

**OLYMPUS®**

Your Vision, Our Future

# CSR Report 2007

Olympus Corporate Social Responsibility Report



# Editorial Policy

The Olympus Group issued its first “Environmental Report” in 2000. Later in 2005 the Group redesigned the report and issued it as the “Corporate Social Responsibility Report,” enhancing reporting on the governance and social aspects of its activities. This report is organized based on the Olympus Group Corporate Conduct Charter (see page 4). The main points of each chapter are summarized below:

### Policies for Corporate Activities (Social Report)

Reports on our approach to relations with customers and business partners.

### Involvement with People (Social Report)

Reports on our consideration for the personalities, safety and health, and basic rights of our employees.

### Harmony with the Environment (Environmental Report)

Reports on our approach to environmental issues, based on the “Environmental Basic Plan 2006,” our 5-year action plan.

### Good Relations with Community (Social Report)

Reports on cooperation with local communities and approaches that contribute to social progress through our business activities.

## CSR Information

Our website provides comprehensive information about the Olympus Group’s CSR activities. This report includes information on the new efforts we have initiated during fiscal 2006 and other important facts selected from the website.

CSR Website:

<http://www.olympus-global.com/en/corc/csr/>

**This symbol refers you to the website ▶▶WEB**

To clarify the overview of Olympus Group activities, the “WEB” symbol shown in this report indicates the internet sites where associated information and case examples can be found.

See page 30 for details on how to use the website.

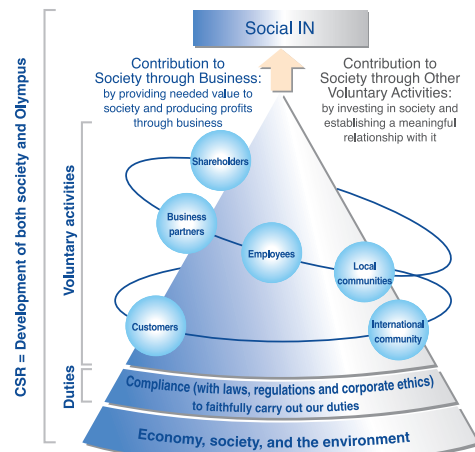
\* Please contact the CSR Department/Environmental Development Department if you cannot access our website after this report is issued.

## Relations between the Olympus Group and Stakeholders

The Olympus Group believes that we should fulfill our responsibilities to society through our businesses and through social contributions for various stakeholders. These are the people and organizations with whom we come into contact while carrying out our business activities, including customers, shareholders, employees, business partners, local communities and the global community at large. The Olympus Group shares in the changing business environment and social values with these stakeholders. We believe that by doing so, can we continue operations and contribute to realizing healthy and happy lives for everyone.

The Olympus Group believes that our CSR activities help us continually improve our corporate activities to achieve our management philosophy of “Social IN,” as described on page 4.

### ■ CSR concept of the Olympus Group



## Reference Guidelines

- “Sustainability Reporting Guidelines 2002” of GRI (Global Reporting Initiative)  
▶▶WEB
- “Environmental Reporting Guidelines (FY2003)” of the Ministry of the Environment, Japan  
\* Comparative tables for the GRI Guidelines and the Global Compact can be found on our website.  
▶▶WEB
- “Environmental Accounting Guidelines (FY2005)” of the Ministry of the Environment, Japan

### Scope of this CSR Report

Period: April 1, 2006–March 31, 2007

Organizations: All members of the Olympus Group, excluding the ITX Group

\* ITX Group is operated as an independent corporate group, therefore it is excluded from the scope of application, except in special circumstances.

### Main Scope of the Data

- Overview of the Olympus Group: Olympus Corporation, consolidated subsidiaries and affiliated companies

- Social Report:  
Olympus Corporation, Olympus Imaging Corporation, Olympus Medical Systems Corporation
- Environmental Report:  
[Japan]  
Olympus Corporation, Olympus Imaging Corp., Olympus Medical Systems Corp., Aomori Olympus Co., Ltd., Aizu Olympus Co., Ltd., Olympus Opto-Technologies Co., Ltd., Mishima Olympus Co., Ltd., Shirakawa Olympus Co., Ltd., Okaya Olympus Co., Ltd., Olympus Logitex Co., Ltd.

[Overseas]

Olympus (Shenzhen) Industrial Ltd. (China), Olympus (Guangzhou) Industrial Ltd. (China), Olympus Winter & Ibe GmbH (Germany), Olympus Life and Material Science Europe [Irish Branch] (Ireland), KeyMed (Medical & Industrial Equipment) Ltd. (U.K.), Olympus America Inc. (USA), Olympus Medical Equipment Service America Inc., National Service Center (USA)

\* The data of companies other than those listed above, used with the objective to actively disclose information to stakeholders, is shown separately.

\* Environmental data in this report may differ from that in past reports or on the website as a result of checks and modifications in the reporting of our environmental activities.

# Overview of the Olympus Group

Please refer to our IR (Investor Relations) information on the website for the latest detailed information.

## ▶▶ WEB Investor Relations

<http://www.olympus-global.com/en/corc/ir/>

### Olympus Corporation

Established: October 12, 1919

Headquarters: Shinjuku Monolith, 3-1 Nishi-Shinjuku 2-chome, Shinjuku-ku, Tokyo 163-0914, Japan

Business line: Manufacture and sale of precision machinery and instruments

Capital: ¥48,332 million

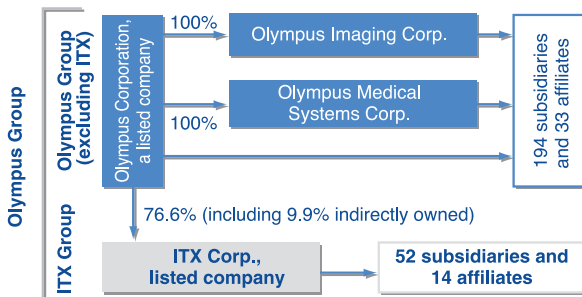
Total number of employees (consolidated): 32,958

Number of employees (Olympus Corporation): 2,946

Consolidated net sales: ¥1,061,786 million

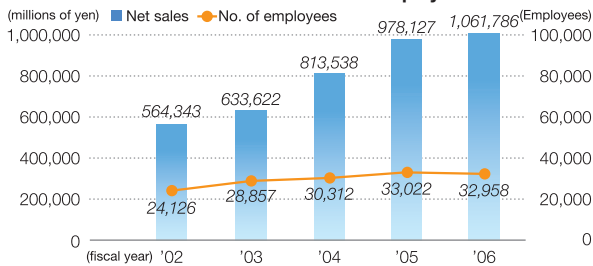
Consolidated total assets: ¥1,091,800 million (including ¥334,210 million in equity capital)

### ■ Group organizational structure

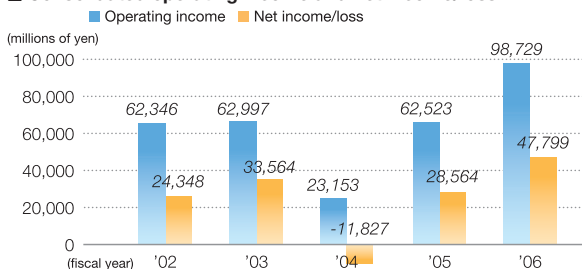


\* The percentages shown here refer to voting rights.

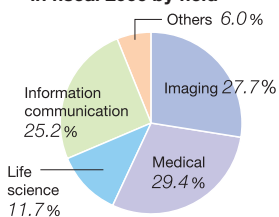
### ■ Consolidated net sales and number of employees



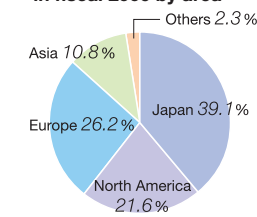
### ■ Consolidated operating income and net income/loss



### ■ Consolidated net sales ratio in fiscal 2006 by field



### ■ Consolidated net sales ratio in fiscal 2006 by area



\* The above consolidated figures include those of ITX Corp. from the second half of FY2004.

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Medical Field  
Endoscopes for medical use,  
surgical endoscopes, and  
endotherapy devices



Imaging Field  
Digital cameras, film cameras, and  
audio recorders



Industrial Field  
Endoscopes for industrial use,  
nondestructive test devices,  
information equipment, etc.



Life Science Field  
Hematology analyzer systems for  
clinical use, biological microscopes,  
and industrial microscopes

## Message from the President



The Olympus Group creates and proposes new values to society through its businesses. With the “Social IN” management philosophy, Olympus strives to be a responsible and integral member of society while sharing our common values.

Our founder manufactured the first Japanese-made microscope with a strong desire to contribute to the development of medicine. I believe that all of our employees should retain this “company DNA” which has been handed down from our founders, and respond to the needs of society by creating new values through design and manufacturing, acting based on high ethical standards, and complying with all relevant laws and regulations. In addition, it is important to promote economic, social, and environmental activities that go the extra distance to bring health and happiness for people on this planet—the core of the Olympus Group’s business activities.

To fulfill our corporate social responsibility (CSR) goals, member companies of the Olympus Group should listen to the voices of various stakeholders—customers, shareholders, employees, business partners, local and global communities, as well as the global environment—and form win-win relationships with them, so as to contribute to the attainment of a sustainable society through our business activities. I believe this will be brought about through the actions of individual employees who are prepared to exceed stakeholder expectations in their daily work.

Since its founding, the Olympus Group has been involved in medical and life science businesses, contributing to disease diagnosis, prevention, and health maintenance for people throughout the world. As a part of such efforts, the Olympus Group promotes health awareness activities in Japan, Europe and the United States including participation in a campaign to combat colorectal cancer.

In terms of the environment, we are advancing the introduction of environmentally friendly facilities at our new Mishima Olympus Plant, KeyMed plant in the United Kingdom, and Olympus America Inc. headquarters in North America. In all regions and across all businesses, we are continuing our efforts in environmental conservation—including making our products more compact and lighter. We are also promoting environmental education for all of our employees to further introduce Eco-Design<sup>\*1</sup> in our corporate activities.

We are committed to doing our best in all aspects of the economy, society, and the environment through ensuring the achievement of all of our planned measures and with the recognition that we must fully assume all of our corporate social responsibilities.

This CSR Report is designed to communicate our CSR activities, as well as encourage all members of the Olympus Group to further strive to realize corporate social responsibility on their own. We will be very pleased to receive any comments that you may have about the report so that we can further improve our CSR management.

June 2007

A handwritten signature in black ink, appearing to read 'T. Kikukawa', written in a cursive style.

Tsuyoshi Kikukawa  
President  
Olympus Corporation

<sup>\*1</sup>: Business model aiming at continuously reducing our environmental burden across all business activities in order to realize a sustainable society.

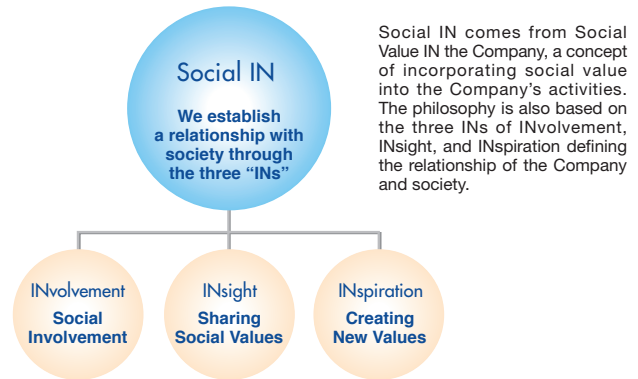
# Olympus Group Management Philosophy/Corporate Conduct Charter

Olympus was founded with a desire to produce Japanese-made microscopes that could contribute to the development of medicine in Japan. With our “Social IN” management philosophy, formulated in 1994, we have declared our determination to strive to realize better health and happiness for people by being an integral member of society, sharing common values, and proposing new values through our business. Our corporate social responsibility (CSR) is based on this “Social IN” philosophy.

## The “Social IN” Management Philosophy and Corporate Conduct Charter of the Olympus Group

The Olympus Group sets “Social IN” as the basis of its management philosophy. In addition, the Olympus Group Corporate Conduct Charter and Code of Conduct were established in September 2004 to apply “Social IN” to daily business activities in order to fulfill our corporate social responsibilities. The charter and code disseminate our CSR approach to the Olympus Group, including our concern for the environment.

### ■ Management Philosophy of the Olympus Group



## Olympus Group Corporate Conduct Charter

Based on the fundamental concept of Social-IN and being fully aware of its responsibilities as a corporate member of society and as a company prized by people with various value systems around the world, the Olympus Group continues to provide value for our society in support of the livelihood and happiness of people all over the world. The Olympus Group, with a strong sense of ethics, engages in global corporate activities while strictly complying with relevant laws and regulations.

### Policies for Corporate Activities

#### 1. Sound Corporate Activities

With highly transparent management, the Olympus Group engages in sound and fair corporate activities based on laws and ethics through its relationship with all stakeholders, including customers, suppliers, shareholders, employees, and local communities.

#### 2. Act on Behalf of the Customer

The Olympus Group provides safe, high quality products and services that are meaningful to society and in tune with the demands of customers while taking sufficient measures to protect customer information.

### Involvement with People

#### 3. Respect for Human Rights

In all of its corporate activities the Olympus Group prohibits discrimination based on race, faith, gender, age, social position, family lineage, nationality, ethnicity, religion or disability as well as forced labor and child labor.

#### 4. Working Environment with Vitality

The Olympus Group provides safe and healthy working environments to respect individuality and foster personal growth and offers value sought by society as its employees strive for skills and improve technologies.

### Involvement with Society

#### 5. Harmony with the Environment

Respecting people's safety and health and the effects of the environment on their lives, the Olympus Group contributes to a healthy environment and sustainable development through business activities and technological developments that are in harmony with the natural environment and society.

#### 6. Good Relationship with the Community

The Olympus Group contributes to the development and improvement of local communities through respect for the cultures and customs of countries and regions in which it engages in business activities.

▶▶WEB <http://www.olympus-global.com/en/corc/csr/olycsr/philosophy/csrcorporate.cfm>

## UN Global Compact

Olympus agrees with the 10 principles of the UN Global Compact and has participated in the Compact since October 2004. We incorporate the 10 principles utilizing interactions and mutual enlightenment with other participants to improve our actions regarding social responsibility.

The 10 principles of the Global Compact have also been incorporated into our Corporate Conduct Charter and Code of Conduct.

Please refer to the UN Global Compact website for details:

▶▶WEB <http://www.unglobalcompact.org/>

### ■ UN Global Compact



# The Olympus Group FY2006: Major Achievements in Our Social and Environmental Activities

In FY2006 the Olympus Group engaged in a range of social and environmental activities as part of the FY2006 Corporate Strategic Plan, announced in 2005. The results of these activities are as listed below.

We will continue to make further efforts to achieve our FY2006 Corporate Strategic Plan.

