

# Labor Practices and Decent Work

## Diversity and Equal Opportunity

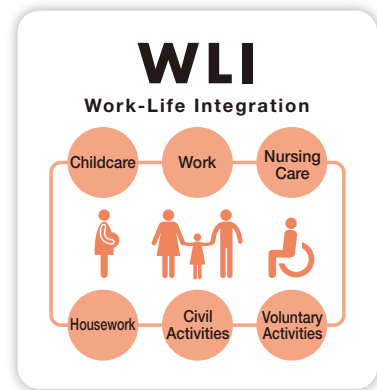
### Systems to Improve Work-Life Balance

#### 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 23 Promoting Diversity); (2) Nurturing the next generation (see page 23 Promoting Diversity); (3) Enhancing work productivity; and (4) Promoting health (see page 15 Occupational Safety and Health).

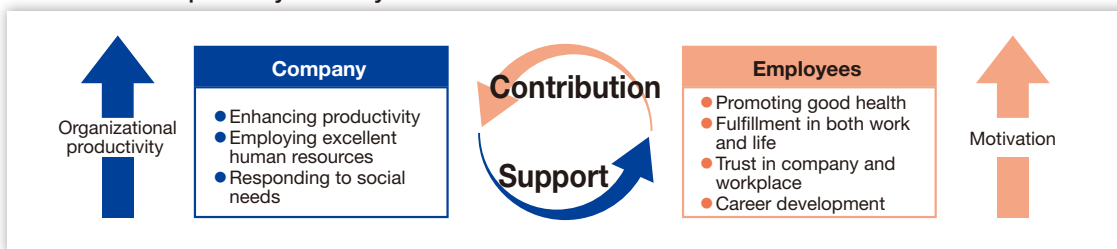
We also started Work-Life Integration training for managers on a regular basis in fiscal 2015 in order to disseminate an understanding of the importance of a management approach that will empower a diverse range of human resources. In fiscal 2017, we published a booklet describing our systems concerning 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

The Olympus Group in Japan 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, the teleworking scheme has been expanded from workplaces where discretionary work practiced to other workplaces, in order to make the scheme available to other employees, with the revision of the work regulations and labor agreement. In April 2019, qualifications criteria have been expanded for application of the scheme to deal with care for family members and for children in sudden illness. As of the date, the scheme now covers approx. 7,000 workers (approx. 1,280 in the previous fiscal year).

Teleworking has been introduced at Olympus Medical Science Sales in fiscal 2018, extending workstyle reform to sales personnel as well.

We are also participating Telework Days, Jisa Biz and 2020 TDM Promotion Project, workstyle reform activities promoted by the Japanese government in cooperation with the business sector and the Tokyo Metropolitan Government, for the purpose of dealing with the Olympic and Paralympic Games Tokyo 2020 and business activities concurrently.

## 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 healthcare, 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 Olympus Group (including non-full-time employees)
Childcare leave	Longer than legally specified number of days	Olympus Group in Japan

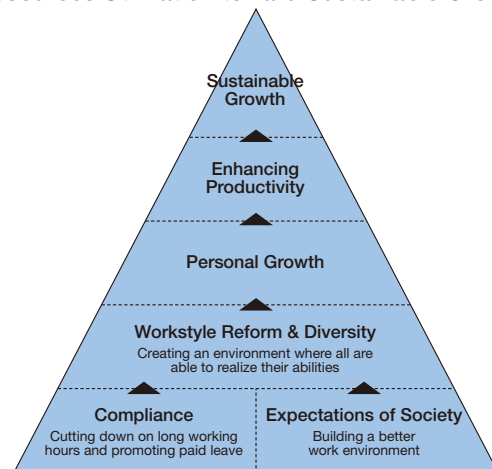
## Promoting Diversity

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.

Note: For more details on the measures of Olympus Corporation of America, please visit the link below.  
<https://www.olympus.co.jp/csr/special/06>

### ◎ The Olympus Group's Approach on the Human Resources Utilization toward Sustainable Growth



## Promotion Structure

At the Olympus Group in Japan, 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 dedicated organization for diversity to reinforce our promotion structure.

The organization for diversity 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 established rules specific to Japan to promote diversity in the six priority areas of gender (women), persons with disabilities, nursing caregivers, the elderly, sexual minorities and foreigners.

## Promoting the Advancement of Women

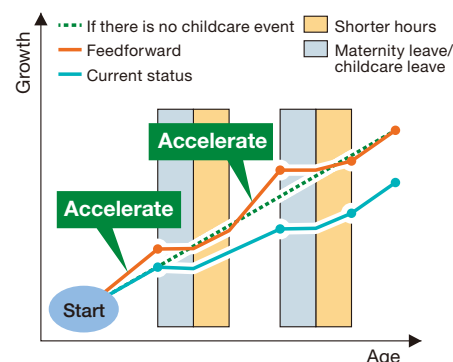
Olympus adopts gender equality in employment opportunities, employee promotions, and salary increases. We also actively appoint highly skilled and ethical people to appropriate positions. The advancement of women is in progress. At the Olympus Group in Japan, female managers count 53 (33 in the previous year) and female managerial candidates increased to 219 from 188 in the previous year as of the end of April 2019.

