

OLYMPUS[®]

Your Vision, Our Future

Social IN

Olympus CSR Report 2016

Toward the Realization of a Better Livelihood and Happiness



Editorial Policy

About the Editing Process

The Olympus CSR Report 2016 has been published to inform stakeholders about the Group's CSR-related basic policies, management structure, and CSR-related activity results in fiscal 2015.

The reporting format used in this report is in line with the standard disclosure items of the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Ver. 4.0, the international standard for CSR reporting. The report also contains details of the Group's corporate governance structure and policies as well as wide-ranging activities from each of the social and environmental perspectives.

< Reference Guidelines >

- GRI, Sustainability Reporting Guidelines Ver. 4.0
The report does not, however, address all of the requirements of the "comprehensive" and "core" level options of the guidelines.
- Environmental Reporting Guidelines (2012) of the Ministry of the Environment, Japan
The ISO 26000 guidelines and the 10 Principles of the United Nations Global Compact were also used as reference when selecting items for inclusion in the report.

Period Covered by the Report

Organizations Covered by the Report

This report covers the activities of the Olympus Group, which for reporting purposes covers Olympus Corporation as well as its 120 consolidated subsidiaries and four affiliated companies as of March 31, 2016.

In principle, the organizations covered by the report are as follows (any change in the reporting organizations covered with respect to a specific matter is identified separately).

- **Corporate governance:** The Olympus Group
- **Social aspects:** Olympus Corporation and Olympus Medical Systems Corporation
- **Environmental aspects:** Olympus Corporation, Olympus Medical Systems Corporation, and their main domestic and overseas production subsidiaries.

Major Changes Relating to the Scope of the Report

Effective April 1, 2015, Olympus took over through an absorption-type split the medical business (except for part of the manufacturing functions and part of the functions for responding to the laws and regulations for medical devices in individual countries) of its wholly owned subsidiary Olympus Medical Systems Corporation, and also absorbed wholly owned subsidiary Olympus Imaging Corporation.

Period Covered by the Report

April 1, 2015–March 31, 2016

The report contains some information outside this period.

External Assurance

Scope of external assurance: The amounts of CO₂ emissions and energy consumption

Scope 1, Scope 2, and Category 4 (emissions from upstream transportation and distribution)
of Scope 3

External Assurance Organization: Lloyd's Register Quality Assurance Limited (LRQA)

Publication Date

Annual publication (Japanese and English editions)

- **Japanese edition:** August 31, 2016
(The previous edition was published on August 28, 2015. The publication of the next edition is scheduled for August 2017.)
- **English edition:** October 31, 2016
(The previous edition was published on October 27, 2015. The publication of the next edition is scheduled for September 2017.)

Information Disclosure/Distribution Media

The Olympus Group is ramping up efforts to disclose and distribute information in a bid to provide stakeholders with a deeper understanding of its activities. The principal tools used to disclose and communicate this information are as follows:

- Principal corporate information disclosure and distribution media
 - The Olympus Group website
WEB <http://www.olympus-global.com/en/>
- Financial information disclosure and distribution media
 - Financial Results
 - Medium-Term Management Plan
 - Corporate Disclosure
 - Securities Reports
 - Annual Reports and other materials
WEB <http://www.olympus-global.com/en/ir/data/>
- Non-financial information disclosure and distribution media
 - CSR activity website
WEB <http://www.olympus-global.com/en/csr/>
 - CSR Report and other materials
WEB <http://www.olympus-global.com/en/csr/download/>

Disclaimer

In addition to details of the Olympus Group's (Olympus Corporation as well as its 120 consolidated subsidiaries and four affiliated companies) past and current performance and results as of March 31, 2016, this report outlines the Group's plans and outlook as of the date of publication as well as forecasts based on management plans and policies. These forecasts represent assumptions and determination based on information available to management as of the date of the report. Accordingly, the actual results of future activities and events may differ materially from forecasts due to a variety of factors.

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Message from the President

Working toward sustainable growth together with society, under our “Social IN” philosophy

Olympus’ management philosophy— Contributing to society through our business activities

The Olympus Group strives to realize better health and happiness for people by being integral members of society, sharing common values, and proposing new values. This “Social IN” corporate philosophy underpins every facet of the Group’s business activities. As an overarching vision, we also look to contribute to society by making people’s lives healthier, safer, and more fulfilling around the world.



Hiroyuki Sasa

President and Representative Director

A handwritten signature in black ink, which appears to read "Hiroyuki Sasa". The signature is written in a cursive, flowing style.

Emphasis on dialogue with stakeholders

We will strive to properly understand the various requirements of customers through to latent demand by communicating with experts and customers with high aspirations including healthcare professionals, researchers, engineers, and individuals who use cameras both for private and professional use. Through these efforts, we will also contribute to society by proposing and providing products and services in a timely manner through each of our medical, scientific solutions, and imaging businesses.

In fiscal 2015, Olympus constructed new facilities at three manufacturing sites in the Tohoku area in order to address the growing demand for medical devices. These facilities were designed with both the environment and the comfort of employees very much in mind. Taking into consideration the Company's BCP, particular emphasis has also been placed on ensuring the continuous flow of goods and services even in the event of a disaster. As a key management resource, Olympus recognizes the importance of its employees as a major driving force and stakeholder. With this in mind, the Company places considerable weight on promoting direct dialogue with its personnel. In addition to creating a significant number of opportunities for senior management to interact with staff at all levels, Olympus vigorously engages in activities that contribute to the local community. I am convinced that this emphasis on dialogue will help build strong ties of mutual trust and serve as a driving force for realizing our corporate philosophy.

Initiatives toward the sustainable development of society

As a global company, Olympus continues to engage in activities that are geared toward the sustainable development of society. We are making earnest efforts in the areas of social responsibility, such as the environment and governance, as designated in ISO 26000, the international standard on social responsibility. Moreover, we joined the UN Global Compact in 2004 and remain committed to observing and promoting the 10 basic principles that cover a wide range of issues including human rights, labor, and anti-corruption. Additionally, we formulated the Basic Policy for Corporate Governance in fiscal 2015, and are taking steps to reinforce our governance structure and systems.

As a company that is largely driven by its medical business activities, it is vital that Olympus takes the necessary steps to become a force that can genuinely excel on the world stage. This includes setting up a new department that is tasked with drafting and promoting strategies to ensure the appropriateness of activities to create and provide value in relation to our medical equipment products and services. Moreover, we are working to build a compliance structure that will enable us to fulfill our global aspirations.

Olympus will celebrate its 100th anniversary in 2019. In order to promote sustainable growth beyond this important milestone, we kicked off our new medium-term management plan 2016 Corporate Strategic Plan.

Moving forward, Olympus will meet the expectations of all stakeholders and act as a good corporate citizen. At the same time, the Company will work to achieve sustainable growth in concert with society.

* Please refer to the following website for details:

WEB [Medium-Term Management Plan \(16CSP\)](http://www.olympus-global.com/en/ir/data/plan/index.jsp) <http://www.olympus-global.com/en/ir/data/plan/index.jsp>

Aiming for Sustainable Medical Endoscope Business

Strengthening of medical endoscope production/supply systems and implementation of CSR activities

Between October 2015 and April 2016, new facilities were completed in succession at each of the three sites—Shirakawa, Aizu and Aomori—responsible for the development and manufacture of Olympus medical endoscopes and related devices.

Amid expected expansion in global demand, Olympus will fulfill its worldwide product supply responsibilities by expanding the scale of its manufacturing sites and business continuity plan (BCP) measures. The Company will also aim to realize a sustainable medical endoscope business by promoting the creation of pleasant and rewarding workplace environments at the same time as encouraging consideration for the environment.



Akihiro Okubo

Division Manager, Medical Manufacturing Division 2,
Manufacturing Group

To Continue to Fulfill Worldwide Supply Responsibilities Amid Expanding Global Demand

Having started with gastrointestinal endoscopes, Olympus Corporation's Medical Business has contributed to the early diagnosis of illnesses such as cancer and to minimally invasive therapy that is less invasive on the body through its endotherapy devices that are regarded as examination and treatment instruments as well as through its surgical endoscopes and energy devices that are used in surgery.

Recently, endoscopic tests have been recommended for gastric cancer screening in Japan, and expansion in demand is expected in the years to come due to increased screening of large bowel cancer using endoscopy in the United States and Europe as well as due to growing needs for screening in emerging countries, including in Asia. In addition, accompanying the more widespread utilization of endoscopes, the market for single-use endotherapy devices is continuing to grow year by year.

Based on these developments, under its five-year Corporate Strategic Plan (16CSP) that started in April 2016, the Company announced that it would be prioritizing the allocation of management resources to the Medical Business and expanding its business scope focused on early diagnosis and minimally invasive therapy.

The new buildings completed in succession between October 2015 and April 2016 for the three sites of Aizu,

Shirakawa and Aomori represent the essential business foundation for executing the Plan. At the same time, they are sites that will continue to fulfill worldwide supply responsibilities.

Drafting Large-Scale Facility Investment Plans to Recognize Market Changes in 10, 20 Years' Time as Growth Opportunities

Aizu Olympus has been manufacturing endoscopes for more than 45 years, the Shirakawa plant is responsible for the manufacture of endoscope imaging processing systems and light sources as well as being responsible for procurement and repairs, while Aomori Olympus manufactures endoscopic endotherapy devices and surgical-use energy devices.

Leveraging the manufacturing capabilities of these three sites, the Company has been supporting the growth of its medical endoscope business.

To make this growth sustainable, under the previous Corporate Strategic Plan announced in 2012 the Medical Business set an annual average sales growth target of 10%. It was then established that, if the scale of the manufacturing sites remained as it was at that time, the manufacturing capabilities would not keep up with capacity in terms of either space or manpower. Thus a large-scale facility investment plan was launched to further strengthen the gastrointestinal endoscope business, in other words the three manufacturing sites, in anticipation

Aomori Olympus Co., Ltd.

Development and manufacture of medical endotherapy devices



Shirakawa Olympus Co., Ltd.

Development and manufacture of light sources, image processing systems



Aizu Olympus Co., Ltd.

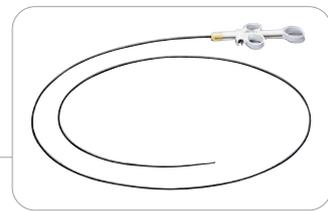
Development and manufacture of endoscopes



Ishikawa Facility (Tokyo)
Medical endoscope development

Hinode Plant
Production feasibility studies for new technologies and new business fields, product launches and manufacture

Representative Products from Each Development and Manufacturing Site



of a supply system for 10 or 20 years hence.

The Great East Japan Earthquake that occurred in 2011 also had an effect on the investment plan. When the earthquake struck, part of the facility at the Shirakawa Plant in Fukushima Prefecture was damaged, and the decision taken to suspend production for nearly a month. Stability of quality as well as of the supply system and repairs are essential for medical equipment manufacturers. In the case of medical endoscopes, however, in addition to the technologies for high-precision machine processing and the assembly of delicate parts, there are products that fuse optical and electronics technologies. As it takes a long time to master the manufacturing skills, we are not able to immediately set up bases in other regions.

In light of these circumstances, in December 2012, while fulfilling our corporate responsibility of supplying products in a stable manner throughout the world, we announced a plan to implement large-scale facility expansion, including a BCP, at all three sites to continue our growth. Also factored into the plan were responses in the form of the strengthening of human resource recruitment and training as well as reducing environmental loads.

While Focusing on Global Markets, Three Business Bases Collaborate to Strengthen Market Competitiveness

While extending the operational capabilities possessed by each of the three bases with the newly completed facilities

and anticipating a global market for medical endoscopes, they also have a responsibility to support further growth.

Combining the procurement, manufacturing and repair functions within one site, the Shirakawa plant will also play a major role in the years to come not only on the base but also in improving productivity and quality across the Company's entire medical endoscope business. In addition, as Aizu Olympus has had its production capabilities raised approximately 1.6 times, that base will be fulfilling its responsibility to meet global demand for medical endoscopes. At Aomori Olympus, there are plans to establish development and production technologies geared toward strengthening its competitiveness in developed countries, where there is a burgeoning need for single-use devices. The Aomori plant will also work to enhance its capabilities as the mother plant for the Company's operations in Vietnam, which is positioned as a volume production plant.

As efforts common to the three bases, the Company will further strengthen collaboration with the Technical Development Center in Hachioji (Tokyo), which is responsible for R&D, and look ahead 10, 20 years to examine global optimal production, including overseas procurement, manufacture and repair bases.

By steadily carrying out these measures, the Company will certainly be supporting sustainable medical endoscope business from the standpoints of product supply and repair services.

Aiming for Sustainable Medical Endoscope Business

Strengthening of medical endoscope production/supply systems and implementation of CSR activities

THREE PERSPECTIVES FOR A SUSTAINABLE MEDICAL ENDOSCOPE BUSINESS

The new building construction projects of the three sites responsible for development and manufacturing toward the realization of a sustainable medical endoscope business. In addition to working to strengthen their production supply systems, the three sites are putting into effect CSR activities based on three perspectives: business continuity plan (BCP), human resources and consideration for the global environment.

PERSPECTIVE 1

Response to BCP

Promoting BCP under Basic Philosophy of Helping to Ensure “Continuity of Medical Front Line”

During the Great East Japan Earthquake that occurred in 2011, a temblor registering 6.0 upper on the Japanese scale of seismic intensity was recorded in the Shirakawa district of Fukushima Prefecture, and the resultant power supply outage lasted for three days. In addition to the effects of part of its building having sustained damage and the operations at suppliers and its own procurement activities having been brought to a standstill, the Shirakawa plant was forced to suspend manufacturing and repair operations. Meanwhile, the medical front line operates around the clock every day of the year, so were the suspension of production and repair operations to be prolonged, the effects could extend to placing people’s lives at risk. Especially for Olympus, which enjoys a high share of the gastrointestinal endoscope market, business continuity is a social responsibility of paramount importance. As it is also difficult for the production facilities responsible for the ultra-precise machining of minute, delicate parts to find alternatives, maintaining that accuracy is an important issue at the business sites with responsibility for manufacturing.

Recognizing this situation, for its new building construction projects the Company worked on BCP measures to enable the provision of support from the standpoint of providing sustainability for the Medical Business. For all the new buildings at the three sites, the Company had seismic isolation structures introduced of the type that had been installed and performance-verified at Aizu Olympus prior to the Great East Japan Earthquake. At the Shirakawa business site’s Procurement Division, certain parts are always stockpiled inside the seismically isolated building, and the Company has devised measures so that there will be no shortage of parts even in the event of another major disaster. Both the Aizu and Shirakawa business sites are implementing BCP measures in cooperation with their local regions, such as by collaborating on the Reconstruction Plan advocated by Fukushima Prefecture and with the hazard mapping initiatives of the local governments in their respective areas.



Exterior of new Shirakawa plant building



Seismically isolated structure (Aizu)



On-site cafeteria (Shirakawa)

PERSPECTIVE 2

Response to Ability to Secure and Train Human Resources

Promoting Creation of Pleasant and Rewarding Workplace Environments to Secure and Train Highly Productive Human Resources

Increasing production capacity requires not only the expansion and enhancement of facilities and production equipment but also the securing and training of highly productive human resources. Especially as medical endoscopes are products with precision surface finishes that require the integration of mechanical technologies (such as precision machining and technologies for the assembly of precision parts) and electronics technologies (optical technologies as well as image processing and electronic systems), how to continue hiring and developing skilled engineers in each field from a long-term perspective is being called into question.

Based on these business characteristics, the Olympus manufacturing sites in Japan are operating human resource management systems and training programs to bring about improvements in professional ability. These are based on a system of qualifications centered around the hiring of human resources on the premise of long-term employment. One such system is called the Skill Dojo (Skill School), at which Advanced Technicians instruct new recruits or reassigned personnel in the skills required at each site on a one-to-one basis. This system is helping personnel to adapt quickly to the development front line and to production lines. In addition, employee motivation and retention rates are also important issues. On these points, Olympus conducted employee surveys and interviews in association with the new building construction projects. As a result, the new buildings are equipped with refreshment rooms, which enable employees involved in many precise tasks to relax, and with private rooms that child-rearing employees can use for feeding their babies. Utilizing the feedback from the women who occupy the production front line in large numbers, the Company increased the size of the clean and spacious washrooms and changing facilities and undertook the renovation of the on-site cafeteria that provide healthy menus.

PERSPECTIVE 3

Response to Global Environmental Protection Concerns

Installation of State-of-the-Art, Environment-Friendly Facilities Appropriate to Each Business Site

Hand in hand with the expansion and enhancement of production capacity, the new building construction projects were expected to bring with them increases in the amounts of raw materials and energy used as well as in the amount of waste generated. If left unchecked, it was assumed that these increases would lead to a deterioration in the local and global environments. Based on these concerns and specifically for these projects, the Company conducted environmental assessments of the surrounding areas while responding to environmental protection concerns by, for example, installing state-of-the-art, environment-friendly facilities and equipment appropriate to each business site.

• **Installation of solar panels, cold water thermal storage tanks (Shirakawa, Aizu)**

Besides installing solar panels on the roofs, the Company installed cold water thermal storage tanks that, using nighttime power, store the water that is utilized for cooling during the day. (Shirakawa: 1,100t/Aizu: 2,000t [A total of 4,000t at Aizu when its existing facility is included.]

• **Utilization of heat in the ground (Aizu)**

The adoption of a cooling/heating trench that utilizes the heat in the ground contributes to the saving of energy for air conditioners, etc.

• **Adoption of LEDs for lighting (Aomori)**

LEDs are used for all lighting.

• **Adoption of free cooling system (Aomori)**

Installed a free cooling system that utilizes the cooling tower to produce cold water in the in-between periods and in the winter season. As refrigerators are not used, helps in saving energy.



Refreshments room (Aomori)



Cold water thermal storage tank (Shirakawa)



Solar panels (Shirakawa)

Aiming for Sustainable Medical Endoscope Business

Strengthening of medical endoscope production/supply systems and implementation of CSR activities

Aizu Olympus

From its newly constructed factory building Aizu Olympus serves as the backbone of the Company's endoscope business that will meet its heightened expectations long into the future.

Aizu Olympus Co., Ltd.

Established
1970

Business Activities
Development and manufacture of medical endoscopes and related products

Number of Employees
1,735 (April 2016)

International Standard Certifications
ISO 13485 (International standard for quality management systems for medical devices)
ISO 14001 (International standard for environmental management)



Hitoshi Yamazaki
President

Since our establishment in 1970, we at Aizu Olympus have been growing as a main base for medical endoscope production as a part of the Olympus Group, which developed the world's first practical gastroscope, the forerunner of the world's first endoscope.

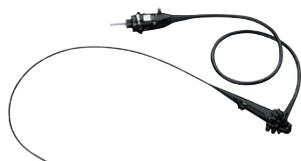
Positioning advanced, high-precision processing technology, craftsmanship (the skills of outstanding people) and information systems (advanced IT) as three areas on which to focus our strengthening efforts, we are supporting the development and evolution of the endoscope. Becoming the doctor's eyes and hands to enable movement at will inside the body and also so that examinations and treatments can be conducted that reduce the demands placed on the patient's body, parts with many complex shapes and parts made from a wide variety of materials are used in endoscopes. Their processing and manufacturing also require skilled techniques. It is my belief that the soil of *monozukuri* (craftsmanship), which is represented in colorful traditional crafts, and the diligent and tenacious human qualities of the local people run deep in the Aizu region. As a company that has assumed the mantle of that genealogy, Aizu Olympus focuses its efforts to the maximum extent on human resource development and on the creation of pleasant and rewarding workplace environments while keeping its roots firmly

embedded in the region. The technological assets that are the driving force behind training, such as imbuing the corporate philosophy and working to foster a sense of the responsibilities involved in medicine through training, represent the core competencies at Aizu Olympus.

We are also proud of the height of our organizational capabilities, such as cooperation between superiors and subordinates and that transcends departments. Under the QC circle activities that address improvements in any problem areas—such as quality, cost, scheduling and quantity—on the manufacturing front line, we address workplace improvements while demonstrating teamwork in teams of several people and compete in the Nationwide QC Circle Conference organized by the Union of Japanese Scientists and Engineers every year. Always finishing in the top rank at the skills competitions held by the Olympus Group manufacturing sites as a whole, the technological and organizational skills that are nurtured through these events are handed down to other team members every year.

As a world-class product manufacturing site is being continuously produced from this kind of environment, we will be supporting the Olympus Group's endoscope business and contributing to society in the years to come.

Representative Lineup of Aizu Olympus Products



Gastrointestinal Videoscope



Bronchoscope



Colonvideoscope

In Focus

Working to Create Workplace Environments That Are Even More Pleasant and Rewarding for Women Employees

At a factory that has been supporting the manufacture of gastrointestinal endoscopes for the longest time, Aizu Olympus' women leaders are being nurtured. There are many women who have become workplace leaders, including those who won the excellence award at the Japan Management Association-hosted Innovative Team's Conference 2007 and are currently training members as team leaders. Women account for more than half of the employees at Aizu Olympus, and a manufacturing process does not start without the active participation of women. So that the company would benefit from long-serving women employees working in comfortable surroundings, when having its new factory building constructed, the company created a workplace environment for everyone, including washrooms and changing rooms, a refreshment room and a company cafeteria, while referring to the opinions of women employees.



Production area



Company cafeteria

EMPLOYEE FEEDBACK

VOICE

Precisely because it's an environment in which you can relax, you are able to concentrate on your work.

I am responsible for lens manufacturing processes. My work involves cleaning the lenses, which are about the size of a pen nib and mounted in the ends of endoscopes, and final inspections. As it's exacting work, at times other than when concentrating on my job, I spend time relaxing on a regular basis, such as by chatting with my coworkers. For me personally, the new factory building is comfortable in a variety of ways and, compared with the previous building, has made the work so much easier. For example, in the morning you can increase your motivation before starting work by stopping by the refreshment room. In addition, the corridors and washrooms are brightly lit, wide, and probably because the ceilings are so high you can feel a sense of release. Working in that kind of atmosphere increases communications with managers, superiors and colleagues who are high spirited by nature, and I get the feeling that the new building has resulted in an increase in positive views. At the workplace there are also many superiors who are taking leave to take care of their children. There are many club activities and workplace trips, so private lives have also been enhanced. I think I would like to continue working in such a comfortable workplace from this point on.



