

Fair Business Practices

Systems and Mechanisms

Prevention of Bribery

The Olympus Group will never engage in actions that could be deemed to be bribery in its dealings with any of its business partners, such as government officials, both nationally and internationally, and employees of government agencies (including international agencies), or any other parties. In addition to having established our own rules based on key laws and regulations and thoroughly educating our employees on those rules, we are working on the prevention of actions that could be interpreted as bribery by tightening the rules governing external business dealings and internal approval system as well as by implementing process controls.

Having formulated guidelines covering the prevention of bribery and in addition to “Requesting Your Support for the Olympus Group Guideline and Your Cooperation in Fighting Corruption” set out below, the Olympus Group has been disclosing its guidelines on its website since April 2015.

Olympus Group guidelines covering the prevention of bribery
<https://www.olympus-global.com/csr/effort/anti-bribery.html>

Requesting Your Support for the Olympus Group Guideline and Your Cooperation in Fighting Corruption

The Olympus Group does business throughout the world and seeks to earn and maintain the respect and trust of all of our stakeholders - patients, physicians, customers, governments and shareholders. Olympus expects that each and every one of our employees act in a manner that is consistent with law, Olympus policies and our values. We also expect and require that third parties who act on Olympus' behalf operate in the same manner.

Olympus has developed policies, procedures and training on key issues, such as the prevention of bribery and the support of fair competition to help assure that we provide our employees with the tools to meet these expectations. We encourage all our employees to speak up and share any concerns they might have. We will continue to hold ourselves to high standards but are always working to improve, so that we can meet or exceed high expectations. The Guideline below summarizes our approach. We invite you to support these efforts, and let us know if we have areas in which we can improve.

Thank you in advance for reading through the Guideline and for your continued cooperation and support.

Exclusion of Antisocial Forces

The Olympus Group will have no involvement with organized crime syndicates, or any other antisocial forces that threaten the order of society, and will never engage in actions that could support their activities.

We will respond resolutely and in accordance with the law to any fraudulent demands from antisocial forces. In July 2012, “Regulations for the Elimination of Antisocial Forces” covering the Company and domestic Group companies were formulated.

In principle, we conclude contracts or memorandums of understanding incorporating provisions relating to the exclusion of antisocial forces with all new business partners (including clients and suppliers as well as partners in joint research) in Japan.

Overseas, we are confirming that our business suppliers and partners do not have any ties with antisocial forces in compliance with the “Regulations for the Elimination of Antisocial Forces.”

Prevention of Insider Trading

The Olympus Group is determined to ensure the fairness and soundness of security markets and earn the trust of shareholders and investors by working to prevent insider trading. Formulated in June 2012, the Insider Trading Prohibition Regulations clearly forbid use of undisclosed information gained through activities related to trading in stocks, and continuous education and training about these regulations is provided to all employees.

We have adopted rules, such as those concerning the buying and selling of our own shares by directors and employees, and we consistently comply with those requirements, including the submission of notices concerning such transactions. In fiscal 2018, an e-learning program to prevent insider trading was implemented for all employees of domestic Olympus Group. At the same time, lecturers were invited twice from the Tokyo

Stock Exchange to training sessions for those employees from our corporate divisions who have ample opportunity to come into contact with insider information. There have not been any insider trading matters in fiscal 2018, same as past years.

Security Export Control and Appropriate Import Declaration

The Olympus Group works in compliance with security export control regulations of Japan and the other countries in order to contribute international peace and safety. Since 2007, as a result of having set up an export control system that conforms to the Compliance Programs designated by the Ministry of Economy, Trade and Industry, we received certification as an Authorized Economic Operator (AEO)* by Japan Customs and received preferential treatment as a company with superior export controls in Japan. To maintain and improve this system, we provide specialized training for employees involved frequently in export/import transaction and training programs to cover nearly all executives and employees in Japan. We also provided training for managers in the manufacturing division (including those in domestic affiliated companies) on a trial basis in fiscal 2018, focusing on items that need confirming for divisional approval, to improve the efficiency of division-approving action by managers.

We are also establishing a global system in cooperation with the regional headquarters to respond to extraterritorially applied regulations and enhancements in export regulations in countries concerned. Sharing with them regulatory information and classification data for products and technologies, we maintain and improve the security export control with this global system.

In fiscal 2018, we enhanced our export control system by addressing issues defined for each region in our Corporate Strategic Plan. The following activities were prioritized during the year.

- Development of a system for security export control for business in the Middle East and Africa
- Assessment of risks for each business center in Asia/Oceania and definition of concrete measures to reduce risks
- Preparations for global sharing of commodity classification data by item as regulated by applicable laws in various countries

On the other side, paying the appropriate tax for imported goods is also an important area of responsibility as a company. Therefore, as a general rule with respect to products and parts procured from overseas, it is assumed that the import management divisions of domestic group companies will have verified the import declaration price, which forms the basis of the tax payment, prior to the placement of the order from fiscal 2017. Such activities for the entire Olympus Group in Japan continued in fiscal 2018 to prevent import declarations with inappropriate prices and revisions to customs declarations.