	Priority measures in FY2006	Target
Policies for Corporate Activities	Strengthening the internal control system	Establishing a framework for internal control
	Securing and enhancing the shared interests of shareholders	Introducing measures against the acquisition of a large amount of Olympus shares (defense measures against any potential corporate buyout) according to a decision taken at the shareholders' meeting
	Thorough implementation of compliance activities	Developing a framework on compliance and familiarizing employees with measures
	Protecting personal information	Strengthening the security system
	Innovating services through "Voice Of the Customer" (VOC) management	Establishing a system to utilize customers' voices throughout the organization
	Self-assessing CSR activities	Achieving self-assessment questionnaire collection rate of 80% in Japan and East Asia
Involvement with People	Improving workplace management capabilities	Renewal and familiarize management training
	Promoting employees' health and ensuring a healthy working environment	1) Establishing a base to develop Olympus Good Health 21, the Group's comprehensive health management policy 2) Introducing concrete measures to reduce long working hours
Harmony with the Environment	<b>I: Eco-products</b> (Environmental consideration of products and services) Developing high-quality, environmentally-conscious products	Increasing sales of Olympus eco-products
	<b>II: Eco-facilities</b> (Environmental efforts in our business activities) Practicing environmentally-efficient management	<ul style="list-style-type: none"> <li>Prevention of global warming: Reducing CO<sub>2</sub> emissions from energy systems by 50% compared with FY1990 by FY2010 (per unit sales)</li> <li>Effective use of resources and reducing the amount of waste finally disposed in landfills: Reducing waste generation by 50% compared with FY2000 by FY2010 (per unit sales)</li> </ul>
	<b>III: Eco-management</b> (Promoting environmental management) Implementing global environmental management	<ul style="list-style-type: none"> <li>Enhancing functions to comply with environmental laws and regulations</li> <li>Strengthening environmental risk management</li> </ul>
	<b>IV: Eco-communication</b> (Communicating environmental information to stakeholders inside and outside the company and activating social contribution activities) Enhancing environmental communication	Enhancing environmental communication
Good Relations with Community	Establishing good relationships with the community	Implementing social contribution activities in line with our management philosophy

\*1: A part of the Law on Sales of Financial Products for the prevention of financial scandals and inadequate compliance and formulated based on the U.S. Sarbanes-Oxley Act (SOX Act), J-SOX requires listed companies and their consolidated subsidiaries to improve their accounting audit systems and strengthen their internal control structures.



Achievement	Relevant page	Future efforts (Challenges in FY2007)
<ul style="list-style-type: none"> <li>Established a basic policy regarding the internal control system required by the Companies Act</li> <li>Newly formulated and revised company rules</li> <li>Set up a dedicated section for J-SOX<sup>1</sup> and promoted preparation</li> </ul>	▶▶WEB	<ul style="list-style-type: none"> <li>Continuous review and improvement of the internal control system</li> <li>Enhance the level of response to J-SOX<sup>1</sup></li> </ul>
<ul style="list-style-type: none"> <li>Details of defense measures against any potential corporate buyout announced in May</li> <li>Introduction of defense measures decided at a regular shareholders' meeting in June</li> </ul>		<ul style="list-style-type: none"> <li>Continuous efforts to secure and enhance the shared interests of shareholders</li> </ul>
<ul style="list-style-type: none"> <li>Provided basic education on compliance in the form of e-learning and group training, targeted at all employees (officers, employees, contracted employees, and others)</li> </ul>		<ul style="list-style-type: none"> <li>Continuous provision of education on compliance to new employees and mid-career workers</li> <li>Continue follow-up on compliance for all employees</li> </ul>
<ul style="list-style-type: none"> <li>Awareness-raising using company magazines and posters</li> <li>Provided training through an educational video</li> <li>Held lectures for employees in charge of handling personal information</li> </ul>		<ul style="list-style-type: none"> <li>Further enhance the system to protect personal information and continue education for all employees</li> </ul>
<ul style="list-style-type: none"> <li>Established a management system reflecting VOC in main business fields</li> <li>Fostered a corporate culture to respect customers by enriching educational courses on customer satisfaction (CS) for each level</li> </ul>	P7-10	<ul style="list-style-type: none"> <li>To further improve effectiveness of VOC activities, enrich and improve the system to ensure improvement activities based on feedback at the source</li> <li>Enhance product development for better usability to improve customer satisfaction</li> </ul>
<ul style="list-style-type: none"> <li>Achieved questionnaire collection rate of 92% in Japan and East Asia</li> </ul>	P8	<ul style="list-style-type: none"> <li>Promote CSR activities with mutual respect and cooperation based on questionnaire results</li> </ul>
<ul style="list-style-type: none"> <li>Introduced new management training in July and all newly appointed leaders for FY2006 joined the training</li> </ul>	P11-14	<ol style="list-style-type: none"> <li>1) Introduce revised management training reflecting new personnel system scheduled to be adopted in FY2008 and establish a new system of full-time lecturers</li> <li>2) Newly introduce training on sexual harassment to respond to the revised Law for Equal Employment Opportunities for Men and Women</li> </ol>
<ol style="list-style-type: none"> <li>1) Increased number of full-time industrial physicians; introduced and developed a support program for those returning to work; improved health checkups</li> <li>2) Reduced late-night and holiday working hours, familiarized employees with management standards to be compliant with agreements on overtime work and paid holidays and establishing a check system</li> </ol>		<ol style="list-style-type: none"> <li>1) Strengthen the health and safety management system for the entire company, improving the medical checkup system (subsidizing colon examinations)</li> <li>2) Strict control of working hours using IC (integrated circuit) cards</li> </ol>
<ul style="list-style-type: none"> <li>Put 78 product items into the market (44 in FY 2006)</li> </ul>	P15-16	<ul style="list-style-type: none"> <li>100% of new Olympus products to be Olympus eco-products (excluding OEM products and accessories)</li> </ul>
<ul style="list-style-type: none"> <li>Reduced CO<sub>2</sub> emissions from energy systems by 37% compared with the result for FY1990 (per unit sales)</li> </ul>	P15-18	<ul style="list-style-type: none"> <li>Prevent global warming:               <ul style="list-style-type: none"> <li>Reduce CO<sub>2</sub> emissions from energy systems by 6% year-on-year (per unit sales)</li> <li>Reduce CO<sub>2</sub> emissions from non-energy systems by 30% year-on-year</li> <li>Reduce CO<sub>2</sub> emissions attributable to logistics by 5% year-on-year (per unit sales)</li> </ul> </li> <li>Effective use of resources and reduce the amount of waste disposed in landfills:               <ul style="list-style-type: none"> <li>Reduce waste generation by 6% year-on-year (per unit sales)</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Reduced waste generation by 32% compared with FY2000 (per unit sales)</li> </ul>	P27-29	
<ul style="list-style-type: none"> <li>Set up a working group and made preparations to comply with Administration on the Control of Pollution Caused by Electronic Information Products of China</li> <li>Implemented measures against friable asbestos and soil pollution at production sites</li> </ul>	P16	<ul style="list-style-type: none"> <li>No violation of any environmental laws and/or regulations</li> </ul>
	P14, 16	
<ul style="list-style-type: none"> <li>Provided a range of environmental education programs</li> <li>Participated in Eco-Products 2006</li> <li>Improved transmission of social and environmental information in English</li> </ul>	P15-16	<ul style="list-style-type: none"> <li>Further improve environmental communication</li> </ul>
<ul style="list-style-type: none"> <li>Launched a campaign for colorectal cancer awareness in Japan</li> </ul>	P19-26	<ul style="list-style-type: none"> <li>Continue social contribution activities</li> </ul>

# Policies for Corporate Activities

## Sound Corporate Activities/Act on Behalf of the Customer

We want to hear our customers say “Olympus—the choice that couldn’t be more right” or “we will definitely choose Olympus products again.” To ensure such customer satisfaction, all employees at the Olympus Group must listen to our customers and provide top quality products and services to them.

### Priority Measures and Targets

#### Quality Philosophy

Within the Olympus Group, all employees strive to provide products and services from the customers’ viewpoint to fully realize our quality philosophy.

**Quality Philosophy**

1. Realization of genuinely world-class “Total Quality” in all aspects of the organization
2. Provision of the highest quality products and services to customers

**Core Principles**

- (1) All actions to reflect a customer-oriented approach
- (2) Develop “Win-Win” relationships with all partners
- (3) Be disciplined in following the appropriate procedures and, in day-to-day operations, continuously strive for improvement, avoiding complacency

#### Priority Measures

**Service Innovation through VOC management**

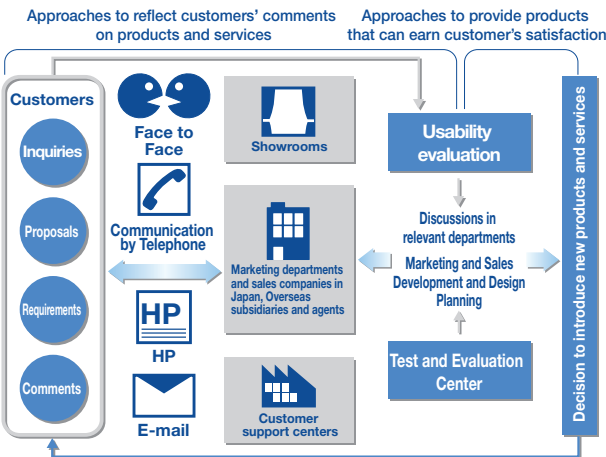
Focus on improving “voice of the customer” (VOC) activities and quality of products and services

- Promote VOC activities (see pages 9 to 10)
- Create a customer-oriented corporate culture
- Design and manufacturing products which reflects customers’ comments

**Quality Evaluation at Product Development Stage for Safe Use of Products**

- World-class safety evaluations

#### Design and manufacturing to reflect customers’ comments



### Achievements in FY2006

#### Service Innovation through VOC management

##### Promotion of VOC activities

In the Olympus Group we promote VOC activities to ensure that voice of the customer (VOC) are reflected in our products and services (see pages 9-10).

##### Fostering a customer-focused corporate culture— In-house education on customer satisfaction (CS)

Recognizing the importance of building a customer-focused approach among Olympus Group employees, we provide in-house training on customer satisfaction (CS).

During FY2006 the number of employees who took CS courses for mid-career workers doubled from the previous term, reflecting a heightened awareness toward customer satisfaction.

In FY2007, a course titled “Achieving CS Utilizing Voice of Customers” has been included. We will continue providing enhanced education on CS, incorporating the latest examples.

#### Olympus CS Education Courses

Title	Basic Course on Quality Control	Basic Course to Achieve Customer Satisfaction	Achieving CS Utilizing Voice of Customers (from FY2007)
Target	New employees	Recommended to employees in third to fifth year	Manager level
Objective	Realize customer-focused approach to improve our business quality	Understand customer-oriented activities in development, manufacturing, sales, service sections, and at headquarters	Understand organizational CS activities
Contents	Learning that “quality” includes business quality; and practical training	Discussion on customer-oriented approach in groups based on examples and making “my check list”	Video lecture by CS specialist, understanding utilization status of VOC and ideal situation
Aims	Foster people capable of reviewing their jobs from the standpoint of customers to improve business quality	Clarify the definition of “customers” for each employee and create a CS culture to continue improving business	Understand organizational CS activities

##### Product development based on customers’ comments— Usability Evaluation

The Olympus Group performs usability evaluations to assess the usability of our products from the viewpoint of customers.

Prior to commercialization, products in development are actually





used by customers or third parties to identify and correct problems. Specifically, we have succeeded in improving the graphical user interfaces (GUI) of our digital cameras. Such efforts are also carried over into other products, including endoscopes and microscopes.



Usability Evaluation

### Quality Evaluation at Product Development Stage for Safety of Products

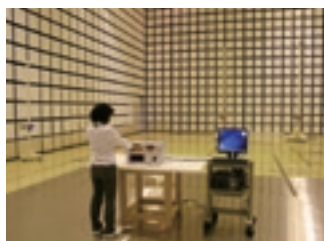
#### World-Class Safety Evaluation

—Quality Checks at the Product Development Stage

The Olympus Group focuses on quality checks at the product development stage to ensure our products are of the highest quality.

The 10 m wave anechoic chamber, built in 2004, offers world-class performance and has been certified by the National Voluntary Laboratory Accreditation Program (NVLAP, U.S.A.) as well as by the Netherlands Organisation for Applied Scientific Research (TNO, the Netherlands) on electromagnetic noise testing.

The evaluation report is also publicly accredited with ISO/IEC17025<sup>\*1</sup> certification, an international standard for testing laboratories. We will continue to strengthen our evaluation system by adding more facilities and systems and fostering evaluation engineers.



Electromagnetic noise testing in the 10 m test chamber

\*1: ISO/IEC17025: General requirements for the competence of testing and calibration laboratories

### Cooperation with Suppliers

#### Procurement Policy

The Olympus Group cannot manufacture its products without the cooperation of its suppliers. In order to promote supply chain-wide CSR activities in cooperation with our suppliers, the Olympus Group established material procurement policies placing an emphasis on considerations for legal and ethical compliance, human rights, and labor standards, in addition to those concerning more conventional material procurement requirements—quality, delivery deadline, price, and the environment.

#### WEB Procurement Policies =

<http://www.olympus-global.com/en/corc/procurement/procurement.cfm>

#### Self-Evaluation Questionnaire on CSR Activities

In FY2006, we conducted a self-evaluation questionnaire on CSR activities to determine the level of CSR efforts of suppliers in Japan and East Asian nations/area (China, the Philippines, Singapore and Taiwan). Olympus Group's procurement sites asked suppliers to cooperate with our "Questionnaire on Self-Assessment of CSR Activities," and received responses from about 1,700 suppliers (92% of total). Based on the results, we will promote CSR activities together with our suppliers with mutual respect and cooperation.

#### WEB Procurement Philosophy =

<http://www.olympus-global.com/en/corc/csr/soundcorpo/procurement/index.cfm>

### Future Targets

For more effective implementation of VOC activities, we will improve the system to ensure correction of problems based on the feedback at the product development stage.

In addition we will strengthen product development by fully considering usability in order to enhance customer satisfaction.

#### From a Stakeholder



**Akira Mouri**  
Environmental Report Project Leader  
Vice Chairman, Environmental Committee,  
Nippon Association of Consumer Specialists

I highly evaluate the company-wide efforts of Olympus in setting the provision of high-quality products and services as its quality philosophy throughout its corporate activities. Specifically I value VOC, the customer-oriented approach that directly reflects the voices of customers on product development. I hope that Olympus will make further efforts to enhance customer satisfaction, in terms of both functionality plus the emotional value of products and services.



**Tsuyoshi Matsuura**  
Division Manager, Quality and Environment  
Administration Div.,  
Olympus Corporation

#### From Olympus

The Olympus Group promotes customer-oriented quality management, setting our feet firmly within society. We are also developing various initiatives in each division in accordance with our strategy for the achievement of our quality philosophy. We will develop group-wide VOC activities as the main theme of our quality strategy and reflect the results in the innovation of the process from development and sales, through to the provision of services. Further, we will strive to create an open corporate culture with a customer-oriented approach throughout the Group.

A comment from a customer that “waterproof protectors are not available at the shops” was transmitted to our sales department. Supply routes of seasonal products were checked, which led to the establishment of a new system to offer seasonal products at our web shop throughout the year.



## Promoting “VOC Management” to Reflect the Voices of Customers in All of Our Products

In 2006, a VOC meeting was added to the CS (customer satisfaction) management system of Olympus Imaging Corp., which manufactures and markets consumer products. This is a place to listen to the voices of customers seriously and to reflect them when improving our products and in new product development. Let us introduce an outline of a VOC meeting.