Kaori Sawada
1st Manufacturing Department

Aiming for Sustainable Medical Endoscope Business

Strengthening of medical endoscope production/supply systems and implementation of CSR activities

Shirakawa Olympus

Toward further quality improvements on the basis of the One Shirakawa system in which various technicians interact



Fujio Murakami
President

Shirakawa Olympus Co., Ltd.

Established

1978 (commenced operations 1979)

Business Activities

Development and manufacture of medical endoscope systems

Number of Employees

808 (April 2016)

International Standard Certifications

ISO 13485 (International standard for quality management systems for medical devices)

ISO 14001 (International standard for environmental management)

Shirakawa Olympus is mainly responsible for the development and manufacture of image processing and light source equipment, which due to their shape are known as "boxed item products." The manufacture of these devices requires the accurate assembly of a large number of electronic components and precision parts.

The presence of employees who have a strong sense of responsibility and diligently accomplish their tasks without giving up is extremely important. There are many people with that sort of temperament in Fukushima Prefecture, where the company is located, and many of the employees are Fukushima born and bred. Furthermore, Fukushima Prefecture ranked third in Japan in terms of the amount of medical instruments produced in 2014, medical-related production is clustered here, and Shirakawa Olympus is playing its part in that alongside Aizu Olympus.

In addition to contributing to that kind of Fukushima Prefecture industry revitalization, I regard the project to construct a new factory building as being in preparation for the realization of the Olympus Group's sustainable growth. The symbol of that is the building of an organization responsible for each of the three separate functions—procurement, manufacture and repair—and bringing together those functions in the buildings on one site that has in place BCP measures such as seismically isolated structures. Previously on a separate site around 500 meters away, the Procurement Division moved to the same site with the

manufacturing and repair divisions, and the company thereby realized significant business streamlining in its function trifecta, such as the further advancement of cooperation. In addition, from the manufacturing standpoint, the company has expanded the site area in response to the expected need for a system of increased production in the years ahead. In the Domestic Repair Division, which is responsible for repairs in Hokkaido and eastern Japan, there is active contact with technicians in the adjoining Manufacturing Division, and this is bringing about improvements in repair techniques.

The company is also responsible for the manufacture of endoscopic ultrasound systems, which have recently been utilized, for example, in capsule endoscopes and for examinations of the pancreas, as well as for the 4K camera heads that form part of surgical endoscope systems. Having reached the stage where the company is involved not only in the "boxed item products" but also in the manufacture of the full gamut of endoscope systems, Shirakawa Olympus has geared up to create the environment in which to proactively incorporate endoscope technologies and know-how. Leveraging that environment in the years ahead, I would like to think that we will encourage cooperation and collaboration with other sites—such as with Aizu Olympus and the Technical Development Center in the city of Hachioji, Tokyo—that will lead to the creation of rewards and human resource development for employees as well as to the growth of the Olympus Group as a whole.

Representative Lineup of Shirakawa Olympus Products



Video system center



High-brightness light source



Ultrasound endoscope



4K camera head

Aiming for Sustainable Medical Endoscope Business

Strengthening of medical endoscope production/supply systems and implementation of CSR activities

Aomori Olympus

Facing a global market with inseparable quality control capabilities and ease of operation



Aomori Olympus Co., Ltd.

Established
1973

Business Activities
Development and manufacture of medical endoscope-related products (endotherapy devices)

Number of Employees
770 (April 2016)

International Standard Certifications
ISO 13485 (International standard for quality management systems for medical devices)
ISO 14001 (International standard for environmental management)



Masahito Goto
President

Aomori Olympus is the development and manufacturing base for the medical-use endotherapy device products that are indispensable in the examinations and treatments conducted by endoscopes. Divided depending on their use for examination or treatment, endotherapy devices enable operations such as grasping, resecting, collecting, cutting, crushing and hemostasis. The products the company handles number more than 2,300 types, including energy devices for surgical use that with one device make it possible to seal blood vessels, rapidly dissect tissue and perform peeling operations, and the company supplies these products all over the world. Among these products that are used in the human body, in the case of the single-use products there are those that come into direct contact with the body, and ensuring their safety (sterility) is of particular importance. Accordingly, under the new building construction project, in addition to realizing spaces that are cleaner than in the past, we made the latest factory design to be more certain of devising an integrated production system, from product processing to assembly, sterilization, inspection and shipment. For example, for the new building we adopted dual shutters for all of the doorways so that no insects can enter from outside and in the manufacturing areas made the exterior wall to be a windowless double structure as a measure against dust, insects and rats. In addition, to ensure consistent quality

across a wide variety of products not only new facilities but also the creation of an environment in which employees could concentrate and work were necessary. In addition to newly building a refreshment room, the company therefore showed consideration for the safety and comfort of its many women employees who work while standing up by, for example, laying thick mats under their feet at work stations.

Several times a month, doctors who use our equipment come from all over the world to inspect the company. Upon seeing the production line, many of them say "I was able to understand your attitude with regard to Olympus quality," and I feel immensely happy and proud that we are able to convince them, in addition to such visits being an opportunity to strengthen our sense of responsibility toward them.

Aomori Olympus also serves the function of mother factory for the Vietnam factory. The manufacture of single-use products is prohibitive on cost grounds, and after stabilizing production at the company here, we will transfer control of most of the production to the Vietnam factory. For technical guidance, we are accepting trainees and also sending many instructors to Vietnam. I am confident that the fully equipped new factory building is improving the ease with which such members work and that in turn they will become the driving force behind improvements in efficiency and product quality.

Representative Lineup of Aomori Olympus Products



Endotherapy device



Surgical energy device

In Focus

Supporting Global Development as Mother Plant

As one of its growth strategies, Olympus has cited the expansion of its lineup of single-use products, such as its endotherapy devices for endoscopes and energy devices for surgical use, demand for which is growing in the United States and other developed countries in Europe. For that reason, in addition to having strengthened its new product development system by the recruitment of 120 technical employees in the past two years at Aomori Olympus, we are supporting that system strengthening as the mother factory for the Vietnam factory that is positioned as the volume production factory for the global market. In specific

terms, we are accepting technicians from the Vietnam factory and, in the same way as in Japan, have divided the levels of the skilled workers from the manufacturing front line into six stages and put into effect a training program to match their levels.

Also, locally in Vietnam, in addition to adopting a joint certification system with Japan with regard to basic techniques, such as bonding and brazing, instructors from Aomori Olympus are heading to Vietnam and set the certification examination. We are establishing the target tasks that they are capable of undertaking only for those who pass the examination.



Olympus Vietnam Co., Ltd. (Vietnam factory)



An Aomori Olympus employee is on hand to guide trainees accepted from the factory in Vietnam.



EMPLOYEE FEEDBACK

VOICE

The people-friendly culture manifests itself everywhere in the new building

I was born and raised locally, but to be honest other than the cameras I knew nothing at all about Olympus products before I started job-hunting. Although it might be deemed presumptuous to say so, I feel very proud to be working for a medical equipment maker that is now making a major contribution to improving the quality of life of patients all over the world. Although my current work is in the General Affairs Department and thus only indirectly involved, I like the company slogan of “All for the Patient’s Smile” very much and replace it with “All for the Employee’s Smile” for use in my work duties. The systems here are very easy user-friendly, for example the ratio of women taking leave is 100%, there is a very people-friendly corporate culture, and that kind of corporate culture manifests itself in the newly constructed factory building. Clean and featuring sofa benches and vending machines, the newly completed refreshment room is used during break times as it is a place where you can relax. A passenger elevator has also been installed, and I have heard pregnant women and those with injuries say that it has become easier to work than before. They are in the process of renovating the existing building where I spend my time, and here they are planning a powder room. Since I wear little makeup when I’m working, I think that facility will make women who have plans after work happy. I am looking forward to seeing in what other ways Aomori Olympus will change in the years ahead.



Yumi Fujimoto
General Affairs Group

Profile

Company Outline

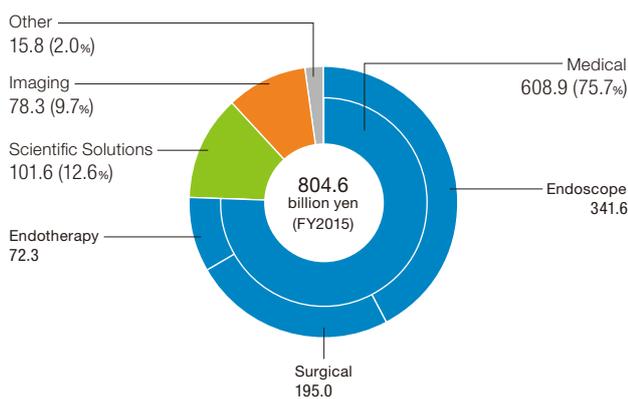
Company Name	Olympus Corporation
Established	October 12, 1919
Head Office	Shinjuku Monolith, 3-1 Nishi-Shinjuku 2-chome, Shinjuku-ku, Tokyo 163-0914, Japan
Business Lines	Manufacture and sales of precision machineries and instruments
Capital	124.5 billion yen (As of March 31, 2016)
Consolidated headcount	33,336 (As of March 31, 2016)
	http://www.olympus-global.com/en/corc/o_top/

Financial Highlights

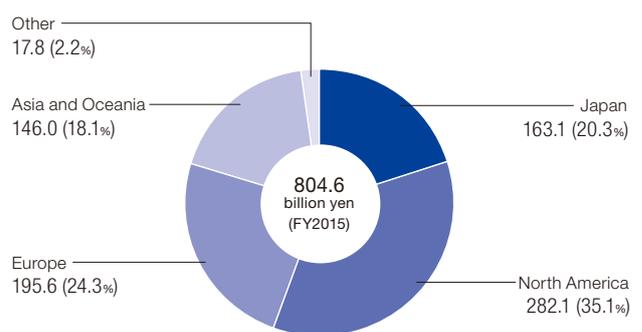
Net Sales/Operating Income (Consolidated) (billion yen)



Share of Net Sales by Business Segment (Consolidated) (billion yen)



Net Sales by Region (Consolidated) (billion yen)



Business Areas

The Olympus Group has continued to expand its global business activities since its foundation in 1919.

Main Group Companies in Japan

- Olympus Corporation
- Olympus Medical Systems Corp.
- Aizu Olympus Co., Ltd.
- Aomori Olympus Co., Ltd.
- Nagano Olympus Co., Ltd.
- Shirakawa Olympus Co., Ltd.
- Olympus Medical Science Sales Corp.
- Olympus Software Technology Corp.
- Olympus Logitex Co., Ltd.
- Olympus Systems Corporation
- Olympus Digital System Design Corp.
- Olympus-Supportmate Corp.

Main Group Companies in Asia and Oceania

- Olympus Corporation of Asia Pacific Limited
- Olympus Hong Kong and China Limited
- Olympus (Shenzhen) Industrial Ltd.
- Olympus (China) Co., Ltd.
- Olympus (Guangzhou) Industrial Co., Ltd.
- Olympus (Beijing) Sales & Service Co., Ltd.
- Olympus Trading (Shanghai) Limited
- Olympus Korea Co., Ltd.
- Olympus Singapore Pte Ltd
- Olympus Imaging Singapore Pte. Ltd.
- Olympus Australia Pty Ltd
- Olympus Imaging Australia Pty Ltd

Main Group Companies in Europe

- Olympus Europa Holding SE
- Olympus Europa SE & CO. KG
- Olympus Soft Imaging Solutions GmbH
- Olympus Deutschland GmbH
- Olympus France S.A.S.
- Olympus Winter & Ibe GmbH
- Olympus KeyMed Group Limited
- KeyMed (Medical & Industrial Equipment) Ltd.
- Gyrus Group Limited
- Olympus Finance UK Limited

Main Group Companies in the Americas

- Olympus Corporation of the Americas
- Olympus America Inc.
- Olympus Latin America, Inc.
- Gyrus ACMI, Inc.
- Gyrus ACMI LP
- Olympus Scientific Solutions Americas Corp.
- Olympus Scientific Solutions Americas INC.
- Olympus Scientific Solutions Technologies INC.
- Olympus NDT Canada Inc.

(As of March 31, 2016)

Business Overview and Markets Served

The Olympus Group works diligently to both create and provide new value as a part of efforts to contribute to society through its Medical, Scientific Solutions, and Imaging System businesses.

Medical Business

Business Overview

Olympus' Medical Business is comprised of five business units: the GI&R (gastrointestinal and respiratory) Business Unit; the GS (general surgery) Business Unit; the Uro/Gyn (urology / gynecology) Business Unit; the ENT (ear, nose, and throat) Business Unit; and the MS (medical service) Business Unit. Through its Medical Business, the Company provides products and services that contribute to the early diagnosis of diseases as well as minimally invasive therapy that helps to reduce the burden placed on patients' bodies.

Social Responsibility and Expectations

Medical Progress

Olympus engages in activities that aid in the progress of medicine through its R&D endeavors and efforts to provide medical devices while paying close attention to the opinions of medical professionals.

Improving Patients' QOL

Olympus is making every effort to help improve the quality of life (QOL) of patients both during and after treatment by providing medical devices that are used in the early diagnosis of diseases and in minimally invasive therapy.

Reducing Medical Costs

The early diagnosis of disease as well as minimally invasive therapy help to shorten the periods that patients are hospitalized and require treatment. Olympus is in turn helping to reduce medical expenses by supplying mainly endoscopes and other medical devices.

Markets Served

GI&R (gastrointestinal and respiratory) Business Unit

Gastrointestinal endoscopes, bronchoscopes, ultrasound endoscopes, endoscope reprocessors, endotherapy devices, capsule endoscopy systems, endoscopic information systems

GS (general surgery) Business Unit

Surgical videoscope systems, surgical endoscopes, surgical energy devices, ultrasonically activated devices, electro-surgical generators

Uro/Gyn (urology/gynecology) Business Unit

Bladder, renal pelvis, and ureter endoscopes, hysteroscopes, resectoscopes, urinary stone treatment devices

ENT (ear, nose, and throat) Business Unit

Rhino-laryngo endoscopes, Multidebriders, bipolar electro-surgical units

MS (medical service) Business Unit

Repair and maintenance of Olympus-manufactured products, single- and multi-year repair and maintenance contracts



Video endoscope systems



Surgical energy devices



Resectoscopes



Multidebriders

Scientific Solutions Business

Business Overview

Olympus globally contributes to the health and safety of society in numerous ways through R&D in healthcare, life science and industrial fields. Other services provided by Olympus include production site quality control and inspections of social infrastructure, such as large industrial plants and aircraft.

Social Responsibility and Expectations

Advancing Life Science Research

By supplying biological microscopes and bioimaging systems, Olympus supports basic life science research that leads to new medical knowledge, including iPS cell research and research into brain functions and diseases.

Making Life Safer

Olympus is helping to make the world we live in safer by supplying equipment used to maintain and inspect social infrastructure and lifelines, such as the body and engine of aircraft, roads, bridges, overpasses, power generation facilities, chemical plants, pipelines, and water supply and wastewater systems.

Contributing to Industrial Progress

Olympus contributes to industrial efficiency and progress by supplying industrial inspection equipment used in research and quality control in such areas as mechanical and electronic parts and raw materials.

Markets Served

Biological Microscope Systems

System biological microscopes, inverted biological microscopes, stereo microscopes, confocal laser scanning microscopes, single-molecule fluorescence detection systems, microscope system equipment, and peripherals

Industrial microscope systems

Metallurgical microscopes, semiconductor inspection microscopes, flat-panel display inspection systems, laser microscopes, measuring microscopes, microscopic 3-D measurement systems, and peripherals

Remote visual inspection products and non-destructive testing products

Industrial videoscopes, industrial fiberscopes, industrial rigidsopes, peripherals, ultrasonic flaw detectors, eddy current flaw detectors, phased array flaw detectors, X-ray Fluorescence and X-ray Diffraction Analyzers



Biological microscopes



Industrial microscopes



Industrial videoscopes



Ultrasonic flaw detectors



X-ray fluorescence analyzers

Imaging System Business

Business Overview

Olympus creates innovative digital cameras such as the mirrorless interchangeable lens camera OM-D series, with its SLR and built-in electronic view finder, the compact and lightweight PEN series, which offers both sophisticated and innovative properties, and the STYLUS series that open up new possibilities. These and other products have established a new style to shatter preconceptions about digital cameras.

Social Responsibility and Expectations

Enriching the Experience of Life

Olympus' affordable mirrorless interchangeable lens cameras offer superb image quality, advanced functions, and excellent mobility. The Company's interchangeable lenses deliver high-quality images through outstanding optical performance. Among a host of products, our compact digital cameras can be used in an expanding range of situations thanks to their ability to withstand dust, weather, and accidental impact, and our audio recorders make high-quality recording readily available. Through these and other products, we enrich people's lives by helping them enjoy the fun of photography and the recording of sounds.

Building a Barrier-Free World

Equipped with audio guide functions, Olympus audio recorders are designed for optimal ease of use. The Company provides audio recorders and digital cameras that even inexperienced users find easy to operate thanks to their logical and intuitive designs and the use of Color Universal Design to enhance visibility for people with different vision characteristics.

Markets Served

Digital Cameras

Interchangeable lens cameras, Interchangeable lenses for digital SLR cameras, compact digital cameras, digital camera products

Other

Audio recorders, optical materials, binoculars



Interchangeable lens cameras



Compact digital cameras



Audio recorders

Communication with Stakeholders

Olympus sees the reflection of public input in its management policies to share values with society as vital to the realization of the “Social IN” corporate philosophy. We continually listen to the views of stakeholders in the context of our day-to-day activities.

We also engage experts in dialogue and are currently working on identifying medium- and long-term CSR issues.

Examples of Communication with Stakeholders

Customers

The Olympus Group actively promotes dialogue with its customers through each of its Medical, Scientific Solutions, and Imaging businesses. In doing so, the Group strives to better understand a wide range of diverse latent needs and to propose and provide products and services in a timely manner.

To solve customers' issues, Olympus has set up customer call centers for each business in Japan and overseas and is expanding opportunities to interact with its customers through seminars and other initiatives.

Shareholders and Investors

Olympus is committed to the fair, timely and accurate disclosure of corporate information, including management policies, financial data, and information about business activities and CSR activities. When announcing our financial results, we hold IR meetings to explain the results and publish financial data. In addition, we use our website to distribute presentation materials and stream video images of IR meetings, including Q&A sessions.

WEB [Investor Information](http://www.olympus-global.com/en/ir/) <http://www.olympus-global.com/en/ir/>

Suppliers

Once a year, the Procurement Policy Meeting is held with key domestic suppliers for each business for the purpose of sharing with them the business strategies and procurement policy of the Olympus Group.

In addition, suppliers can access our Compliance Helpline, which is used to report compliance issues or seek advice on compliance-related matters.

Employees and Their Families

In addition to drawing out the opinions of employees and workplace issues, Olympus actively holds town meetings that provide opportunities for direct exchanges of views between the senior management and employees.

Furthermore, we conduct employee questionnaire surveys for continual verification and improvement of the Group's corporate culture. The results of these surveys are reflected in various initiatives including Group-wide events that include the participation of employees and their families.

Communities

We actively participate in various community activities as part of our efforts to inform a wide range of stakeholders, including communities, schools and businesses located near our business facilities, about the activities of the Olympus Group.

We also organize facility tours and work experience opportunities based on the characteristics of each business site. Other initiatives include the provision of instructors to schools, and participation in and support for community events.

International Community, Civil Society

Since 2012 we have studied human rights issues in cooperation with NGOs and NPOs through our participation in the Human Rights Due Diligence Workshops run by the Nippon CSR Consortium. We are also working with various organizations, including NGOs, NPOs, student groups, international agencies and government agencies, to help in achieving the Millennium Development Goals (MDGs). We also undertake a wide range of social contribution activities.

Corporate Governance

Basic Approach and Policy

Basic Approach

The Olympus Group strives to realize better health and happiness for people by being an integral member of society, sharing common values, and proposing new values through its business activities. This is “Social IN” and it describes the basic Olympus philosophy underlying all our activities.

Based on this, the Company has designed a corporate governance structure to secure the efficiency and efficacy of the Group as well as the integrity and credibility of our financial reports, and we are continually working to improve this framework.

Basic Idea Regarding Corporate Governance

Olympus has formulated its Basic Policy for Corporate Governance, in accordance with the principles of the Corporate Governance Code.

Based on our fiduciary responsibility to shareholders and our responsibility to stakeholders including clients, employees and local communities, etc. as well as the above corporate philosophy, our company has implemented all the principles of the Corporate Governance Code and developed this policy with the aim of realizing effective corporate governance. The content of this policy has been approved by the Company’s Board of Directors.

WEB [Basic Policy for Corporate Governance](http://www.olympus-global.com/en/common/pdf/basic_policy_for_corporate_governance_2016.pdf) http://www.olympus-global.com/en/common/pdf/basic_policy_for_corporate_governance_2016.pdf

Promotion Structure

Corporate Governance Structure

The Board of Directors consists of 11 members, a majority (six) of whom are outside directors. In principle, the Board of Directors meets once per month and approves important management proposals made by the president, the highest authority for executive management, while exercising appropriate oversight of business execution. Olympus fills the position of chairman of the Board of Directors with a director that does not have business execution responsibilities.

