

Materiality 9

Employees' Health and Safety



Reasons for Priority

Employees' health and safety are the foundations of the company's activities. Ensuring health and safety requires systems and work environments in which employees understand the importance of their own health and safety and participate voluntarily in health and safety activities. Such activities include medical checkups, health and safety training, and safety-related risk assessments.

Commitment

To achieve Vision 2030 as defined in our Medium-Term Management Plan, the Nikon Group is committed to creating workplace environments in which all Group employees can work with a sense of health, safety, and well-being. Specifically, the Company and employees work together to implement the following priority issues as outlined in the Nikon Group Health and Safety Declaration of March 2023.

1. Maintaining and promoting good health of the employees (increasing health literacy)
2. Preventing occupational accidents through thorough legal compliance and safety management
3. Creating a vibrant work environment through dialogue (making two-way communication easier and more comfortable for both parties)

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【Activity Policies】

- Nikon Group Health and Safety Activity Policy

【Organizations】

- Central Health and Safety Committee Meeting
- Safty and Health 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
The Company and employees aim to improve health and safety and to eliminate occupational accidents and illnesses, engaging in a PDCA cycle globally based on policy and targets.	Build a system for the global management of occupational health and safety, and use this as the basis for promoting the PDCA cycle	3,8	Nikon Group in Japan	Reduce the annual incidence of occupational accidents attributable to work or related to the performance of work to 40 cases or less	We conducted accident risk confirmations and safety education as planned; we noted 27 cases of applicable occupational accidents for the full year.	○
			Group companies outside Japan	Re-establish a global health and safety management system to reduce work-related and work performance-related accidents.	Confirmed measures taken at two Group companies in Europe and two Group companies in Asia where applicable occupational accidents occurred.	○

Employees' Health and Safety

Basic Approach

Every year, the Nikon Group defines priority issues and achievement standards within the Nikon Group Health and Safety Activity Policy. By conducting health and safety activities based on this policy, we aim to ensure the health and safety of our employees, who are the foundation of our corporate activities, as well as to improve employee productivity.

At the Central Health and Safety Committee Meeting held March 2023, the committee made the decision to advocate for a new Health and Safety Declaration. The committee also identified three priority issues to achieve this declaration, stated in the Nikon Group Health and Safety Policy. We began operating under this new policy in fiscal year 2023, defining the standards of achievement for each fiscal year under Health and Safety Activities.

Health and Safety Activities in Fiscal Year 2023 (→ p.129)

Nikon Group Health and Safety Activity Policy in Fiscal Year 2022

■ Priority Issue 1: Preventing the Spread of COVID-19*

Standard for achievement: Zero suspensions of departmental operations due to the spread of infectious diseases

Example of measures undertaken

- Formulated and raised awareness of the COVID-19 Response Guidelines
- Had industrial physicians confirm and perform health checkups for employees traveling overseas, etc.
- Conducted workplace vaccinations

■ Priority Issue 2: Preventing Occupational Accidents*

Standard for Achievement: the Nikon Group in Japan most likely arising out of, or in the course of, the performance of duties at or below 40 for the fiscal year.

Example of measures undertaken

- Workplace inspections led by the general health and safety manager
- On-site verification of work risks and risk assessments
- Safety training and seminars for senior employees, etc., to raise awareness of fall accidents

■ Priority Issue 3: Rebuilding the Nikon Group Health and Safety Management System

Standard for achievement: Strengthen collaboration among Nikon Group health and safety staff

Example of measures undertaken

- Held liaison conferences with Group companies in Japan
- Built a health and safety management system for small-scale business locations
- Re-established our global health and safety management system

* For Japan

Health and Safety Declaration, Priority Issues Under the Nikon Group Health and Safety Policy

■ Health and Safety Declaration

We will create workplaces where all those who work in Nikon Group can feel safe in the knowledge that their health, safety, and general well-being are a priority for the respective companies. With that knowledge, each and every employee will perform their duties willingly and enthusiastically to help the Nikon Group achieve its goal of becoming *a key technology solutions company in a global society where humans and machines co-create seamlessly.*

■ Major Issues

1. Maintaining and promotion good health of the employees (increasing health literacy)

Employees will be aware of the importance of good physical and mental health, and will take an active role in checking, maintaining, and improving their health.

2. Preventing occupational accidents through thorough legal compliance and safety management

Under the respective health and safety management systems, we will carry out preventative measures, such as safety patrols, work risk assessments, safety education, and activities that develop employees' ability to sense and identify danger in the workplace. Accident case studies from, and safety activities implemented by, Nikon Group around the world will be shared and used to develop measures that prevent recurrence at any Group company.

3. Creating a vibrant work environment through dialogue (making two-way communication easier and more comfortable for both parties)

We will create a pleasant and rewarding work environment through promoting mutual understanding, trust, and a sense of solidarity.

