

Social Contribution

Olympus contributes to the local community and next generation at each site worldwide based on a socially responsible management concept (Social IN).

● Taking Part in the Day in The Life of Africa Project as a Premiere Sponsor

In February 2002, about 100 world's foremost photojournalists, including 2 Japanese, fanned out across Africa to capture images within 24 hours, launching a magnificent project. Olympus donated to all the participating photographers full set of SLR digital camera equipment, and portable dye-sublimation printers, to fully support the project. Olympus also organized training sessions to help them familiarize with the equipment, and assembled technical support team during the project. A photography book was published in English, French, and German. All earnings went to the African AIDS Education Fund through the Project Secretariat. Olympus-sponsored exhibitions held in Tokyo in June, in Kobe in August, in Seoul in November 2003 and in Pusan in February 2004 were well received everywhere. In September, the Third Tokyo International Conference on African Development (TICAD3) was held mainly involving the Japanese Government, UN, and NGOs. Olympus held a mini-exhibition at the hall and donated several sets

of photography book . In October, Olympus co-sponsored an exhibition with the UN Development Programme (UNDP) at UN Headquarters in New York as part of the UN's poverty-fighting campaign. At the opening ceremony where we welcomed UN Secretary-General Kofi's wife, two UN Vice-Secretaries, and others from the UN, Olympus Chairman Kishimoto donated \$33,000 earned from the exhibition in Tokyo to the Millennium Development Goal (1). These vivid photos send out signs of hope for Africa and help make people worldwide consider issues to be faced regarding Africa, such as AIDS.

➡ 1) In 2000, a 15-year program was adopted at the UN Millennium Summit to develop activities by setting up 8 targets: eradicating poverty and hunger worldwide, implementing elementary education, gender equality, peace, eradication of AIDS, etc. 2003 saw the start of the program.



Circuit Exhibition throughout Tokyo



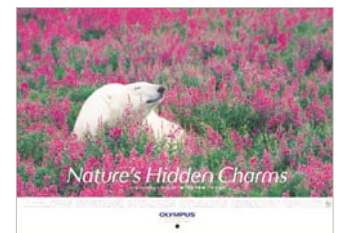
UN Opening Ceremony
From the left Mr. Mark Gumz (President, Olympus America Inc), Mrs. Nane Annan (wife of the United Nations Secretary-General), Mr. Masatoshi Kishimoto (Chairman, Olympus Corporation), Mr. Ibrahim Gambari (United Nations Under-Secretary-General), Mr. Shashi Tharoor (United Nations Under-Secretary-General), Mr. John Issac (participating photographer)

● Supporting WWF Japan by Nature Photo Calendar

Olympus cooperates closely with WWF Japan, the world's largest private nature preservation group. 2004 is the 19th year this Nature Photo Calendar has been published (2), and this project has securely taken root, since Olympus became a co-sponsor of WWF Japan. The calendar emphasizes environmental considerations, e.g., nonpolluting, avoiding the use of PVC wall hangings, and printing all pages on 100% recycled paper. The calendar's book format ensures that pages need not be removed each

time a month begins. Income from the calendar goes to funds for nature preservation at the WWF.

➡ 2) This calendar is available only in Japan.



2004 Edition of the Nature Photo Calendar

● Olympus America Inc. Colorectal Cancer Awareness

Olympus America Inc.(OAI) has undertaken numerous initiatives to increase public awareness and screening for colorectal cancer. A high-profile initiative is Olympus America's support of the National Colorectal Cancer Research Alliance (NCCRA). Recently, an OAI spokesperson presented a check for \$500,000 to the NCCRA on national television (NBC-TV's "The Today Show"). OAI also supports National Colorectal Cancer Awareness Month, an activity of the Cancer Research and Prevention Foundation, in March each year. OAI is

also a sponsor of a nationwide tour of the Colossal Colon, a public outreach program for colorectal cancer awareness featuring Molly McMaster, a 27-year-old colon cancer survivor. OAI helped as a sponsor of a 20-city tour of The Colossal Colon (3) which was open to the general public.

➡ 3) Colossal Colon is forty foot long, four foot tall crawl-through replica of the human colon.



Molly McMaster, a 27-year-old colon cancer survivor and Bob Reinhardt (R) from OAI pose with The Colossal Colon.