*AEO (Authorized Economic Operator)

A program that offers relaxed or simplified custom processes to operators certified as having sufficient security and legal compliance systems in place for managing shipments, in order to ensure both security and smooth operations in international distribution. In Japan, the program is certified by Japan Customs.

Implementation Status of Training Designed to Maintain Security Export Control and Appropriate Import Declaration (Japan/Fiscal 2018)

Target	Aim/Description of Training	Number of Attendees
Managers (manufacturing divisions)	Explanation on the importance of export controls, cases of violations in the Company and items that need confirming when getting approval	406
Employees with ample opportunity for involvement in import-export duties	Point to be aware of business practice for security export control <ul style="list-style-type: none"> • Export: customer classification/item classification/ transaction screening • Import: declaration price 	Export/Import training: 105
Directors and employees working in Japan (including affiliated companies)	Basic awareness of import-export controls (e-learning program)	11,317

Disclosure of Medical Business Information

■ Ethical Committee

Developing and manufacturing medical equipment such as endoscopes, the Olympus Group held an Ethical Committee meeting and assessed propriety from the points of view of ethics, science and reliability as well as conflicts of interest in its medical research to comply with the “Declaration of Helsinki (Ethical Principles for Medical Research Involving Human Subjects)” and the “Ethical Guidelines for Medical and Health Research Involving Human Subjects.” We ensured the independence of the Committee by having it comprise internal and external experts not directly involved in the research. The scope of the assessment was all of the medical research conducted by the Olympus Group in Japan to which the ethical guidelines apply. We disclose the Committee’s rules, register and summary of proceedings by registration on the Ethical Review Committee Reporting System of the Japan Agency for Medical Research and Development (AMED).

■ Transparency Guidelines

With the advances in medical technology in recent years, medical equipment is being used in the diagnosis and treatment of a growing number of patients and has become a major contributor to the health and welfare of people in Japan.

On the other hand, efforts to develop new technologies, launch products on the market and optimize their use after launch require coordinated efforts with various people in the medical industry. In paying the expenses incurred, it is essential not only to comply with the relevant laws and regulations, the “Olympus Group Corporate Conduct Charter” and regulations in the medical equipment industry, but also to increase the transparency of these transactions.

The domestic Olympus Group has established Transparency Guidelines for Relations between Corporate Activities and Medical Institutions and Other Organizations described below and is working to assure and increase transparency based on full disclosure of information on payments made to medical institutions and personnel in accordance with the Guidelines.

Olympus Group “Transparency Guideline for the Relation between Corporate Activities and Medical Institutions and Other Organizations”

1. Basic Policy

The Olympus Group hereby declares compliance with the statutory laws and regulations and pledges to uphold high ethical standards to assure that all executive officers and employees observe “what is right” and behave responsibly. Under all circumstances, Olympus will consistently apply the spirit of compliance and will never tolerate any actions that contravene laws, regulations, social norms or internal corporate rules.

To ensure that society at large is aware that it conducts its corporate activities in accordance with these ethical values in the context of its relationships with medical institutions, etc., Olympus has adopted these guidelines and discloses information about payments to healthcare organizations, etc., in accordance with the “Transparency Guidelines for the Medical Device Industry and its Relationships with Medical Institutions and Other Organizations,” as compiled by the Japan Federation of Medical Devices Associations (JFMDA), of which is a corporate member.

*These guidelines apply to Olympus Corporation and Olympus Group companies in Japan that are members of the Japan Federation of Medical Devices Associations (JFMDA).

2. Scope of Application

■ Olympus

Olympus Corporation and Olympus Group companies in Japan that are members of the Japan Federation of Medical Devices Associations (JFMDA)

■ Medical institutions and other organizations

Scientific societies, medical schools (their affiliated hospitals), hospitals and clinics, associations of paramedical staff, research institutes, research groups, other facilities that provide medical care or conduct research, development or clinical trials, and healthcare professionals

3. Disclosure Methods

Related information for the previous fiscal year will be disclosed on the Olympus website.

4. Timing of Disclosure

Information about payments to healthcare organizations etc. in each fiscal year will be disclosed after the announcement of financial results for that fiscal year.

5. Scope of Disclosure

The scope for information disclosure of the payment by Olympus to healthcare organizations and healthcare professionals covers in the categories of research and development expenses, academic research grants, manuscript writing fees, etc., expenses related to information provision, and other expenses.