Around 25 people participate in the monthly VOC meeting, including Masaharu Okubo, president of Olympus Imaging Corp. He can be seen at the back right.

### Listening to the Voices of Customers and Making Decisions in Meetings

At VOC meetings participants listen to the voices of our customers first. Customer support centers and service stations receive comments directly from users of our digital cameras and other products and services. Sometimes the number of comments amounts to as many as 20,000 a month. The VOC meeting has been set up to reflect these voices from the consumer market in product improvement.

Basically, managers and senior employees from product-related departments such as quality, product planning, development, and sales, attend the meeting, as well as senior executives, (including the President) who have the authority to make business decisions. This is because this meeting is seen as an opportunity to clarify problems, determine the direction of how to solve them, and to set relevant deadlines.

“Deadlines, responsible persons, and countermeasures are determined on the spot in this meeting. This way does not leave problems unresolved,” says Seiichi Wakamatsu at Support & Service Dept., Global Sales & Marketing Div.,

Olympus Imaging Corp. In the meeting, comments from customers, letters, faxes, e-mails, and those posted on the website are submitted without change for attendants to listen to and read.

“The important point is to directly report fresh voices,” says Wakamatsu. The quality review is designed to reflect customers’ comments on products as well. On the 30th and the 90th day following the launch of a product, quality and other related information is collected to reflect on each product or service, correct defects and improve quality. At the same time, VOC meetings are used to reflect customers’ needs for the actual development of products and services.

### Customer-Oriented Product Development: Establish a Feedback System

Naturally, we cannot discuss all 20,000 comments at a VOC meeting. In the Support Service Division these comments are analyzed regularly to adopt countermeasures through discussions with related sections. After that, the comments to be shared at management level are selected and later submitted to the monthly VOC meeting.

“Narrowing down the list is the key. If there are too many, most of them will be left unresolved. We choose problems that seem urgent, even if the number of inquiries is few,” says Wakamatsu.

The Support Service Division, which has direct contact with customers, knows what we should do.

“Customers’ comments can be demanding for people in charge of planning and development, but it leads to awareness-raising. It depends on customers’ evaluations whether developed products are well accepted in the market,” says Tadahiko Matsui, Environmental Quality Assurance Dept., Business Administration Div., Olympus Imaging Corp.

In other words, VOC meetings are used to improve our products based on customers’ needs, not on our needs. Matsui adds, “We aim to build a total feedback system,” including business process, rather than simply an improvement in products.

Examples include backlight luminance adjustment in liquid crystal monitors, firmware updates for existing model

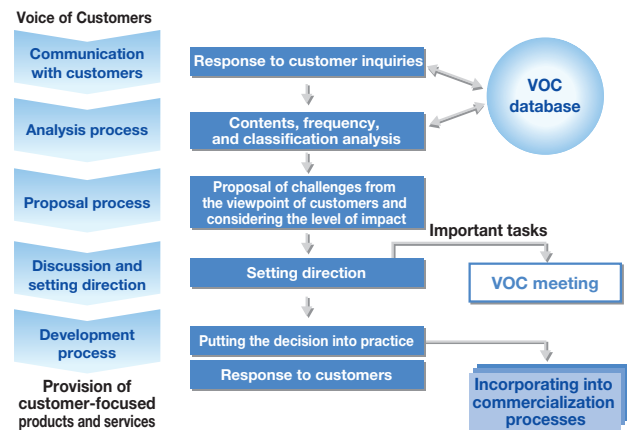


LCD booster function for the μ760/Stylus 760 has been improved based on discussions at VOC meetings. Low visibility under sunlight during daytime was improved by increasing the luminance of the monitor. Function buttons were also moved for better operability.

cameras that require longer startup times with the introduction of higher capacity storage media and enhancement of image editing software where users faced difficulties in finding the images that they wanted. Marketing methods of seasonal products such as waterproof protectors and descriptions in catalogues were also changed.

Of course there are still many challenges to be met. What shall we do when contradictory needs arise in the future? When this project is launched in Europe and the United States, how do we go about communicating customers’ comments in various languages? These are challenging tasks for us in establishing a customer-oriented product development system.

#### Flow of Proposals and Problem Closure Management at VOC Meetings



Policies for Corporate Activities [Feature 1]



#### From the Designer of the Improvement Project

We continuously check customers’ responses to product improvement. We not only reflect improvements based on customer comments in our products and services, we also establish and promote a customer-oriented corporate culture and mechanisms throughout the organization, including the development and marketing sections.

**Tadahiko Matsui**  
Group Leader, Planning Group, QA & Environmental Compliance Dept., Business Administration Div., Olympus Imaging Corp.



#### From a Collector of Customers’ Voices

We cannot be critics who analyze customers’ requests. Instead, we must speak for them and suggest better products or services. Can we make the best suggestion or find the right answers for them? We have to constantly ask ourselves. To this end it is important to understand the customers’ points of view.

**Seiichi Wakamatsu**  
Group Leader, Planning Administration Group, Support & Service Dept., Global Sales & Marketing Div., Olympus Imaging Corp.

# Involvement with People

## Respect for Human Rights/Working Environment with Vitality

Our guideline for personnel management, “Developing human resources and an organization with vitality” is based on our Social IN management philosophy. Olympus has been actively engaged in creating a working environment where every employee can perform at his or her best and find self-fulfillment through respect for human rights, various values and individuality.

### Priority Measures and Targets

#### Global Development of Olympus Human Rights and Labour Policy

Our employees are invaluable resources for Olympus. Olympus joined the UN Global Compact in 2004 and newly formulated its Human Rights and Labour Policy in 2005. To ensure respect for human rights and provide a safe and healthy working environment, Olympus is developing measures and efforts tailored to the needs of each local company, in compliance with laws and regulations.

#### Olympus Human Rights and Labour Policy (extract)

- Olympus supports and respects the Universal Declaration of Human Rights, adopted by the United Nations in 1948, and is committed to respecting its employees’ human rights as well as expects the protection of human rights by its business partners.
- The Olympus Human Rights and Labour Policy applies to all Olympus Group companies globally.
- Olympus respects the diversity, character, and human rights of each employee; provides employees with opportunities to fulfill their potential, develop their capabilities, and maximize their value; and strives to maintain a safe and healthy working environment.
- Olympus supports and respects the protection of internationally proclaimed human rights within the sphere of its influence and ensures that it is not complicit in human rights abuses.
- Olympus ensures that it will not use any forced or bonded labour in the production of Olympus products or services.
- Olympus complies with local minimum age laws and requirements and does not employ child labour.
- Olympus strives to eliminate discrimination based on gender, race, nationality, ethnicity, religion, disability, etc., that are unrelated to the job performance required for the business interests of Olympus.
- Olympus respects the rights of workers to organize in labour unions in accordance with local laws and established practice.

\* This policy is not applicable to listed companies that have a separate policy.

### Achievements in FY2006

#### Japan: Efforts of Olympus Corporation

Aiming to create a working environment for each of our employees to enhance their capabilities and find self-fulfillment with respecting diverse values, Olympus has developed the initiatives described below, including a reemployment system for retired workers (see pages 13–14).

#### Strengthening Management Skills

Group training by in-house lecturers and e-learning were provided for group leaders and team leaders. This program heightened awareness of the importance of management and improved the internal structure of the company.

#### Health Management and Labor Management

Olympus reduced late-night and holiday working hours and improved the control system to comply with agreements on overtime work and paid holidays\*. Employees who work long hours are subject to medical checkups by industrial physicians, which are conducted by our high standards than the legal standard in order to prevent health problems, including safeguarding mental health. To maintain security and optimize labor management, IC technology has been introduced for corporate ID cards.

\*: Agreements on working on rest days and midnight work between labor unions and companies are required to be submitted to the Labour Standards Inspection Office in accordance with Article 36 of the Labour Standards Law.

#### Approach to Utilization of Human Resources

Special orientation days for female graduates wishing to join Olympus are held periodically. These days are run by female employees of the Company and are designed to ensure Olympus maintains a proper gender balance.

#### North America: Efforts of Olympus America Inc. and Olympus Imaging America Inc.

These two companies, which serve as the headquarters and the marketing/sales arms in North America, initiated the “Olympus Healthy Living” campaign to encourage employees to live a healthier lifestyle.

#### A “Blueprint for Wellness”

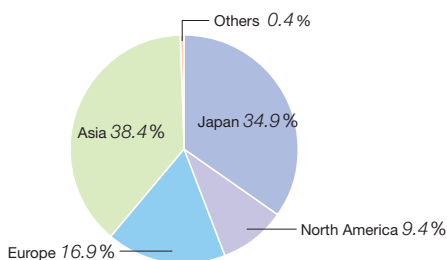
Offered at no cost to employees and their spouses or domestic partners, this voluntary health management program determines employee risks for certain medical conditions through diagnostic testing. Personalized tips and free assistance for improving overall health are also provided.



#### “Get Fit, Get Healthy”

This voluntary program is supported by employee-organized teams, who compete against each other to increase exercise time and lose weight. Discount coupons for local gyms are provided along with weight management resources.

Employee Composition by Region





### • A “Healthy Living” Calendar of Events

Starting with a Health Fair, in which more than half of our Center Valley employees participated, monthly programs are linked to national health concerns including heart disease, stress, and skin, breast and colorectal cancers. Flu immunization and smoking cessation programs are also offered during the year, along with no-cost endoscopic colon examinations for employees enrolled in the company’s insurance plan and medical practitioner network.



Health Fair

### ● Europe: Efforts of Olympus Europa GmbH

Olympus Europa GmbH (OE), which supports Olympus Group companies operating in Europe, focused on human resources development to improve professionalism and capabilities to respond to changes in the market environment.

### • Leadership Development Program Establishing and Developing the Europe Junior Management Program (JuMP)

This intensive training on 1) leadership, 2) information management, and 3) financial and project management was joined by 30 Junior Managers from 16 nations in Europe. This program also included projects for multinational teams to tackle the latest business challenges. The aim is to build a network within Europe and improve people’s abilities to understand different cultures, while also enhancing leadership and management skills.



Kick-off of JuMP Training

### ● China: Olympus (Beijing) Sales & Service Co., Ltd.

Olympus (Beijing) Sales & Service Co., Ltd. (OCM), which sells medical equipment and biological microscopes and provides after-sales services at its 31 sales offices, is focusing on employee education on product technology and fostering managers for the future.

### • Establishing and Development Education on Product Technology

To nurture the special skills required to sell products that relate to human life and meet the needs of customers, all employees in charge of sales or service provision are required to receive basic education on product knowledge. Such training includes sessions by internal lecturers, practical training, such as installation of equipment, and use of the intranet. This basic education will be expanded to provide continuous education on product knowledge and ensure advanced knowledge of specific products.



Basic Education on Product Knowledge

### • Training on Coaching

For smoother communication with subordinates and to strengthen our organizational capacity, training on coaching provided by external lecturers was launched, targeting managers. Employees working for other Olympus Group companies in China also joined the training.

## Future Targets

During FY2007 Olympus will promote individual growth by providing attractive work while balancing job satisfaction and growth of the company at a higher level. In addition, we will aim to be a company where employees enjoy working to achieve their best by introducing a new employment system and working styles, in addition to improving working conditions for women.

Setting our Human Rights and Labour Policy as the Olympus Group’s common base, we respect the independence of each local company in the world, taking into consideration national circumstances when developing personnel and labor measures. We will consider cross-border cooperation in nurturing management that contributes to the healthy development of the company and the creation of workplaces with improved working environments.



**Kazuhiro Tsujimoto**  
Chairman of the Central Executive Committee,  
Olympus Labor Union

#### From a Stakeholder

I understand Olympus’ approach on the global utilization of human resources and its policy on human resources development. For Olympus to achieve their goal of creating new values, it is essential that employees, as the driving force, can feel job satisfaction and care for others in doing their work. For the bright future of all employees around the globe, we will establish a new personnel system that helps employees and the organization exercise their capabilities to the fullest, with maximum cooperation between the labor unions and management.



**Nobuyuki Koga**  
General Manager, Human Resources Dept.,  
Business Support Div.,  
Corporate Center, Olympus Corporation

#### From Olympus

As the chairman has pointed out, the healthy growth of the corporation and of individual staff depend on the creation of a culture and an environment in which each employee can find their dream and achieve satisfaction and cooperation in their work. At present we are reviewing our personnel system with the aim of realizing human resource management that fully respects individuals and establishing a healthy working environment in order to create new values. In doing this we will respect the opinions of employees that belong to labor union.

The re-employment system for retired employees will reposition and transmit the skills and know-how of retired people across the company. To match requests, discussions will be held for both users of this system and the workplaces where they will be assigned.



## Utilizing Human Resources and Improving the Working Environment

“The Year 2007 Problem”—2007 is the year when baby boomers will start to retire in Japan. A response is required by the existing employment system to cope with various social changes, such as reforms to pension plans, and the declining birthrate, coupled with the growing proportion of elderly people. In 2006, the Olympus Group improved its re-employment system to hire those who hope to be re-employed. Other efforts to improve workplaces include the enhanced child-care leave system.



A two-day life planning seminar for employees reaching the age of 55 and their spouses also served as an opportunity to recognize the participants' service to the company. Olympus provides opportunities to learn about post-retirement life, including such aspects as financial management, living a well-balanced life, and health.

### In Principle All Applicants are Re-Employed after Retirement

Olympus has a retirement system based on the age of 60, and in 2001 introduced a new system to re-employ those who are appointed by the company. In April 2006 we launched a new system to re-employ all those who are willing to continue working in accordance with the revised Law Concerning Stabilization of Employment of Older Persons. Contracts can be renewed every year until employees reach the year when they can receive their fixed pensions.

“Currently, the year 2007 problem is drawing attention,” says Minoru Koyama, Human Resources Service Center, Human Resources Dept., Corporate Center, Olympus Corporation. “At Olympus the year when a lot of employees retire at the same time will come in about 10 years. By postponing the age when pensions are payable, a revision of the re-employment system is urgently needed. However, with the current pension system, which grants an annuity to those reaching the age of 60, only about half of employees who are going to retire hope to continue to work at present.”

Most of the re-employed workers are assigned to their previous workplaces or related fields according to their experience. Those who originally hail from Nagano Prefecture or have been transferred from their home in Nagano can return to Olympus' several production sites in Nagano, if they so wish.

Examples of those who have made use of this system highlight its benefits to the re-employed worker and to Olympus.

Yutaka Otani of the Micro-Imaging System Division reached his retirement age as a manager in charge of a new business to introduce inspection equipment made overseas into the Japanese market. He is now employed at the same workplace. He says laughing, "I feel like I am doing unfinished homework for the summer vacation in a classroom after the vacation." But still, he says that he is able to focus on his job more than he was when he was a manager. His present work concerns a new business to promote products in cooperation with doctors and academics. Recognizing the importance of human relations in business, he is accompanied by young employees to meet doctors at hospitals whenever possible.

Ichiro Shimizu had been engaged in our quality control certification system and standardization of legal work on pharmaceutical affairs. Currently his duties at Olympus Intellectual Property Services Co., Ltd. include standardization of operation, employee education, and establishing a new quality control system.