● Olympus Schweiz AG Support for Ecological Research in Borneo Forests

The Museum of Zoology in Lausanne was one of the institutes to take advantage of special conditions offered by our Swiss subsidiary (Olympus Schweiz AG) to acquire a SZX12 stereomicroscope, a BX51 upright microscope and a C-3000ZOOM digital camera for the support of a study by the Laboratory of Ecosystem Management (GECOS) at the EPFL (Swiss Federal Institute of Technology). 14,000 insects were collected from forest streams in Borneo to aid in measuring the im-

pact of logging. Researchers identified the highest number of Ephemeroptera (mayflies) ever recorded in the world — 10 of them previously unidentified. They named one of these "Prosopistoma Olympus," in appreciation of the help given by Olympus Schweiz AG over the years.



Company Paper ECHO Issued from Olympus Europe GmbH

● Olympus UK Ltd. Support for The Julia Margaret Cameron Trust

Olympus UK is a proud supporter of the Julia Margaret Cameron Trust at its base at Dimbola Lodge on the Isle of Wight. Julia Margaret Cameron was a pioneering photographer of her time. In an age when women photographers were rarity, Julia Margaret Cameron shone out as a great photographer and has been much revered ever since. Dimbola Lodge is the original house that she lived in on the Isle of Wight and where she entertained other creative celebrities such as the great writer Tennyson. The building was in need of substantial restoration which started in 1994. The restoration has brought the house back to its former

glory and it now plays host to permanent exhibition of Julia Margaret Cameron's work. Not only that, but Olympus UK has been pivotal in promoting photography at this historic venue by bring photographers such as David Bailey, Lord Lichfield, Barry Lategan and John Swannell to Dimbola Lodge to exhibit their photography. By bringing new and exciting photographic work to this historic venue, Olympus UK is helping to add to the cultural diversity on offer in this stunning part of UK.



Photographer Lord Snowdon (M) and Graeme Chapman (R) and Mr. Ron Smith (L), who is the Chairman of the Julia Margaret Cameron Trust.

● KeyMed (Medical & Industrial Equipment) Limited Supporting Orphans and Road Safety in Uganda

KeyMed has established links with Mildmay International, a charity specializing in the palliative care of AIDS patients in the UK and Africa, and provides financial and practical support for orphaned and starving children suffering from AIDS in Uganda. As a result of appeals for toys, clothing and equipment, coordinated by KeyMed, 8 ~20 ft containers full of donated items from staff and the local community have been shipped to help equip Mild-

may's Baby Unit, Adolescent Centre and Day Care Clinic. KeyMed is also actively involved in improving the hazardous road safety conditions in Uganda. Working in collaboration with the Ugandan Police, City Council and the Rotary Club of Kampala West, a total of 14 projects have been completed to help reduce deaths and injuries in certain accident black spots in Kampala.



Donated Toys Being Put to Good Use at Mildmay Day Care Clinic

● Olympus (Shenzhen) Industrial Ltd., Planting Trees in Shenzhen City

December 2003, Olympus Shenzhen Industrial Ltd., participated in a tree planting exercise at the Shenzhen City International Flower and Gardening Fair. This event was held jointly by Shenzhen City and the Shenzhen City Green Fund, targeting greening and landscaping in the city. The 200 employees of Olympus Shenzhen planted 208 trees, sprinkled each

with water, and promised to join together visiting the planted trees next year. People were deeply impressed by employees' sincerity and commitment.



Planting Trees in Shenzhen City

Social/Environmental Communication

We communicate with local communities by disseminating environmental information or taking part in local community events.

Holding Scientific Seminar for Children

Scientific seminar is for elementary and junior high school students to increase children's interest in science. In 2003, this seminar was held 4 times by volunteer employees to teach children the wonders and arcane aspects of science through optical experiments. These were received well by participants. Volunteers enjoyed seminars as much the same as the children, so calls for 30-80 volunteers are an-

swered at once. Olympus continues to offer opportunities for children to explore science whenever possible.



Scientific Seminar Held at a Junior High School

Olympus America Inc. (OAI) Digital Photography Education and Outreach

OAI started a new program to bring digital photography education to students ("the photographers of tomorrow"), senior citizens and art institutions. Some of the students who have been reached through this program to date are disadvantaged youth in Philadelphia, Washington, D.C. and Tampa, Florida. In addition, digital photography programs are being presented to senior citizens as a part of an active lifestyle

and to enable them to keep in touch with family and friends. These programs are made possible through the loan or donation of Olympus equipment. OAI also supplies course materials and instructional support.



OAI "Visionary" professional photographer Nick Kelsh shows some of his published photographs to fourth graders at Clara Barton Elementary School in Philadelphia.

Environmental Advertising "Expanding High Performance in Environmental Consciousness"

We acquaint newspaper and magazine readers with Olympus' thoughts on the environment, e.g., creating products that are high-performance, even for the environment.



