

Labor Practices and Decent Work

Diversity and Equal Opportunity

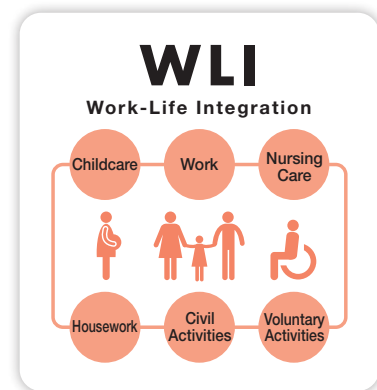
Systems to Improve Work-Life Balance

Work-Life Integration

In 2011, the Olympus Group introduced the concept of Work-Life Integration to help our diverse employees progress their careers regardless of the life events they are facing. We also implemented a range of activities under this concept among domestic Group companies, and are aiming to further enhance these measures, which we believe can lead to synergetic fulfillment in both work and life.

The measures are being implemented under four themes: (1) Promotion of diversity (see page 28 *Promoting Diversity*); (2) Nurturing the next generation (see page 28 *Promoting Diversity*); (3) Enhancing work productivity; and (4) Promoting health (see page 20 *Occupational Safety and Health*).

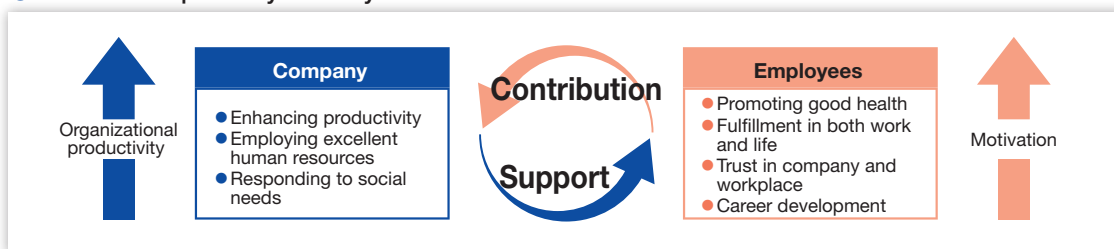
We also started Work-Life Integration training for managers on a regular basis in fiscal 2015 in order to disseminate an understanding of the importance of a management approach that will empower a diverse range of human resources. In fiscal 2017, we published a booklet describing our systems concerning Work-Life Integration and case studies, to promote usage of such systems, as well as providing know-how about achieving a good work-life balance.



Promoting Workstyle Reform and Productivity Enhancement

Olympus embarked on the Business Process Re-engineering (BPR) Project in July 2016 to strengthen our business and management foundation and to make best use of our organizational strengths. In collaboration with the Human Resources Division, the BPR Division, which is dedicated to implementing reforms, is upgrading organizational productivity and further motivating employees through changes in workstyles and awareness. We are implementing this project as a two-sided program consisting of reforms in action, aimed at building a better working environment, and reforms in awareness aimed at improving workplace productivity and changes in workstyles for each employee.

Effects Anticipated by Workstyle Reform



In April 2016, we expanded the scope of application of the work-at-home system so that more employees could take advantage of it. We expanded the system from workplaces with discretionary working hours to include other workplaces, and revised our employment regulations and labor agreements accordingly. In fiscal 2017, we further expanded the scope of applicable staff and now count some 1,280 users of the system, as of April 2018.

From July to August 2018, we participated in Telework Days, a teleworking promotion campaign led by the government in collaboration with the Tokyo Metropolitan Government and economic community. We also took a part in the Smart Commuting campaign (*Jisa Biz*), which is being promoted by the Tokyo Metropolitan Government to ease rush hour traffic congestion.

Welfare System

The Olympus Group implements welfare systems suited to different countries and regions.

In Japan, we provide employees with a welfare system to share the medical, childcare/nursing care and self-enlightenment expenses they have to pay. Specifically, we give priority to implementing measures to support employees who in need of support for home nursing care, home bathing services, babysitting, childcare facilities and language learning, including employees who are strongly committed to self-development.

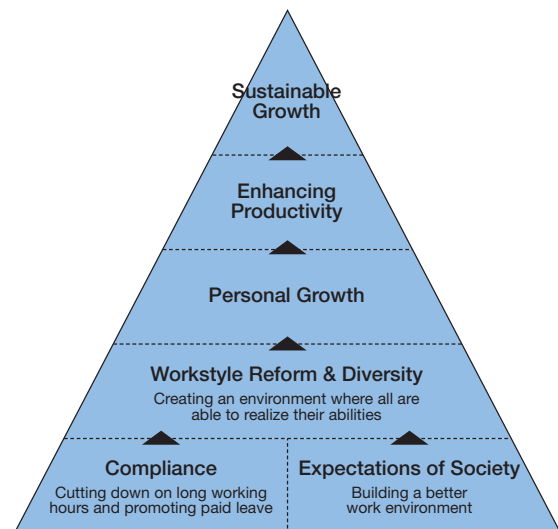
◎ Major Welfare System

System	Description	Coverage
Pension	Legally designated system	Across the group (including non-full-time employees)
Childcare leave	Longer than legally specified number of days	Group companies in Japan

Promoting Diversity

For the Olympus Group, which is propelling its business globally, utilization of diverse human resources has a significant influence in our business. We believe that maintaining an awareness of the importance of diverse human resources in progressing every aspect of our human resource strategy provides work satisfaction to each employee.