"I only work four days each week, but I always continue work until I finish it, in the same way as before I retired," says Mr. Shimizu.

The two are active both at work and on holidays. Mr. Otani enjoys windsurfing, while Mr. Shimizu plays piano and sings in a choir.

## Male Employees Take Child-Care Leave, Balancing Child Care and Work

The Olympus Group has formulated a child-care leave system, allowing employees to take up to a one year leave of absence until the child reaches the age of two. Introduced here is the



Noriyuki Nakayama, Production Technology Group, Hinode Plant, Olympus Medical Systems Corp.,

Yumiko Nakayama, Process Group, DEM Technology Dept., Production Engineering Div., Corporate R&D Center, Olympus Corporation, and their children

case of Mr. and Mrs. Nakayama, who both took child-care leave.

After his wife Yumiko gave birth to their third child and returned to work after child-care leave, husband Noriyuki took one month's leave.

"I decided to take leave for my children and wife who was not so well after the delivery. I applied for the leave early in order to arrange work during my absence. My participation in childcare for one month helped stabilize the family's daily rhythm and supported my wife mentally," says Noriyuki.

Compared with the time when many people thought women should resign after childbirth, taking child-care leave is now much better understood in the workplace.

### Providing a Safe and Improved Working Environment

The Olympus Group strives to ensure safety at workplaces so that employees can work safely and with a sense of security. One example is the measures that we have taken against asbestos. When health problems caused by asbestos emerged in Japan, in June 2005, the Olympus Group investigated the use of construction materials containing asbestos at 71 locations—including domestic production sites, affiliates, and company housing. This investigation revealed that at five locations, friable asbestos had been used and required immediate safety measures. During FY2006 we placed the highest priority on the asbestos elimination work and in some cases contained and enclosed the location in accordance with prevention regulations of the Ministry of Health, Labour and Welfare.

Another important measure is against earthquakes. As part of this program, we introduced a safety check system to be used in times of disaster in September 2006. In the event of a disaster, the safety of all employees, including temporary staff and part-timers, is confirmed first. In the situation where employees have been affected, the Olympus Group provides support for them.



#### From a User of the Re-employment System after Retirement

I recognize my responsibilities to hand down my experience in the company to younger employees. I always bring group members when I visit doctors. What I try to convey are the intangible assets that play such an important role in my work, and other aspects that cannot easily be transmitted verbally.

**Yutaka Otani**  
Marketing and Domestic Sales Dept., Micro-Imaging System Div. Life Science Group, Olympus Corporation



#### From a User of the Re-employment System after Retirement

I belong to an Olympus company established about a year ago in charge of filing patent applications and research for the Olympus Group. My responsibilities include standardization of work involving building and documentation for employee education and a quality control system to ensure that the same quality levels can be achieved if the responsible person changes. I believe my experience is of worth to the new company in promoting standardization.

**Ichiro Shimizu**  
Administration Group, Olympus Intellectual Property Services Co., Ltd.



#### From a Staff Member Operating the System

I am very happy to hear that these two men enjoy working. Expecting an increase in the number of users, we are aiming to further improve the reemployment system. Another aim of this system is the repositioning of special skills; but since workplaces are sometimes not willing to let their staff go to another workplace, we have to demonstrate the value in doing so.

**Minoru Koyama**  
Deputy Section Manager, Human Resources Service Center, Human Resources Dept., Corporate Center, Olympus Corporation

# Harmony with the Environment

## Establishing Eco-Design

To establish Eco-design (see page 3) in our business activities and thereby fulfill our responsibilities toward the realization of a sustainable society, we have formulated the Basic Environmental Plan and will incorporate it into the Corporate Strategic Plan. We will continue our company-wide efforts to reduce our environmental burden.

### Priority Measures and Targets

#### Olympus Group Environmental Charter

The Olympus Group defined its Environmental Charter in August 1992 (revised in October, 2005) to be a responsible corporate citizen and establish a healthy environment and a society in which sustainable development is possible. The Environmental Charter articulates the Olympus Group's basic position on the environment and sets out ambitious environmental protection goals that require specific actions.

#### Olympus Group Environmental Charter (abstract)

##### Environmental Protection Declaration

The Olympus Group respects people's security and health and the natural mechanisms that realize this. We are also contributing to the realization of a sustainable society and sound environment through environmentally compatible technological development and corporate activities.

##### Guidelines for Environmental Action

In all business activities, the Olympus Group will give priority to environmental protection and will apply itself with dedication to this task, both on an organizational and individual basis.

1. Technology Development
2. Drawing up Norms and Assessing Results
3. Protection of Natural Resources and Prevention of Pollution
4. Compliance and Active Support
5. Education and Total Staff Participation
6. Structure to Promote Activities

#### Olympus Group Medium-Term Basic Environmental Plan

The Olympus Group formulated the 2006 Basic Environmental Plan (for the five years from 2006) as part of our ongoing efforts to establish Eco-design in our business activities and become an environmentally advanced company to fulfill our responsibilities toward the realization of a sustainable society.

#### 2006 Basic Environmental Plan (summary)

##### I. Eco-products

Creating Sophisticated Environmentally Conscious Products

- Expanding the sales of environmentally conscious products

##### II. Eco-facilities

Implementing Eco-Efficient Management

- Preventing global warming:  
Reducing CO<sub>2</sub> emissions from energy systems (per unit) by 50% compared with FY1990 (globally)
- Accelerating the effective use of resources and reducing waste finally disposed in landfills:  
Reducing waste generation (per unit sales) by 50% compared with FY2000 (globally)

##### III. Eco-management

Practicing Global Environmental Management

- Improving the system for complying with environmental laws and regulations

##### IV. Eco-communication

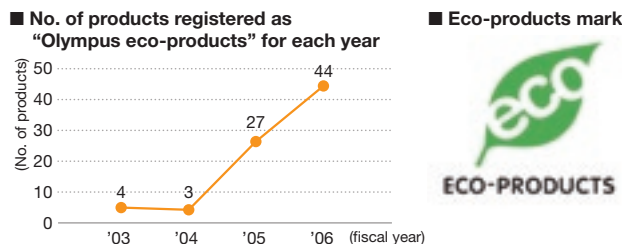
Enriching Environmental Communication

### Achievements in FY2006

#### I. Eco-products

##### • Expanding sales of "Olympus Eco-products"

The Olympus Group has formulated its own standards for environmentally-conscious products, based on the four pillars of "environmental preservation," "energy saving," "resource saving," and "information disclosure." These internal standards, which conform to the ISO 14021 Type II "Environmental Label" international standard, are used to certify products that meet our environmental performance requirements as "Olympus Eco-products." As of March 2007, a total of 78 products are on the market as such.



►►WEB <http://www.olympus.co.jp/en/eco-products>

#### II. Eco-facilities (page 28)

##### • Preventing global warming: CO<sub>2</sub> emissions from energy systems reduced by 37% compared with those in FY1990 (per unit sales)

Energy-origin CO<sub>2</sub> per unit sales in FY2006 was 14 ton-CO<sub>2</sub>/100 million yen, which is down 37% from FY1990. Continuous and further reduction is being made through our daily efforts in energy saving activities and improvements to production technologies. On the other hand, CO<sub>2</sub> emissions from non-energy systems and distribution-origin CO<sub>2</sub> emissions went up by 8% and 30%, respectively, over FY2005. We have now redoubled our effort to reduce CO<sub>2</sub> emissions from non-energy and distribution fields.

##### • Accelerating the effective use of resources and reducing waste finally disposed in landfills: Waste generation reduced by 32% over that in FY2000 (per unit sales)

Waste generation was 5,238 tons, 32% down from that in FY2000. We have been promoting the Minimization of Landfill<sup>1)</sup> project since FY2003 toward the "reduction of the final amount of waste disposed of in landfills" and an "improvement in the recycling ratio." In FY2006, we evaluated the status of the Minimization of Landfill efforts at every facility and site in Japan to help sustain these endeavors and ensure waste risk management. We intend to promote Minimization of Landfill at overseas sites in addition to those in Japan.

<sup>1)</sup> According to Olympus's definition, when "the final amount of waste disposed in landfills is reduced to less than 1% of waste generation discharged," this is when Minimization of Landfill is achieved.



Evaluation of the status of Minimization of Landfill effort at Tatsuno Plant





### III. Eco-management

#### • Improving the system for complying with environmental laws and regulations

For the purpose of reducing the impact on the environment and human health, regulations on specific chemical substances are being tightened both inside and outside Japan. In FY2005, we set up the in-house Environmental Laws and Regulations Liaison Meeting to promote the sharing of information related to environmental laws and regulations and review relevant measures. In FY2006, a working group was set up to make preparations for compliance with the administration of the Control of Pollution Caused by Electronic Information Products of China<sup>2</sup>.

<sup>2</sup>: The Administration (No. 39) was enforced on March 1, 2007.

#### • Strengthening environmental risk management

Following submission of a notification on specific facility disuse for the former Sakaki Branch of Olympus Opto Technologies Co., Ltd., we investigated the soil and groundwater at this site as per Article 3 of the Soil Contamination Countermeasures Law. The results of the soil investigation found some values beyond the designated upper limits, while others were within the acceptable range. The groundwater survey found no substances whose concentration exceeded the designated upper limit. The soil whose contamination was beyond the acceptable limit was totally replaced with clean soil under the administrative instructions, and all the contaminated soil was purified.

Substance detected	No. of above-limit points/ No. of points investigated	Maximum measurement (no. of times the upper limit)	Designated upper limit	Depth of maximum value detection
Lead and its compounds	3/370	970 mg/kg (6.5 times)	150 mg/kg or under	0 to 0.5 m
Fluorine and its compounds	1/370	1.2 mg/l (1.5 times)	0.8 mg/l or under	0 to 0.5 m

### IV. Eco-communication

#### • Enriching environmental communication

We held in-house environmental education and carried out various events including participation in Eco-Products 2006 exhibition. We also enriched communications through our website (page 30).

## Future Targets

In order to further contribute to realizing a society with sustainable development and a sound environment through our business activities, we decided to reinforce our environmental management system in FY2007 throughout product life cycles<sup>3</sup> in each business plant—in addition to our ongoing EMS (environmental management system) activities at each plant—thereby promoting environmental activities in all our business activities.

<sup>3</sup>: Product life cycles refer to product life styles that covers planning, development, design, procurement, production, logistics, sale, use by customers, disposal, and 3Rs.

#### Targets in FY2007

##### I. Eco-products

###### Creating Sophisticated Environmentally Conscious Products

- Ratio of Olympus Eco-products to new products: 100% (excluding OEM products and accessories)

##### II. Eco-facilities

###### Implementing Eco-Efficient Management

- Preventing global warming:  
CO<sub>2</sub> emissions from energy systems reduced by 6% compared with FY2006 (per unit sales)  
CO<sub>2</sub> emissions from non-energy systems reduced by 30% compared with FY2006  
Distribution-origin CO<sub>2</sub> emissions reduced by 5% compared with FY2006 (per unit sales)
- Accelerating the effective use of resources and reducing waste finally disposed of in landfills:  
Waste generation reduced by 6% compared with FY2006 (per unit sales)

##### III. Eco-management

###### Practicing Global Environmental Management

- No violation of any environmental laws and/or regulations

##### IV. Eco-communication

###### Enriching Environmental Communication



**Yumiko Kawamura**  
Director, Fundraising & Marketing Communications, World Wide Fund for Nature (WWF) Japan

#### From a Stakeholder

I think the environmental communications conducted over many years using Mitsuki Iwago's photographs are excellent, in particular, GWW (Global Warming Witness) (See page 20) is unique to Olympus as it can convey the message of an imminent threat of global warming that couldn't be otherwise sent if still images alone were used. In the future, I think a more effective way of information provision, such as incorporation of multi-faceted and strategic media approaches into the stage of management plan development, will become even more important.



**Kaoru Maeda**  
General Manager  
Environmental Development Dept.,  
Quality and Environment Administration Div.,  
Olympus Corporation

#### From Olympus

It is important for each employee to be keenly aware of the importance of the environment and carry out slow but steady actions in order to fulfill our mission toward the realization of a sustainable society, continuously reducing environmental loads through business activities. We will continue environmental communications, including provision of information to outside people who gave us opinions and in-house environmental education to enhance employees' environmental consciousness. We will also promote the development of products, services, and technologies with smaller environmental impacts and carry out more environmentally friendly business activities.

## Feature 3: Harmony with the Environment

The new Mishima Plant standing in front of a blue sky. Large protruding glass windows use low-e double glazing that isolates the inside of the building from outside temperatures. These windows improve insulating performance on the west side of the building, which receives a high thermal load, thereby significantly reducing air-conditioning energy consumption.



### Opening of a “Visually Attractive Plant” in Terms of the Environment

The new Mishima Plant was opened in April 2007 on the softly sloping plateau that commands views of Mt. Fuji to the west and of Suruga Bay to the southwest. Located at the core area of “Pharma Valley<sup>1</sup>,” a project promoted by Shizuoka Prefecture, the site serves as the base for the Life Science field of the Olympus Group and also plays the role of an environmental model project.

<sup>1</sup>: Pharma Valley is a project promoted by Shizuoka Prefecture to integrate advanced health-related industries at the foot of Mt. Fuji, with the Shizuoka Cancer Center as its core facility.



Measuring 5 m in diameter, 25 m in height and with a water capacity of 483 m<sup>3</sup>, this vertical heat storage tank is designed to capitalize on the thermodynamic properties of water and its specific gravity variation with temperature. The system utilizes the lower temperature of cooled water at the bottom of the tank to cool the building during summer.

### New Mishima Plant of Olympus Corporation—Completed in March 2007

Of the two buildings at the new Mishima Plant, the four-storied Life Science Techno Center engages in the development and production of automatic blood analyzers used for biochemistry, and immunity and blood transfusion checks. It also houses the Academy Training Room, where customers, such as inspection engineers who are going to use our analyzers, receive training on use of the equipment. A separate two-storied building serves as a biomaterial works, engaged in the production of artificial bone.

“The idea was to make it a ‘visually attractive plant’ for not simply visiting trainees but also general customers,” says Noriaki Takahashi, Representative Director and President of Mishima Olympus Co., Ltd., who worked like a dynamo to realize the new plant. One of the “visually attractive” objects is the environment. This is, after all, the environmental model plant for the Olympus Group, and they are expected to play it right.

The new plant uses highly insulating materials in the roofs, exterior materials, and window glass, introducing outside air to minimize the load necessary for air-conditioning. We also

make use of more environmentally-conscious night-time power as a source of heating. The plant has achieved a remarkable reduction in lighting energy by using an automatic dimming system and automatic on-off systems based on motion sensors. The new Mishima Plant reuses waste water generated in the process of water deionization (deionized water is used in the production of automatic blood analyzers) for toilet flushing and stores rainwater in the basement for reuse in the garden. There is also a plan to install solar panels on the rooftops. Various state-of-the-art technologies and systems to reduce energy consumption and environmental loads are in place. But these are not yet sufficient to class it as a “model plant.”