Olympus Environmental Advertising

Ecoproducts 2003 Exhibition

We displayed products at Ecoproducts 2003 Exhibition held at Tokyo Big Sight in December 2003, presenting them in three zones — the Management Zone for introducing Olympus' environmental efforts, the Product zone for introducing Type II Eco-label products, and the natural science classroom for children to cultivate interest in the environment. Most display setups were reused, and the few that could not be recycled.



Olympus Booth at Ecoproducts 2003 Exhibition



Display at Product Zone

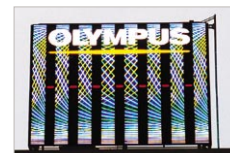
Environmentally Conscious Neon Sign

New Olympus neon signs are installed in Hachioji and Ginza.

This sign expresses Olympus' "uplift" by fusing light and digital design in an environmentally conscious manner. Low-pressure inverters brighten neon luminance and use 40% less electricity than conventional neon signs.



Neon Sign at Ginza



Neon Sign at Hachioji

Environmental Report and Environmental Home Page

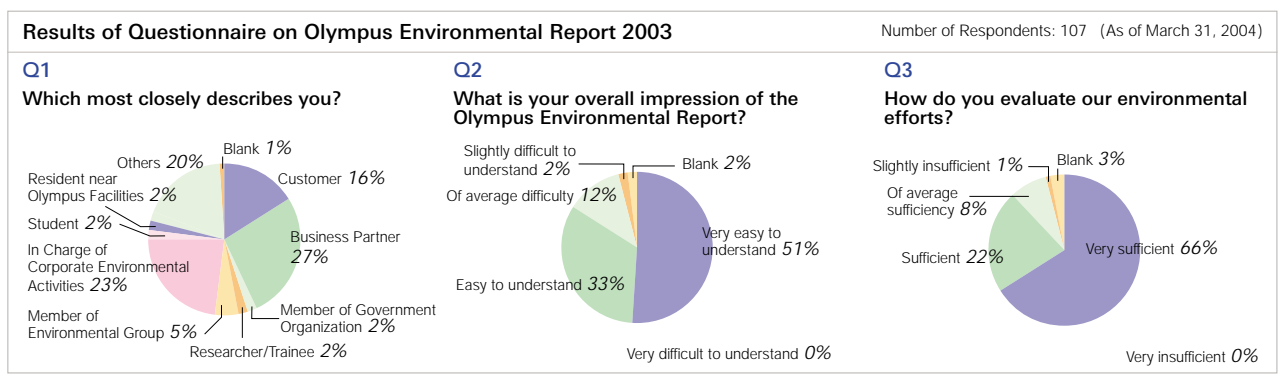
Olympus has been issuing an annual Olympus Environmental Report since FY2001 as a key tool in environmental communication. In FY2004, we issued the first Chinese version, joining Japanese and English versions issued the previous year, to inform more people about Olympus' environmental activities. On the updated social/environmental activities section of the Olympus home page (<http://www.olympus.co.jp/jp/corc/environment/>), we are disclosing content and details not covered by the Environmental Report.

Environmental Report 2003 and Circulation



Environmental Report 2003 Questionnaire: Items to be Improved and Responses to the Questionnaire

We deeply appreciate the many warm and insightful opinions and impressions to Environmental Report 2003, and are reflecting them in Environmental Report 2004.



Points to be Improved	Reflection on Olympus Environmental Report 2004	Main Related Pages
<ul style="list-style-type: none"> Many more case examples should be introduced. Pages that compare efforts made at each plant, such as energy and resource saving should be increased. 	<p>▶▶▶ We included efforts at individual facilities as domestic and overseas site reports. We indicate formats so you can compare contents of facility reports.</p>	p32-39
<ul style="list-style-type: none"> Environmentally conscious products are difficult to understand without specific products illustrated. 	<p>▶▶▶ We indicated specific examples of Olympus Eco-products using photos.</p>	p12-16
<ul style="list-style-type: none"> Projected goals for the following year should be mentioned. 	<p>▶▶▶ We mentioned goals to be attained in FY2005 in the Basic Environmental Plan, after reviewing it.</p>	p6
<ul style="list-style-type: none"> Environmental accounting was the only part difficult to understand. 	<p>▶▶▶ We expanded space describing specific efforts in each cost category.</p>	p8
<ul style="list-style-type: none"> The Okaya site wants to improve soil conditions as soon as possible. 	<p>▶▶▶ We improved soil within the FY2004 budget and give results.</p>	p25
<ul style="list-style-type: none"> Third-party opinions should be included. 	<p>▶▶▶ Our current policy for preparation of the report is to in-house document facts in good faith.</p>	—
<p>Good Points</p> <ul style="list-style-type: none"> Reports reflected opinions. Descriptions seemed better than in the 2002 edition. The finished report is easy to read thanks to informative banner headlines on two facing pages or one page. Very agreeable because articles focus on environmental issues, although product content is somewhat overdue. Information is useful to employees in charge of the environment, since specific activities are detailed. I was impressed by your efforts to contribute to the local community, such as participating in local activities to pick up trash. I actually witnessed such work. 	<ul style="list-style-type: none"> Social contribution pages helped me better understand corporate activities. You clearly mentioned environmental education from organization to practical teaching. Very understandable emphasis on considerations toward the environment and development of environmental technology in dealing with products. Inclusion of comments from research institutes regarding soil contamination Actually observe that you are conducting activities such as soil surveys, moving underground piping above ground, etc. 	