We are proactively promoting the empowerment of women in workplaces in Group companies both inside and outside Japan.



Promotion Structure

At Olympus, the Human Resources Division serves as the center for dialogue with employees and the labor union, providing systems to support an active role for diverse human resources and appropriately drafting and implementing measures. In fiscal 2017, we established the Diversity Promotion Group as a specific organization to reinforce our promotion structure.

The Diversity Promotion Group has the following five missions:

1. Creating the Diversity Policy and announcing it inside and outside the Group
2. Managing Group companies' diversity promotion
3. Creating and promoting the Olympus diversity measures (women's empowerment, employment of people with disabilities, and reemployment after retirement)
4. Providing Olympus diversity education and managing legal compliance
5. Promoting workstyle reforms

In fiscal 2017, we started diversity promotion over six categories, gender (women), people with disabilities, caregiver, the elderly, sexual & gender minorities, and foreigners.

Promoting the Advancement of Women

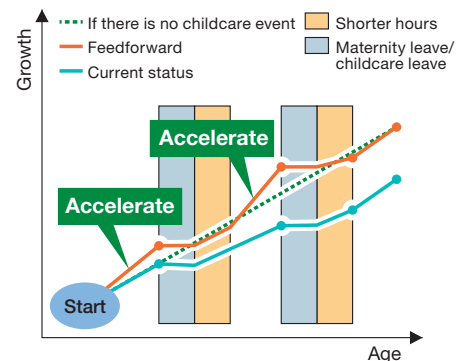
Olympus adopts gender equality in employment opportunities, employee promotions, and salary increases. We also actively appoint highly skilled and ethical people to appropriate positions. The advancement of women is in progress. As of the end of April 2018, female managers count 33 (29 in the previous year) and female managerial candidates increased to 188 from 146 in the previous year.

As well as establishing these welfare systems that support career progress while facing typical life events, we are also actively promoting the usage of such systems by publishing and distributing the leaflet concerning balancing work and child/elderly caring. We also hold related workshops in each department.

In fiscal 2016, we formulated a general business operator action plan based on the Act on the Promotion of Women's Participation and Advancement in the Workplace. The principal agenda of the plan is expanding the scope of employees qualified for the work-at-home system, Work-Life Integration (WLI) training for managers focusing on systematic career development for women, and training of managerial candidates to encourage the appointment of female managers. We are also considering introducing a mentoring system for female workers and a post-childcare training for early return to work.

Support is also provided for career development for women, based on anticipating life events and applying the concept of feedforward to provide experience and work opportunities at an earlier stage.

◎ Concept of Feedforward



Employer Action Plan Based on the Next-Generation Act

Olympus has formulated a general business operator action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children (Next-Generation Act). We are creating a working environment to support the Next-Generation Act by expanding the scope of employees qualified for the work-at-home system, establishing a childcare facility in Shirakawa Factory and other related activities.

General Business Operator Action Plan Based on the Act on Advancement of Measures to Support Raising Next-Generation Children (Only in Japanese)
<http://www.olympus.co.jp/jp/csr/innovation/lively/actionplan/>

Receiving the Kurumin Mark

Of the companies that formulate action plans under the Act on Advancement of Measures to Support Raising Next-Generation Children (Next-Generation Act), those that achieve the targets specified in those action plans and meet certain standards may apply to be recognized as companies that support the raising of children and receive *Kurumin* accreditation from the Minister of Health, Labour and Welfare.

Olympus received *Kurumin* accreditation from the Minister of Health, Labour and Welfare in March 2016.



Employer Action Plan Based on the Act on the Promotion of Women

Olympus has formulated a general business operator action plan based on the Act on the Promotion of Women's Participation and Advancement in the Workplace (Act on the Promotion and Advancement of Women), which was adopted in August 2015.

Our efforts made in fiscal 2017 to develop female leaders through enhancing our training programs resulted in a steady increase of women managers as intended in the action plan.

Implementation of the work-life balance systems are also steadily progressing through expansion of the scope of employees qualified for the work-at-home system and the short working hour system for childcare, as well as the creation of a database to exchange company information to retain their career connections while on childcare leave.

The female employment rate is also increasing by focusing on women candidates in our recruitment drives and holding job fair presentations for women candidates.