“You can get some payback from a building if you spend a decent amount of money. But you need to use it wisely if you want a successful outcome,” says Takashi Tabara, Customer Support Dept., Diagnostic Systems, Life Science Company, Olympus Corporation. Based on this concept, the new plant has a central energy monitoring system. This system allows us to see instantly how much improvement is being made in terms of energy saving or CO<sub>2</sub> reduction. We aim to reduce CO<sub>2</sub> emissions by 21% with the new buildings and systems, and further reduce the level by over 30% through resourceful operations. Themes of training to customers also include energy and water conservation at locations where the equipment is to be used. These activities will help us to develop products with less environmental impact, or “eco-products” as they are known. A “visually attractive” plant will generate useful activities and product development, which will further encourage the Olympus Group and its customers and local community. Such is the role this new plant is expected to play.

### New Building for KeyMed Ltd. — Completed in May 2007

Overseas-based Olympus Group companies are also active in environmental action. KeyMed Ltd., an Olympus Group company engaged in the sale, repair, development, and production of medical endoscopes in the United Kingdom, is actively promoting social and environmental measures under the principle that “The pursuit of profit alone is an empty vessel” Awarded the Queen’s Award for Enterprise in the Sustainable Development Category in 2004 for its excellent



The vertical closed loop geothermal system used by KeyMed (artist’s rendition). The loop absorbs energy (winter) and discharges energy (summer) to provide heating and cooling.

activities, the company has further introduced a variety of equipment that enhances energy efficiency within its medical device manufacturing center. The building features enhanced thermal insulation and it is fitted with a cooling-heating system utilizing the steady temperature in the ground. Solar panel systems provides 75% of hot water, and a lighting system with motion sensors; a rainwater recycling system; and a leading-edge building energy management system with complete specifications. Through these advanced systems, the building is designed to improve energy efficiency by 30% and reduce water consumption by 25%.

### Head Office Building of Olympus in the Americas. — Completed in July 2006

Olympus America Inc. (OAI), which operates marketing, sales, and management of Olympus medical and life science products in the United States, and Olympus Imaging America Inc., which operates marketing, sales, and management of Olympus consumer products in North and South America, introduced environmental standards to their offices. Their new headquarters, completed in July 2006, are equipped with an under-floor air distribution system that serves both ventilation and temperature control; highly energy-efficient utilities and lighting fixtures; and water-saving toilet and water supply systems. Air-conditioners and fire-fighting equipment are CFC-free so as to help protect the ozone layer. Other devices designed to protect the surrounding natural environment include external lights that prevent scattering of light, and greening with local plants. Employee-friendly facilities include ergonomic design in work stations and a full-service child care center that accommodates up to 90 children, including infants through kindergarten-aged children.

Harmony with the Environment [Feature 3]



**From the Representative Responsible for Promoting Local Environmental Actions**

Good buildings, utilities and services won’t make a facility environmentally friendly if it lacks heart. How to use them and how to demonstrate how they are used is what counts. Every employee needs to be aware of the environment and pursue their job, which is the key to providing “safety and security” to our customers.

**Noriaki Takahashi**  
Representative Director and President,  
Mishima Olympus Co., Ltd.



**From the Manager Responsible for Transforming Our Environmental Viewpoint to Customer Satisfaction**

The Customer Support Dept. will become the Quality Environment Service Dept. in the spring of this year. Our mission is to change our products into environmentally friendly ones and let our customers know how to use them in an environmentally friendly manner. We must shift toward the idea that environmental actions themselves are contributors to our business.

**Takashi Tabara**  
General Manager, Customer Support Dept., Diagnostic Systems,  
Life Science Company,  
Olympus Corporation



**From the Staff Responsible for Promotion of In-house Improvement**

This plant is “environmentally friendly” as a whole, but not just in terms of the technological ideas or equipment used here. In addition, all those basic technologies and items of equipment overall form a major integrally controlled operational system. Looking at the actual situation, you will be surprised to see just how fast improvements are made and how much motivation is aroused.

**Kaname Hasegawa**  
Group Leader assistant,  
General Affairs Group,  
Mishima Olympus Co., Ltd.

# Good Relations with Community

## Information Disclosure/Social Contributions

It is very important for Olympus to let people know what we are thinking about and what we are doing, and to learn exactly what people expect from us. To this end, information disclosure and interactive communication is essential. We think it imperative to always carry out business activities considering “how we should contribute to society,” and maintain good relations with the community in order for us as a corporate citizen to earn the respect of our stakeholders.

### Priority Measures and Targets

#### Establishing Good Relations with Society

In order for us to earn the trust of our stakeholders and work in harmony with society, Olympus believes it is important to ensure appropriate information disclosure and make social contributions based on the advantages of our business.

Olympus defines information disclosure and contributions to society as part of our activity guidelines.

#### Information Disclosure Policy (extract)

- Release of corporate information in an appropriate manner and at the right time, in order to help people outside the company gain an accurate understanding and find trust in us
- Establishment of internal rules and procedures on information disclosure, and compliance with the relevant laws and ordinances and stock transaction regulations effective in countries where we do business or are listed
- Careful attention to the protection of personal information and stakeholders' rights

▶▶WEB Information Disclosure Policy = <http://www.olympus-global.com/en/corc/csr/compliance/disclosure/>

#### Social Contribution Policy

Contributions with an emphasis on the following four fields that can be best served by our managerial resources:

- Medicine and health
- Culture and arts
- Global environment
- Natural science

We also encourage every employee to actively participate in volunteer activities as a member of civil society.

▶▶WEB Social Contribution Policy = <http://www.olympus-global.com/en/corc/csr/compliance/community/>

### Achievements in FY2006

#### Method of Information Disclosure

##### • To let people know more about Olympus

Depending on the level of importance or content, Olympus provides information using optimal means such as news releases, publicity events, news conferences, and websites. We also place corporate advertisements in newspapers, magazines, and television, both inside and outside Japan, to provide society with information on activities in our various business fields and our involvement with the community so as to help the public gain a better understanding of Olympus.

#### Major Social Contribution Activities

##### • Medicine and Health

##### Donation of Endoscope Systems to Developing Countries

In 2006, Olympus Optical Do Brasil Ltda. (OBL) donated an endoscope system to Santa Casa hospital, a private hospital in Rio de Janeiro, Brazil, which provides free medical examinations and treatment to the poor and carries out volunteer-based medical intern education. This action was initiated at the request of the honorary president of the World Organization of Digestive Endoscopy and followed a preliminary field survey.



OBL President Karaki (left), honorary president of the World Organization of Digestive Endoscopy Dr. Machado and his wife (center), OBL Service Administration Director Mr. Luchio (right) and the donated endoscopic video system.

##### Educational Symposium on Digestive System Cancer

In order to inform large sections of the public about the early detection and treatment of stomach cancer, colorectal cancer and other digestive organ cancers, Olympus held an educational symposium “Toward the Early Detection and Treatment of Cancer” with the participation of specialists in seven major cities across Japan. Each event attracted between 500 and 1,000 participants.

##### • Culture and Arts

##### A DAY IN THE LIFE OF AFRICA<sup>\*1</sup>

A photo exhibition titled “A DAY IN THE LIFE OF AFRICA,” was held at the Okayama Digital Museum, the 13th exhibition venue, throughout November 2006. More than 1,000 visitors viewed the exhibit everyday during its run. The same exhibition was also held at Olympus Gallery, Tokyo, in January 2006.

<sup>\*1</sup>: An international photographic project carried out in 2002, in which Olympus participated as a primary sponsor, featuring the works of about 100 photographers from 26 countries taking pictures of “one day” in the 53 countries of Africa. The purpose was to promote awareness of the AIDS issue. All the profits from the sale of photos published as part of this project are donated to the AIDS Education Fund in Africa. Since 2003 Olympus has been extending cooperation to the United Nations and various NGO (Non-Governmental Organizations) by holding photographic exhibitions in various parts of the world and providing a website gallery in four languages to convey the message of the project. ▶▶WEB

▶▶WEB A DAY IN THE LIFE OF AFRICA = <http://www.olympus-global.com/en/event/DITLA/>



## Cameras for Healing<sup>\*2</sup>

Olympus Imaging America Inc. (OIMA) has supported the Cameras for Healing project since the summer of 2006 by providing camera equipment to support the rehabilitation and revitalization of the people of Sierra Leone.

<sup>\*2</sup>In this project, Canadian photographer Maurice Henri has been supporting people through photographic image therapy, based on appreciating the beauty of life and communicating through self-expression. A team of four, including Henri and a psychologist, held month-long seminars in two villages in Sierra Leone, a country that was ravaged by civil war from 1991 to 2005. Participants, including both war victims and former child soldiers, use photography to express their current lives and future aspirations. This five-year project aims to help these heart-stricken people heal emotionally after years of violence and trauma, and see the world around them in a whole new light.



Maurice Henri and the children of Sierra Leone

▶▶WEB <http://www.camerasforhealing.com>

## Supporting International Photographic Fieldwork

Olympus provides full support to the Nippon Photography Institute, which holds an unprecedented real-time class on its blog under the name of "International Photographic Fieldwork"▶▶WEB to train documentary photographers who can work internationally. As part of this project, Olympus also supports the training of photojournalists working from a global perspective, through photo exhibitions showing pictures taken by the Institute students and Olympus local employees during the photo trips.

▶▶WEB Lines of Sight - Every Aspect of the Asian Viewpoint (Only in Japanese) = <http://www.npi.ac.jp/pfw/blog.html>

## • Global Environment

### Donation of Nature Photo Calendars

Olympus has donated its Nature Photo Calendars, published since 1982, to the World Wide Fund for Nature (WWF) Japan; profits from sales are placed into a fund to support their nature preservation activities.



2007 Olympus WWF Calendar

### "Global Warming Witness (GWW) – Mitsuaki Iwago Special Site"

In order to raise public awareness about the actual status of global warming, an issue which is becoming more serious year by year, Olympus launched a special website in cooperation

with WWF Japan in FY2006 ▶▶WEB in which photos and movies taken in the habitat of polar bears are presented. We have also produced a DVD showing the website images, again donating profits to WWF Japan.

▶▶WEB Special website-  
Global Warming Witness =  
<http://www.olympus.co.jp/en/gww/>



A polar bear and a cub in Canada, where the global warming problem is surfacing.

## • Natural Science

### Exciting Wakuwaku Science Workshop

Since 2003, the Olympus "Wakuwaku Project" has been holding seminars for elementary and junior high school students to help "children experience the joy of science." Staffed by our volunteer employees, six seminars were held in FY2006.

▶▶WEB Wakuwaku Science Workshop  
(Only in Japanese) =  
<http://www.olympus.co.jp/jp/event/wakuwaku/>



Wakuwaku Science Workshop held at the Miraikan (National Museum of Emerging Science and Innovation)

### Sponsoring Natural Science Observation Contest

The Natural Science Observation Contest, which started as the Microscopic Observation Contest in 1960, is for elementary and junior high school students and provides them with an opportunity to "develop a scientific mind." Olympus has been a major sponsor from the start and is one of the operators of the contest.

▶▶WEB Natural Science Observation Contest (Only in Japanese) =  
<http://www.shizecon.net/>

## Future Targets

We intend to continue our active promotion of information disclosure and interactive communication and social contribution activities in an appropriate way that makes the most of our technology, personnel, and other managerial resources, while carrying out business from the viewpoint of "how we can contribute to society."



**Junichi Mizuo**  
Ph.D. Research Laboratory for Nuclear Reactors, COE Professor, Tokyo Institute of Technology

### From a Stakeholder

Olympus ensures full disclosure of information in its CSR report, which makes effective use of their expertise, know-how, and core competence in four main fields—including medicine. I highly evaluate the "BRAVE CIRCLE" campaign for raising colorectal cancer awareness as a "CSR document unique to Olympus" as it utilizes their own managerial resources with the background of an era with an increasing number of colorectal cancer cases. I sincerely wish this campaign that "expands the circle of bravery to the world" every success.



**Yasunori Takeuchi**  
General Manager, CSR Dept., CSR Div., Olympus Corporation

### From Olympus

We believe that social contribution activities, one of our corporate activities, represent a long-term investment in society. Like our general business operations, we have been pursuing activities that make the most of our business characteristics and managerial resources and follow our management philosophy. Our activities to promote awareness of the digestive organ-related cancers are highly regarded by our stakeholders and serve as a case in point. We will keep working on social contribution activities "unique to Olympus" in the future.



A press conference for the colorectal cancer elimination campaign, BRAVE CIRCLE conducted in Tokyo was held on February 5, 2007. Three Japanese musicians participated in the campaign: ANRI (left), Kazuhiko Kato (second from left), and Ayaka Hirahara (right). Seen here second from right is Naoto Morishima, Representative Director and President of Olympus Medical Systems.

## Colorectal Cancer Awareness Campaign

The number of people who suffer from colorectal cancer is increasing. Although most colorectal cancer patients are asymptomatic in the initial stages, colorectal cancer can be detected by a simple health check; and it is known that early treatment can remarkably reduce the fatality rate. Olympus Medical Systems Corp. has taken the initiative and started the BRAVE CIRCLE campaign to work toward the elimination of colorectal cancer.



Logo for the BRAVE CIRCLE colorectal cancer awareness campaign

▶▶ **WEB** BRAVE CIRCLE website (Only in Japanese) = <http://www.bravecircle.net/>

### Cares of Colorectal Cancer Increasing Amid Stagnant Medical Check Rate

“Every helping hand is dear. I want to hold them near. Hand in hand, I thank you, for with you I have no fear!”

Many of you in Japan might have heard the song sung by musicians Kazuhiko Kato, ANRI and Ayaka Hirahara, whose Japanese lyrics go something like, “Every helping hand is dear...” This is the theme song of the BRAVE CIRCLE colorectal cancer awareness campaign, which is being promoted by the Olympus Group. These musicians have joined in with the wishes of Olympus to reduce the number of people whose life is taken by colorectal cancer. The number of Japanese people who have lost their lives to colorectal cancer has more than doubled in the past two decades, and colorectal cancer is the top killer of Japanese women. According to recent predictions, by 2015, colorectal cancer will be the most common cancer in both men and women<sup>\*1</sup>. Colorectal cancer, if detected at an early stage, is a highly curable disease by endoscopic treatment or surgery. It can also be detected by a simple method of testing for blood in stools. Despite this, the medical check rate for Japanese people is only 18%. Without a test, early detection is difficult because this cancer is asymptomatic in its early stages.

<sup>\*1</sup>: Calculated from the Cancer Statistics White Paper 2004

## Call for a Checkup!

"Is there anything we, the manufacturer of digestive endoscopes used for medical checks of the stomach and colon, can do?"

An in-house multidisciplinary project comprising 14 to 15 members was set up in the summer of 2006, and when the topic was narrowed down to colorectal cancer, what the members talked of was a very simple thing, "First disclose the facts and then promote medical checks." Some cancers can be healed quite easily, and colorectal cancer is one of them. It can be almost completely prevented by a regular endoscopic check of the colon. Yet only a small number of people take such a check. Before even going for such a medical checkup, we can detect it with a very simple "stool test." So why not just call for a checkup!

