the *Canada Business Corporations Act*.

DATED as of May 24, 2024.



Naoki Onozato



Michael N. Finch