For more details on the “Scope of Disclosure” please visit the website of the Japan Federation of Medical Devices Associations (JFMDA) <http://www.jfmda.gr.jp/e/>

JFMDA Transparency Guidelines for the Medical Device Industry and its Relationships with Medical Institutions and Other Organizations http://www.jfmda.gr.jp/wp-content/uploads/2016/10/120524_clear_02_e.pdf

Proactive Information Disclosure

To gain the understanding and trust of all its stakeholders, the Olympus Group complies with the fair disclosure rule set out in the Financial Instruments and Exchange Act in Japan and discloses corporate information including its management policies, its financial status, business activities, CSR activities, etc., fairly, appropriately and actively in accordance with its “Information Disclosure Policy”.

In fiscal 2018, we held its third Olympus Investors Day and ICT-AI Platform Technology and Strategy Presentation for institutional investors and others. At these events, our management strategies, business strategies and activities in the area of innovative technologies were explained by the president, relevant executive officers and heads of the relevant business units. We will work to improve disclosure of information in both Japanese and English on our website at the same time, including information that will significantly influence our corporate value, including events and information to be beneficial for our stakeholders.

Olympus Information Disclosure Policy

All our activities are based on our corporate philosophy of “Making people’s lives healthier, safer and more fulfilling.” Following this philosophy, Olympus strives to gain the understanding and confidence of all stakeholders, including shareholders and customers, through fair, timely, appropriate and proactive disclosure of corporate information, including management policies, financial status, information about business activities and CSR activities.

1. Information Disclosure Standards

Olympus is committed to the disclosure of information in accordance with all laws, as well as the rules of the financial instruments exchange where the Company is listed, and to the disclosure of all information required by laws, regulations and rules. In accordance with its internal disclosure standards, Olympus will also proactively disclose all information that could have a significant impact on its corporate value, as well as all information deemed as useful to all stakeholders, regardless of whether such disclosure is required under laws, regulations or rules.

2. Method of Information Disclosure

Disclosure information, as required by the Timely Disclosure Rules of the Tokyo Stock Exchange, will be disclosed through the Timely Disclosure network (TDnet) of the Tokyo Stock Exchange. Such information will then immediately be posted on our website. Furthermore, any information not subject to disclosure under laws, regulations or rules will be disclosed by using the most appropriate methods, including the TDnet, our website, explanatory meetings or printed publications.

3. Disclosing Information with Due Consideration

When disclosing information, Olympus will take care to protect personal information and avoid infringements of the rights of any party. Olympus will establish corporate rules concerning procedures for the disclosure of information using the aforementioned methods and all information disclosure will be implemented in accordance with those rules.

(Applicable Scope)

The Information Disclosure Policy of Olympus is applicable to all Olympus group companies.

Information Security

In recognition of the proper handling and protection of information as a social responsibility, the Olympus Group formulated the "Information Security Policy" and works to protect information security.

The division of Chief Information Security Officer (CISO) was created in October 2018 for group-wide consolidation of management of measures related to information security that are executed separately by function or region, such as IT security, product security, personal information protection law, etc., and a business division dedicated to the area has been set up to reinforce information security governance. Under the CISO, regional officers in charge of information security management and information security managers at the various regional headquarters representing Japan, Europe, the Americas, Asia/Oceania and China are coordinating their actions to upgrade the information security level for the global group.

Specifically, we are executing measures from the physical, technical and human factor aspects.

Among the concrete measures taken are basic physical measures. For example, offices were divided into zones with different security control levels and access to these zones is now controlled by ID cards and biometric devices. Several new technical measures are also being adopted, including antivirus and information protection measures on PCs and other IT devices, taking account of external attacks through network communications. Another area concerns human resource measures, such as promoting information security awareness among both management and employees. In Japan, we are updating security-related warnings and news through our intranet, and regularly hold e-learning on information security, as well as sharing related articles through e-mail magazines. On the global scale, we have designated February as our Global Information Security Month, and every year we organize a range of information security checks and emergency drills, for example, against a targeted e-mail attack.

Information Security Policy

All our activities are based on our corporate philosophy, "Making people's lives healthier, safer and more fulfilling". Following this philosophy, The Olympus Group appropriately protects and manages all the information and our information systems we handle ("Information assets"), as well as customer information on our products and services while making proactive use of them and will continuously review and improve these activities.

1. Compliance with Laws and Regulations

We will comply with the laws, regulations, and contractual duties related to information security in all countries and regions where we operate.

2. Management and Protection of Information

We will manage and protect the information assets (customer and internal) appropriately in our business activities. We will also implement measures to prevent the inappropriate use (e.g., violation of laws and regulations related information security) of these assets detrimental to Olympus and any acts that might decrease the value of the assets, such as falsification, destruction, leakage and abuse.