The campaign film was first shown in February 2007, mainly in the Tokyo metropolitan area and then toured major cities throughout the country in March. The campaign received a lot of feedback as it was covered by TV information programs and the media. Various comments were gathered from the general public: "I learned about the present situation regarding colorectal cancer through the campaign and have decided to have a checkup every year from now on." "Although the phrase 'cancer awareness' sounds heavy and serious, your campaign sounded very natural and certainly attracted me." A doctor said to a visiting Olympus employee, "I saw the film. You started a good activity."

We also received various inquiries asking for permission to play the campaign song in patients' waiting rooms or to put up the campaign poster. We have no intention to restrict this activity to Olympus. The BRAVE CIRCLE colorectal cancer elimination campaign indicates "the bravery to face colorectal

cancer and the intention to expand this initiative." This is the wish that members want to realize through the campaign. Our target is to spread awareness to wider social activities with the help of more organizations, medical institutes, corporations, and individuals.

## Colorectal Cancer Awareness Campaign Abroad



It is not only in Japan that the colorectal cancer awareness campaign is being conducted. Olympus America joined the National Colorectal Cancer Roundtable (NCCRT) in 1998 and initiated efforts to communicate the importance and necessity of colorectal cancer screening. >>WEB

Their major activities include contributions to the National Colorectal Cancer Research Alliance (NCCRA), support of the activities of the Cancer Research and Prevention Fund (CRPF), and sponsoring the Colon Club, which was established by Molly McMaster, an American who overcame colorectal cancer at the age of 27. This club, in cooperation with OAI, promotes the colorectal cancer prevention education tour in which those who have overcome colorectal cancer promote medical checks and screening for people under 50. The Colossal Colon used for this tour is a big model of a colorectal measuring 40 feet long and 4 feet high. People can walk inside the model and see healthy colorectal tissue and diseased tissue. Advertising and PR activities calling for cancer screening are also being conducted in Canada, the Czech Republic, and South Korea.



Symbol mark of the colorectal cancer prevention campaign (above) and the colon model "Colossal Colon" used for the campaign (below)

>>WEB <http://www.crcawareness.com/>  
<http://www.olympusamerica.com/crcawareness>



### From the Project Initiation Leader

I played the role of project leader in the planning stage for marketing research. Endoscopes produced in Japan are greatly helping early detection and treatment of cancer all over the world. Considering this fact, I wish we could increase the opportunities to help save people through early detection and treatment in Japan, where the number of cancer patients is not decreasing.

**Toshiaki Maegawara**  
 Group Leader/Section Manager, Solution Group, Sales Marketing Dept., Marketing & Planning Div., Olympus Medical Systems Corp.



### From One Who Provides Information to Medical Staff

We have just started—the real thing is yet to come! We must work with many people to create a society where colorectal cancer screening is a common thing. Then we will be able to reduce the number of people who lose their lives to colorectal cancer.

**Kensuke Asahi**  
 Deputy Section Manager, Endoscope Sales Promotion Group, Sales Marketing Dept., Marketing & Planning Div., Olympus Medical Systems Corp.



### From the Publicity Staff Promoting Awareness through the Media

We are trying to develop various ideas to help the general public to understand the importance of medical checks by providing our campaign information through the media, and by asking doctors to explain colorectal cancer in our magazines.

**Shinichiro Murakami**  
 Deputy Section Manager, Publicity and Investor Relations Dept., Corporate Planning Div., Olympus Corporation



### From the Campaign Planning and Operation Staff

People wouldn't listen if we only told them the importance of colorectal cancer screening. Now we are using the power of music to make people share the feeling and at the same time highlighting the importance of taking a medical checkup. I hope we can widen this campaign so that as many people as possible can join without hesitation.

**Masao Yamaoka**  
 Deputy Section Manager, Corporate Planning Group, Corporate Planning Dept., Planning & Support Div., Olympus Medical Systems Corp.



### From the Colonoscopes Development Planning Staff

Some of the development members joined us of their own free will, despite their busy schedules. We have a strong sense of social responsibility, and I think this corporate culture is being continuously handed down from our seniors.

**Yoshihiro Iida**  
 Group Leader/Section Manager, New Business Development Project, Planning Group, R&D Div. 1, Olympus Medical Systems Corp.



### From the Advertising Staff Engaged in Commercial Production

This is the first time in the medical field that a campaign is being carried targeting the general public. It was at the end of last November when the idea to use music and movement first took shape. We fast-tracked our ideas until the campaign began in February. We are now thinking of expanding our colorectal cancer campaigns in various foreign countries.

**Nobuhiro Nakajima**  
 Group Leader, Medical Group, Business Advertisement Dept., Business Support Div., Olympus Corporation

# Efforts by Olympus Group Japan Sites

A summary of environmental protection activities and contributions to local communities by Olympus Group Japan sites is introduced on the following pages. For more detailed reports, please refer to our websites.

▶▶WEB Efforts by Olympus Group Japan Sites (Only in Japanese) = <http://www.olympus.co.jp/jp/corc/csr/data/2006/domestic.cfm>

**1 Tatsuno Plant**  
(Kamiina-gun, Nagano Prefecture)

Manufacture of digital cameras, liquid crystal inspection equipment, industrial endoscopes, high-speed printers, automation equipment; research and development of semiconductors

- Many employees were unable to commute to the office for many days following the torrential rainfall in July 2006 that flooded the roads. The response of the Tatsuno Plant was to change its disaster prevention organization to a system operated by managerial staff, enabling the plant to better respond to disaster situations. The CO<sub>2</sub> reduction project, set up with cooperating companies and representatives of divisions as members, took the initiative in a plant-wide effort to reduce CO<sub>2</sub> emissions, and successfully enhanced the environmental consciousness of the employees with substantial results.



Atsushi Matsuo, General Affairs Group



Route 153, the major commuting road for employees, was made impassable by torrential rainfall

**4 Olympus Logistex Co., Ltd.**  
(Kawasaki-shi, Kanagawa Prefecture)

Product warehousing and distribution

- Thermal insulating coating was applied over the entire rooftop with an area of about 10,000 m<sup>2</sup> above the top (fifth) floor, to reduce the environmental load. This has resulted in a temperature reduction of more than 8.8°C on a month average.



Tsutomu Kubomura, Environmental Secretariat




Thermal insulating coating


**2 Ina Plant**  
(Ina-shi, Nagano Prefecture)

Manufacture of optical microscopes

- Asbestos used in the facility was removed (details of the method are described on page 14). Asbestos was used in a machine room where equipment indispensable to plant operation was installed. Since it was necessary to carry out removal work without compromising plant operations, items of equipment in the machine room were relocated one after another to ensure continued daily plant operations during the removal work.



Katsumi Karasawa (left) and Akira Mizutani (right), General Affairs Group



Asbestos removal work

**5 Tokyo Office**  
(Shinjuku-ku and Shibuya-ku)

Headquarters Administrative Department, Sales Department, Repair Department, and others

- The Olympus Tokyo Office participated in the 29th annual "Shibuya Ward Residents' Plaza Hometown Festival" held on 3 and 4 November 2006. We have taken part in this festival for the past five years as a "ward citizen." The Tokyo Office promoted exchanges with local residents by offering more than 1,000 guests free prints of their photos and providing opportunities to observe insects, plants, and flowers through microscopes.



Satoru Hayashi, Tokyo General Affairs Group, General Affairs Dept.



Shibuya Ward Residents' Festival

**3 Mishima Olympus Co., Ltd.**  
(Sunto-gun, Shizuoka Prefecture)

Development and manufacture of clinical analyzers and provision of services

- When Mishima Olympus moved to a new site in April 2007, an Environmental Development Committee was set up in the Diagnostic Division of Olympus Corporation to promote respect for the natural environment, construction of buildings that could achieve a significant reduction in CO<sub>2</sub> emissions, and other effective environmental action (pages 17 and 18).



Kaname Hasegawa, General Affairs Group



Environmental Development Committee, Diagnostic Division


**6 KS Olympus Co., Ltd.**  
(Head office at Shinjuku-ku, Tokyo and 26 other offices in Japan)

Sale of medical endoscopes and microscopes

- KS Olympus promotes the reduction of paper and power consumption and generation of waste as well as action to reduce environmental loads in sales activities. In particular, KS aims to offer customers products with less environmental impact, such as Eco-products, and is carrying out sales activities based on a full understanding of the environmental characteristics of our products through our independent environmental impact assessments.








Kenji Uenishi in charge of ISO and Information



Morioka Office was certified as an office in Iwate Prefecture promoting global environment consciousness

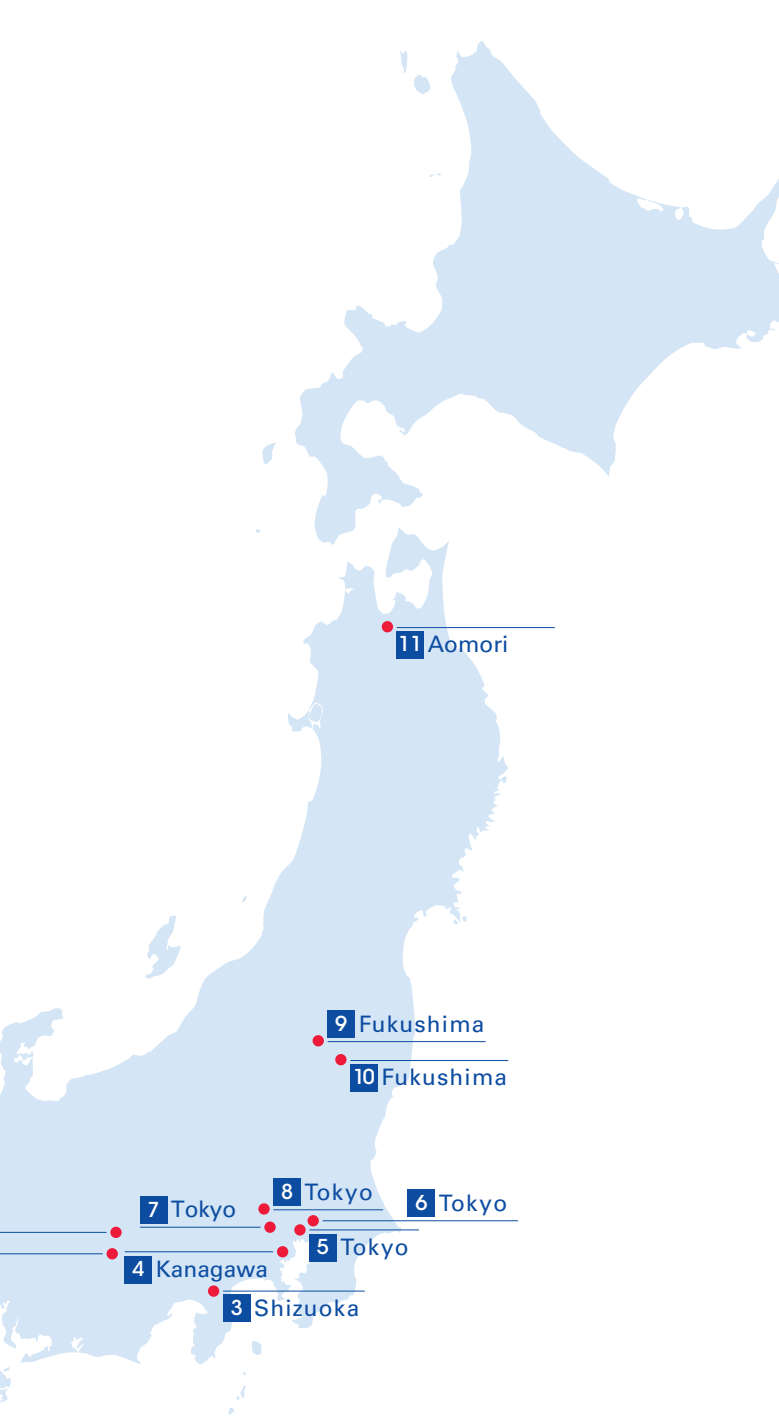
**Symbols to indicate the site type**

-  Sites in charge of production, such as plants
-  Sites in charge of storage and distribution of products
-  Sites in charge of product R&D, including basic research and technology development
-  Sites in charge of sales
-  Sites in charge of product repair and provision of service

1 Nagano

2 Nagano





### 7 Research and Development Center

(Hachioji-shi, Tokyo)



Basic research on medical, image, and information areas; R&D on elements; development of new products and production technologies

- The Center reduced CO<sub>2</sub> emissions from the site to a level of 730 tons below the target level by saving energy through the introduction of inverter-based air-conditioners, strict control of the air-conditioning system, and switching the intra-facility shuttle bus to an energy-saving model.
- The Center invited 15 executives from local residents' associations on a tour of the safe and environmentally conscious facilities at the Center.



Masahiko Tanaka (left) and Noboru Nakano (right), Environment Team, Facility Environment Group, General Affairs Dept.



The General Manager of the Hachioji Plant presents a speech at a gathering with local residents.

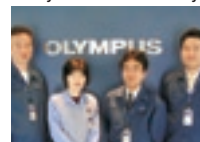
### 8 Hinode Plant

(Nishitama-gun, Tokyo)



Manufacture of endoscopes for medical and industrial use and ultrasonic products

- The production line as well as the production technology and quality control divisions promote reductions in environmental impacts, namely saving energy and waste reduction, during their daily work.
- In particular, the plant has successfully reduced defects by 62% on a material cost basis (compared with the FY2001 level) through a variety of initiatives including the "daily audit" that ensures the maintenance of the quality of the production line to eliminate the wasteful use of energy and reduce waste generation.



Takayuki Hagino (left), Seiko Yamagishi (second from left), Takeshi Saito (second from right), Tetsuhisa Mori (right), Quality Group, Hinode Plant



Daily audit

### 9 Aizu Olympus Co., Ltd.

(Aizu-Wakamatsu-shi, Fukushima Prefecture)



Manufacture of endoscopes for medical use

- Aizu Olympus cosponsored the "Environment Festa in Aizu" for the 14th time. At the festival, they showed the current status of their environmental activities and demonstrated how they are tackling environmental problems. Other Aizu Olympus attractions included educational leaflets, free offering of compost recycled from restaurant garbage, environmental quizzes based on the theme of "Team Minus 6%," and the stamping of local environment festival cards upon learning about Aizu Olympus and its environmental efforts.



Kazuharu Watanabe (left) and Yasuo Ikeda (right), General Affairs Group



Environment Festa in Aizu

### 10 Shirakawa Olympus Co., Ltd.

(Nishishirakawa-gun, Fukushima Prefecture)



Manufacture of medical machinery and equipment

- Ongoing efforts to reduce CO<sub>2</sub> emission at Shirakawa Olympus include reductions in production equipment, the promotion of energy-saving air conditioning systems, and the planting of cherry trees in the facility compound to absorb CO<sub>2</sub>, albeit in small amounts, emitted from the factory. Planting trees is as an ongoing annual event, making use of the money earned from selling materials donated by employees at a "recycling bazaar."
- Twice a year employees also support local blood donation requests.



Koichi Kawamura (left) and Hiroshi Suzuki (right), two representatives of the Service Promotion Group holding the Minister of Health, Labour and Welfare Award presented in FY2003



Eighteen cherry tree saplings are planted annually

### 11 Aomori Olympus Co., Ltd.

(Kuroishi-shi, Aomori Prefecture)



Manufacture of medical apparatus

- Aomori Olympus conducted the "Great Cleanup Operation" for Route 102, to improve employees' environmental awareness and make local contributions. Eighty-five employees participated in the movement and collected 140 kg of refuse.