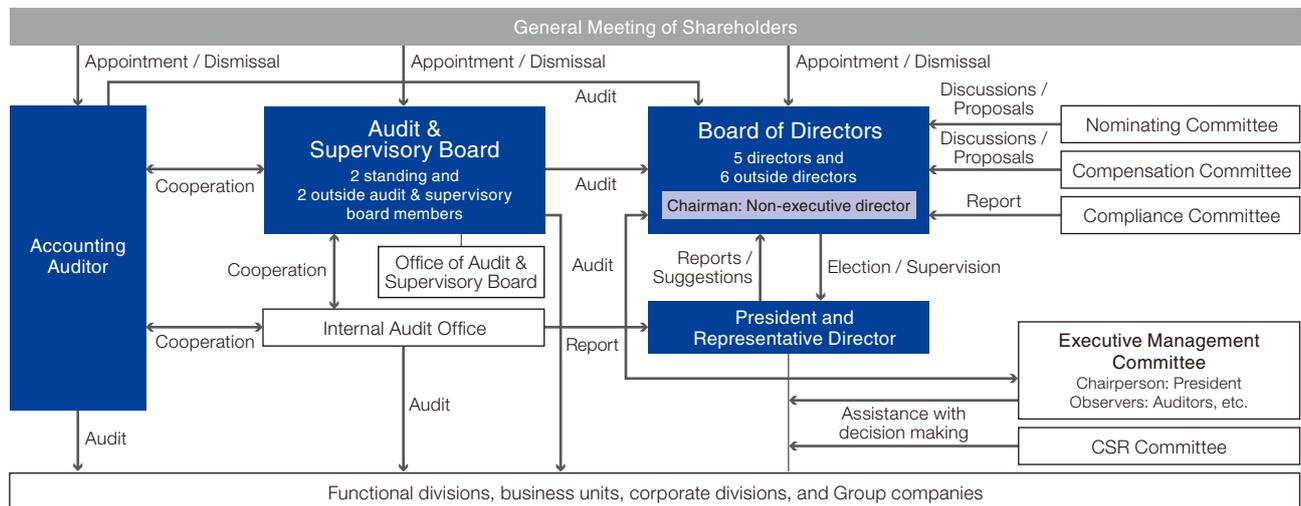
Olympus expects the six outside directors to apply their specialized expertise in management by engaging in decision making and oversight of the Board of Directors from an independent perspective. Furthermore, the Board of Directors requests reports on matters that are decided by the Executive Management Committee or by the president. In this manner, the Company is strengthening governance from the perspectives of sharing information and monitoring, thereby creating systems for better ensuring the soundness of management.

Olympus employs an executive officer system, which segregates the decision-making function and supervisory function of the Board of Directors from the business execution function of the executive officers. In addition, the Company has set a maximum tenure period for the president and a maximum age for directors and executive officers. These restraints are in place to prevent inappropriate activities from occurring due to extended tenures of corporate officers.

Overview of the Corporate Governance Structure (As of June 28, 2016)

Format	Board of Company Auditors system
Adoption of executive officer system	Yes
Directors	11
Of whom, outside directors	6
Term of directors	1 year
Audit & supervisory board members	4
Of whom, outside audit & supervisory board members	2
Independent officers	8
Participation of outside directors in determination of remuneration	Yes
Board of Directors convened (2015)	23 times
Results-linked remuneration	Yes

Corporate Governance Structure



For more details on Olympus' corporate governance, please refer to the 2016 annual report, One Olympus Report 2016.

WEB <http://www.olympus-global.com/en/ir/data/annualreport/2016/index.jsp>

Compliance

Basic Stance & Policy

Olympus Group Corporate Conduct Charter

Applying our “Social IN” management philosophy to our day-to-day business activities, we adopted the Olympus Group Corporate Conduct Charter and Code of Ethics in September 2004 as the basis of all Group employee actions in order to fulfill our corporate social responsibilities. As the Olympus Group Corporate Conduct Charter and Code of Ethics are a comprehensive declaration of Olympus’ stance on CSR, we formulate various CSR-related policies based on these codes.

In response to a series of problems concerning fraudulent financial reporting uncovered in 2011, the Company revised the Olympus Group Corporate Conduct Charter and Code of Ethics in June 2012 to promote thorough compliance by reflecting discussions among workplace leaders as well as the opinions of domestic and overseas Group employees. These revisions reflect our basic philosophy on social responsibility required by ISO 26000, UN Global Compact, OECD Guidelines for Multinational Enterprises 2011, and other international guidelines.

Olympus works to raise awareness of the Olympus Group Corporate Conduct Charter and Code of Ethics through various employee-oriented materials, training for new hires, during promotions, and at all levels, and e-learning programs.

Olympus Group’s Corporate Philosophy



Olympus Group Corporate Conduct Charter

Guided by the fundamental concept of “Social IN” and a keen awareness of our responsibilities as a corporate member of society, and as a company on which diverse people with different cultures and value systems depend, the Olympus Group continues to provide value to society by enhancing people’s lives through the products and solutions that we design and deliver.

At the Olympus Group, we are committed to conducting our affairs with a strong sense of ethics, and accordingly, will strictly comply with all relevant laws and regulations. We have revised the Olympus Group Corporate Conduct Charter to serve as the basis for making appropriate decisions and taking responsible actions. All members of the management team and all employees of the Olympus Group hereby pledge to act in accordance with the new Corporate Conduct Charter in their global corporate activities.

<INtegrity> Integrity in Society

1. Adherence to High Ethical Standards

We will prioritize the spirit of compliance under any circumstances and will never tolerate any action that violates laws and regulations, social norms or internal rules. We will create an environment within the organization where no concern pertaining to compliance will be ignored. Moreover, we will implement training and provide guidance to all parties concerned. We will consistently oppose any antisocial force or organization posing a threat to the order and safety of civil society and completely dissociate ourselves from any relation with them.

2. Respect for Human Rights

In all corporate activities, the Olympus Group will respect all internationally recognized human rights and will prohibit forced labor, child labor or discrimination based on race, beliefs, gender, age, social position, family lineage, nationality, ethnicity, religion or disability.

<INnovation> Creating Innovative Value

3. Delivering Innovative Value

Olympus strives to play an integral role in helping people around the world lead healthier and more fulfilling lives. To enhance people’s lives, the Olympus Group will continue to offer innovative value. To that aim, we constantly seek to provide safe, high quality products and services that engender loyalty and affection for our brand and that are meaningful to society, while taking sufficiently stringent measures to protect customers’ information.

4. Working Environments with Vitality

The Olympus Group will provide a safe and healthy working environment where individuality and diversity are respected and personal development is fostered. This environment will allow employees to strive for the highest level of skill and knowledge, and enable the innovative creation of value sought by society. We will aim to create working environments with a high level of transparency in management, to share information without seeking to hide or obfuscate unfavorable truths, and an atmosphere in which free and vigorous discussion is encouraged.

<INvolvement> Social Involvement

5. Harmony with the Environment

Respecting the importance of people’s safety and health and the essential role of nature in supporting their lives, the Olympus Group will contribute to a healthy environment and pursue sustainable development of society through business activities and technological developments that are in harmony with nature.

6. Contribution to Society

The Olympus Group is always mindful of the impact our decisions have on stakeholders and society, and we will actively seek out the voices of stakeholders, including customers, business partners, shareholders, employees and communities, and sincerely respond to their questions, concerns and needs. The Olympus Group regards itself as a citizen in each of the communities where employees live and work, and we recognize the importance of supporting community organizations, programs and activities. Additionally, we will always respect the culture and practices of the countries and regions where the Group engages in business.

Adopted on June 20, 2012

Linkage between Corporate Conduct Charter and CSR Policies

The Olympus Group Corporate Conduct Charter	CSR-Related Basic Policies
Integrity Integrity in Society	❶ Adherence to High Ethical Standards ❷ Respect for Human Rights
INnovation Creating Innovative Value	❸ Delivering Innovative Value ❹ Working Environments with Vitality
INvolvement Social Involvement	❺ Harmony with the Environment ❻ Contribution to Society

- Information Disclosure Policy
- Information Security Policy
- Risk Management and Crisis Response Policy
- Procurement Policy
- Personal Information Protection Policy
- Human Rights and Labor Policy

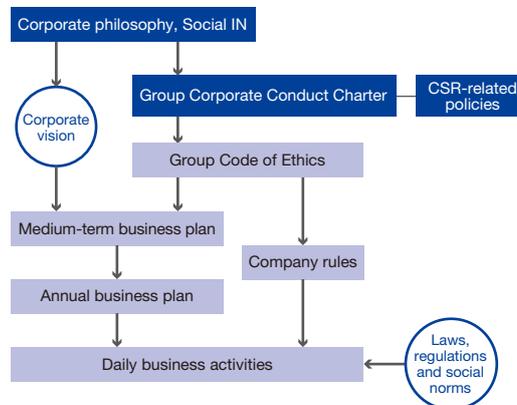
- Quality Policy
- Personal Information Protection Policy
- Human Rights and Labor Policy

- Environmental Policy
- Social Contribution Policy

(As of March, 2016)

WEB CSR-Related Basic Policies <http://www.olympus-global.com/en/csr/olycsr/socialin/activity/>

From Corporate Philosophy to Policies/Plans/Actions



Promotion System

Compliance Promotion System

In order to clarify who is responsible for compliance-related issues, Olympus has appointed a Chief Compliance Officer (CCO) as a global compliance supervisor.

Moreover, we have also established a Compliance Committee, which is composed of an outside director, the CCO, and external members (external lawyers in fiscal 2015), which serves as an advisory body to the Board of Directors. The chair is elected by mutual vote from outside directors. Meeting on a quarterly basis in principle, Compliance Committee members oversee and improve compliance systems, report compliance-related matters to the Board of Directors, and upgrade related systems to prevent compliance infractions.

We have also established the Global Compliance Committee (GCC), which is composed of the CCO and regional compliance officers (RCOs), in order to implement compliance-related policies and measures globally, understand regional situations and challenges, and carry out necessary corrective measures. The GCC has meetings on a quarterly basis in principle. Policies and measures directed and confirmed by the GCC are applied to each region by RCOs. In addition, compliance circumstances and issues throughout the Olympus Group identified by the GCC and RCOs are reported by the CCO on a regular basis to the Compliance Committee and are discussed at Board of Directors' meetings as needed.

Compliance Promotion Structure



Systems and Mechanisms

Compliance Hotline Systems

In an effort to maintain compliance, Olympus has established compliance hotline systems for each regional headquarters in accordance with the laws of individual countries. For its compliance hotline system in Japan, Olympus has established the Compliance Helpline based on the Whistleblower Protection Act and operates two contact points, an internal one as well as an external one managed by an independent attorney. Regarding the external contact point, the attorney providing the service will not, without the approval of the whistle-blower, reveal any information that could be used to identify the individual to staff within the company of the internal contact point, thereby providing greater assurance of anonymity. In keeping with the laws on subcontractors and on the prevention of unfair competition, this system receives reports not only from executives and employees, but also from suppliers that have direct business relationships with domestic Olympus Group companies.

Regional headquarters have established internal/external contact points in Europe and the Americas as well as external reporting lines in Asia. Internal contact points in the United States are overseen by employees who are certified lawyers.

In cases that reports are received by contact points across various regions in Japan and overseas, the Company addresses these issues in coordination with each RCO.

Facilitating an Atmosphere That Encourages the Use of Compliance Helpline

In Japan, we maintain an atmosphere that encourages employees to use the Compliance Helpline by enhancing internal reporting systems through appropriate revisions of various operating regulations, while raising awareness of this system through e-learning programs, compliance handbooks, and intranet bulletin boards. In addition, we explain how to use the Compliance Helpline to suppliers at supplier briefings held at the beginning of the fiscal year.

Overseas, Olympus promotes the use of internal reporting systems through enhancements and raising awareness, both of which are the responsibility of RCOs.

Training of Internal Reporting System Supervisors

With the aim of enhancing the internal reporting system and increasing its trustworthiness, we conduct systematic training of internal reporting system supervisors in Japan. Beyond supervisors providing guidance to their replacements, we are working to systematically and continuously improve supervisor responsiveness by requiring them to obtain a management ethics certification authorized by the Association of Certified Business Ethics Experts Japan and receive training conducted by an external specialist agency.

Number of Compliance Hotline Reports and Inquiries in Japan



Self-Assessment on Compliance

Olympus conducts a self-assessment survey of the maintenance/operational status of the compliance management systems of 90 consolidated subsidiaries and four regional headquarters in Japan and overseas as part of Compliance Month every October. The self-assessment surveys involve Group company Compliance Promotion Committee members answering questions in 13 categories. Assessment results are provided as feedback to Group companies via the GCC and Compliance Promotion Committee as well as play a useful role in improving and strengthening Olympus' compliance activities. In addition, we undertake compliance assessment monitoring at all Group companies in Japan.

The self-assessment response rate was 100% in fiscal 2015. An analysis of the assessment results reveals that all surveyed companies generally have compliance structures and mechanisms in place.

Compliance Education

In order to raise compliance awareness and promote an understanding of important laws and internal rules, as well as to ensure consistent compliance with them, Olympus is enhancing its compliance education. In Japan, the Compliance Promotion Department conducts education programs for various individuals using optimal tools. In addition, departments responsible for ensuring compliance to important laws conduct education programs by selecting course participants and training methods in accordance with the characteristics of applicable laws. Overseas, we undertake compliance education in a systematic manner at each regional headquarters according to the education curriculum used in Japan.

Major Results in Compliance Education

Category	Target	Method	Description
General	Executive officers	Group training	Outside instructors conduct lectures on management compliance. After lectures are completed, all attendees sign a pledge.
	All employees	E-learning and group training	General compliance education
	All domestic employees		Distribute compliance handbooks containing explanations of the management philosophy and corporate code of ethics as well as a Q&A summary
Education in Important Laws and Regulations	All employees	E-learning and group training	Education on strengthening compliance with key laws and regulations. Provide more comprehensive education programs to departments and supervisors that are deeply involved with key laws and regulations related to management.
Rank-Specific Education	People at specific ranks	Group training	Educational programs required for management and executive personnel, employees who have been promoted, and new employees.
Messages from Senior Management	All employees	Intranet	Messages distributed from the President, executives, and the CCO. CCO messages are sent out during Environmental Awareness Month (June), Compliance Month (October), and Information Security Month.
Management Dialog Opportunities	Managers and employees	Town meetings	At town meetings, Group company top management and the CCO explain the importance of compliance. Town meetings held on an ongoing basis (include affiliates and local corporations).

Strengthening Compliance with Key Laws and Regulations

Jurisdiction	Name of Law/Regulation, etc.
Laws, regulations and guidelines in Japan	<ul style="list-style-type: none"> ● Laws and regulations relating to the prevention of unfair competition ● National Public Service Ethics Act/rules of ethics ● Agreements relating to fair competition ● Transparency guidelines for the medical device industry in relation to medical institutions, etc. (formulated by the Japan Federation of Medical Devices Associations) ● Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act) ● Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (Subcontract Act) ● Labor Standards Act ● Laws and regulations relating to insider trading ● Personal information protection laws ● Laws and guidelines relating to measures against antisocial forces
Laws, regulations and guidelines in other countries	<ul style="list-style-type: none"> ● Foreign Corrupt Practices Act (FCPA, United States) ● U.K. Bribery Act 2010 (United Kingdom) ● Anti-Kickback Statute (United States) ● OECD agreements concerning the prevention of the bribery of foreign public officials in international commercial transactions ● United Nations agreements concerning the prevention of corruption ● Other laws and regulations relating to the prevention of unfair competition ● Physician Payment Sunshine Provision (United States) ● Laws and regulations relating to anti-monopoly ● Laws and regulations relating to measures against antisocial forces

Compliance Awareness Survey

We conduct a survey of Olympus Group employees during Compliance Month held every October to monitor the level of their compliance awareness and identify any related issues. Survey questions consist of 10 common global categories, while results are reflected in the activities of regional headquarters' compliance departments and reported to management.

In Japan, we conduct compliance awareness surveys using in-house e-learning systems. In fiscal 2015, we surveyed 12,116 employees, with 99.4% of those surveyed responding (fiscal 2014: 99.2%). Survey results revealed that compliance awareness at workplaces and among employees has increased, but this awareness has not filtered down to the level of individual employees' actual actions. As a result, we plan to enhance compliance education even further.

Status of Legal Compliance

Partial Settlement on Lawsuits for Damages against Past Directors of the Company (March 2016)

Olympus has pursued liability for the 19 past directors of the Company but has decided on a settlement for the 13 past directors on March 24, 2016.

Agreements with the U.S. Government (February 2016)

The U.S. Department of Justice (DOJ) investigated Olympus' subsidiary Olympus Corporation of the Americas (OCA) for conduct raising concerns under the U.S. Anti-Kickback Statute and U.S. False Claims Act by OCA's medical business in the United States between 2006 and 2011. In addition, the DOJ conducted an investigation into alleged violations of the U.S. Foreign Corrupt Practices Act by the medical business of Olympus Latin America, Inc. (OLA), an indirect U.S. subsidiary of Olympus Corporation, and Olympus Optical do Brasil, Ltda., a Brazilian subsidiary of OLA (OBL). On February 29, 2016, OCA entered into Deferred Prosecution Agreements with the DOJ in connection with both matters. OCA also entered into a Corporate Integrity Agreement with the Office of Inspector General of the U.S. Department of Health and Human Services. Under these agreements, OCA has agreed to retain a corporate monitor and to make various improvements, including to its compliance program.

Judgment by UK Court (November 2015)

Olympus and its UK subsidiary, Gyrus Group Limited (GGL), were prosecuted by the UK's Serious Fraud Office for allegedly making misleading or deceptive statements to the auditors of GGL in respect of its accounts in breach of section 501 of the UK Companies Act 2006. On November 10, 2015, the Crown Court at Southwark formally entered not guilty verdicts for both Olympus and GGL, and they have been acquitted of the charges against them. The prosecution is now at an end.

The three aforementioned reports were taken from the Group's timely information disclosure website for fiscal 2015. For the latest developments, please refer to the Corporate Disclosure page on the Olympus Group website.

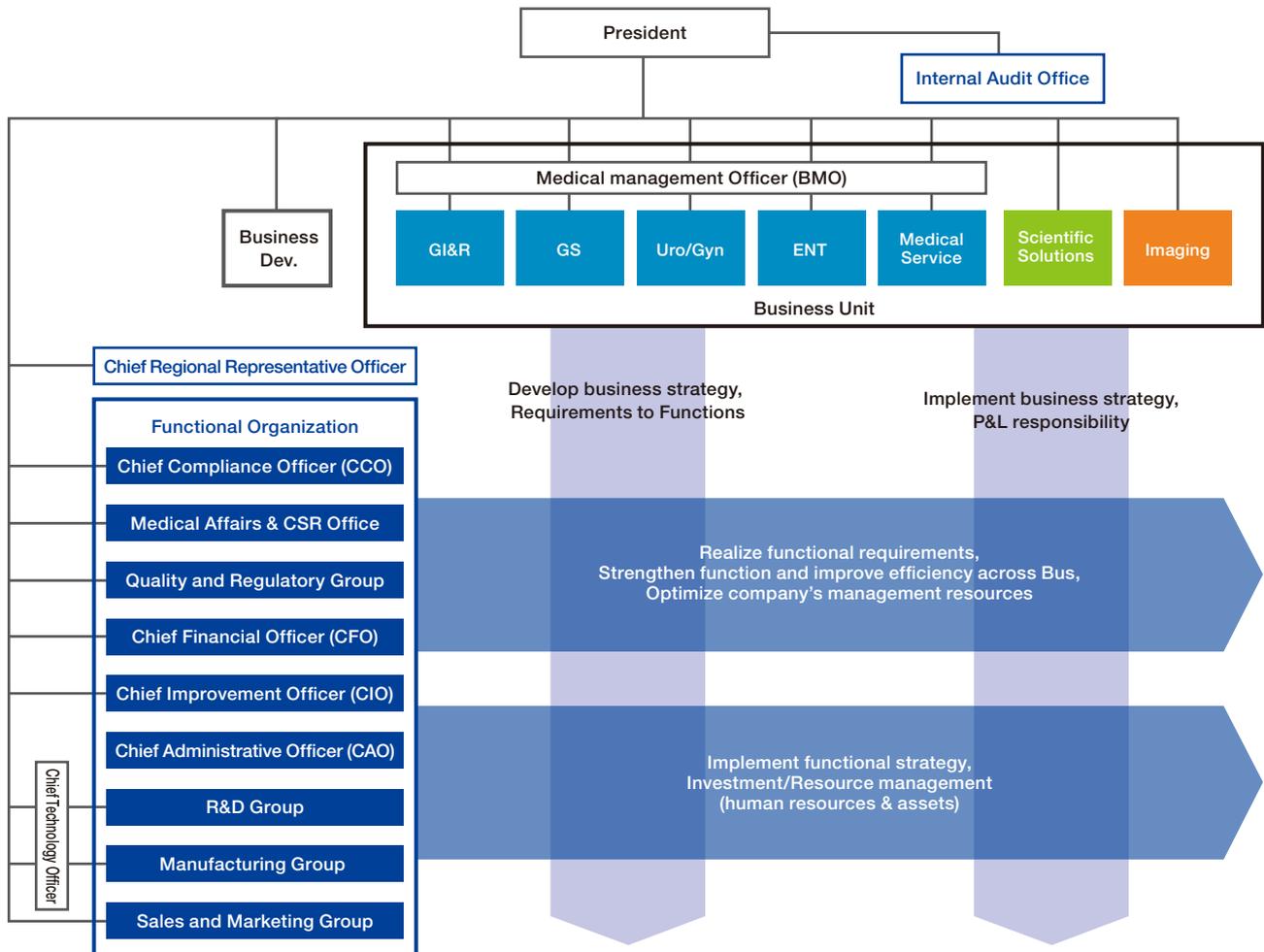
WEB [Corporate Disclosure](http://www.olympus-global.com/en/ir/data/tes/2016/) <http://www.olympus-global.com/en/ir/data/tes/2016/>

CSR Management

Management Structure

Olympus uses a matrix organizational structure that maximizes the use of corporate resources by interconnecting businesses and functions in a balanced and efficient manner. The first layer of the matrix has business units on the vertical axis and functional organizations on the horizontal axis. Each business unit oversees its own strategies in accordance with group strategy, and the functional organizations provide support to implement these strategies. The matrix helps to clarify and speed up the process of group resource allocation, enabling the company to maximize its potential.

Management Structure in April 2016



CSR Promotion Structure and Risk Management

CSR Promotion Structure

To realize “Social IN,” our CSR-enhanced corporate philosophy, Olympus established the CSR Committee in fiscal 2010. Under the umbrella of this CSR Committee, the Company has set up a number of promotion committees to plan and advance individual CSR-related initiatives.

The CSR Committee meets at least twice a year and is chaired by the officer in charge of the CSR & Compliance Office. Members include managers from each business unit and functional organization. Olympus aims to spread and entrench CSR throughout the Group by having the CSR Committee support the decisions made by the president, who is ultimately responsible for CSR, and overseeing the promotion and progress of important matters. The chair of the CSR Committee reports its findings to the president and the Executive Management Committee at Olympus. When the president deems it necessary, findings are also reported to the Board of Directors.