General Business Operator Action Plan Based on the Act on the Promotion and Advancement of Women (Only in Japanese)
<http://www.olympus.co.jp/jp/csr/innovation/lively/woman/>

Personnel Evaluation System

Olympus manages its own goal management and evaluation system, to allow employees to proactively pursue their business themes and develop their abilities to grow towards their goals. Employees have regular individual interviews with their superiors to confirm the degree to which they have achieved their quantitative and qualitative targets and to set goals for the next term.

Repeatedly attending interviews and improving their abilities not only allows employees to make temporary improvements in performance, but also allows them and their company to pursue mid- to long-term growth.

We introduce 360-degree feedback evaluations to some senior management to assess their work behavior as well as business performance.

Employment and Labor Relations

The Olympus Group values protection of the rights of individual employees in order to offer better corporate value to society.

We implement appropriate measures based on human rights viewpoints and the labor-related laws of each country.

Labor-Management Consultations

The Olympus management team provides regular opportunities to engage in labor-management consultations, both centrally and at individual facilities, such as during its twice-annual Central Labor-Management Council with the Olympus Labor Union. Such councils serve as a forum for discussing improvements in labor conditions and corporate culture reforms.

One of the major topics in labor-management consultations in fiscal 2017 was employees' salaries, which resulted in revision of initial salaries for new graduates.

As of April 1, 2018, 5,749 employees (other than management) were members of the labor union, which covers 75% of all employees.

Employee-Related Data

			Olympus Corporation	Overall Olympus Group in Japan*1
Number of newly employed (FY2017) (persons)			789	662
Break down	Men	30s and younger	426	322
		40s and older	230	26
	Women	30s and younger	121	243
		40s and older	12	71
Rate of newly employed*2 (%)			10%	16%
Break down	Men	30s and younger	16%	20%
		40s and older	6%	2%
	Women	30s and younger	18%	25%
		40s and older	3%	21%
Number of staff leaving (FY2017) (persons)			216	278
Of which number of voluntary leavers			104	211
Break down	Men	30s and younger	41	86
		40s and older	143	51
	Women	30s and younger	26	72
		40s and older	6	45
Job retention rate*3 (%)			93%	—
Break down	Men		93%	—
	Women		91%	—

*1 The following 13 companies: Olympus Medical Science Sales, Nagano Olympus, Aizu Olympus, Aomori Olympus, Shirakawa Olympus, TmediX, Olympus Digital System Design, Olympus Terumo Biomaterials, Olympus Memory Works, Olympus Logitex, Olympus-Supportmate, AVS, and Olympus Systems.

*2 Includes both new graduates and mid-career employment.

*3 The percentage of those who remain in the company as of April 1, 2017, out of those employed in FY2014 (including new graduates and mid-career employment).

Employee-Related Data

		Olympus Corporation	Overall Olympus Group in Japan*1	
Number of employees (as of March 31, 2018) (persons)		8,244	5,819	
Break down	Full-time employees	Total*4	7,572	4,048
		Men's total	6,497	2,724
		20s and younger	714	769
		30s	1,954	855
		40s	2,048	670
		50s or older	1,781	430
		Women's total	1,075	1,324
		20s and younger	234	583
		30s	446	400
		40s	325	257
	50s and older	70	84	
	Excluding full-time employees	Total	672	1,771
		Men's total	373	529
		20s and younger	8	188
		30s	29	173
		40s	42	64
		50s or older	294	104
		Women's total	299	1,242
		20s and younger	18	239
		30s	90	440
40s		110	387	
50s and older	81	176		
Senior management	Total	373	63	
	Men	372	62	
	Women	1	1	
Junior management	Total	1,471	209	
	Men	1,390	206	
	Women	81	3	
Foreign employees	Total	39	27	
	Men	26	11	
	Women	13	16	

*4 Based on original employer companies (ignoring whether on-loan or not).

*5 Number of reemployed retirees.

*6 Taken in FY2017.

*7 Number of individual employees in FY2017 (not total usage).

*8 Number of those who used the system against number of employees in FY2017.

* Figures are for full-time employees unless otherwise stated.

		Olympus Corporation	Overall Olympus Group in Japan*1
Percentage of employees with disabilities (as of end of March 2018)		2%	—
Number of employees with disabilities (persons)		171	154
Number of reemployed retired workers*5 (persons)		275	122
Number of corporate-certified advanced technicians (persons)		80	68
Break down	MM	5	2
	MS	18	4
	MA	57	62
Number of employees taking childcare leaves*6 (persons)		80	122
Break down	Men	7	3
	Women	73	119
Work-at-home system users*7 (persons)		118	5
Break down	Men	8	1
	Women	110	4
Usage rate of leave for volunteer activities*8 (%)		0	0
Break down	Men	0	0
	Women	0	0
Average overtime hours (hours/fiscal year)		183	111
Average number of paid holidays actually taken (days/fiscal year)		13	12