System

We established the Central Health and Safety Committee Meeting, which consists of representatives from both labor and management and chaired by the general manager of the Group Governance & Administration Division, who is also a representative director.

This Central Health and Safety Committee Meeting conducts assessments and verifies the status of regular health checkups, health checkups for employees working excessive overtime, stress checks, etc. The committee also assesses and verifies occupational accidents (analyzed by business site, accident type, and attribute) occurring in the Nikon Group in Japan. After work is completed in the committee, we deliberate and approve Health and Safety Activities for the upcoming fiscal year based on the Nikon Group Health and Safety Policy. These Health and Safety Activities define standards of achievement for each priority issue and provides examples of effective measures, which we communicate throughout the Nikon Group in and outside Japan. Each of the Nikon Group business locations in Japan conducts health and safety activities in accordance with occupational health and safety laws, regulations, and the Nikon Health and Safety Regulations. As one example of activities conducted to deter occupational accidents, the general health and safety manager of each business location takes the lead in performing regular on-site inspections.

Group companies outside Japan follow the laws of their respective countries to establish health and safety management systems. Every year, Nikon conducts a survey of Group companies outside Japan regarding occupational accidents. We also share information on accidents that have occurred in the Nikon Group in Japan with our Group companies outside Japan.

Regarding certification in relation to international occupational health and safety management system standards, Sendai Nikon Corporation and Nikon (Thailand) Co., Ltd. have both received ISO 45001 certification.

Raising Health and Safety Management Standards

The Nikon Group has established specific measures and schedules for activities to fulfill the standards of achievement for each priority issue identified in accordance with the Nikon Group Health and Safety Activity Policy. In fiscal year 2022, we cleared all achievement standards for each priority issue.

Initiatives in Japan

In fiscal year 2022, we conducted the following activities for the Nikon Group in Japan.

Safety and Health Education

As in previous years, we conducted special education programs that include training at the time of hiring in accordance with the Industrial Safety and Health Act, training for forepersons, training for workers involved in organic solvent operations, etc. In fiscal year 2022, we placed particular emphasis on safety awareness seminars for senior employees with reference to the Ministry of Health, Labor and Welfare's Guidelines for Ensuring the Safety and Health of Older Workers (Age-Friendly Guidelines) and physical fitness measurement events to prevent accidents involving falls. Each business location conducts evacuation drills based on the business continuity management (BCM) implementation guidelines. These locations also conduct lifesaving training and traffic safety education under the guidance of local police departments. We include on-site contractors in these activities, routinely sharing information on risks related to COVID-19, occupational accidents, safety education.

● Number of Participants in Major Education and Seminars at Nikon Group in Japan

Education/Seminars	Number of Participants (): On-site contractors
New hires	615
Basic safety training	1,001 (27)
Foreperson training	127
Training for workers involved with organic solvents, etc.	96
Competency improvement training for organic solvent supervisors	14
Forklift safety, high pressure gas safety training, etc.	324 (25)
Health promotion events	894 (6)
Traffic safety training, etc.	3,668 (24)

Assessments

We conducted occupation risk assessments in fiscal year 2022 with an emphasis on entanglement and entrapment accidents and cuts and scrape accidents related to the use and maintenance of machinery and equipment. In addition, the general health and safety manager over each business location conducted regular inspections and various in collaboration with engineering management and environmental management divisions.

The Nikon Group in Japan strives to improve safety management standards through these types of education and assessments. In addition, we established an award system for individuals and departments that excel in health and safety activities to raise employee awareness and engage the workplace.

As a result of these activities, we noted 27 occupational accidents* attributed or related to work in fiscal year 2022. We cleared standards for achievement (less than 40). Among these accidents, only one involved contact with hazardous substances. We owe this favorable result to the contribution of safety education for organic solvent workers and chemical substance assessments. At the same time, we noted a high number of accidents involving entanglement, entrapment, cuts, or scrapes (14 incidents). We will continue to conduct work risk assessments focusing on these types of accidents and take measures in fiscal year 2023.