CSR Committee and Promotion Committees (Fiscal 2015)



Risk Management System

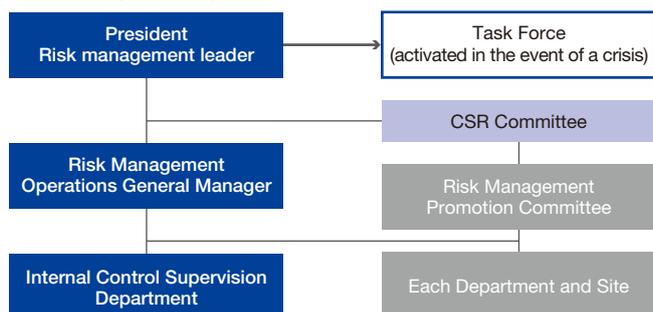
Olympus has established a global risk management system to prevent risks from occurring and to mitigate risks when they materialize, based on its Risk Management and Crisis Response Policy and its Rules on Risk Management and Crisis Response.

Specifically, Olympus has established the Risk Management Promotion Committee as a promotion function of the CSR Committee. The Risk Management Promotion Committee promotes risk-reduction activities at business units and sites based on risk assessments, and management periodically monitors the situation. In the event a crisis arises and severely impacts the Olympus Group, a task force is activated to properly respond to the crisis and rapidly elevate information to the president and management.

In fiscal 2015, working groups were formed under the guidance of the Risk Management Promotion Committee to mitigate risks related to major earthquakes and the My Number national ID system. As a specific measure to address the risk of a major earthquake, four business sites conducted first responder drills involving the setting up of crisis response centers at each business site and taking steps to prevent secondary disasters from occurring.

In South Korea, we focused attention on measures to prevent the MERS virus from spreading. Overseas, we reinforced our safety management systems to prepare for a major terrorist incident.

Risk Management System (As of April 2016)



CSR in Procurement Activities (Supply Chain)

Basic Policy on Procurement

The Olympus Group aims to strengthen supply chain management within the context of business continuity and sustainable value creation in its three business segments: the Medical Business, the Scientific Solutions Business and the Imaging Business.

In 2005, Olympus formulated the Olympus Group Procurement Policy based on its “Social IN” corporate philosophy. Since then, Olympus has disclosed its basic stance on procurement both internally and externally through its website and training sessions, while strengthening compliance with laws, regulations and social norms. We have also drawn up the “Request to Suppliers” as a guideline for complying with laws, regulations and social norms, including respect for human rights and the elimination of antisocial forces, prohibiting corruption and bribes, promoting fair and just transactions, and taking the environment into consideration.

Based on these two principles for procurement activities, Olympus strives to create and strengthen good relationships with its suppliers through fair, just and transparent transactions.

Olympus Group Procurement Policy

1. Compliance with Laws, Regulations, and Social Norms

Olympus complies with applicable laws, regulations, and social norms including those concerning the respect for human rights, including the prohibition of child labor and forced labor, and anti-corruption and, carries out our corporate activities in a sound and fair manner. We ask the suppliers of the materials and services used in manufacturing our products to do the same.

2. Green Procurement and Consideration for the Environment

In establishing green procurement standards in line with our Environmental Policy, and in its procurement activities, we endeavor to build a society that has a sound environment and that is capable of supporting sustainable development.

3. Promotion of Fair and Impartial Trade

We open our doors wide to current suppliers and future suppliers all over the world. We conduct fair and impartial trade with its suppliers according to the policies and procedures disclosed to suppliers.

4. Selection of Suppliers

Olympus selects suppliers based on a comprehensive decision on key elements for the appropriate procurement, including the management of compliance with laws, regulations, and social norms, environmental considerations, quality and safety assurance and a stable supply, management stability, technical capabilities, security of information, respect for the intellectual property of other parties, compliance with the designated delivery date and appropriate pricing.

5. Reinforcement of Partnership with Suppliers

Olympus endeavors to establish and maintain a relationship of trust with our suppliers based on mutual understanding.

6. Prohibition on Accepting Personal Interests

Olympus prohibits its employees from accepting any improper personal gifts, benefits or entertainment from suppliers.

System and Framework

■ Initiatives with Suppliers

● Share business strategies and procurement policy

Once a year, the Procurement Policy Meeting is held with key domestic suppliers for each business for the purpose of sharing with them the business strategies and procurement policy of the Olympus Group.

In fiscal 2015, 863 representatives from 592 suppliers participated. We explained compliance matters that all suppliers should know, such as conflict minerals and human rights issues, and asked for their cooperation in tackling these problems.

● Supplier survey

Once a year, Olympus conducts a web-based survey of its main suppliers in Japan and overseas with which it has ongoing business transactions. The survey covers 181 questions, of which 23 are related to CSR, related to management information, CSR initiatives, and delivery deadlines.

In fiscal 2015, about 97% of our approximately 1,000 suppliers responded to the survey. We have put in place a system that encourages suppliers to make improvements on their own initiative, and we consult privately with suppliers on remedies if we believe they have room for improvement.

Key Evaluation Items in Supplier Survey for Initiatives with Suppliers

Evaluation Criteria	Details
Management information	<ul style="list-style-type: none"> ● Corporate information ● Financial condition
CSR	<ul style="list-style-type: none"> ● Compliance with laws, regulations and social norms ● Protection of human rights (child labor, forced labor, inappropriate low-wage labor) ● Protection of worker rights (labor standards, occupational safety and hygiene) ● Protection of the environment (CO₂ emissions, waste discharged, environment-related chemical substances)
BCP	<ul style="list-style-type: none"> ● Business continuity strategy ● Production base information ● Contact information during emergencies and disasters ● Confirmation of supply chain ● Confirmation of employee safety
Environment and quality	<ul style="list-style-type: none"> ● Acquisition of ISO 9000 and ISO 14000 ● Procurement and process management (5Ms (materials, methods, measurement, machinery, manpower), change information, non-compliant treatments)
Delivery	<ul style="list-style-type: none"> ● Production plans ● Progress and distribution management
Information protection	<ul style="list-style-type: none"> ● Personal and confidential information ● Intellectual property ● Computer security

● Audits of suppliers

Olympus periodically audits the status of CSR initiatives at overseas suppliers in regions with a high risk of human rights and labor condition violations. Olympus hires specialist auditing firms to audit these overseas suppliers on 132 items in 11 fields based on the “Request to Suppliers.” The supplier receives the results of the audit and is encouraged to make any necessary improvements. This information is also used to reassess items in the supplier survey. Olympus also makes on-site inspections to ascertain the production capacity of its suppliers in line with its policy of not placing overburdening orders with suppliers, in an effort to avoid causing labor-related problems. In fiscal 2015, Olympus did not cause any labor-related problems at its suppliers.

WEB [Request to Suppliers](http://www.olympus-global.com/en/common/pdf/procurement_request.pdf) http://www.olympus-global.com/en/common/pdf/procurement_request.pdf

● Response to Conflict Minerals

The Olympus Group upholds international efforts to resolve the problem of conflict minerals*. On behalf of the Olympus Group, the Olympus Corporation participates in a committee established by the Responsible Minerals Trade Working Group of the Japan Electronics and Information Technology Industries Association (JEITA). Working together with suppliers, such as by discussing the conflict minerals at procurement policy meetings, we ensure transparency in our supply chains and continue the procurement of parts and materials that does not cause human rights violations.

*Conflict minerals

The Democratic Republic of the Congo (DRC) and surrounding countries produce minerals such as tantalum, tin, tungsten, and gold. Armed groups in the DRC, where the civil war continues, use these minerals to raise funds, causing human rights violations (child labor and sexual violence), as well as environmental damage. In July 2010 the United States sought to cut off this supply of funds to armed groups by introducing an amendment to its financial regulation law defining these four substances as conflict minerals. Companies listed in the United States that use conflict minerals are now required to submit reports to the U.S. Securities and Exchange Commission (SEC). Other moves by international organizations, governments, NGOs and industry organizations to solve this problem include the publication of the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas by the Organization for Economic Cooperation and Development (OECD).

■ Education for Adhering to Subcontract Act

Olympus promotes compliance with laws and regulations with the awareness that the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (the Subcontract Act) is a key piece of legislation.

In fiscal 2015, Olympus updated internal rules that were drawn up in the previous fiscal year related to complying with the Subcontractor Act.

To thoroughly implement these rules, Olympus conducted e-learning training for its employees, and held internal briefings about the procurement functions of the three key business segments. We will continue to review our training content and methods to further enhance the process of adhering to the Subcontract Act.

■ Expansion of Scope of Compliance Helpline

Since June 2012, suppliers have had access to the Compliance Helpline, the internal reporting system at Olympus. In conjunction with guidance provided on our website, we proactively engage with suppliers, such as through procurement policy meetings.

Commitment to External Initiatives

In October 2004, Olympus joined the U.N. Global Compact, agreeing to uphold its 10 principles.

The Global Compact (GC) is a voluntary initiative to create a global framework within which companies can contribute to good corporate citizenship and sustainable growth through responsible and creative leadership. The 10 principles of the Global Compact are incorporated into our Corporate Conduct Charter and related policies, and are reflected in our business activities.

Olympus also supports initiatives concerning climate change under the Global Compact “Caring for Climate” initiative, of which it has been a signatory since 2009.



External Evaluation of CSR Management (Fiscal 2015)

FTSE4Good Global Index Series

Olympus has been selected as a stock for inclusion in the FTSE4Good Global Index Series, an investment index consisting of the best companies in the world in terms of social responsibility.

MS-SRI

Olympus has been selected as a stock for inclusion in the Morningstar Socially Responsible Investment (MS-SRI) Index.

Labor Practices and Decent Work

Employment and Labor Relations

Basic Approach and Policy

Basic Approach

The Provision of Fair Opportunities section of the Olympus Human Rights and Labor Policy (see page 44) clearly states that “Employees are our most valuable assets. We respect diversity, character, personality and the human rights of all employees, and provide them with equal opportunities to fulfill their potential and improve their abilities as well as opportunities to work, develop their abilities and gain promotion according to their level of competency.” We endeavor to reflect this stance.

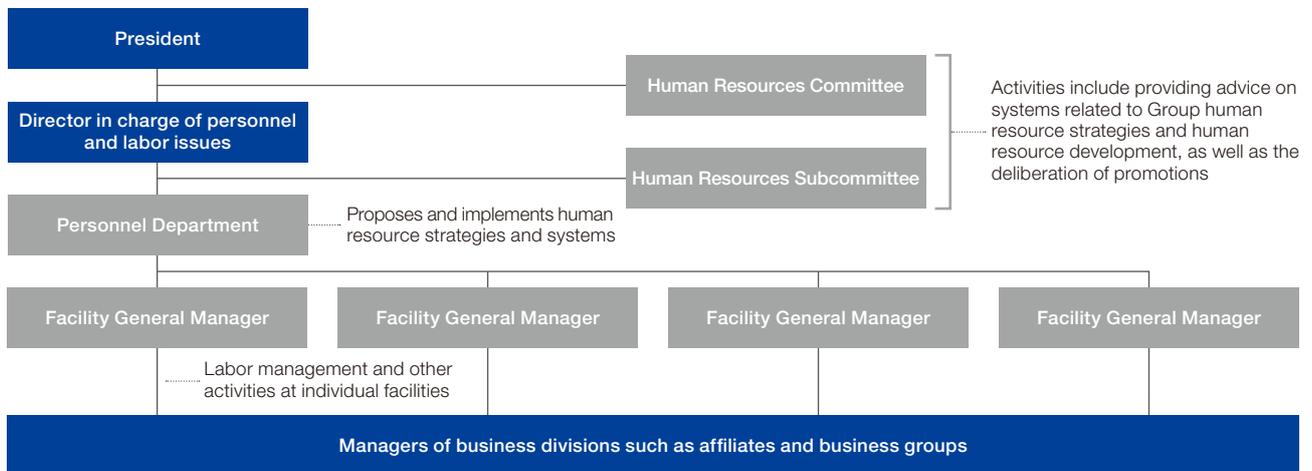
We employ people on the assumption that employment will be long-term. Our salary system is based on job-related qualifications and performance, and we have in place human resource systems aimed at cultivating employee growth over the long term.

Promotion Structure

Employment and Labor Management Systems

In the Olympus Group, the president is ultimately responsible for personnel and labor issues such as human resource strategy, human resource development and labor management, while the director in charge of personnel and labor issues supervises individual activities. As multiple subsidiaries and in-house companies are sometimes located in one facility, each facility has its own facility general manager to ensure the comprehensive implementation of policies and measures concerning personnel and labor issues.

Organization of Personnel and Labor Issues



Systems and Mechanisms

Employment of People with Disabilities

Olympus works proactively to employ people with disabilities. In April 2009, we established Olympus-Supportmate Corp. as a special-purpose subsidiary*. This company creates working environments and working conditions that are appropriate both for the nature of each individual’s disabilities and for operational requirements and strives to ensure ongoing employment.

*Special-purpose subsidiary

A subsidiary approved by the Minister of Health, Labour and Welfare under the provisions of Article 44 of the Act on Employment Promotion, etc., of Persons with Disabilities as an organization that gives special consideration to the employment of people with disabilities and is deemed as one of the business offices of its parent company

Employment of the Elderly

In Japan, Olympus has a system to continue employing employees who want to work for the Company after reaching the retirement age of 60 until they become 65 years old.

Welfare System

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 are in need of support or strongly committed to self development, including employees who pay for home nursing care and home bathing services, babysitting, childcare facilities and language learning.

Labor-Management Consultation

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.

In fiscal 2015, during labor-management consultations we discussed and came to agreement on such items as a revision of basic salaries.

As of May 15, 2016, 71% of the 4,983 employees not in management positions were members of the labor union.

Minimum Notice Period Regarding Operational Changes

Olympus recognizes that personnel transfers and other changes have the potential to affect employees' lifestyles. Accordingly, in principle our collective agreement sets one month as the preparatory notice period.

Employment-Related Data

Indicators	Fiscal 2015	Breakdown				
		By gender	Men		Women	
Employees ¹ (people)	6,725	By gender	5,787		938	
		By age	20s and younger	30s	40s	50s and older
			735	2,172	2,177	1,641
New employees (people)	291	By gender	229		62	
		By age	20s and younger	30s	40s	50s and older
			198	86	7	0
Leaving the Company ² (people)	182	By gender	151		31	
		By age	20s and younger	30s	40s	50s and older
			13	42	13	114
Rate of return to work following childbirth, childcare leave (%)	97.8	By gender	100		97.5	
Retention rate following childbirth, childcare leave (%)	93.5	By age	97.2		91.2	
Percentage of employees with disabilities ³ (%)	1.89					

Totals for Olympus Corporation and Olympus Medical Systems Corporation

*1 Permanent and contract employees as of March 31, 2016

*2 Includes 103 people retiring

*3 As of March 31, 2016. Overall OT Group: Olympus, Olympus Medical Systems, Olympus Medical Science Sales, Olympus Software Technology, Nippon Outsourcing Corporation, Nagano Olympus, Olympus-Supportmate

Labor Practices and Decent Work

Occupational Safety and Health

Occupational Safety and Health

Basic Approach and Policy

In order to prevent industrial accidents and maintain healthy working environments with vitality, Olympus has set forth “Ensuring Occupational Safety and Health” in the “Olympus Group Corporate Conduct Charter” (see page 23) and established the “Occupational Safety and Health Basic Policy.”

Basic Policy on Group-wide Occupational Safety and Health

1. The Olympus Group will support the mental and physical health of all employees while working diligently to promote a workplace environment in which employees can carry out their duties in comfort and with peace of mind.
2. The Olympus Group will observe the Industrial Safety and Health Law as well as all related regulatory requirements. The Group will fulfill its responsibilities in ensuring the proper management of employees' health while addressing all safety concerns.
3. The Olympus Group will implement and support activities aimed at preventing accidents in the workplace as a part of efforts to eliminate any and all industrial incidents.

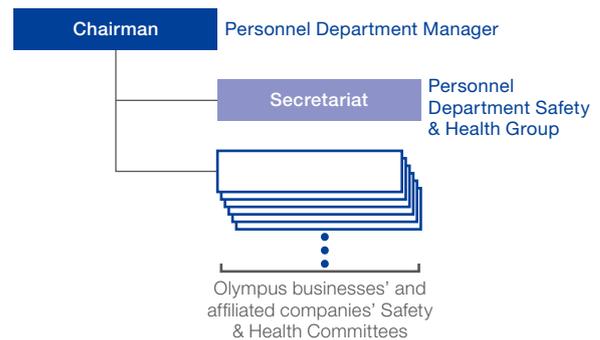
Occupational Safety and Health Promotion Structure

In order to implement the “Occupational Safety and Health Basic Policy,” Olympus has established the “Safety & Health Promotion Committee,” which is chaired in Japan by the general manager of the Human Resources Division. The members who make up the committee are the representatives of the Safety & Health Committee established in each business of our headquarters and in affiliated companies, the labor union, and the industrial doctors of each facility.

The Safety & Health Promotion Committee tracks general safety and health and health management activities at each base and shares the causes, countermeasures, and preventive measures for occupational accidents with the aim of improving overall Group activities by presenting remedial guidelines and information about legal amendments to all bases.

Overseas, we are pursuing activities based on compliance with laws and regulations in each country.

Safety & Health Promotion Committee



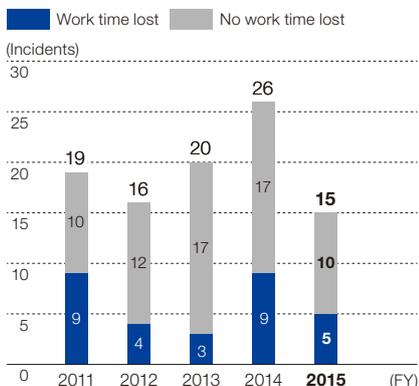
Safety & Health Promotion Activities

At the beginning of every year, Olympus establishes the “Activity Policy” for occupational safety and health and health management in accordance with the “Occupational Safety and Health Basic Policy,” and promotes activities utilizing the PDCA cycle.

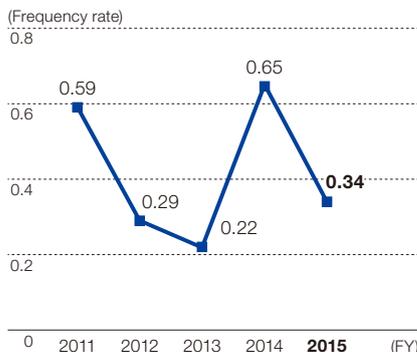
Because the number of industrial accidents is increasing, since fiscal 2012, we have promoted a variety of measures on the priority topic of the “reduction of the number of industrial accidents.” However, in fiscal 2014, such accidents numbered 48, but decreased by 10 in fiscal 2015.

In fiscal 2016, we will continue to reinforce the organizational structure to promote safety and health. Above all, we plan to put our energy into augmenting the system for controlling chemical substances, securing needed personnel, and promoting risk management and educational activities at each facility.

Number of Industrial Accidents (work time lost/no work time lost)



Incidence Ratio of Industrial Accidents



*Scope: The Olympus Group in Japan
 Number of workers, incl. temporary workers (average total) × 1,920...①
 Industrial accidents (work time lost) ÷ ① × 1,000,000 = Incidence ratio

Number of Fatal Accidents

	FY2011	FY2012	FY2013	FY2014	FY2015
Number of fatal accidents	0	0	0	0	0

Health Management

Basic Approach and Policy

In addition to health management activities as industrial healthcare, in cooperation with the Health Insurance Association, we support health promotion activities for employees. In fiscal 2015, we began the “Mind and Body Vitality Project,” which promotes activities with an emphasis on (1) prevention of lifestyle-related diseases, (2) early detection of cancer, and (3) prevention of mental health disorders.

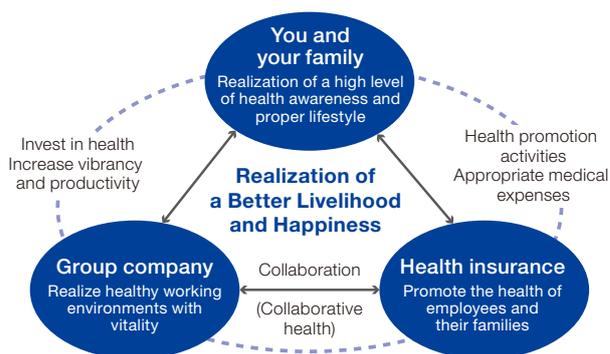
Mind and Body Vitality Project 2015

Basic Policy for Activities

We will promote the creation of a healthy and vibrant corporate culture for both mind and body with our sights set on the “Realization of a Better Livelihood and Happiness” for each and every individual.

Priority Activities

- (1) Prevention of lifestyle diseases
- (2) Early detection of cancer
- (3) Prevention of mental health disorders



Health Management Support System

Olympus is developing and strengthening Systematic Health Management by allocating industrial doctors, health workers, and nurses depending on the size of the facility.

In the Health Insurance Association, we actively support the implementation of cancer screening tests, prevention of lifestyle-related diseases, and individual health promotion activities.

Number of Medical Staff and their Role

	Headquarter Facilities	Headquarters Branch/ Sales Offices	Affiliates/Sales Companies	Roles
Supervising industrial doctors	○	○	○	● Hiring decision/Interview ● Overwork/Mental support ● Contracted industrial doctor follow-up
Industrial doctors 5	○	○	○	
Health workers/nurses 25 (Employed in headquarters/ Employed in affiliates)	○ (13)	○ (3)	○ (9)	● Subsequent measures ● Specific health guidance ● Health support seminar
Counselors Psychiatrists (Contracted: 3)	○	--	○ Workers in headquarters facilities	● Collaboration with industrial doctors/ medical care workers
Contracted industrial doctors 8	--	○ (Partial)	○ (Core factories)	● Cooperation with industrial doctors/ medical care workers

■ Health Examinations and Health Counseling

In cooperation with the Health Insurance Association, we are enhancing our routine health examination offering. In optional screening, we have introduced endoscopic tests.