Nobuyuki Yamada, General Affairs Group



Great Cleanup Operation

# Efforts by Olympus Group Overseas Sites

This page provides a summary of the environmental protection activities and contributions to local communities by Olympus Group overseas sites. More detailed reports are shown on our websites.

►► **WEB** Efforts by Olympus Group Overseas Sites = <http://www.olympus-global.com/en/corc/csr/data/2006/overseas.cfm>

**1 KeyMed (Medical & Industrial Equipment) Ltd.**  
(Southend-on-Sea, United Kingdom)  
Sales, repair, development and manufacture of endoscopes

- As a result of a review of its waste management practices, KeyMed now uses an electric vehicle to collect waste from around its various sites in Southend and transport it to a compactor. Apart from the cost advantages the increase in control has resulted in improved separation of different waste streams.
- KeyMed opened its new Medical Device Manufacturing Centre in early 2007. The building features a number of innovative award winning technologies aimed at reducing its environmental load.




Andrew Vaughan,  
Group Environment Manager

Electric vehicle dedicated to garbage collection

**3 Olympus Winter & Ibe GmbH (OWI)**  
(Hamburg, Germany)  
Development, manufacture, sales and service of endoscopes

- Olympus Winter & Ibe GmbH (OWI) has successfully maintained the environmental standard certification acc. to ISO 14001 during the annual surveillance audit, and the environmental partnership with the Hamburg authorities with active support of the governmental programs for protection of natural resources. For the environmental projects major emphasis was placed on all activities with direct and significant decrease of energy consumption and -consequently the reduction of CO<sub>2</sub> emissions. The following projects highlight the environmental activities at OWI:
  - Use of heat exchanging devices for the pre-heat fresh air ventilation utilizing exhaust air
  - Installation of energy-saving lighting in all reconstructed manufacturing and office areas
- Utilizing the industrial waste heat for pre-heating the fresh water supply.




Peter Gaedicke,  
Head of Quality and Environmental Management

Inspection of new heat exchangers introduced to the service division

**5 Olympus Optical Technology Philippines, Inc. (OPI)**  
(Cebu, Philippines)  
Manufacture of biological microscopes

- It was on May 12-13 2006 when OPI successfully upgraded its EMS Certification from ISO14001:1996 version to ISO14001:2004.
- OPI is committed to compliance with applicable legal requirements, and continues to act on its social responsibilities through restoration and preservation of natural environment.
- The company's environmental aspects and adverse impacts on the environment are carefully identified and measures are introduced to mitigate them. Waste transport and treatment companies are carefully selected through the conduct of audits, to ensure that OPI's hazardous wastes are legally treated in an environmentally friendly manner.




Kunihiko Iizawa,  
Environmental Management Representative, General Affairs Section Manager

Philippine Olympus employees planting mangroves in Orango Island





**2 Olympus Life and Material Science Europa GmbH (OLMEI)**  
(Irish Branch, Clare, Republic of Ireland.)  
Development and production of reagents for blood analyzers

1.Environmental Activities:  
OLMEI are installing a wood chip burner to supply central heating. This system will reduce costs by 50% and is CO<sub>2</sub> neutral<sup>\*1</sup>. The Willow Biofiltration Plantation is at design stage and, when completed, will allow our effluent to be fed to the plantation and eliminate discharges to the lake.

2.Community based CSR / Environmental Activities:  
Olympus is involved in 'Junior Achievement'<sup>\*\*2</sup> where employees go to local schools and teach programs designed to give students an appreciation of the value of work, enterprise and science.

<sup>\*1</sup>: Burning plants, like burning fossil fuels, produces CO<sub>2</sub> emissions. However, as plants absorb CO<sub>2</sub> when growing, they are able to offset the CO<sub>2</sub> produced, during in their life cycles. (The net carbon emissions are zero.) Therefore, in this context, this refers to a fuel system derived from biological materials that balances the carbon dioxide released into the atmosphere.

<sup>\*\*2</sup>: the NGO (Non-Governmental Organization) that is supported by not only Olympus but more than 140 companies in Ireland.

Susan Keane,  
Senior Environmental Health & Safety Officer

Wood chips destined for the burners for central heating

**4 Olympus Europa GmbH (OE)**  
(Hamburg, Germany)  
Parent company of European subsidiaries and support for European group companies

- The senate of the city of Hamburg contributes to the UN decade with an own initiative. Olympus supported this initiative through a workshop with students from commercial schools in Hamburg. Olympus showed and discussed with the students how we are implementing CSR aspects into the business practice and strategy by the several workshops. With this workshops Olympus could actively promote dialogue between schools and business.
- Olympus Europa supports the exhibition on nonverbal communication "Scenes of Silence," that has opened in January 2007 in Rendsburg, northern Germany. "Scenes of Silence" is an exhibition that seeks to visualize non-verbal communication by gesture, facial expression, body or sign language and hence contributes to the dialog between non-hearing and hearing people. The aim of "Scenes of Silence" is not to simulate deafness but rather to exchange experience, rethink social clichés and overcome prejudices. The exhibition already employs 10 deaf people full time.




Stefan Behringer,  
Department Manager Corporate Governance

Performance of "Silent Scene"



**Symbols to indicate the site type**

- Sites in charge of production, such as plants
- Sites in charge of product R&D, including basic research and technology development
- Sites in charge of storage and distribution of products
- Sites in charge of sales
- Sites in charge of product repair and provision of service

**6 Olympus (Guangzhou) Industry & Technology Ltd. (Pan Yu Factory)**  
(Guangzhou, China)

Manufacture of image-related products

- Olympus (Guangzhou) was awarded the "Guangzhou Fire-Fighting Corporation, Advanced Individual" for their fire-fighting system.
- The company passed the external audit for environmental management system ISO 14001: 2004 certification, with no non-conformities.
- The company held lectures on "Environmental Safety Awareness" and "Public Accident Case Analysis" during its "Environmental Month" and "Safety Production Month" to improve employees' awareness of environmental safety.
- A cost reduction of more than 10% was achieved by strict management of waste and reduction of consumption of water, paper, and daily consumables.



Lecture on Environmental Safety Awareness



Qiang Deng, Environmental Safety Secretariat



Jianzhong Chen, Environmental Safety Secretariat

**7 Olympus (Shenzhen) Industrial Ltd.**  
(Shenzhen, China)

Assembly and parts processing of cameras (lens mold)

- Olympus Shenzhen participated in the Shenzhen municipal government's "Shenzhen Waste Reduction Activity" and was awarded the title of "Excellent Company."
- The company took part in the "Clean Production Company" corner of Shenzhen's high-tech result exhibition at the request of the exhibition's sponsoring organization.
- The company was awarded the title of the "Shenzhen Recycling Economy Model."
- The company solicited ideas for a symbol mark for the "Environmental Month" during activities in June.
- Trees were planted in the compound of the Shenzhen factory.



Ying Luo, Environmental Development Department in the Personnel Supervising Division



Award ceremony for Excellent Company in Shenzhen Waste Reduction Activity

**10 Olympus America Inc./Olympus Imaging America Inc. (Corporate Headquarters)**  
(Pennsylvania, United States)

Head office function in the United States, and marketing, sale and repair of products

- Several programs were initiated to supplement the facility's environmentally-responsible design, including:
  - Recycling of waste office paper, plastic/aluminum beverage containers, cardboard, light bulbs, and electronic scrap;
  - Child Care Center installation of playground equipment made from recycled materials;
  - Employee workstation ergonomics;
  - Site emergency response to address potential employee medical needs and fires.
- The OIMA Reverse Supply Chain group in Hauppauge, New York now collects components from units beyond economical repair for metal, plastic and glass recycling. Previously disposed in landfills, in just three months over 4,000 pounds (1,800kg) of electronic waste have been recycled.



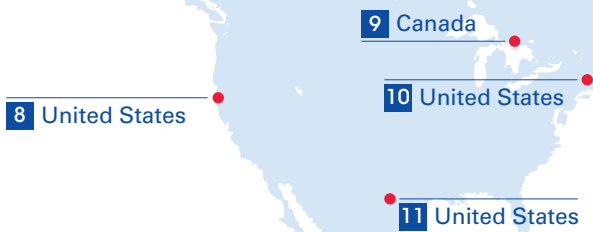
Joseph Badalamente (left), Facility Manager and Robert Morse (right), Chief Compliance Officer



Play equipment at the in-house Child Care Center, made from recycled materials




Reverse Supply Chain Group




**8 Olympus Medical Equipment Services America, Inc. National Service Center (NSC)**  
(California, United States)

Front desk for repair and service of medical equipment, distribution center

- The NSC reduced carbon emissions by reducing electrical consumption by 8%. Occupancy light sensors were installed along with switch modification to use one or two lamps in each three-lamp fixture.
- The NSC celebrated World Environment Day for employees with displays, educational materials and a quiz related to Global warming, energy conservation, mass transit, solar energy and bicycling.
- The NSC reduced landfill disposal by over 50% by vigorous segregation and recycling (internal and external) programs.



Pad Kemmanahalli, Environmental Health, Safety & Facility Senior Manager




Events commemorating World Environment Day


**9 Olympus Canada Inc. (OCI)**  
(Ontario, Canada)

Sales, service and distribution of medical equipment and microscopic systems

- With assuming the Canadian operations last summer, we have renovated the Head Office facilities. While reducing workspace per employee, a more comfortable environment was achieved. OAI has provided Olympus Canada with office furniture, cafeteria tables and artwork for re-use. Modular furniture was incorporated into the design made with recycled equipment refurbished with all new surface treatments. All of our staff has the option to use public transit that can reduce carbon emissions into our atmosphere.



Kim DeJonge, Director of Operations



Furniture reused at OCI head office

**11 Olympus America Inc. (Irving Facility)**  
(Texas, United States)

Distribution, repair and service of diagnostic systems

- Waste minimization efforts continued in 2006, with electronic scrap recycling increasing dramatically.
- A site Health and Safety Committee was established to:
  - Inspect for hazards and unsafe practices;
  - Adopt safeguards to eliminate or control such hazards;
  - Provide necessary personal protective equipment; and
  - Train employees in good management practices.
 For 2006, OAI-Irving recorded zero occupational injuries/illnesses.
- Through flower sales, Irving personnel raised funds to support American Cancer Society research, detection, and patient programs. Site blood drives over the last two years have saved the lives of 78 people in our community.



Charles Zerbo (left), Distribution Center Manager and Brian Burgess (right), Quality Assurance Engineer



Workplace safety audit at Irving

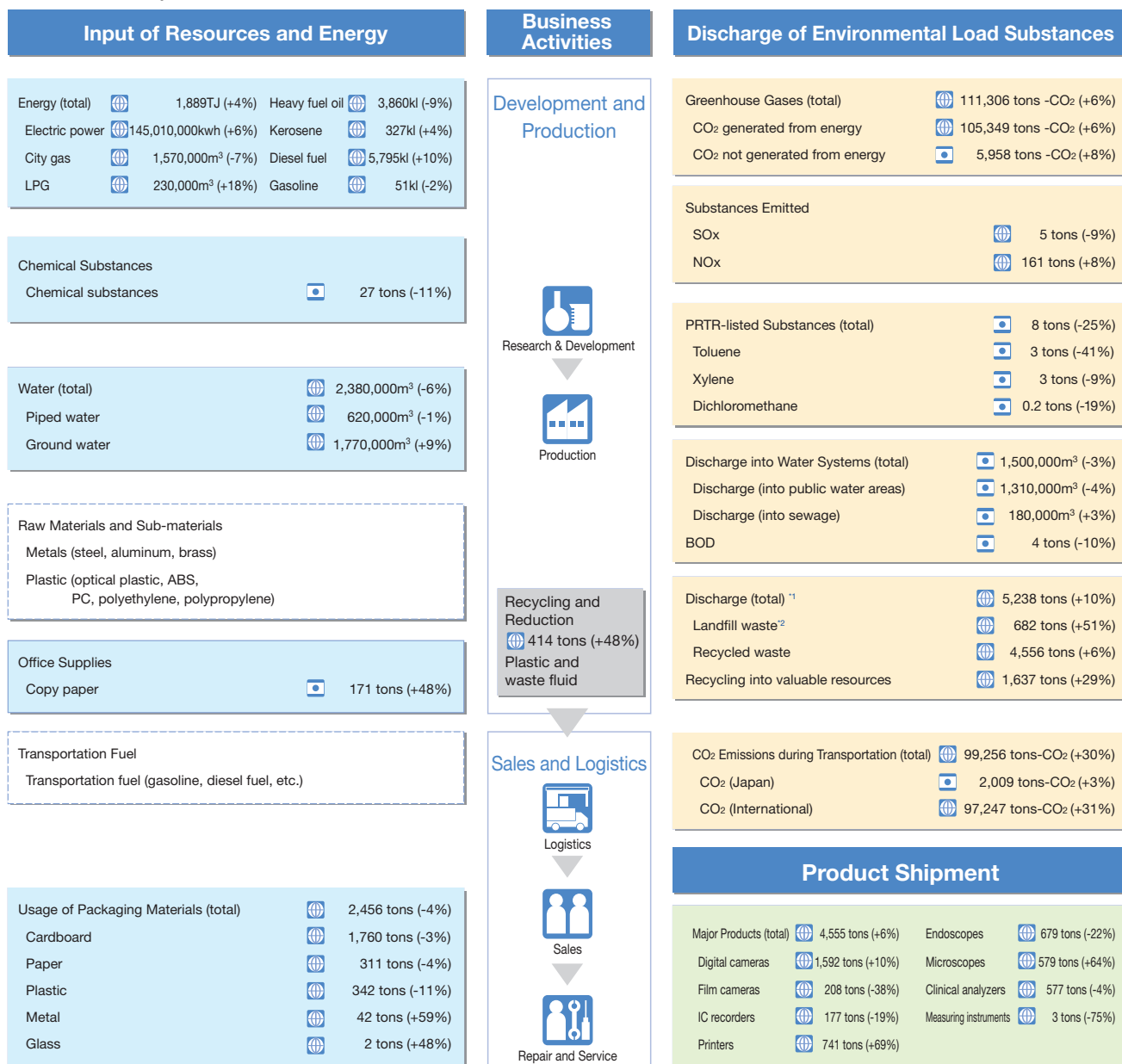
# Influences of Business Activities and Environmental Preservation Activities

The business activities of the Olympus Group have impacts on the global environment in a variety of ways. We try to understand those impacts quantitatively, conduct efficient reduction of waste and minimize our environmental load.

In FY2006, the Olympus Group further promoted efforts to reduce energy consumption and waste generation. However, use of resources and energy increased as a result of expanded product shipments.