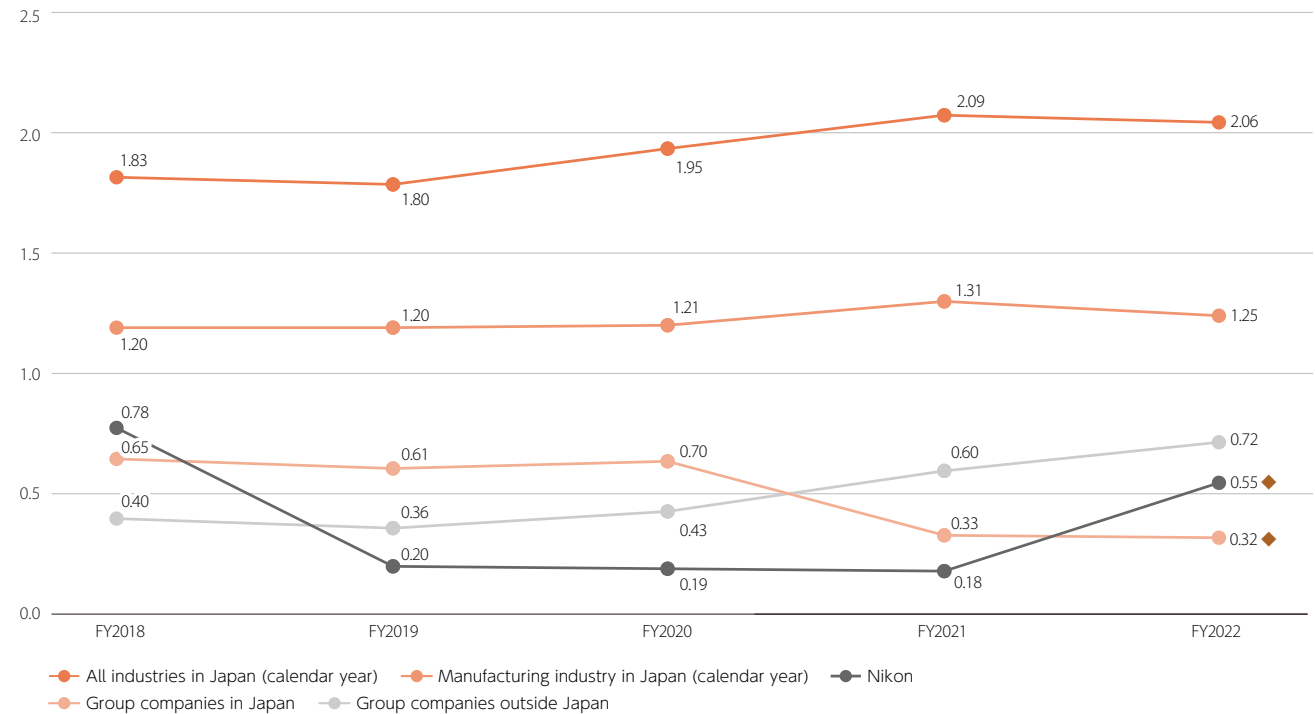
* Excluding traffic accidents while traveling on business, and excluding accidents involving falls, etc., where the accident was mainly due to individual carelessness.

Initiatives Outside Japan

At Group companies outside Japan, we are working to prevent occupational accidents under the respective health and safety management systems. Nikon conducts an annual survey of occupational accidents at Group companies outside Japan at the end of each fiscal year to confirm the situation at each company. We seek to prevent recurrence by requesting response measures and providing support by through shared examples of accidents and response measures taken by the Nikon Group in Japan.

Our fiscal year 2021 survey indicated numerous back pain accidents at certain Group companies in Europe due to imprudent movements. We asked these companies to conduct educational activities for their employees, including lifestyle reviews. In addition, for Group companies where occupational accidents of a work-related or work-performance nature occurred, we confirmed how they communicated the occurrence of occupational accidents and how they implemented measures to prevent recurrence. In particular, many accidents involving contact with hazardous substances and entanglement or entrapment occurred at Group companies in Asia. Therefore, we shared with these companies examples of the same type of accidents and preventive measures within the Nikon Group in Japan. We will continue to share information on safety training and conduct work risk assessments to deter occupational accidents.

● Frequency Rate of Lost Time Accidents (1 or More Days)*1



*1 Frequency rate: The number of deaths and injuries resulting from occupational accidents per million hours worked, which is used as an index for the frequency of occupational accidents.
 *There were 22 Group companies in Japan, including non-consolidated Group companies, in fiscal year 2022. For fiscal year 2022, we calculated frequency rates based on the total number of deemed working hours at 45 Group companies outside Japan (excluding 16 entities of the SLM Group, etc.)
 ◆: Values in Data Index assured by third party

● Occupational Accidents Attributed/Related to Work

	FY2018	FY2019	FY2020	FY2021	FY2022
Nikon Group in Japan	38	29	19	21	27

*Fiscal year 2022 target: 40 cases or less

*Targeting 22 Group companies in Japan, including non-consolidated Group companies.