We are also holding events such as seminars on physical exercise for the prevention of lifestyle-related diseases and non-smoking seminars to provide employees with more opportunities to receive advice on their health, including mental health.

We require routine health examinations for expatriate employees sent to work abroad and we follow up on the health management of employees and their families. We deploy industrial doctors, health workers and nurses and we interview them when they are appointed and when they return from assignment, and also conduct daily health counseling. In addition, industrial doctors make routine site visits and we have enhanced our health management activities for expatriates.

■ Cancer Screening Tests

Health examinations offer enhanced cancer screening tests using endoscope and support the early detection of cancer.

- Most of the cost of cancer screening tests is paid by the Health Insurance Association. (For lung and brain cancer screening, however, employees pay half the cost.)
- Employees aged 35 or older can choose to have stomach and colon cancer screening using endoscopes.
- Gynecological (breast cancer and cervical cancer) screening can be received without age restrictions.
- Dependent family members aged 30 or older are also eligible for cancer screening provided by the Association.

Cancer Screening Test Support System

Examination Item	Target	Health Insurance Cost Subsidy	Years Consultation Encouraged*
Gastric cancer (endoscope)	35 years and older	100% coverage	Once every two years
Gastric cancer (pepsinogen examination)	35 years and older	100% coverage	Year that gastroendoscope exam is not undertaken
Bowel cancer (endoscope)	35 years and older	100% coverage	Once every three years (40 years and older)
Bowel cancer (fecal occult blood test)	35 years and older	100% coverage	Year that large bowel endoscope exam is not undertaken
Breast cancer/Cervical cancer	Women of all ages	100% coverage	Once every two years
Prostate cancer (PSA marker)	Men 50 years and older	100% coverage	Once every two years
Abdominal ultrasonography	40 years and older	100% coverage	Once every two years
Lung cancer (lung helical CT)	40 years and older	50% (Limit of ¥5,000 including tax)	Individual decides whether to receive health exam

*Consultation encouraged: For those who have not yet taken the exam from the target age to retirement (depending on item) (call/recall)

■ Mental Health

In addition to focusing on the creation of a stress check system mandated by legal revisions, combined with the four types of care listed below, we support everything from preventive action to treatment for the mentally ill, and those returning to work after an absence due to mental illness.

- Education on mental health using e-learning tools and other methods
- Consultation and daily care service provided by industrial doctors and other health staff
- Consultation service and seminars provided by external psychologists

Occupational Safety and Health Initiatives

Priority Topics	Priority Initiatives	
	FY2015	FY2016
Reduction of the number of industrial accidents	<ul style="list-style-type: none"> ● Strengthen risk assessment <ul style="list-style-type: none"> • Promote and strengthen Hiyari-Hatto activities • Prepare, implement, and assess risk reduction measures ● Ensure the wearing of protective equipment ● Enforce strict measures to prevent recurrences in the event of disaster ● Promote educational activities for disaster prevention 	<ul style="list-style-type: none"> ● Clarification of division of responsibility in the event of an industrial accident ● Report to management in the event of a serious work-related injury or an equivalent industrial accident and horizontally expand recurrence prevention ● Risk prevention training and activities to return to the basics of risk assessment ● Rigorous recurrence prevention measures in the event of a disaster ● Promotion of educational activities for disaster prevention ● Promotion of inspection and educational activities for the workplace environment to prevent falling down injuries (the Ministry of Health, Labour, and Welfare's promotion of the "STOP! Falling-Down Injuries Project")
Strict legal compliance	<ul style="list-style-type: none"> ● Support for legal reforms ● Optimal operation of the Safety & Health Promotion Committee 	<ul style="list-style-type: none"> ● Support for chemical substance risk assessment ● Respond to new revisions based on notification from the Ministry of Health, Labour, and Welfare ● Develop management system (OIS, etc.) for Occupational Safety and Health
Health promotion activities (data health) Deployment support	<ul style="list-style-type: none"> ● Promotion of health management activities <ul style="list-style-type: none"> • Full support for health examinations (routine/special/specific procedures, etc.) and subsequent measures • Thoroughly conduct doctor interviews to understand overworked people being studied (including managers) • Promotion of employee educational programs to strengthen health management activities 	<ul style="list-style-type: none"> ● Promotion of health management activities <ul style="list-style-type: none"> • Full support for health examinations (routine/special/specific procedures, etc.) and subsequent measures • Thoroughly conduct doctor interviews to understand the overworked people being studied (including managers) • Promotion of employee educational programs to strengthen health management activities • Standardization of health management and mental health measures
Mental support	<ul style="list-style-type: none"> ● Promotion of mental health measures <ul style="list-style-type: none"> • Expand mental health education (review education for each level of the organization) • Understand and discuss the challenges of workplace conditions through the reality of long working hours • Preparation and implementation for stress checks (legal revisions) • Promotion of activities to prevent harassment due to abuse of authority 	<ul style="list-style-type: none"> ● Promotion of mental health measures <ul style="list-style-type: none"> • Introduction of mental health stress check support system • Expand mental health education (review education for each level of the organization)
Overseas health management	<ul style="list-style-type: none"> ● Industrial physician conduct of on-site inspection and seminars ● Understand expatriates' health examination results and create a follow-up system 	<ul style="list-style-type: none"> ● Industrial physician conduct of on-site inspection and seminars ● Understand expatriates' health examination results and create a follow-up system

Labor Practices and Decent Work

Training and Education

Basic Approach and Policy

Basic Stance on Personnel Systems

Olympus considers that people are the most important management resource. We respect individuals and strive to be an organization that responds swiftly and systematically to changes in the management environment. To this end, we place a priority on realizing a bountiful society through individual self-reliant professionals effecting autonomous change and responding to changes in society.

We trust in the motivation and vitality of such employees. We also recognize the importance of fairly evaluating the results and successes that their individuality and capabilities engender and believe in compensating them appropriately. Within our human resources system, we have formulated capacity development guidelines for recognizing the successes and capabilities called for in individual employees. We have also introduced a management by objectives system, MBO-S, to support the development of individual employees' capabilities.

Promotion Structure

System to Promote Training and Education

In April 2016, Olympus established the Education Training Department, which handles tasks including strategic planning of education and career development for Group employees in Japan, as well as the planning and implementation of systematic programs.

Roles of the Education Training Department

- | | |
|-----------------------------|---|
| Education Supervision Group | (1) Managing educational systems for the Group in Japan
(2) Planning and providing education for management and management candidates |
| Career Development Group | (1) Planning and conducting rank-specific education consistently throughout the Group in Japan
(2) Planning and implementing leadership development measures for employees at the general manager level and below
(3) Planning and implementing measures to support employee career formation |
| General Education Group | (1) Planning and conducting education on general knowledge consistently throughout the Group in Japan
(2) Planning and providing education for personnel stationed overseas
(3) Serving as the companywide e-learning secretariat |

Systems and Mechanisms

MBO-S* Management By Objectives/Assessment System

Olympus has established its own management by objectives/assessment system, called MBO-S, to help employees decide individually what they will focus on in their jobs and grow to reach their targets. Every six months, employees meet with their superiors to confirm their level of quantitative and qualitative achievements and set goals for the next six months.

Employees enhance their skills through the repetition of such interviews. Rather than temporary operating performance increases, this approach aims to foster the sustained growth of individual employees over the medium-to-long term.

*MBO-S

An acronym for "management by objectives and self-control," MBO-S applies to approximately 5,200 permanent, non-management employees of Olympus Corporation, including those overseas.

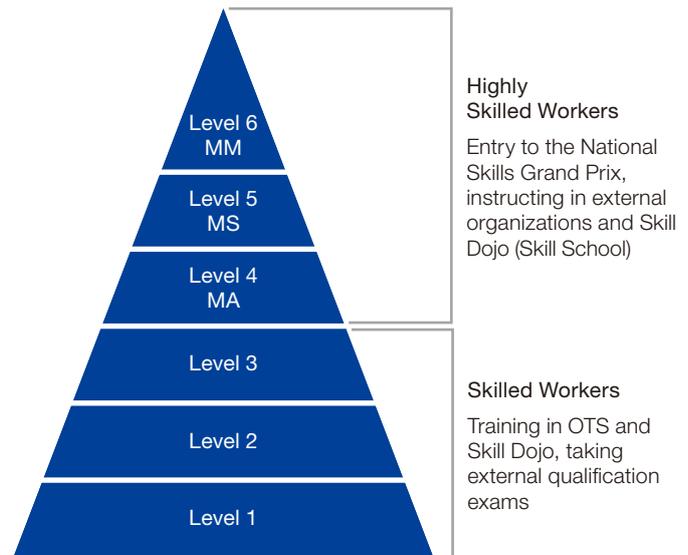
The “Olympus College” Capability Development System

Olympus has established an internal education system called the Olympus College. Each year, the college offers more than 250 courses, including management training, business training, technical training and global training.

Manufacturing Technicians Training Program

Olympus regards manufacturing technicians as an important source of our added value. The skills of such technicians are categorized into six levels and staff are encouraged to improve their skill level in a planned manner. We group the technicians with skills of level 1 to 3 into “Skilled Workers” and those with skills of level 4 or greater as “Highly Skilled Workers.” Highly Skilled Workers are certified as a Manufacturing Advisor (MA) at level 4, Manufacturing Supervisor (MS) at level 5, and Manufacturing Master (MM) at the final level 6. Training is given according to each level, from newly joining staff members to MM technicians.

Levels in the Olympus Highly Skilled Worker Incentive System



Developing Human Resources Overseas to Become Manufacturing Workers

Olympus proactively promotes human resources education at its manufacturing bases overseas. For example, the Shenzhen Factory in China, which manufactures digital camera and microscope products, has an internal qualification system for lens polishing and coating skills based on the national qualifications in Japan. Our Shenzhen and Vietnam factories have also introduced qualification systems for bonding and soldering work based on Japanese certification programs. For initiatives such as these, experts from Japan visit local factories and provide instructions and guidance as well as the qualification test.

Labor Practices and Decent Work

Diversity and Equal Opportunity

Basic Approach and Policy

Basic Policy

To continue creating new value as its business grows increasingly global, Olympus believes in the importance of providing opportunities for people of diverse capabilities, resolve and lifestyles to play an active role. The Olympus Group Code of Conduct (see page 23) clearly states our focus on “respect for diversity” in human resources. In accordance with this policy, Olympus does not discriminate based on race, beliefs, gender, age, social position, family lineage, nationality, ethnicity, religion or disability in carrying out every facet of its business activities.

Promotion Structure

System for Promoting an Active Role for Diverse Human Resources

At Olympus, the human resources department serves as the locus 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 2015, for example, we held discussions on topics such as expanding the scope of application for the work-at-home system, leading to an expansion of the system on a trial basis.

Systems and Mechanisms

Diversity of Human Resources

Olympus excludes any gender discrimination in terms of employment, promotion, and salary increases, and actively promotes human resources who are equipped with highly specialized skills and an ethical approach. As of the end of June 2016, the number of female managers stands at 22, and 125 are registered as managerial candidates. Also, there is one female external director as of the end of June 2016. Each year, the percentage of women continues to increase.

We make proactive use of excellent human resources regardless of their nationality by putting the right person in the right place.

Work-Life Integration

Olympus began promoting work-life integration activities at Group companies in Japan in 2011 to help employees maximize their capabilities and proactively continue their careers in periods when they need to take care of children or other family members. To help employees achieve a work-life balance and generate work-life synergies, we are formulating and introducing systems under four themes: (1) promoting diversity, (2) supporting the cultivation of the next generation, (3) enhancing labor productivity and (4) promoting health.

In April 2016, we expanded the scope of application of the work-at-home system so that it could be used by more employees. We expanded the system from workplaces with discretionary working hours to include other workplaces, and revised our employment regulations and labor agreements accordingly.

WEB [Promoting Work-Life Integration](http://www.olympus-global.com/en/csr/innovation/lively/support/) <http://www.olympus-global.com/en/csr/innovation/lively/support/>

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).

WEB [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/) <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.



Action Plan Based on the Act on the Promotion and Advancement 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.

WEB [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/)
<http://www.olympus.co.jp/jp/csr/innovation/lively/woman/>

Human Rights

Basic Approach and Policy

Basic Policy

Olympus supports the United Nations Declaration of Human Rights and Global Compact. To put international initiatives into practice in our business activities, we have also clearly spelled out the respect for human rights in the Olympus Group Corporate Conduct Charter and the Olympus Group Code of Conduct (see page 23). In addition, we have formulated the Olympus Group Human Rights and Labor Policy and strive to respect human rights in the management of our businesses. We also urge our business partners to comply with the protection of human rights.

Olympus Group Human Rights and Labor Policy

The Olympus Group upholds the concept of Social IN as its management philosophy for all corporate activities and abides by its Corporate Conduct Charter. Based on these norms, we support the Universal Declaration of Human Rights, which was adopted by the United Nations in 1948 and the international norms on human rights, including the United Nations Global Compact's principles on human rights and labor. Accordingly, we are committed to respecting human rights in our business management and also expect our business partners to respect the protection of human rights.

1. Provision of Fair Opportunities

Employees are our most valuable assets. We respect diversity, character, personality and the human rights of all employees, and provide them with equal opportunities to fulfill their potential and improve their abilities as well as opportunities to work, develop their abilities and gain promotion according to their level of competency.

2. Safe and Comfortable Working Environment

We strive to create workplaces where employees can work in a safe and healthy setting both physically and mentally, and to provide all our employees with an environment that will help them work with enthusiasm.

3. Respect for Human Rights

We support and respect the protection of internationally proclaimed human rights within our sphere of influence, and ensure that we are not complicit in human rights abuses.

4. Respect for the Rights of Workers

We respect the rights of workers to organize labor unions and bargain collectively in line with local laws and established practice.

5. Elimination of Forced Labor

We pledge not to use any forced or bonded labor in the production of our products or services.

6. Elimination of Child Labor

We comply with local minimum age laws and requirements and do not employ child labor.

7. Elimination of Discrimination

We strive to eliminate discrimination based on race, belief, gender, age, social status, family lineage, nationality, ethnicity, religion, disability, or of any other type in all our business activities.

Systems and Mechanisms

Initiatives with Suppliers

Olympus has adopted the "Request to Suppliers," a document defining its expectations toward suppliers in such areas as respect for human rights, compliance with laws, regulations and social norms, including the laws concerning the exclusion of antisocial elements, the prohibition of corruption, bribery and similar behavior, the promotion of fair and equitable trading, and consideration for the environment. Once each year, we use a Web-based system to conduct a corporate survey in this regard (see page 32) targeting major suppliers in Japan and overseas. We also regularly check on the status of CSR initiatives.

Human Rights Due Diligence

Olympus strives to verify and further strengthen initiatives targeting human rights issues within the Company. To this end, since 2012 we have taken part in Human Rights Due Diligence Workshops, a stakeholder engagement program organized by the Caux Round Table Japan, thereby clarifying some of the critical issues in each business sector. In 2014, we took part in the 2014 Global Conference on CSR and Risk Management (co-hosted by Caux Round Table Japan and the UN Working Group on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises and supported deliberations concerning “business and human rights.” In fiscal 2015, we continued to participate in the Human Rights Due Diligence Workshop, determining key human rights issues in the manufacturing sector along the value chain.

WEB Reports and related materials of Caux Round Table Japan <http://crt-japan.jp/en/portfolio/human-rights-due-diligence-workshop/>

Preventing Harassing Behavior

Olympus works to prevent any form of harassing behavior that injures human dignity, including sexual harassment and power harassment, and takes prompt and appropriate steps to resolve such situations should they occur. We have set up the Harassment Hotline for this purpose at each business site. Similar hotlines are also in place at affiliated companies.

We have prepared a manual for using this hotline, and we endeavor to adhere appropriately to its clearly stated content, such as protecting the privacy of people making claims and injured parties, ensuring the confidentiality of the matter and prohibiting any disadvantageous treatment as a result of seeking such consultation.

Fair Business Practices

Systems and Mechanisms

Prevention of Bribery

Olympus 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 dealings and internal consensus decision-making 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.

WEB [Olympus Group guidelines covering the prevention of bribery](http://www.olympus-global.com/en/csr/integrity/fairness/anti-bribery/compliance.jsp) <http://www.olympus-global.com/en/csr/integrity/fairness/anti-bribery/compliance.jsp>

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

In line with the Corporate Conduct Charter, the Olympus Group insists that each director and employee of the Group will resolutely uphold legal compliance under any circumstances and will not tolerate any act or behave in such a manner which is contrary to any laws, social norms or Olympus internal rules or policies. Olympus has made a strong commitment to conduct all aspects of its business in an honest and highly ethical manner throughout the world.

Corruption and unfair competition are two ethical issues at the heart of Olympus' Social IN initiatives. These issues are under review by all global stakeholders. In light of our culture as an ethical company, and in the spirit of global citizenship, Olympus has adopted stricter policies and established an effective preventative mechanism.

I am writing to inform you once again of Olympus' basic approach to the prevention of bribery and corruption. We have prepared a guideline that summarizes what actions you will need to take in order to support Olympus' initiatives. We believe that our (Olympus') efforts alone will not be sufficient to achieve full compliance. We need your support and action to achieve this vitally important social and ethical contribution to our society.

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

Exclusion of Antisocial Forces

Olympus 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 and, 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).

We have also been asking the parties with which we have done business since before the formulation of the regulations to sign the same memorandum of understanding requiring the exclusion of antisocial forces at the time of their contract renewals.

Prevention of Insider Trading

Olympus 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 2015, in addition to twice holding training sessions, for which lecturers from the Tokyo Stock Exchange were invited, designed for employees from corporate divisions who have ample opportunity to come into contact with insider information, the Company held training on insider trading prevention for new employees.

Security export control and appropriate import declaration

The Company works in compliance with security export control regulations in Japan and other countries concerned. 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, the Company received certification as an Authorized Economic Operator (AEO)^{*1} by Japan Customs and received preferential treatment as a company with superior export controls. To maintain and enhance this system, the Company provides appropriate training for directors and employees in Japan.

Furthermore, we are establishing a global system to respond to the enhancement of regulations in nations and extraterritorially applied regulations in cooperation with headquarters and Business Centers in various countries. The Company understands importance to share regulatory information and classification data of products with them.

As a part of these initiatives in fiscal 2015, we investigated the actual situations with regard to trade controls at the regional headquarters and major Manufacturing Business Centers in Europe, the Americas, and Asia, and formulated a medium-term plan toward making further improvements in the level of control on a global basis. At the same time, we also started to formulate common Group rules (Rules on Security Export Control in Olympus Group) to maintain appropriate trading.

On the other side, paying the appropriate tax for imported goods is 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 Trade Control Division will have verified the import declaration price, which forms the basis of the tax payment, prior to the placement of the order. The Company works to declare price correctly by having the verification of import declarations performed centrally by the Trade Control Division that possesses the specialized knowledge.

*1 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 2015)

Target	Aim/Description of Training	Number of Attendees
Directors	Overviews and explanations by outside lecturers on export controls to facilitate understanding of importance of export controls and risks	24
Employees with ample opportunity for involvement in import-export duties (Centered on overseas sales, procurement, and technical development divisions)	Overviews of important relevant laws and regulations, descriptions of regulations, points to be aware of in business practice, commentaries on internal/external violation case studies. For employees in Technical Development Division, practices of classification and explanations centering on important points to bear in mind when importing trial products	Import training: 340
		Export training: 179
Directors and employees working in Japan (including affiliated companies)	Basic awareness of import-export controls (e-learning program)	9,152

Disclosure of Medical Business Information

Developing and manufacturing medical equipment such as endoscopes, Olympus 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 respond to the “Ethical Guidelines for Medical and Health Research Involving Human Subjects” that came into effect in April 2015. The Company 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 Company and Group companies in Japan to which the ethical guidelines apply. The Company discloses the Committee’s rules, register and summary of proceedings by registration on the Ministry of Health, Labour and Welfare’s Ethical Review Committee Reporting System.

Furthermore, as a member of the Japan Federation of Medical Devices Associations (JFMDA) and in line with the Federation’s “Transparency Guidelines for the Medical Device Industry and its Relationships with Medical Institutions and Other Organizations,” the Group set its “Transparency Guideline for the Relation between Corporate Activities and Medical Institutions and Other Organizations” that has been publicized on the Company website since February 2013. In its relationships with medical institutions, from fiscal 2013 Olympus has also placed on its website information on payments to medical institutions by fiscal year, in line with its Guideline and to assist understanding that business activities have been conducted under fair and proper judgment.

In November 2015, the Company established a Medical Affairs Division to plan and promote strategies to properly undertake value creation activities and proposal activities relating to its own products and services. The Company is also encouraging efforts toward the further strengthening of its compliance system.

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

1. Basic Policy

In accordance with its “Social IN” philosophy, Olympus* is keenly aware of the fact that business corporations are also members of society, and it will continue to provide the value sought by society by bringing health and happiness to human lives through its role as an entity that is seen as essential by people with diverse values throughout the world. In addition, Olympus has adopted the Olympus Group Corporate Conduct Charter, which requires every employee and management executive to pledge not only to comply with laws and regulations, but also to maintain high ethical standards and act responsibly, after determining the correct course of action. 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 medical institutions, 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 it is a corporate member.

*These guidelines apply to Olympus Corporation and Olympus Group companies in Japan that are members of 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, university medical departments (affiliated hospitals), hospitals and clinics, associations of technologists, research institutes, research groups, other facilities that provide medical care or conduct research, development or clinical trials, and persons employed in the medical sector

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 medical institutions and other organizations in each fiscal year will be disclosed after the announcement of financial results for that fiscal year.

5. Scope of Disclosure

The information disclosed by Olympus will apply to payments made by Olympus to medical institutions and other organizations, in the categories of research and development expenses, academic research support expenses, 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)

WEB [JFMDA Transparency Guidelines](http://www.jfmda.gr.jp/promotioncode/pdf/120524_clear_02_e.pdf) http://www.jfmda.gr.jp/promotioncode/pdf/120524_clear_02_e.pdf

Proactive Information Disclosure

In line with its "Information Disclosure Policy," Olympus strives to gain the understanding and trust 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.