3. Establishment of an Information Security Organization Structure

To ensure the appropriate management and protection of our information security related the Olympus Group business, we will establish an information security organization structure led by Chief Information Security Officer (CISO) and clarify the related responsibilities.

We will make effort to manage and establish information security under the global governance structure that should comprehensively covers Olympus every regions and functions (product, IT, data protection, and so on) initiated by CISO, and fulfill accountability to our stakeholders.

4. Establishment of Rules

We will establish the in-house rules to clarify the measures to be implemented to ensure information security. We will also revise these rules, processes and controls continuously.

5. Education

We will increase information security awareness among all affiliates and provide them with necessary education and training on information security.

6. Emergency Responses

We will work to prevent information security-related incidents. If an information security incident occurs, we will make prompt responses to it and implement measures to prevent the reoccurrence of similar problems.

We will implement countermeasures promptly, not to spread the impact of accidents, such as information sharing with authorities or information disclosure for customers.

Personal Information Protection

■ Basic Approach and Policy

The Olympus Group protects personal information concerning all its stakeholders, including its customers, using appropriate methods and, in order for proper handling to be performed, clarifies its policies relating to information protection in the Olympus Group Code of Ethics. In Japan, we have stipulated the Olympus Group Personal Information Protection Policy and works to adhere to that policy. For the Olympus Group in Japan, our policy on handling of personal information has been published on the corporate website. In addition, a Personal Information Protection Policy has been established and implemented for compliance with its provisions.

Personal Information Protection Policy

Note: This Personal Information Protection Policy is based on Japanese law, and thus is applicable only to Olympus Group Companies in Japan (excluding companies with their own personal information protection policy in place).

The Olympus Group (the "Olympus Group") recognizes the importance of protecting personal information in the network society and believes that it is the Olympus Group's social responsibility to properly handle and protect personal information.

Accordingly, the Olympus Group shall implement the following measures.

1. Implementation of an Internal System

The Olympus Group shall implement its internal system for the protection of personal information and educate all of its Directors, Auditors and employees to enable proper handling of personal information. In addition, in order to ensure that initiatives to protect personal information are being accurately implemented, the Olympus Group shall periodically hold audits.

2. Proper Handling of Information

The collection of personal information shall be limited to the appropriate scope and amount and may only occur after the person who provides his or her personal information (the "Information Provider") has been clearly informed of the intended purpose and use of such information. In addition, the Olympus Group shall not handle any personal information outside the appropriate scope and shall accommodate an Information Provider's requests for disclosure, correction, deletion or discontinued of use of his or her personal information within a reasonable period following such request.

Furthermore, the Olympus Group shall handle specific personal information only within the scope of purpose of use prescribed by law.

3. Limitation of Provision and Disclosure of Personal Information to Third Parties

Unless consent of the relevant Information Provider is obtained or otherwise required by law, the Olympus Group shall not disclose or otherwise provide personal information to third parties.

Furthermore, unless required by law, the Olympus Group shall not disclose or provide any specific personal information the Olympus Group hold to any third party, regardless of whether the relevant Information Provider consents to the disclosure.

If the Olympus Group engages a third party on a matter that involves disclosure of personal information (maintained by the Olympus Group) to the third party, the Olympus Group shall conclude a contract to such third party, which obligates such party to properly maintain and manage personal information.

Further, in such situations, the Olympus Group shall supervise and provide directions to such third party in connection to the protection of personal information.

4. Ensuring of Accuracy and Safety

The Olympus Group shall make efforts to maintain accurate and up-to-date personal information, and take appropriate security measures against risks such as unauthorized access to personal information, loss, destruction and falsification of personal information, and unauthorized disclosure of personal information.

5. Compliance with Laws and Regulations, and Continuous Improvements

The Olympus Group shall comply with laws, regulations and standards applicable to the protection of personal information and review and make continuous improvements to the above-mentioned measures.

Handling of Personal Information

https://www.olympus-global.com/products/policy/privacy_management/

■ System

The division dedicated to information security management under the Chief Information Security Officer (CISO) promotes personal information protection activities across the Group in Japan while providing direction and supervision.

With the introduction of the EU General Data Protection Regulation (GDPR) in May 2018, we created a global GDPR promotion structure along with regional headquarters in Japan, Europe, the Americas, Asia/Oceania and China, to strengthen measures on personal data protection.

■ Personal Information Protection Measures

In developing a personal information database for the Olympus Group in Japan, prior approval of the administrator of the various business divisions owning such personal information has become mandatory. Additionally, we try to increase security level of this information with the use of personal information management ledgers. The dedicated division requests all divisions to check the ledgers regularly and handles requests of disclosure, revision, termination of our customers' personal information.

In fiscal 2018, we did not have any violations that required a report to the Personal Information Protection Committee.*

* A Japanese administrative organization that ensures the proper handling of personal information