▶▶ **WEB** <http://www.olympus-global.com/en/corc/csr/environment/emanagement/eimpact.cfm>

## ■ Environmental Impact of Business Activities



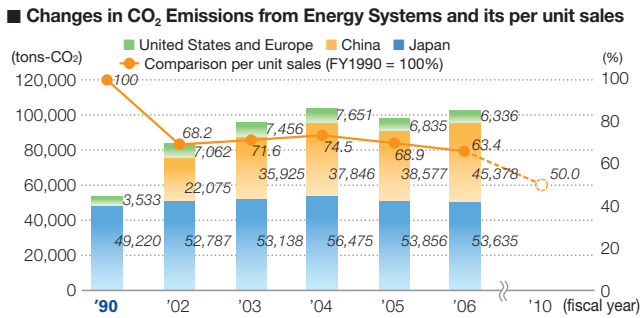
■ Production facilities in Japan    ■ Global production facilities

Values within the parentheses are percentages for the previous year.

\*1: Discharge (total) = Discharge (waste) means landfill waste as well as recycled waste and does not include waste recycled into valuable resources. Values in this section contain those of waste discharged from logistics sites.

\*2: Waste emitted for landfill disposal as a prerequisite. Such waste undergoes volume reduction, such as incineration, and some of the residues are sent to landfills.

## Global Warming Prevention: CO<sub>2</sub> Emissions from Energy Systems



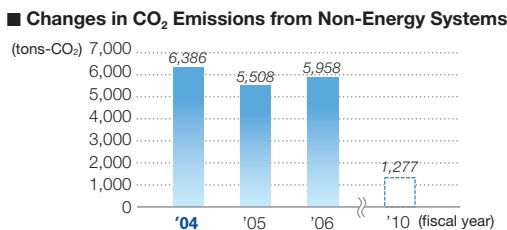
\* Data for all sites are shown.  
 \* Greenhouse effect gas conversion coefficients are taken from the following sources.  
 Japan: Conversion coefficient announced by the Ministry of the Environment and by the Federation of Electric Power Companies of Japan, both in 2005. The power conversion coefficient used for FY2006 as above is the value announced for FY2005.  
 Overseas: GHG protocol conversion coefficient (<http://www.ghgprotocol.org>)

## CO<sub>2</sub> Emissions from Energy Systems Compared to FY1990: 37% reduction (per unit sales)

FY2010 target: 50% reduction of CO<sub>2</sub> emissions per unit sales (relative to FY1990)

CO<sub>2</sub> emissions from energy systems were 105,349 ton-CO<sub>2</sub>, which is 37% down per unit sales (against FY1990). This represents a steady downward move toward the FY2010 target. Despite an increase in CO<sub>2</sub> emissions as a result of production growth, we continued CO<sub>2</sub> reduction efforts, including the introduction of energy-saving equipment (pages 17 and 18) at the Mishima Plant, which newly started operations in 2006, and the continuation of daily activities to save energy and improve production efficiency. We intend to redouble our energy-saving activities in production processes toward the realization of the FY2010 target.

## Global Warming Prevention: CO<sub>2</sub> Emissions from Non-Energy Systems



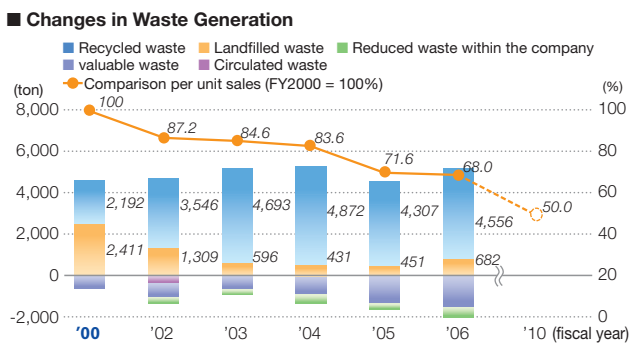
\* Calculated using the conversion value announced by IPCC (Intergovernmental Panel for Climate Change) in 1996

## CO<sub>2</sub> Emissions from Non-Energy Systems Compared to the Previous Year: 8% increase

FY2010 target: 80% reduction of CO<sub>2</sub> emissions (relative to FY2004)

CO<sub>2</sub> emissions from non-energy systems resulting from use of sprays for dust removal, cleansing agents, and etching in semi-conductor production were 5,958 ton-CO<sub>2</sub>, up 8.2% compared to FY2005. One of the main factors behind this increase was a rise in emissions due to disposal of detergents and liquid leaks from equipment resulting from the relocation of the former Sakaki Plant. Our ongoing efforts in the field of technical development toward an 80% reduction in CO<sub>2</sub> emissions from non-energy systems in FY2010 (against FY2004) include a reduction in consumption of materials, replacement of cleansing agents with less environmentally harmful ones, and installation of a preliminary treatment facility.

## Reducing Waste and Recovering Resources: Changes of Waste Generation



\* Because detailed categorization of the amount recycled started in FY2005, the preconditions used in and before FY2004 were different from those in FY2005. Detailed categories are the valuable waste, and circulated, reduced one within the company and recycled waste, respectively.  
 \* The term "amount put to intermediate treatment" was changed to "landfilled waste" in the FY2005 report.

## Waste Generation Compared to FY2000: 32% reduction per unit sales (compared to FY2000)

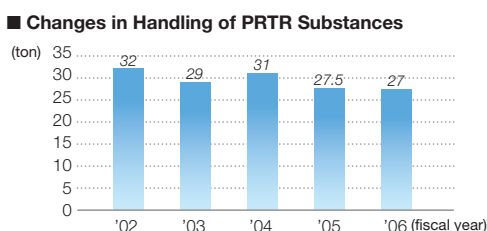
2010 target: 50% reduction per unit sales (compared to FY2000)

Waste generation was 5,238 tons, down 32% per unit sales (compared to FY2000). This again represents a smooth reduction process toward the FY2010 target. For Japanese sites, discharge was reduced thanks to strict separation of waste by type for value enhancement and effective integration of sites. For European and the U.S. sites, the amount of liquid waste increased as a result of additional installation of experimental equipment.

We are determined to do our best to minimize consumption of resources while maintaining production requirements.

\* Discharge is the total of recycled and landfilled waste.

## Chemical Substances Control: Handling of PRTR Substances



\* The reference year is shown in bold.

## Total Amount Handling: 27 tons, 0.5 tons down from the previous year

The total amount of PRTR-listed substances handled in FY2006 was 27 tons, 0.5 tons less than the previous year. Although consumption of some substances and sterilizing gases increased due to increased production, consumption of some solvents decreased due to the use of alternative coating agents. Overall, the Olympus Group as a whole achieved a slight reduction. We continue to actively tackle this issue through strict examinations upon the introduction of new chemical substances or providing technical support to processes that use a large amount of PRTR-listed substances.

## Environmental Accounting

Olympus conducts environmental accounting as a way of obtaining quantitative data on environmental preservation costs and related effects.

In FY2006, total costs increased, largely as a result of implementation of the measures against global warming for the new Mishima Plant (pages 17 to 18); preserving the global environment; R&D costs for the introduction of Olympus Eco-products to the market promoted inside and outside Japan (page 15); and upstream costs to respond to laws and regulations related to the environmental assessment of products (page 16).

▶▶WEB <http://www.olympus-global.com/en/corc/csr/environment/emanagement/eaccounting.cfm>

Aggregation period: April 1, 2006 to March 31, 2007  
 Targets of aggregation: Major sites in Japan and China  
 Amount of capital investment by the Olympus Group during the period = 44,696 million yen  
 R&D cost = 55,531 million yen  
 Unit: million yen

### ■ Environmental Accounting in FY 2006 (as of March 31, 2006)

Classification	Contents of Programs	Content Reference Pages	Environmental Preservation Cost			Environmental Effect	
			Equipment (compared to the previous year <sup>1)</sup> )	Cost (compared to the previous year <sup>1)</sup> )	Total (compared to the previous year <sup>1)</sup> )	Economic Effects Relating to Environmental Preservation Activities	Quantitative Effects Related to Environmental Preservation
Upstream Costs	Green procurement Green purchasing	▶▶WEB	77.6 (0 the previous year)	505.7 (+105%)	583.3 (+137%)	Green purchasing in Japan: 39.4	Domestic green purchasing rate: 61.7% Percentage of Eco-cars in domestic company vehicles
R&D Costs	Olympus Eco-products development	P15	3.0 (0 the previous year)	367.3 (+113%)	370.3 (+115%)	☎ Total sales of Eco-products (Group consolidated): 91,863	☎ Total sales results for Eco-products (Group consolidated): 2,740,971
Costs Inside Business Area	Renewal and repair of pollution prevention equipment	P15-18	42.1 (-65%)	162.7 (-77%)	204.8 (-75%)	Cost of lawsuits for domestic environmental pollution and complaints: 0 Penalties for domestic environmental pollution and complaints: 0	Domestic environmental pollution lawsuits: 0 cases Complaints from residents in surrounding areas in Japan: 0 cases
	Measures to prevent global warming for new Mishima Plant		269.1 (+675%)	93.9 (-16%)	363.0 (+148%)	Energy cost: 2,441	CO <sub>2</sub> emissions: 104,497 tons-CO <sub>2</sub>
	Effective use of resources Disposal of waste Recycling		0.0 (-100%)	489.0 (-92%)	489.0 (-92%)	Cost of consigned landfill waste treatment: 22.5 Income from sales of recycled valuable resources: 59.3	Volume of landfill waste: 465 tons
Downstream Costs	Recovery of products Optimization of packaging	▶▶WEB	0.1 (0%)	4.9 (+8%)	5.0 (+8%)	—	—
Environmental Management Activity Costs	For asbestos check and response ISO 14001 management and operation Environmental communication	P14-15	147.3 (+458%)	328.8 (-59%)	476.1 (-43%)	—	ISO 14001 certified facilities: 15 sites (out of a total of 15 production and development sites)
Costs for Damaged Environment	For soil investigation and remediation at the former Sakaki Plant	P16	62.6 (0 the previous year)	0.0 (0 the previous year)	62.6 (0 the previous year)	—	—
Costs of Social Activities	Contributions to society and regional areas	P23-24	0.0 (-100%)	5.7 (+6%)	5.7 (+2%)	—	—

#### How to aggregate Olympus' environmental accounting

- Starting from the FY 2004 environmental accounting, calculations are based on the Environment Accounting Guidelines (FY 2005 edition).
- The proportions of cost and depreciation expenses that cannot be clearly separated into those for environmental preservation and those for other purposes are not calculated, and their totals are not included for the purposes of environmental accounting.
- Of the economic effects accompanying environmental preservation, elements such as estimated effects<sup>2</sup> that lack sufficient data are excluded.
- See our website for changes (standards of Ministry of the Environment) and details of past environmental accounting.

<sup>1</sup>: For items that were recorded as zero in the previous year, as no comparison can be made, "(0 in the previous year)" is shown for the cost.

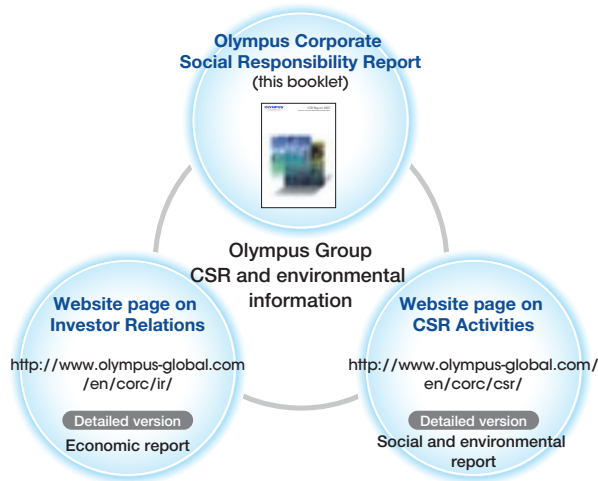
<sup>2</sup>: Estimated effects = Estimated profit and loss based on the calculation of the hypothetical results of implemented environmental preservation-activities: For example, the cost for damages or environmental restoration with respect to pollution accidents prevented by capital investment or expenditure for pollution prevention.

# How to Read the Report and Website

## The Overview of CSR and Environmental Information

This report discloses information by highlighting particularly noteworthy pieces of information, including new actions that started in FY2006, or important news, in order to help the reader easily understand the entire picture of the Olympus Group's business activities.

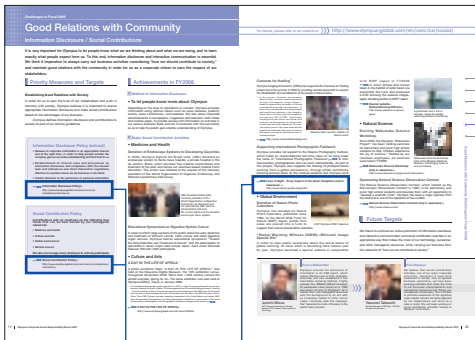
Extensive and detailed information on the CSR activities of the Olympus Group is provided on our website.



## The WEB symbol >>WEB

This symbol is used when more detailed information is provided on our websites. WEB Supplemental Materials mark >>WEB provides the URL for the content of each item in this report.

>>WEB Supplemental Materials =  
<http://www.olympus-global.com/en/corc/csr/wdata/>



WEB Supplemental Materials mark provides relevant links  
<http://www.olympus-global.com/en/corc/csr/wdata/>

## Public Awards Presented for Olympus 2006 CSR Activities and Information

- October 2006 All-in-one carton packages for IX81 motorized inverted microscope won Japan Packaging Contest Good Packaging Award Logistics Award
- November 2006 Olympus' investor relations website was placed top in the precision industry in the FY2006 Corporate Website Performance Ranking operated by Nikko Investor Relations Co., Ltd.
- December 2006 2007 Olympus/WWF calendar "Alcheringa-Australia: Where the Oldest Time Still Ticks," won the 58th National Calendar Exhibit "the Economy, Trade and Industry Minister Award"
- January 2007 Olympus (Shenzhen) Industrial Ltd. recognized as Shenzhen's "Shenzhen Waste Reduction Activity" Excellent Corporation
- March 2007 Olympus CSR Activities website won the Corporate Division Excellent Award of the "Environment goo," one of the major environmental portal site in Japan.



Kenichi Yano, General Manager, Brand Strategy Office, Corporate Planning Div., Olympus Corporation receiving the Economy, Trade and Industry Minister Award at the 58th National Calendar Exhibit.



Web Supplemental Materials are shown on the website.

Olympus CSR Activities website  
<http://www.olympus-global.com/en/corc/csr/>

## Editor's Note

To create this report, we requested many of our colleagues in related departments, including those overseas, to write reports, and the Report Preparation Working Group discussed these again and again. For the first time we asked for third-party comments from outside specialists and our stakeholders regarding our activities in order to determine what other actions or reports are required of the Olympus Group. We intend to promote further interactive communications with our stakeholders and incorporate their opinions and requests into the development and implementation of CSR-related policies and measures, working toward the realization of a sustainable society.

We are pleased to receive any comments you may have about us.

## About the Cover of this Report

For the cover of this year's CSR Report, Olympus adopted a work by artist Mr. Susumu Endo, whose works are based on the theme of "a new relationship between human beings and nature." This conforms to our CSR and Environmental Philosophies, which are aimed at contributing a sustainable society and the protection of the environment.





## Smile for the Earth

This logo mark symbolizes the environmental activities of the Olympus Group, which is involved in beneficial activities for the earth and human beings, so that together we can smile like this.

# OLYMPUS®

## OLYMPUS CORPORATION

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TREEFREE



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