In fiscal 2015, the Company agreed with the aims of the Corporate Governance Code, the adoption of which commenced in June 2015, and used each principle contained in the Code as the basis for formulating its own "Basic Policy for Corporate Governance," which was disclosed and publicized in its entirety in a timely manner. In addition, with the aim of raising the effectiveness of the Board of Directors, the Company implemented self-assessments of the Board of Directors, adding to those from third-party viewpoints, and posted an outline of the analysis results of those assessments on the Company website.

Olympus Information Disclosure Policy

The Olympus Group (hereinafter "Olympus") works in all its corporate activities through a fundamental philosophy called the "Social IN" management philosophy. The Social IN management philosophy expresses our commitment to help all people achieve health and happiness in their lives by working as an integral member of society, by sharing our values and by offering new values to society through our business activities.

In accordance with 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 Group formulated the “Olympus Group Information Security Policy” in March 2011 and works to protect information security.

In specific terms, the Company established an Information Security Promotion Committee as a subordinate organization of the CSR Committee and implemented the action plans made by the Committee across Group companies in Japan. In addition, overseas the Company has placed managers responsible for information security management at its regional headquarters in Europe, the Americas and Asia while engaging in activities that are tailored to the circumstances of each region.

The Company continues to conduct employee education and training sessions. As the risk of cyberattack has been growing in recent years, the Company is focusing on education and awareness activities. While providing employees in Japan with the skills to address mail-based cyberattacks, Olympus also provides e-learning programs that cover case studies of actual internal and external incidents and distributes mail magazines. The e-learning program was held twice in fiscal 2015, and the attendance rate on both occasions was 99.9%.

Olympus Group Information Security Policy

The Olympus Group considers all the information we handle and our information systems (“information assets”) to be a critical management resource based on the Corporate Conduct Charter as well as on our “Social IN” corporate philosophy, which provides the basis for all our corporate activities. We will appropriately protect and manage our information assets 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 appropriately in our business activities. We will also implement measures to prevent the inappropriate use 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 assets, we will establish an information security organization structure and clarify the related responsibilities.

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 who handle the information assets 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.

Product Responsibility

Quality Assurance

Basic Approach and Policy

Having formulated the Olympus Group Quality Policy based on its Corporate Philosophy and the Olympus Group Corporate Conduct Charter, the Company has established a Code of Practice in order to demonstrate a more credible commitment to quality. The Code of Practice consists of five elements—the customer viewpoint; improvements in the quality of operations; compliance with laws, social norms and in-house criteria; the establishment of a quality assurance system; and the provision of safety and peace of mind—and the Olympus Group will listen to the voices of its customers based on its “Social IN” corporate philosophy, which provides the basis for all corporate activities, and will constantly pursue true value to continue to provide customers with high-quality products and services.

In April 2015, the Company formed the Quality & Regulatory Group, under which the quality assurance functions of the internal business divisions are integrated, and advanced the building of a Companywide quality management system to support the realization of “One Olympus” through the matrix organizational structure-type business operations inaugurated in that same month.

Under the medium-term management plan launched in April 2016, the Company will proceed with the strengthening of the Companywide quality management system and the quality assurance system. This strengthening will be conducted in anticipation of medical business expansion to realize the Corporate Vision of “contributing to society by making the lives of people around the world healthier, safer, and more fulfilling.”

Olympus Group Quality Policy

The Olympus Group will listen to the voices of our customers based on our “Social IN” corporate philosophy, which provides the basis for all corporate activities, and will constantly pursue true value to continue to provide customers with high-quality products and services.

1. We will take actions always from the viewpoint of our customers.
2. We will listen to the requests from our customers and look for their true needs and provide them with high-quality products that are useful for society.
3. We will comply with the related laws, regulations, social norms, and the in-house criteria to ensure the safety and security of our products and services for our customers.
4. We will establish a quality management system to pursue higher quality in all our business processes and make continual improvements, thereby winning more trust of our customers and increasing their satisfaction.
5. We will disclose information about the quality and safety of our products and services to our customers in a prompt and appropriate manner.

Example of Quality Evaluation at the Development Stage

Olympus places particular importance on quality evaluation at the development stage, which is the starting point for manufacturing. Conducted at the in-house Test and Evaluation Center (an organization that performs tests that have been quality system-audited by a third-party accreditation body), the measures that form part of quality evaluation at this stage include calibration, EMC and safety testing, usability assessment, mechanical and environmental testing, and materials analysis.

■ Calibration

Calibration is a process used to maintain the accuracy of measuring instruments by ensuring that all components are functioning correctly. The precision of measuring instruments can vary from day to day in response to changes in environmental conditions. As an entity certified under the Japan Calibration Service System (JCSS)^{*1}, Olympus carefully monitors errors caused by these changes and applies approved calibration methods to its measuring equipment.

■ Electromagnetic Compatibility (EMC) and Safety Testing

Electromagnetic compatibility (EMC) testing is carried out to ensure that electrical and electronic equipment will not emit electromagnetic noise that exceeds acceptable levels and could affect other equipment, and that it will not malfunction when exposed to such emissions. The significance of EMC is being recognized more widely in recent years, and related regulations were enforced in various countries. We test our products in a 10 m wave anechoic chamber^{*2} and an electromagnetic field immunity test chamber^{*3}.

■ Product Safety Testing

For medical equipment, it is particularly important to conduct a range of product safety tests. Olympus conducts safety tests, including a conformity assessment test (compliant with IEC 60601-1), and also employs its own third-party certification, as needed.

■ Mechanical and Environmental Testing

Taking account of various conditions of usage, storage, and transportation, mechanical tests assess product strength and life expectancy. Tests include a vibration test, drop test, and environmental tests, including operational humidity and temperature, to confirm that products will maintain their performance and have sufficient strength and life.

■ Materials Analysis

Olympus not only analyzes and assesses parts and materials, but also uses various analytical systems to identify defects and other issues through detailed analyses carried out after products have been brought to market. Findings from these analyses are used to eliminate the causes of problems and prevent recurrences.

*1 JCSS (Japan Calibration Service System)
Accreditation system of calibration laboratory

*2 10 m wave anechoic chamber
Olympus's 10 m wave anechoic chamber is one of the most advanced facilities of its type in the world and has been certified for use in electromagnetic testing under the National Voluntary Laboratory Accreditation Program (NVLAP) of the United States.

*3 Electromagnetic field immunity test chamber
This chamber is used to confirm that electrical and electronic devices do not malfunction by exposing them to specific electromagnetic fields. With the dissemination of wireless communication devices, action is underway to expand the test frequency range and upgrade testing levels. The chamber at Olympus is capable of testing at frequency ranges of 80 MHz–6 GHz and a maximum test level of 30 V/m.

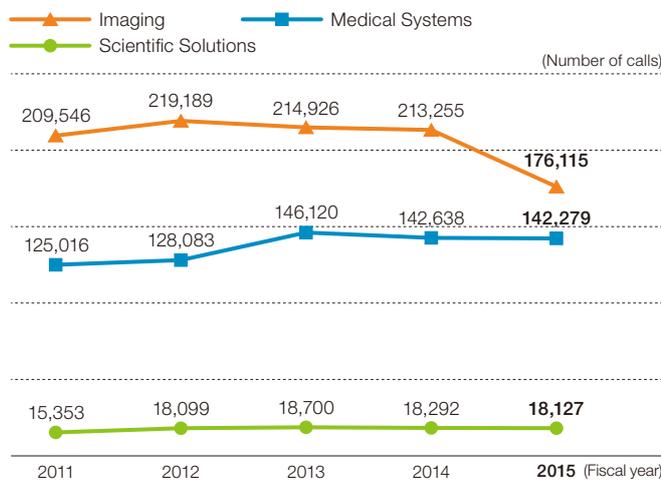
Improvement of Sales/After-Sales Service Quality (Responses to Inquiries/Repairs)

The Company has systems in place to respond to customer inquiries and repairs in Japan and overseas for different product fields and in different regions. As regards points of contact for inquiries, information relating to after-sales services in general is provided via a Customer Support link on the Company website. Important information concerning safety or consumer protection is made known via Important Announcements for Customers on the Company website.

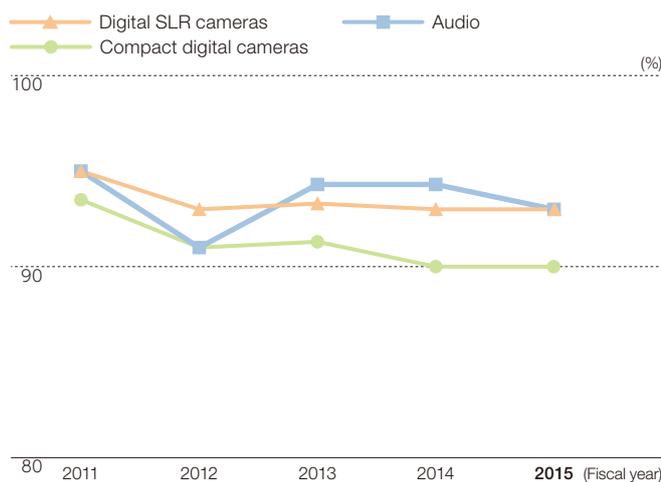
The Company has developed a repair service network to meet user needs in each region and product category.

Outlines of customer response activities in each business field and of the efforts of the repair service network are set out below.

Calls Received at Customer Support Centers (in Japan)



Percentage of Repairs Completed within the Allotted Time (in Japan)



Customer Response Structures in Each Business

Business Field	Outline of Activities
<p>Medical Systems</p>	<p>(Japan)</p> <ul style="list-style-type: none"> ● Olympus has developed service systems designed to ensure the safety and reliability of healthcare environment. <ul style="list-style-type: none"> • Establishment of Medical Customer Information Center, a call center dedicated to providing an information service for medical specialists • Formation of a team for specialist services offering information on how to handle medical treatment devices, troubleshooting, etc. • Immediate response system based on coordination and interaction between call centers and Olympus personnel stationed in various regions <p>(Overseas)</p> <ul style="list-style-type: none"> ● Olympus has established call centers in major cities. <ul style="list-style-type: none"> • Call centers have also been set up in major cities in the USA, China, and Europe for localized and extensive services.
<p>Scientific Solutions</p>	<p>(Japan)</p> <ul style="list-style-type: none"> ● Customer satisfaction improvement activities at customer support centers <ul style="list-style-type: none"> • At customer support centers, assisted customer problem-solving covering all products from the Scientific Solutions field. ● Customer inquiries are fed back to all divisions to provide the best solutions to customers. ● Improving quality of responses through regular customer satisfaction surveys ● Set up help desks to assist retailers ● Technical assistance <ul style="list-style-type: none"> • Held “Olympus Microscope Classroom” seminars for customers to learn the proper and effective ways to use microscopes. Held on-site classroom courses in response to customer requests <p>(USA)</p> <ul style="list-style-type: none"> ● TAC customer service <ul style="list-style-type: none"> • Assigned to local subsidiaries, TACs (Technical Assistance Specialists for microscopes) respond to customer inquiries via telephone. ● Technical assistance <ul style="list-style-type: none"> • As sponsor, Olympus supports microscope training courses held at the world-renowned Woods Hole Marine Biological Laboratory and Cold Spring Harbor Laboratory. <p>(Europe)</p> <ul style="list-style-type: none"> ● Olympus Academy activities <ul style="list-style-type: none"> • Manned by specialist staff, the Olympus Academy provides training in products and applications for subsidiaries and sales agents in various countries. Product and application seminars are then held for customers by the subsidiaries and sales agents that have undergone such training themselves.
<p>Imaging</p>	<p>(Japan)</p> <ul style="list-style-type: none"> ● Call center staffed seven days a week, including national holidays (Note: Excluding system maintenance days and year-end/New Year holidays) ● Enhanced telephone and e-mail support per product category ● Enhancing responses at call center <ul style="list-style-type: none"> • Enhancing the quality of telephone responses by various means, including improving the communication skills and product knowledge of call center staff members, through “mystery shopper” surveys undertaken by external organizations and by e-mailing customer questionnaires • From August 2015, lines into the call center changed to a nationwide call-handling service ● Q&A and other information made public via the Company website ● Supervision and management of global response results <p>(Overseas)</p> <ul style="list-style-type: none"> ● Olympus has established call centers in major cities. <ul style="list-style-type: none"> • Call centers have also been set up in major cities in the USA, China, and Europe to provide detailed responses tailored to the areas they cover.

Repair System per Business Field and Improvement Efforts

Business Field	Outline of Activities
<p>Medical Systems</p>	<p>Minimizing downtime during endoscope failures To minimize endoscope downtime when an endoscope fails or is being repaired, the Shirakawa and Nagano medical equipment service operation centers* centrally manage repairs and courtesy equipment.</p> <p>Endoscope repair service networks Major repairs (Repairs necessitating overhaul) Japan: Undertaken at Shirakawa Medical Equipment Service Operation Center, Nagano Medical Equipment Service Operation Center Overseas: Service centers in the United States, Germany, France, Czech Republic, United Kingdom, China, India, etc. Simple repairs to endoscopes and peripherals: Available through a worldwide network of approx. 200 repair bases *The Shirakawa Medical Equipment Service Operation Center and the Nagano Medical Service Operation Center were renamed the Domestic Repair Division in April 2016.</p>
<p>Scientific Solutions</p>	<p>Providing repair services to the same high level at service bases across the world The following services are provided at domestic and overseas manufacturing sites, sales subsidiaries and contracted agents</p> <ul style="list-style-type: none"> • Microscopes: Back-to-base repairs, full servicing, function inspections, precision calibration, service contracts, delivery installation • Industrial endoscopes: Back-to-base repairs, function inspections, service contracts • Non-destructive testing devices: Back-to-base repairs, full servicing, function inspections, precision calibration • X-ray analytical systems: Back-to-base repairs, function inspections <hr/> <p>Back-to-base repair services Portable devices and those that may require extensive repairs are collected and repaired in an environment equivalent to the production line. Devices that are collected for repair are normally returned within one month of receipt.</p> <hr/> <p>On-site repair services For installation-type products, technical staff are dispatched to provide on-site services, including repairs, calibration and maintenance inspections</p> <p>Service contracts Depending on the product, Olympus offers a number of maintenance service contracts.</p>
<p>Imaging</p>	<p>Greater repair service convenience with a variety of services and schemes In Japan, the following services are provided by the Hachioji Repair Center, Olympus Plaza Tokyo, Olympus Plaza Osaka and the service stations in Sapporo and Fukuoka:</p> <ol style="list-style-type: none"> (1) Pickup service via website and telephone (2) On-line repair booking and estimating service Internet-based repair service offering applications for servicing and information on repair fees and repair status (3) Flat-rate system for repairs (Applied to compact digital cameras and audio recorders) A single charge repair service that includes both technical services and parts (4) Quick Repair Service (Applied to mirrorless SLR camera bodies and interchangeable lenses) Service for reducing repair time (5) Camera cleaning service (Applied to Olympus digital cameras and interchangeable lenses) This is a reservation-based service for simplified inspection and exterior cleaning of Olympus cameras. In addition to services provided at Olympus Plaza (in Tokyo and Osaka) and at the service stations in Sapporo and Fukuoka, a cleaning service caravan has been organized to tour various cities in Japan. <p>For worldwide overseas repairs Overseas, repair services tailored to the areas they cover are provided by repair bases in the USA, Portugal, Czech Republic, Russia, Australia, China, South Korea, Hong Kong, Singapore, Thailand and Malaysia.</p> <hr/> <p>Improving the on-time rate for back-to-base repairs One of our target indicators for customer satisfaction is the on-time rate for back-to-base repairs, the achievement rate of which we verify on an annual basis.</p>

Personal Information Protection

Basic Approach and Policy

Olympus 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 Conduct. In Japan, the Company has stipulated Personal Information Protection Policy and works to adhere to that policy.

The Olympus Group Personal Information Protection Policy (translation)

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 cause such third party to enter into a contract that 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.

System

In Japan, the Company has in place supervisory personal information protection administrators and promotes personal information protection activities across the Group in Japan while providing direction and supervision.

Personal Information Protection Measures

With regard to the creation of a personal information database in Japan, in addition to incorporating a system for obtaining the prior approval of the administrator in each department, the Company utilizes a personal information management register and works to improve the register's accuracy. In addition, the Company inspects the register on a regular basis to better understand the actual situation with regard to the management of personal information. Requests for the disclosure, correction or deletion of personal information provided by customers are accepted at a predetermined point of contact.

Social Contribution Activities

Basic Approach and Policy

Olympus Group Social Contribution Policy

In addition to its contribution through business, Olympus will contribute to society in various other ways through the use of its management resources, including its technology and human resources. Our Social Contribution Policy, which we adopted in March 2005, focuses on four areas of social contribution: medicine and health, culture and the arts, the global environment, and science and technology. With both directors and employees taking the lead, we will continue to engage in our unique brand of social contribution activities.

Olympus Group Social Contribution Policy

The Olympus Group will build up good relationships with society for the sustainable growth of both society and Olympus based on our "Social IN" corporate philosophy, which provides the basis for all corporate activities. To this end, we will proactively listen to the opinions of our stakeholders, including local residents and the international society, respect the local cultures and customs of the countries and regions where we operate, and cooperate with local communities to contribute to their growth and improvement.

To attain this goal, we will provide society with value through our innovative products, our responsible and ethical behavior, as well as by conducting unique social contribution activities, and conduct unique social contribution activities including those adopted voluntarily by our officers and employees.

1. Priority Areas

We will conduct social contribution activities focusing on the areas of medicine and health, culture and the arts, the global environment, and science and technology.

2. Priority Activities

In our priority areas, we will adopt the following three activities as priority activities.

1. Give support to the training and education of individuals who will be the next generation of leaders.
2. Enlighten citizens to resolve social issues in relation to our business domains.
3. Contribute to the solution of international social problems as a responsible global company.

3. Contributions to Local Communities

We will respect the local cultures and customs of the countries and regions where we operate in all our social contribution areas and activities, regardless of whether they are the priority areas and activities or not, and will conduct charity activities, such as monetary and in-kind donations, to enhance harmony with local communities.

Also we will conduct charity activities to mitigate poverty and starvation, provide education opportunity for young people, and implement emergency support activities from a humanitarian perspective during a large disaster or other emergency.

4. Promotion of Activities

We will raise awareness of our social contribution among all officers and employees, and will implement measures to encourage our social contribution activities.

5. Information Disclosure

We will continually work to improve its social contribution activities in response to the requests of its stakeholders and society at large, and will disclose information about our activities widely to the public.

Social Contribution Activities in Each of the Olympus Group Social Contribution Policy Priority Areas

Medicine and Health Area

Fostering Endoscopic Surgery Capabilities in Developing Countries

Olympus actively supports the development of medical professionals in emerging markets as a part of efforts to help lift the level of medical treatment and capabilities in developing countries. In fiscal 2015, the Company was contracted by the Japan International Cooperation Agency (JICA) to promote the increased use of commercial technologies. Working to push forward the social and economic development of emerging nations, Olympus took steps to provide medical professionals in Thailand and Indonesia with training opportunities. With the cooperation of medical associations and institutions in Japan, Thailand, and Indonesia, physicians from Japan were dispatched as instructors to both countries. Training was also conducted in each participating nation.

Guided by instructors well versed in their field, trainees received detailed information on the latest endoscopic surgery techniques as well as Japan's endoscopic surgical qualification system. Through activities such as these, Olympus is helping to promote the widespread use of minimally invasive therapy in developing countries. This in turn is raising expectations toward an increase in medical standards.



Training to foster endoscopic surgeons

■ Onaka no Kenko Dot Com—A Website on Gastrointestinal Health

The Onaka no Kenko Dot Com website was first launched in February 2014. This website provides information on stomach illnesses and cancer, examination and detection methods using endoscopes, and various treatments. Drawing on the knowledge of physicians, the website helps to explain the role endoscopy and their application in an easy-to-understand manner. In addition to details regarding the functions of the stomach and large intestine, the website provides information on typical illnesses. As a part of this website, Olympus also conducts an annual survey in an effort to measure and promote increased awareness toward endoscopes and endoscopic examinations.

In 2016, the number of survey respondents totaled 25,177 nationwide. The results of the survey were announced in July 14 to coincide with Endoscopy Day.

WEB Onaka no Kenko Dot Com (Only in Japanese) <http://www.onaka-kenko.com/>



Onaka no Kenko Dot Com website

Culture and the Arts Area

■ International Cooperation Event—Global Festa 2015

Olympus participated in Global Festa JAPAN 2015, one of the nation’s largest international cooperation events organized by various institutions including the Ministry of Foreign Affairs of Japan. In addition to exhibiting the award winning works from the 2010 “Picture This: We Can End Poverty” photograph contest, the Company provided digital cameras and audio recorders as prizes for the photo exhibition held by the Ministry of Foreign Affairs. Through these means, Olympus is helping to increase awareness toward the Millennium Development Goals and such important international community issues as the elimination of poverty and starvation.



The Company’s booth at Global Festa JAPAN 2015

■ Special Support for Oyako Day

Olympus is a special supporter of Oyako (Parents and Children) Day, a social action initiative that began in 2003. Launched by the photographer, Bruce Osborn, the fourth Sunday of July each year is designated as Oyako Day.

Mr. Osborn held the Oyako Day Super Photo Session 2015 during which he took photos of 100 families. In addition to providing photographic equipment and materials, Olympus also offers its support by helping in the running of a photo contest through its Fotopus website, a community site that allows users to post their photographs.



Oyako Day photo contest

Global Environment Area

■ Fourth Ocean Legacy Project in Okinawa

Olympus has actively engaged in efforts aimed at protecting the environment since fiscal 2011. In particular, the Company has focused on such key themes as “Water Circulation-Protection of forests, rivers and oceans.” As a part of these endeavors, and with the cooperation of the non-profit organization, Churaumi Shinkokai, Olympus took part in the planting of coral with the aim of protecting the exquisite oceans of Okinawa. These activities occur during two days in June, which the Company designates as its Environmental Awareness Month.



Volunteer divers planting coral

■ **Waterway Clean-up Activities in the Areas Surrounding Manufacturing Sites (Aizu, Shirakawa, Aomori, Nagano)**

Aizu Olympus Co., Ltd., Shirakawa Olympus Co., Ltd., and Aomori Olympus Co., Ltd., which serve as manufacturing sites for medical endoscopes, and Nagano Olympus Co., Ltd., which serves as a manufacturing site for microscopes and industrial endoscopes, conducted clean-up activities in each of their respective surrounding areas. In addition to efforts aimed at improving the water circulation of rivers and waterways, these clean-up activities which are undertaken by employees and their families form a part of the Group's social contribution and health promotion activities.