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 2019, we have established a new common employer action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace. Because measures implemented under the action plan established in fiscal 2016 were found to be effective in improving the empowerment of women, the fiscal 2019 plan will strengthen measures aimed at further career advancement for women to promote this empowerment, while maintaining the basic framework for the plan's goals. We will continue 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, a mentoring system for female workers, and post-childcare training for early return to work. Additionally, we will conduct studies on achieving work-life integration, introduction of a scheme that will enable both work and medical care, creation of an environment in which the work-at-home system can be made available to all employees and the introduction of a paid annual leave system that grants leave in units of hours. Study will also start on a system to promote women in sales position.

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

The Olympus Group in Japan 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.

The childcare facility that opened in September 2018 is the first of its kind in the manufacturing sector in Japan and is promoting work-life integration, will enable both child care and work. As of April 2019, the number of users has grown from six at its opening to 13.

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.

To date, the Olympus Group in Japan has developed action plans to implement the Act on Advancement of Measures to Support Raising Next-Generation Children. Olympus obtained Kurumin certification in 2016 and 2019 from the Minister of Health, Labour and Welfare.



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

The Olympus Group in Japan 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.

A mentor program aimed at aiding women was started in fiscal 2018. Moreover, we made efforts to develop female leaders through enhancing our training programs resulted in a steady increase of women managers as intended in the action plan. In addition to the opening of a childcare center at the Shirokawa site, wider coverage of the teleworking program and shorter working hours for workers caring for children, the child age limit for the shorter working hours scheme was extended from Grade 4 up to completion of Grade 6 in elementary school. Implementation of the work-life balance systems are also steadily progressing through the creation of a database to exchange company information to retain their career connections while on childcare leave and so on.

The female employment rate is also increasing by focusing on women candidates in our recruitment campaigns and by 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

The Olympus Group in Japan 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 line managers 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.

### Employee-Related Data (Japan)

			Olympus Corporation	Overall Olympus Group in Japan*1
Number of newly employed (FY2018) (persons)			576	603
Break down	Men	30s and younger	298	251
		40s and older	138	87
	Women	30s and younger	101	196
		40s and older	39	69
Rate of newly employed*2 (%)			7	9.8
Break down	Men	30s and younger	10	11.9
		40s and older	3	6.6
	Women	30s and younger	13	11.3
		40s and older	9	6.9
Number of staff leaving (FY2018) (persons)			123	290
Break down	Of which number of voluntary leavers		123	—
	Men	30s and younger	55	93
		40s and older	48	41
	Women	30s and younger	17	101
		40s and older	3	55
Job retention rate (Only full-time employees)*3 (%)			95	84.5
Break down	Men		97	87.3
	Women		88	81.3
Job retention rate for new graduates*4 (%)			95.6	—
Break down	Number of new graduates in 2015 (persons)		135	—
	Number of those who remain the company as of March 2018. (persons)		129	—

\*1 The following 14 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, Olympus Systems, and Olympus RMS.

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

\*3 The percentage of those who remain in the company as of April 1, 2018, out of those employed in FY2015 (including new graduates and mid-career employment).

\*4 The percentage of those who remains in the company at March 31, 2018 out of those employed as new graduates in FY2015.

## Employee-Related Data (Japan)

		Olympus Corporation	Overall Olympus Group in Japan*1		
Number of employees (as of March 31, 2019) (persons)		9,242	6,156		
Break down	Full-time employees	Total*5	8,459	4,257	
		Men's total	7,248	2,840	
		Men	20s and younger	969	833
			30s	2,066	889
			40s	2,302	663
			50s or older	1,911	455
			Women's total	1,211	1,417
		Women	20s and younger	302	612
			30s	472	426
			40s	359	275
	50s and older		78	104	
	Total		783	1,899	
	Excluding full-time employees	Men	Men's total	454	579
			20s and younger	9	205
			30s	29	176
			40s	37	86
			50s or older	379	112
		Women	Women's total	329	1,320
			20s and younger	22	247
			30s	99	453
40s			129	419	
50s and older			79	201	
Senior management	Total	400	66		
	Men	396	66		
	Women	4	0		
Junior management	Total	1,598	212		
	Men	1,533	210		
Foreign employees	Women	45	2		
	Total	52	20		
	Men	30	14		
	Women	22	6		

\*5 Based on original employer companies (ignoring whether on-loan or not).

\*6 Five special-purpose subsidiaries (Olympus, Olympus Medical Systems, Olympus Medical Science Sales, Nagano Olympus, Olympus-Supportmate)

\*7 Number of reemployed retirees.

\*8 Taken in FY2018.

\*9 Number of individual employees in FY2018 (not total usage).

\*10 Number of those who used the system against number of employees in FY2018.

\* 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 2019)*6		2.3	—
Number of employees with disabilities (persons)		118	—
Number of reemployed retired workers*7 (persons)		100	87
Number of corporate-certified advanced technicians (persons)		83	73
Break down	MM	5	2
	MS	18	4
	MA	60	67
Number of employees taking childcare leaves*8 (persons)		156	163
Break down	Men	13	2
	Women	143	161
Work-at-home system users*9 (persons)		162	102
Break down	Men	17	52
	Women	145	50
Usage rate of leave for volunteer activities*10 (%)		0	0
Break down	Men	0	0
	Women	0	0
Average overtime hours (hours/fiscal year)		185.28	215.2
Average number of paid holidays actually taken (days/fiscal year)		12.9	11.2