Health and Safety

Olympus is promoting the management of work safety and improved health and safety standards that go beyond simple compliance with regulations. We are promoting health by working closely with medical care and health fields and introducing new programs.

Control of Labor Safety

Each Olympus facility works toward eradicating potential disasters, such as through regular patrols, traffic safety guidance, etc., targeting zero tolerance of danger in the work environment. In FY2004, the 39 labor accidents were up 19 cases from the previous year. This was due to increased traffic accidents on the way to work.

To maintain and improve safety and a comfortable working environment, each facility measures noise and dust in the workplace and the concentration of organic solvents and chemicals in the atmosphere based on the Industrial Health and Safety Law. In FY2004, most facilities fell under the first control division, but the 9 workplaces of 5 plants, falling under the second and third divisions, indicate that noise produced by manufacturing equipment is causing problems that we are now taking measures to resolve.

Items	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Accidents	13	20	22	20	20	39
Accidents Resulting in Lost Days	1	5	9	7	8	7
Accidents Not Resulting in Lost Days	12	15	13	13	12	32
Lost Days	14	25	238	163	41	149

■ Number of Labor Accidents

Categories	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004
Category 1	168	162	105	114	125	133
Category 2	8	7	1	2	4	6
Category 3	2	2	2	2	5	3
Total	178	171	108	118	134	142

Category 1: A workplace where environment management is appropriately carried out and where it is desired that current environment management processes be maintained.
 Category 2: A workplace where the appropriateness of environment management is midway between that of categories 1 and 3 and where it is desired that measures be taken to shift the workplace into category 1.
 Category 3: A workplace where environment management is inappropriately carried out and where it is desired that environment management processes be quickly improved.

■ Number of Workplaces in which Working Environment is Measured

New Physical Examinations

Starting from April 2003, Olympus introduced a new in-house physical examination for preventing lifestyle-related diseases, and strengthening screening for cancer. Major items added to conventional physical examinations are combined stomach pepsinogen and endoscope examination, direct chest X-rays, abdominal ultrasound, fundus oculi examination, lung helical CT, large intestine endoscope, gynecological examination,



The Olympus Health Insurance Association Home Page

PSA inspection, etc. The Olympus Health Insurance Association is strengthening in-house physical examination and offers information to employees and their families through the Olympus Health Insurance Association Home Page and "Healthy People" health insurance news.

Health Backup Site "Onaka-no-Kenکو.com" (Healthy Stomach.com)

Olympus has established a portal, Onaka-no-Kenکو.com (Healthy Stomach.com) on digestive diseases and endoscopy for the general public. The site provides wide-ranging information on gastric health and endoscopy, from health checks¹⁾ answering simple questions on the Internet to stomach conditions to be checked and the introduction of examination procedures and treatment for internal organs and specific diseases, the role of endoscopic examination, and leading-edge endoscopy.



"Onaka-no-Kenکو.com" Home Page ("Healthy Stomach.com")

¹⁾ This is only a rough indication, so if you are worrying about your health, please consult your doctor.

Walking Campaign

Preventing lifestyle-related diseases, starting from FY2001, Olympus has set 3 months from September to November for a walking campaign and encourages employees to walk at every opportunity. In FY2004, campaign year 4, participants numbered 1,581, 87 more than the previous year, and those achieving 10,000 steps a day hit 62.7%. We open this walking campaign as a walk rally through Japan, and based on our calculation, we start at Wakkanai in the first campaign, and are expected to arrive at Hiroshima in the fourth campaign. In FY2005, the last year, in which campaign 5 is to be held, we are heading toward Kagoshima. In FY2004, we issued a certificate bearing the name and number of steps to all participants, including those who walked more than 600,000 steps (insured) or more than 728,000 steps (nonworking dependents).