River clean-up activities by employees of Nagano Olympus Co., Ltd.

Science and Technology Area

■ **Wakuwaku Science Workshop**

With the aim of conveying to children the joys of science, the Wakuwaku Project, a voluntary organization of Olympus employees, has conducted science workshops for children at elementary and junior high schools near the Olympus Technology Research Institute in Hachioji City, Tokyo since 2003.

This initiative has continued to expand as a company-driven event. In 2015, Aizu Olympus Co., Ltd. held a Wakuwaku Science Workshop for nearby junior high school students.



A Wakuwaku Science Workshop run by Aizu Olympus Co., Ltd.

■ **The 56th Natural Science Observation Contest**

Olympus has provided its support to the National Science Observation Contest for more than 50 years since the Contest's inception in 1960. Held by Mainichi Newspapers and the Society of Scientific Photography, and sponsored by Japan's Ministry of Education, Culture, Sports, Science and Technology, the National Science Observation Contest, or Shizecon, strives to foster scientific thinking in the young children that are responsible for the future. In specific terms, the Contest calls on elementary and junior high school students to enter works in the categories of free research and science. As a result of this initiative, several recipients of awards and Contest participants have gone on to excel in the field of research. The 56th Contest in 2015 attracted 13,091 entries from 760 elementary and junior high schools nationwide.



A compilation of Natural Science Observation Contest winning entries

Overseas Social Contribution Activities

Europe

■ **Providing Medical Care to the People without Health Insurance**

Olympus Group companies in Europe have continued to offer their support to the Migrants Medicine Project, an initiative run by an organization in Germany under the auspices of MEDECINS DU MONDE (Doctors of the World), an international non-governmental organization that provides humanitarian medical assistance to people without health insurance. Over the Christmas period, donations totaling 13,000 euro were made and medical care provided to the socially vulnerable as well as women and children in areas with large numbers of immigrants. Olympus Group companies have also donated microscopes to clinics that specifically target immigrants. Through these means, every effort has been made to facilitate speedy examinations especially in the gynecology field and to contribute to the medical care of a growing number of people.



Providing medical care through the Migrants Medicine Project

■ **Addressing the Challenge of Blood Cancer through Donor Registration Drives**

Coinciding with World Environment Day, Olympus Surgical Technologies Europe (Hamburg) donated a total of 10,000 euro to DKMS, the world's largest bone marrow center and an organization that maintains the long-term goal of eliminating blood cancer together with more than 4.5 million bone marrow donors, on June 5.

In addition, more than 160 Olympus Group employees registered with DKMS as bone marrow donors as a part of a large-scale stem cell and bone marrow registration drive aimed at further facilitating the treatment of blood cancer.



Donating 10,000 euro to the Bone Marrow Donor Center

The Americas

■ **Providing Learning Opportunities to Students from Low-income Families**

Olympus Corporation of the Americas works in conjunction with an NPO that provides an education program that specializes in science, technology, engineering, and mathematics to students from low-income families. As a part of this program roughly eight days are set aside each year to provide students with learning opportunities. In addition to raising student awareness toward the potential of a career in the medical field, this initiative provides students with the opportunity to use medical equipment and cameras made by the Olympus Group as a part of a work-related learning experience.

Group employees also volunteer to pass on job interview skills and support students in efforts to build a positive and productive future.



Students participating in an education program

■ **Employee Volunteer Day**

Olympus Corporation of the Americas put in place the "Olympus Days of Caring" initiative as a part of efforts to support the volunteer activities of its employees. In this manner, the Group company continues to encourage its employees to participate in volunteer activities that contribute to the community during work hours. On the relevant day, several hundred employees took part in volunteer events. Activities included the provision of food to the hungry and poor and the cleaning and maintenance of equipment. Employees also took time to read picture books to young children.



Employees participating in volunteer activities

Asia and Oceania

■ **Engaging in and Recognizing Activities That Contribute to the Promotion of Culture**

Olympus Korea Co., Ltd. engages in a wide variety of activities that support the promotion of culture. In addition to supporting young artists, the company opens its hall to provide the hungry and poor with the opportunity to appreciate works of art. The Group company also provides ongoing educational opportunities to young children through the use of its cameras. Thanks to these efforts, Olympus Korea Co., Ltd. has been widely recognized as a company that contributes to the well-being and prosperity of society. The company received the Innovation Prize at the 16th Mecenat Award event organized by the Korea Mecenat Association and newspaper publishers.



Concert held at a Company-owned hall

■ **Engaging in and Recognizing Activities That Help Promote Gastrointestinal Health**

Olympus (China) Co., Ltd. undertook various activities to promote the gastrointestinal health of the people of China. In addition to conducting a survey that covered 12 major cities that exhibit high rates of stomach and intestinal cancer and reporting on the results, the company developed a game application for smartphones that estimates each users gastrointestinal age. Other initiatives included lectures in six of China's largest cities and a marathon run over a course that was shaped like a stomach. Through these endeavors, Olympus (China) Co., Ltd. was recognized by People's Daily, China's principal online media (only in Chinese), and received the fiscal 2015 Corporate Social Responsibility Award.



A lecture on gastrointestinal health

Environmental Management

Basic Approach and Policy

Olympus Group Environmental Policy

The Olympus Group Environmental Charter was adopted in August 1992 with the aim of defining our basic philosophy on environmental issues and linking that philosophy to concrete action. In order to foster solutions to social problems through our business operations, in May 2015 we added an item to the Environmental Charter on compatibility between environmental protection and economic growth, and revised it into the Olympus Group Environmental Policy. At the same time, we took steps to promote increased awareness toward the Policy through e-learning initiatives implemented during the Group's designated Environmental Month.

Placing great importance on reducing environmental loads throughout product life cycles, we are actively working to improve the environmental performance of our products, facilities, and logistics processes.

Olympus Group Environmental Policy

Based on our "Social IN" corporate philosophy that provides the basis for all corporate activities, the Olympus Group respects people's security and health and the natural mechanisms that realize this. We will contribute to the realization of a sustainable society and sound environment by working to make the environment and economy compatible in our business operations.

1. Participation by All

Each employee enriches their understanding of environmental activities and each one of us will participate in the environmental activities conducted in consideration of the local features.

2. Promotion of Environmental Management

We will maintain the environmental management system and mechanism on a global scale so that we can continuously improve our environmental activities.

3. Compliance with Laws, Regulations, and Social Norms

We will fully comply with the laws and regulations, agreements with our stakeholders, and our voluntary standards in respect to the environment.

4. Reduction of Environmental Impact

Toward the solution of environmental issues, prevention of pollution, sustainable resource use, climate change mitigation and adaptation, and protection of biodiversity, we will reduce environmental impact through our products, services and business activities.

5. Development of Technologies to Foster Harmony with the Environment

We will develop the technologies that contribute to environmental protection and will make use of the results in our manufacturing processes, products and services.

6. Attributing Importance to Environmental Communication

We will proactively dispatch information about our environmental activities within and outside Olympus to deepen mutual understanding with our stakeholders.

Promotion System

System to Promote Environmental Management

We have established a unit to promote environmental management within each of our business units and Group companies, while the Olympus Group Environmental Management Division is tasked with fostering environmental management across the Group. Progress on these activities is reviewed by the Board of Directors and the Executive Management Committee, and measures are taken across the Group to achieve our predefined environmental targets.

Moreover, our major production facilities, as well as logistics and sales subsidiaries in Japan and overseas have ISO 14001 certification, and we are continuously improving our environmental management system through audits and by other means.

As a part of these activities, we established an IT system that provides the basis for global management of the data and documents related to our environmental management system. Operations commenced from fiscal 2014.

Environmental Management Structure



*Covered businesses are consolidated Group companies both in Japan and overseas.

List of ISO 14001 Certified Plants/Offices

Plant/Office	Date of Certification
Nagano Facility (Tatsuno)*1	February, 1998
Hinode Plant	July, 1998
Aizu Olympus Co., Ltd.	October, 1998
Shirakawa Olympus Co., Ltd.	October, 1998
Aomori Olympus Co., Ltd.	November, 1998
Olympus (Shenzhen) Industrial Ltd.	September, 1999
Technology Research Facilities (Hachioji)	March, 2000
Olympus Winter & Ibe GmbH	May, 2001
KeyMed (Medical & Industrial Equipment) Ltd.	March, 2002
Olympus Technologies Singapore Pte Ltd	October, 2003

Plant/Office	Date of Certification
Olympus Logitex Co., Ltd.	November, 2003
Olympus Medical Science Sales Co., Ltd.	October, 2004
Olympus (GuangZhou) Industrial Co., Ltd.	October, 2004
Olympus America Inc., National Service Center	December, 2005
Olympus Scientific Solutions Americas Inc.	July, 2010
Olympus Scientific Solutions Technologies Inc.	July, 2010
Olympus NDT Canada Inc.	July, 2010
Olympus Vietnam Co., Ltd.	January, 2013
Nagano Facility (Ina)*2	May, 2014

*1 The former Tatsuno Facility has been certified as the Nagano Facility since April 2013.

*2 The former Ina Facility was certified in 1997. After consolidation with Tatsuno Facility and change into repair function, it was recertified in 2014.

Systems and Mechanisms

Environmental Risk Management

Violations of laws and regulations related to chemical substances contained in products, effluent from production bases, and soil and groundwater contamination are important environmental risks that affect Olympus Corporation's management such as by shutting down operations, generating recovery costs and reducing corporate value. Therefore, we maintain and revise rules and regulations for regulatory compliance, educate environmental promoters, monitor and improve local investments, and work to reduce environmental risks.

Moreover, we are pursuing measures to combat climate change risk. These measures include keeping tabs on regulatory information on energy conservation and CO₂ reduction and addressing catastrophic floods attributable to the diversification of suppliers.

■ Control of Chemical Substances Used in Products

Products that Olympus designs and develops have been verified as not containing environment-related substances in accordance with “Control Rules for Environment-related Substances Used in Products,” which is maintained based on the chemical substance regulations of each country. In addition, if these rules are amended, we conduct additional surveys.

WEB [Olympus Group Control Rules for Chemical Substances Used in Products](http://www.olympus-global.com/en/csr/involvement/management/chemical/index.jsp) <http://www.olympus-global.com/en/csr/involvement/management/chemical/index.jsp>

■ Management of Wastewater

To reduce the volume of wastewater, we are taking steps to reduce the volume of water usage and to recirculate water. Further, in each of our businesses, we have installed a wastewater equipment manager and set voluntary standards stricter than the laws and regulations in each region. By routinely measuring water quality, we rigorously maintain water quality.

■ Prevention of Soil and Groundwater Contamination

In the redevelopment of our facilities, we are voluntarily investigating soil and groundwater. We are also taking countermeasures based on reports that have been presented to and consultations with government.

Compliance with Environmental Laws (FY2015)

Category	Number	Description & Cause/Countermeasures
Violation of law	1	Description: Oil-based substances exceeded the reference value in sewage at the Hachioji Facility. Cause: Oil removal equipment capacity inadequate due to increased personnel Countermeasures: Increase capacity of oil removal equipment at the aforementioned facility, add the subject of oil removal equipment maintenance to the pollution prevention regulations, and re-inspect equipment capacity at other facilities
Lawsuits	0	–
Fines and penalty charges	0	–

Soil and Groundwater Survey

Survey Scope	Survey Results and Measures
Olympus Okaya Facility	Substances exceeding designated levels found in some soil in FY2014. Implementing measures in compliance with law (completion scheduled for August 2016)
Olympus Hatagaya Facility	Replaced with clean soil and completed countermeasures as groundwater monitoring in FY2014 confirmed levels were below standard.
Olympus Shirakawa Facility	Substance exceeding designated levels were found in some soil in FY2015, we replaced with clean soil in compliance with the law (completed in FY2015).

Biodiversity Conservation

There is a concern that the loss of biodiversity will have a serious impact on the global environment and our lives.

The Olympus Group is working to conserve biodiversity, including the management of water use and wastewater and the maintenance of green spaces, through cleanup and forest conservation activities in areas surrounding its facilities.

Green Procurement

Olympus published the “Olympus Group Green Procurement Standard” in 2001. The Green Procurement Standard, which is also posted on our website, explains Olympus’ approach to its environmental activities to all suppliers.

In addition, in our corporate survey that we conduct once a year targeting major suppliers in Japan and abroad with whom we have ongoing business, we verify whether the suppliers have acquired ISO 14001 certification, reduced CO₂ and waste, and what measures they have taken against chemical substances. In this way, we are working to raise the level of our environmental activities with suppliers.

WEB [Olympus Group Green Procurement Standard](http://www.olympus-global.com/en/csr/involvement/management/procurement/) <http://www.olympus-global.com/en/csr/involvement/management/procurement/>

Environmental Education and Awareness Activities

To promote environmental activities with the participation of all employees based on the “Olympus Group Environmental Policy,” Olympus works to raise environmental awareness through activities implemented during the Olympus Environmental Awareness Month, such as the “Global Environmental Photo Contest.”

Moreover, we provide environmental education appropriate to each department, including education on compliance with environmental laws and regulations and on the ISO 14001 internal audit.

WEB [Global Environmental Photo Contest](http://www.olympus-global.com/en/csr/involvement/management/education/2016.jsp) <http://www.olympus-global.com/en/csr/involvement/management/education/2016.jsp>

Major Environmental Education Programs (Japan/FY2015)

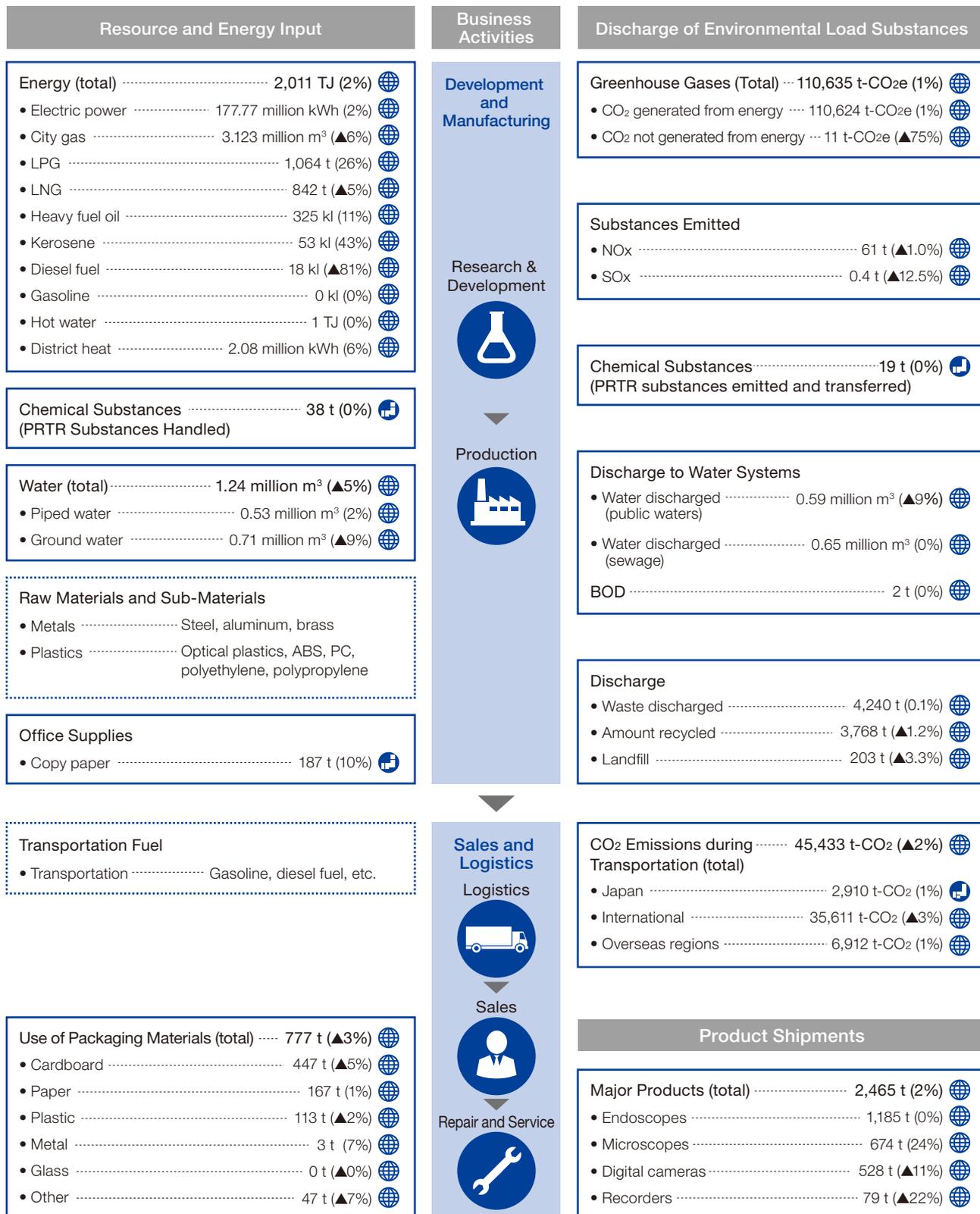
Target	Purpose/Description	Number of Participants
All employees	Implementing education on the “Olympus Group Environmental Policy” (e-learning)	12,010 Conducted for all employees during Environmental Awareness Month (June)
Environmental auditors	Training for ISO 14001 internal auditors (to understand ISO 14001 revisions, audit practice, etc.)	80
Environmental promoters at facilities	Implementing education on revisions of environmental laws for facilities, and response and operation policies	20
Contact person for chemical substance management at facilities/Chemical manager, chemical user	Understanding business precautions in the management of chemical substances	420

Major Environmental Activity Results in Fiscal 2015

Primary Policy	Target	Measures	Fiscal 2015 Achievements and Results (Quantitative and Qualitative)	Next Fiscal Year Plans
Promotion of environmental management	Enhancement of environmental governance system	<ul style="list-style-type: none"> Development of environmental regulations and information infrastructure Respond to ISO 14001 revisions 	<ul style="list-style-type: none"> Established global environmental management rules Firmly established the operation of an environmental information management infrastructure Conducted Gap Analysis between the revised ISO 14001 and current situation, and educated environmental auditors (80) 	Continue to enhance the environmental governance system on a global level by global cooperation and improving the environmental management system
	Compliance with environmental laws and regulations	<ul style="list-style-type: none"> Improve relevant management rules Educate relevant parties on environmental laws and regulations 	<ul style="list-style-type: none"> Maintained management rules for products and facilities Provided education on chemical substance management at facilities (420 participants in Japan) 	Continue to improve the environmental regulatory compliance process for products and facilities
Environmental initiative throughout product life cycles	Product-related initiatives	Implement environmentally conscious designs tailored to each products' characteristics	Created new Eco-Products in all business units (31 new, bringing total to 556)	Continue to create products that are environmentally conscious and tailored to business characteristics
	Facilities-related initiatives	<ul style="list-style-type: none"> Conduct ongoing manufacturing improvement activities Carry out environmentally conscious measures at time of new building construction 	<ul style="list-style-type: none"> Energy consumption rate: Improved 7% Implemented environmentally conscious measures for new building construction at three Tohoku facilities (Aizu, Aomori, and Shirakawa) 	Carry out activities to improve the energy consumption rate in accordance to local characteristics such as manufacturing improvement, energy conservation, introduction of natural energy, etc.
	Environmental contribution activities	<ul style="list-style-type: none"> Conduct environmental contribution activities at global bases Conduct activities under the theme of “Ocean Legacy Project” 	<ul style="list-style-type: none"> Conducted river clean-ups and local greening activities at global bases Conducted ongoing coral planting and nature school (3 sessions) 	Continue social contribution activities

Environmental Performance

Material Balance



Production facilities in Japan only Global production facilities Percentage change from previous year in brackets

Energy/Atmospheric Release

Internal (Scope 1, 2) Results

FY2015 Results	Main Measures	FY2016 Targets
Basic unit of energy: 7% improvement (compared to FY2012) GHG Emissions: 4.0% decrease (compared to FY2012)	<ul style="list-style-type: none"> • Ongoing implementation of manufacturing improvement activities • Measures that show consideration for the environment when having new buildings constructed • Ongoing implementation of energy-saving activities on a daily basis, such as switching off lights, adjusting air-conditioning temperatures 	Basic unit of energy: improve by 4% or more (compared to FY2012)

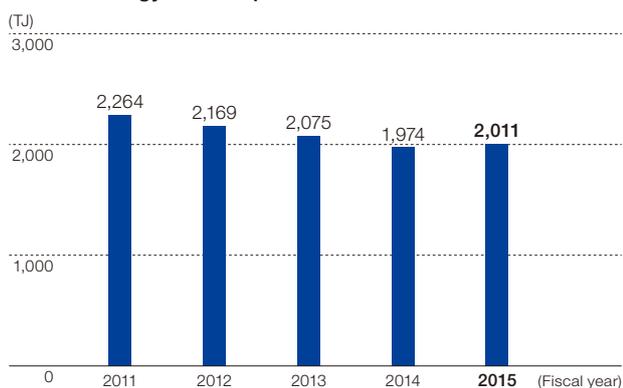
The Olympus Group set a target of improving its basic unit of energy by 7.73% or more, compared with fiscal 2012, by fiscal 2020 and among its energy-reduction activities is engaged in reducing its CO₂ emissions. In fiscal 2015, the Group implemented ongoing manufacturing improvement activities, including space saving and lead-time reduction, measures that showed consideration for the environment in the construction of a new building for the Shirakawa Plant, and renewed aging air-conditioning and hot-water supply equipment.

External (Scope 3 [Logistics]) Results

FY2015 Results	Main Measures
GHG Emissions: 8.6% reduction (compared to FY2012)	<ul style="list-style-type: none"> • Enhanced loading efficiency by improving packaging size and strength • Reduced transportation weights by improving packing and packaging methods • Shortened lead times and transportation distances by improving logistics routes

The Olympus Group is engaged in reducing logistics-related CO₂ emissions at each of its business sites. In addition to advancing a modal shift from aircraft to ships for international transportation on an ongoing basis, in fiscal 2015 the Group switched the transportation of products directly to sales regions from Hong Kong rather than sending products in the conventional manner by way of Japan.