● Severity Rate of Lost Time Accidents (1 or More Days) *1

	FY2018	FY2019	FY2020	FY2021	FY2022
All industries in Japan (calendar year)	0.09	0.09	0.09	0.09	0.09
Manufacturing industry in Japan (calendar year)	0.10	0.10	0.07	0.06	0.08
Nikon	0.02	0.00	0.00	0.00	0.01◆
Group companies in Japan	0.02	0.01	0.01	0.00	0.00◆
Group companies in Europe	0.03	0.06	0.04	0.08	0.03
Group companies in the Americas	0.00	0.01	0.00	0.00	0.00
Group companies in Asia/Oceania	0.00	0.00	0.00	0.00	0.00
Nikon Group (total)	0.01	0.01	0.01	0.01	0.01

*1 Severity rate: The number of work days lost per 1,000 hours worked, which is used as an index for the severity of occupational accidents.

*There were 22 Group companies in Japan, including non-consolidated Group companies, in fiscal year 2022. For fiscal year 2022, we calculated severity rates based on the total number of deemed working hours at 45 Group companies outside Japan (excluding 16 entities of the SLM Group, etc.) A rate of 0.00 indicates a rate of less than 0.005.

◆: Values in Data Index assured by third party.

Maintaining and Improving Employee Health

In addition to careful health guidance by occupational health staff after periodic health checkups, Nikon also sponsors smoking cessation programs.

We also conduct the *Health Up at 35* health seminar, which combines mental health care awareness in one, walking competitions that provide an opportunity for employees to improve health, and health promotion events that take advantage of the special characteristics of each business location. In these ways and more, we strive to increase the number of employees who maintain healthy exercise habits.

	FY2020	FY2021	FY2022
Percentage of findings in regular health checkups*	50.0%	47.9%	48.4%
Smoking rates	16.4%	15.8%	15.6%
Exercise habit rates	20.8%	23.5%	22.4%

*Percentage of findings: Ratio of findings to the number of persons receiving company-sponsored medical checkups. A "finding" is defined as a person whose medical checkups results are other than normal.

In addition, Nikon formulated the Mental Health Promotion Plan, which not only supports employees with mental health concerns, but also encourages communications in the workplace. In fiscal year 2022, we once again conducted activities for stress self-care and to improve stress tolerance for young employees. In connection with health checkups for employees working excessive overtime and return-to-work support, we improved line care for managers and supervisors through individual consultations with and guidance from occupational health staff.

In recognition of our initiatives, including health guidance by occupational health staff after regular health checkups, smoking cessation programs, and education and execution of infection control measures against COVID-19, Nikon received certification as a Health and Productivity Management Organization 2023 in March 2023.



Health and Safety Activities in Fiscal Year 2023

At the Central Health and Safety Committee Meeting held in March 2023, we established standards of achievement for three priority issues related to the Health and Safety Activities in Fiscal Year 2023 under the Nikon Group Health and Safety Policy. In line with the details of these standards, we intend to develop initiatives for fiscal year 2023 to create workplaces with a sense of health, safety, and well-being.

Fiscal Year 2023 Health and Safety Activities —Achievement Standards for Each Major Issue

■ Major Issue 1 Maintaining and promoting good health of the employees (increasing health literacy)

Success criteria: Reduce the average rate of health issues discovered with regular checkups for employees of Nikon and Group companies in Japan to less than the national average

Example of measures undertaken

- Have occupational health staff review the results of checkups with employees, offer health guidance, and encourage employees to see a doctor when necessary.
- Health literacy education for all employees, including new hires (conducted when they are hired).
- Activities that increase awareness of the need to maintain and improve health.
- Employees aged 35 at Group companies in Japan will be asked to participate in a seminar for improving their health.

*The results of regular physicals conducted in 2023 will be compared with the 2022 national average announced by the Ministry of Health, Labor and Welfare.

■ Major issue 2 Preventing occupational accidents through thorough legal compliance safety management

Success criteria: Keep the number of occupational accidents at Nikon Group in and outside Japan most likely arising out of, or in the course of, the performance of duties at or below 60 for the fiscal year.

Examples of measures undertaken

- Safety patrols conducted under the respective health and safety management systems (at least once a month).
- Assess risks (whenever new equipment or tasks are introduced, and after an accident occurs).
- Safety education and activities that develop employees' ability to sense and identify danger in the workplace (throughout the year).
- Sharing information on health, safety, and accident risks with on-site contractors (at least once a month).
- Sharing and use of accident case studies and safety activities implemented to prevent the recurrence of accidents at any Group company (quarterly).
- Compliance with new regulations designed to prevent occupational accidents caused by chemical substances (throughout the year).

■ Major issues 3 Creating a vibrant work environment through dialogue (making two-way communication easier and more comfortable for both parties)

Success criteria: Improve the work environment through line care education (manager education on how to provide support to employees with health risks) based on group analysis of stress checks.

Examples of measures undertaken

- Recommend those experiencing high stress levels consult with occupational physicians; conduct group analysis of stress checks (second half of the year).
- Implement line care education.
- Provide individual counseling, including that based on requests from superiors (throughout the year).
- Encourage dialogue and communication (throughout the year).