Walking Campaign Certificate

	First time	Second time	Third time	Fourth time
Number of Applicants	1,237	1,410	1,494	1,581
Number of Participants Whose Final Number of Steps is Registered	1,237	1,309	1,318	1,470
Number of First Participants	—	884	630	561
Number of Participants Who Walked 10,000 Steps a Day	486	778	810	921
Rate of Final Participants Who Completed Walking (%)	39.3	59.4	61.5	62.7

■ Result of Walking Campaign

Personnel System and Human Resource Development

Olympus is proactively creating a workplace where all employees can exert their true abilities and achieve self-actualization, and introducing personnel and cultivating special abilities and performance-based principles.

Basic Policy

Olympus plans personnel policies and Human Resource Development policies based on the basic corporate concept that the most important way to realize a value-creating corporation is through its personnel.

[Personnel Policies]

- Respect for individuals and self-sustaining efforts
- High expertise and morale
- Promotion of performance/ability-based assessment

[Human Resource Development Policy]

- The basic policy of ability development relies on voluntary practice, and the most basic personnel development is On-the-Job Development (OJD), meaning self-development through job performance.

Challenge System

To help support our personnel management policies of respect for individuals and self-sustaining efforts, high expertise and morale, and promoting performance and ability-based assessment, we implemented in-house recruitment of desired personnel in 1990 and an in-house search for desired jobs in 2001. In-house recruitment of desired personnel is a scheme in which staff members can apply, at their own discretion and without the permission of their immediate bosses, for a recruitment request placed by any given job section, and upon acceptance through the interview, they can freely accept the offer from the job section without restriction. In-house search for desired positions is a scheme for promoting transfers within the company in which staff members look in-house for jobs they want for a year after obtaining permission of their immediate bosses. The two schemes are collectively referred to as the "Challenge System." The policy of respect for individuals and self-sustaining efforts calls especially for trusting and respecting the initiative of each individual and relies on individuals to develop their career paths and desired skills. The "Challenge System" was implemented to nurture such self-sustaining professionals.

Year	Number of Job Types	Number of Applicants	Number of Employees Transferred
1999	24	50	21
2000	41	47	20
2001	43	36	22
2002	69	46	22
2003 (June)	83	28	15
2003 (Dec.)	92	37	16

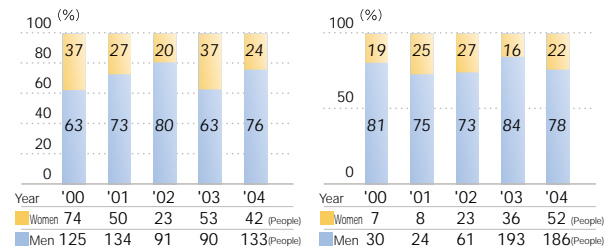
■ In-house Recruitment of Desired Personnel: Number of Staff over the Last 5 Years

Year	Number of Job Seekers	Number of Employees Transferred
2001	44	23
2002	32	16
2003	29	7

■ In-house Search for Desired Jobs: Number of Staff over the Last 3 Years

Equal Gender Employment Opportunities

Olympus scrupulously avoids gender-based hiring of new graduates, irregular hiring, promotion, and salary raises. Olympus proactively employs and uses personnel with self-sustaining professional awareness, well-balanced personalities, high expertise and morale, in line with basic personnel policies of respect for the individual and nurturing of self-sustaining staff, and highly specialized skill and high morale.



■ Gender-centered Employment among New Hiring

■ Gender-centered Employment in Irregular Hiring

Olympus College

Olympus College proactively provides business and technical courses for enhancing professionalism based on personnel policies and cultivation.

Highly Advanced Technician Development System

By systematically upgrading technique and technical ability, we target (1) pursuing high professionalism, (2) multiplying skills, (3) guiding and teaching technical employees in charge of development, (4) nurturing of technologies and techniques, and (5) launching and guiding of jobs outside the company.

Individual level is evaluated, based on a skill evaluation chart, and employees meeting qualifications receive a special title as high-level technicians.



Genichi Kurata of the mechanical group at the Ina Plant received an award from the Ministry of Health, Labor and Welfare and awards from sponsors in the lathe category, at the 21st Skills Grand Prix cosponsored by Japan Vocational Ability Development Association and All Japan Skilled Workers Federation.