Internal Energy Consumption

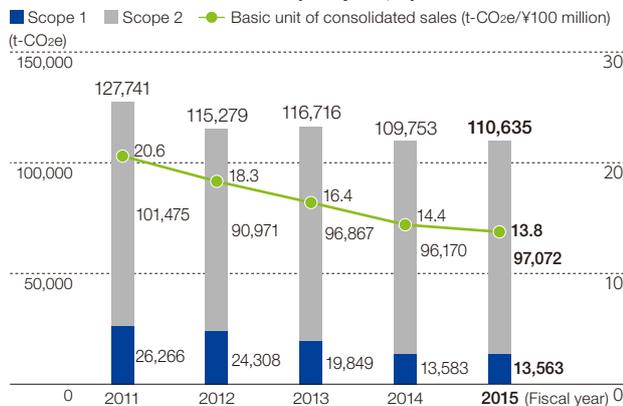


Scope: Domestic and overseas business enterprises of the Olympus Group. However, small businesses are excluded. Conversion coefficient based on Enforcement Regulation for the Act on the Rational Use of Energy

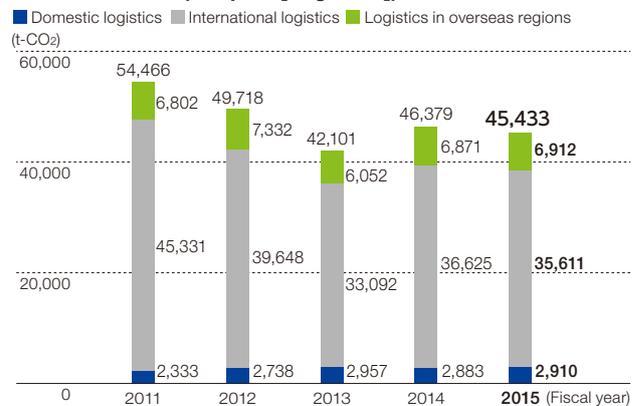
Breakdown of Internal Energy Consumption

		(TJ)				
		FY2011	FY2012	FY2013	FY2014	FY2015
Direct	City gas	151	154	160	150	141
	LPG	37	34	38	43	54
	LNG	40	51	55	48	46
	Heavy fuel oil	50	15	12	11	13
	Kerosene	1	2	1	1	2
	Diesel fuel	160	158	86	4	1
	Gasoline	0	0	0	0	0
Subtotal		439	414	352	257	257
Indirect	Electricity	1,817	1,746	1,715	1,709	1,745
	Hot water	1	1	1	1	2
	District heat	7	8	7	7	7
Total		2,264	2,169	2,075	1,974	2,011

GHG Emissions/Basic Unit (Scope 1, 2)



GHG Emissions (Scope 3 [Logistics])



*Scope: Domestic and overseas business enterprises of the Olympus Group. However, small businesses are excluded.

*Reporting based on the following GHG Protocol scopes.

Scope 1: Greenhouse gas emission from direct use of fossil fuels

Scope 2: Greenhouse gas emission from secondary use, such as electric power purchase

Sources for CO₂ Conversion Coefficients

Electricity

Japan: Coefficients published annually by the national government under the Act on Promotion of Global Warming Countermeasures and coefficients after adjustment for each power utility per fiscal year. FY2014 conversion coefficient used for FY2015.

Overseas: Coefficients published by the IEA that are conversion coefficients by nation per fiscal year. FY2013 conversion coefficient used from FY2014 onward.

Fuels

Japan/overseas: Conversion coefficients based on Act on Promotion of Global Warming Countermeasures employed.

Coefficients for Converting GHG to CO₂e

From FY2015 onward: 100-year GWP in IPCC Fourth Report used.

Up to and including FY2014: 100-year GWP in IPCC Second Report used.

Basic Unit of Consolidated Sales

Companywide CO₂ emission (t-CO₂e) / Consolidated sales (100 million yen)

Note: The scope of disclosure was expanded, and previous data have been included in the review, resulting in changes in numerical figures dating back to previous disclosure data.

GHG Emissions for the Entire Supply Chain

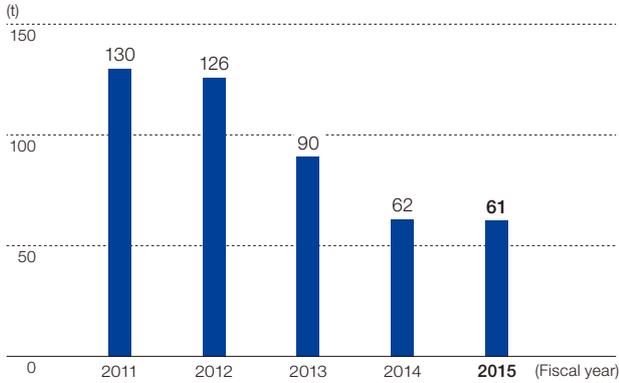
Category	Emissions (in thousands tCO ₂)		Calculation Method (Assumptions)	
	FY2014	FY2015		
Scope 1	14	14		
Scope 2	96	97		
Scope 3	1. Purchased goods and services	71	71	Calculated by multiplying raw materials and parts of leading products by basic unit
	2. Capital goods	148	166	Calculated by multiplying facility investment value by basic unit
	3. Fuel- and energy-related activities (not included in Scope 1, Scope 2)	10	10	Calculated by multiplying electric power and fuel purchased by basic unit
	4. Upstream transportation and distribution	65	49,619	Calculated by multiplying transport ton/kg of leading products by basic unit (including delivery logistics)
	5. Waste generated in operations	3	5	Calculated by multiplying worksite waste output by basic unit
	6. Business travel	18	19	Calculated by multiplying business travel expenses by basic unit
	7. Employees' commuting	13	13	Standard commute model defined by region and calculated by multiplying the number of employees in region by basic unit
	8. Leased assets (upstream)	7	7	Calculated by multiplying gasoline consumption for corporate & leased vehicles by basic unit
	9. Downstream transportation and distribution	-	-	Classified as transport from dealers and sales companies to the customer but excluded due to small impact scale
	10. Processing of sold products	-	-	Excluded due to small impact scale and difficulty in tabulation in this category
	11. Use of sold products	57	58	Calculated by multiplying electric power consumption, etc., for lifetime of sold product by basic unit
	12. End-of-life treatment of sold products	3	3	Calculated by multiplying product disposal weight by basic unit for waste material
	13. Leased assets (downstream)	-	-	Calculation including use of sold products, although some products are leased
	14. Franchises	-	-	Not calculated due to absence from Olympus's business range
	15. Investments	10	10	Calculated by multiplying Scope 1 & Scope 2 emissions at investment targets by investment ratio

Scope 1: Direct emissions from facilities owned or controlled by the company (e.g., emission from use of town gas or heavy oil)

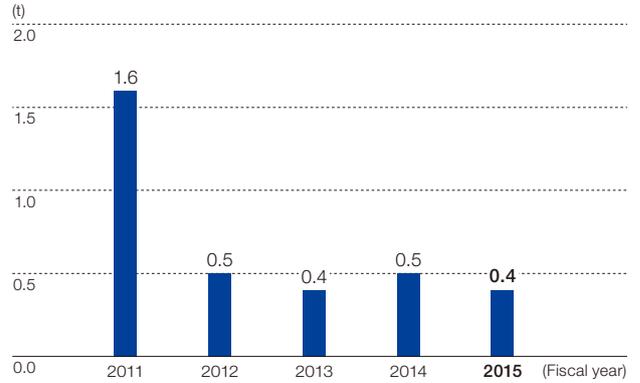
Scope 2: Emission from generation of energy consumed at facilities owned and controlled by the company

Scope 3: Other indirect emissions excluding Scope 1 and Scope 2

NOx Emissions



SOx Emissions



Water/Waste

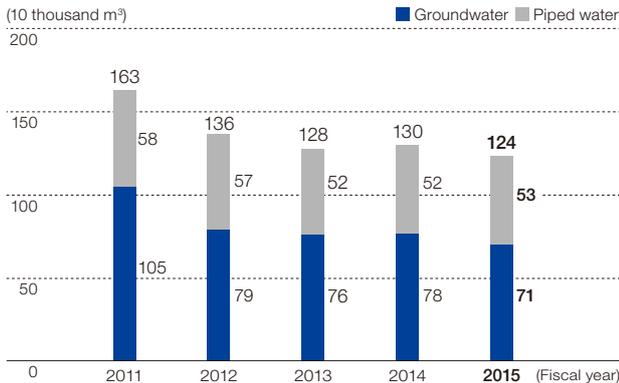
Water Use/Wastewater Results

FY2015 Results	Main Measures
Water use: 4.6% decrease (compared to FY2014)	<ul style="list-style-type: none"> • Improvements in water use processes • Implementation of anti-leak measures during equipment inspections

The Olympus Group uses water mainly for cleaning components and other purposes during production processes as well as in its dining halls. The Group sets targets individually at those business sites that use large amounts of water and encourages the reduction in the amount of water used and wastewater. In fiscal 2015, the cooling tower at the Olympus business site in Nagano was replaced and the amount of water used reduced.

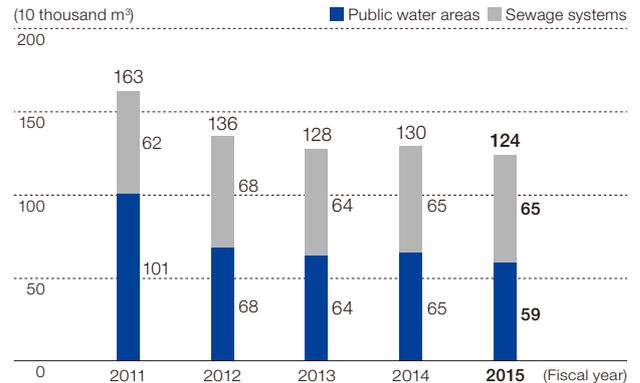
Having also set standards that are stricter than the laws and regulations in each region, the Olympus Group painstakingly controls the quality of water discharge at its business sites.

Water Use



*Scope: Manufacturing and development sites in Japan and overseas (except sites in North America)

Wastewater



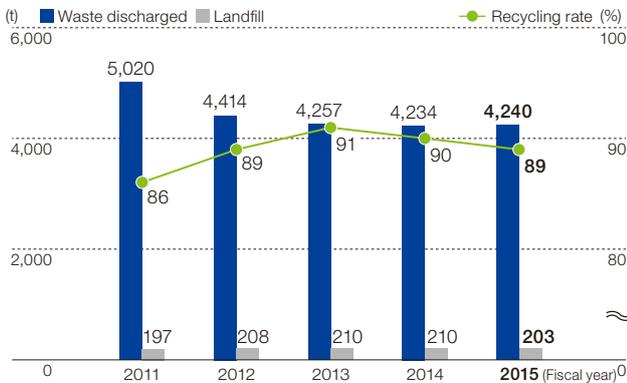
*Scope: Manufacturing and development sites in Japan and overseas (except sites in North America)

Waste Results

FY2015 Results	Main Measures
Waste discharged: 0.1% increase (compared to FY2014)	<ul style="list-style-type: none"> • Products designed to reduce waste material • Reduction of process defects by improvements in manufacturing processes, improvement in recycling rate by thorough separation and other measures

The Olympus Group is advancing methods to reduce the amounts of waste produced and disposed of at landfills at each of its business sites. For example, at Olympus (Shenzen) Industrial Ltd., the waste generated by the molding process is reused as plastic material. Also, at the Nagano facility, use is made of solution concentration equipment that reduces the amount of waste acids and alkalis.

Waste discharged/Landfill and Recycle Rate



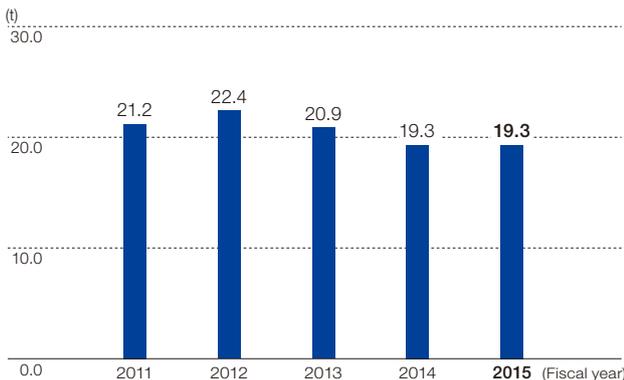
^(t) *Scope: Manufacturing & development sites in Japan and overseas (except sites in North America)
 *Olympus processes wastes from its sites within their respective home countries and does not ship wastes internationally, regardless of hazard designation under the Basel Convention.

Chemical Substance Safety and Control

FY2015 Results	Main Measures
Emissions and Movements of PRTR Class 1-Designated Chemical Substances: No change from fiscal 2014	<ul style="list-style-type: none"> • Reduced usage by improvements in manufacturing processes • Substitution of PRTR-designated chemicals with other substances through material developments

Setting targets individually at each of its business sites, the Olympus Group is making progress in the reduction of PRTR-designated chemical substances. At Aizu Olympus, improvements made to the light guides that form part of medical endoscopes has reduced the amount of lead used.

Emissions and Movements of PRTR Class 1-Designated Chemical Substances



^(t) *Scope: Manufacturing and development sites in Japan

Environmentally Conscious Products

Product Life Cycle Assessments

The Olympus Group works to develop products and production technologies that show consideration for safety and for the environment. Having in 2003 established its Eco-Products Administration Rules, a voluntary standard relating to the environmental considerations of its products, the Company continues to certify its products as Olympus Eco-Products.

In addition, a life cycle assessment (LCA) is performed at each stage of a product's life cycle to assess its impact on the environment at the product development stage and from procurement through manufacture, distribution, use and final disposal. Clarifying the environmentally conscious aspects that differ for each product, we have set them as items for the environmental consideration standard.

Examples of Environmentally Conscious Products

The Olympus Group works to show consideration for the environment through the products in each of its business fields.

Medical Business

OLYMPUS CH-S400-XZ-EB 4K Camera Head (Part of Surgical Endoscopy System)

Main Product Features

1. Ultra-high-definition 4K images help improve visibility during surgery.
2. Excellent color reproduction facilitates the identification of fine tissue.

Environmentally Conscious Aspects

Due to its having been designed to be more compact than other products on the market, the camera head reduces the volume when packed by 42% compared with the predecessor.



Scientific Solutions Business

BX53M/BXFM System Microscope

Main Product Features

1. Designed to be even easier to use, with the addition of units that facilitate aperture adjustment and switching between different observation methods
2. Suitable for a wide range of applications, with a high degree of expandability made possible by an extensive range of units

Environmentally Conscious Aspects

Having adopted LEDs for the microscope's light sources, plans were made to both increase the service life of the light sources and reduce power consumption.



Camera and Audio Business

OLYMPUS PEN-F Mirrorless Single-Lens Camera

Main Product Features

1. A design with timeless beauty and excellent operability
2. New 20 Megapixel Live MOS sensor and 5-axis VCM image stabilization for ultimate image quality



Voice-Trek DM-720 IC Recorder

Main Product Features

1. TRESMIC three-microphone system realizes high-quality sound recording in all situations.
2. "Voice playback" and "transcribe" modes help ensure that the creation of meeting minutes or documentation is performed efficiently.



Environmentally Conscious Aspects (shared by both products)

- In accordance with the "Act on Promotion of Recycling of Small Waste Electrical and Electronic Equipment"^{*1} and the guidelines formulated by the Camera & Imaging Products Association (CIPA)^{*2}, battery recycling is encouraged by having not incorporated the batteries into the device bodies and by having adopted a rechargeable battery and a retractable battery compartment cover to facilitate battery removal.
- Reduced power consumption when in use and when on standby

*1 For more details please visit:

[WEB \(Only in Japanese\)](http://www.env.go.jp/recycle/recycling/raremetals/law.html) <http://www.env.go.jp/recycle/recycling/raremetals/law.html>

*2 For more details please visit:

[WEB \(Only in Japanese\)](http://www.cipa.jp/env/documents/j/assessmentguide_20160419.pdf) http://www.cipa.jp/env/documents/j/assessmentguide_20160419.pdf

Products That Contribute to Solving Environmental Issues

Utilized even at the forefront of automobile and aircraft development with the aim of improving the efficient use of energy and the recycling facilities, Olympus products contribute to solving environmental issues.

DELTA Element X-Ray Fluorescence Analyzer

Assisting in hazardous substance analysis and resource recycling

Main Product Features

1. Identifies the elements in the target product and measures their amounts
2. Simple to operate with excellent portability
3. Analyzes hazardous substances contained in products
4. Easily sorts recyclable material in scrap material analyses



IPLEX RX/RT Industrial Videoscope

Contributing to the realization of a society that emits only small amounts of CO₂

Main Product Features

1. Used in the inspection and diagnosis of the internal parts of machinery
2. Reproduces even the slightest defect in a sharp, clear image
3. Used for inspections of wind power generation facilities and of automobiles competing on low fuel consumption as well as of aircraft engines



Environmental Accounting

Environmental Costs

(Millions of yen)

Grouping	FY2013		FY2014		FY2015		
	Investment	Cost	Investment	Cost	Investment	Cost	
Costs inside Business Area	78	465	71	1,302	278	772	
Content	Prevention of Public Nuisance Cost	29	235	36	1,100	30	564
	Global Environmental Conservation Cost	49	48	34	31	247	35
	Resource Circulation Cost	0	181	0	171	1	174
In Upstream Costs	1	77	1	97	1	86	
In Downstream Costs	10	6	0	8	0	8	
Environmental Management Activity Costs	44	417	0	386	0	363	
R&D Costs	0	193	0	95	0	96	
Costs of Social Activities	0	5	0	3	0	6	
Costs for Damaged Environment	0	0	0	0	0	0	
Total	134	1,162	72	1,891	279	1,332	

Environmental Effects

Quantitative Effects of Environment Preservation		FY2013	FY2014	FY2015
Effects inside Business Area	CO ₂ emissions (t-CO ₂)	53,313	50,809	51,548
	Waste Discharged (t)	2,096	2,103	2,010
	Water Usage (10000m ³)	86	90	82
	Chemical Substances Transferred/Discharged (t)	21	19	19

(Millions of yen)

Economic Benefits of Environmental Protection		Change from Previous Fiscal Year
Revenue Benefits	Revenues from Sales of Valuable Recycled Substances	2
Cost Savings	Energy Costs	▲ 174
	Costs of Water Usage	▲ 0
	Disposal Contracting Costs	▲ 4

Target period: April 1, 2013–March 31, 2016

Scope: Head office functions, manufacturing companies and distribution companies in Japan

Notes:

1) Tabulation based on "Environmental Accounting Guideline 2005."

2) Cost and depreciation that cannot be separated clearly in environmental management are not divided proportionately. Full amount has been excluded from the calculations.

3) Close scrutiny of data will show items with differing figures for past results.

GRI Guideline Reference Chart

The information contained within this report conforms to Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 4.0. Also shown are references to the GC Principles applied by Olympus as a signatory of the United Nations Global Compact, and ISO 26000.

General Standard Disclosures

Description * Core Indicator	Item	Page	GC Principles	ISO 26000
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Strategy and Analysis

G4-1*	a. Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	Message from the President	3		4.7 6.2 7.4.2
G4-2	a. Provide a description of key impacts, risks, and opportunities.	Message from the President Feature Risk Management System	3 5 30		

Organizational Profile

G4-3*	a. Report the name of the organization.	Company Outline	15		
G4-4*	a. Report the primary brands, products, and services.	Business Overview and Markets Served	17		
G4-5*	a. Report the location of the organization's headquarters.	Company Outline	15		
G4-6*	a. Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	Business Areas	16		
G4-7*	a. Report the nature of ownership and legal form.	Company Outline	15		
G4-8*	a. Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	Business Overview and Markets Served	17		
G4-9*	a. Report the scale of the organization. · Total number of employees · Total number of operations · Net sales (for private sector organizations) or net revenues (for public sector organizations) · Total capitalization broken down in terms of debt and equity (for private sector organizations) · Quantity of products or services provided	Company Outline Financial Highlights	15 15		6.3.10 6.4.1-6.4.2 6.4.3 6.4.4 6.4.5 6.8.5 7.8 5.2
G4-10*	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	Employment-Related Data	35	6	
G4-11*	a. Report the percentage of total employees covered by collective bargaining agreements.	Labor-Management Consultation	35	3	
G4-12*	a. Describe the organization's supply chain.	–			
G4-13*	a. Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain. · Changes in the location of, or changes in, operations, including facility openings, closings, and expansions · Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) · Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination	Organizations Covered by the Report	1		

Commitments to External Initiatives

G4-14*	a. Report whether and how the precautionary approach or principle is addressed by the organization.	CSR Promotion Structure Risk Management System Commitment to External Initiatives	30 30 33		
G4-15*	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Commitment to External Initiatives	33		
G4-16*	a. List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: · Holds a position on the governance body · Participates in projects or committees · Provides substantive funding beyond routine membership dues · Views membership as strategic	–			

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
Identified Material Aspects and Boundaries					
G4-17*	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	Organizations Covered by the Report	1		
G4-18*	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	—			
G4-19*	a. List all the material Aspects identified in the process for defining report content.	—			
G4-20*	a. For each material Aspect, report the Aspect Boundary within the organization. · Whether the Aspect is material within the organization · If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: - The list of entities or groups of entities included in G4-17 for which the Aspect is not material or - The list of entities or groups of entities included in G4-17 for which the Aspects is material · Specific limitation regarding the Aspect Boundary within the organization	—			5.2 7.3.2 7.3.3 7.3.4
G4-21*	a. For each material Aspect, report the Aspect Boundary outside the organization. · Whether the Aspect is material outside of the organization · If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified. · Specific limitation regarding the Aspect Boundary outside the organization	—			
G4-22*	a. Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	—			
G4-23*	a. Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Organizations Covered by the Report	1		
Stakeholder Engagement					
G4-24*	a. Provide a list of stakeholder groups engaged by the organization.	Examples of Communication with Stakeholders	20		
G4-25*	a. Report the basis for identification and selection of stakeholders with whom to engage.	—			
G4-26*	a. Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Examples of Communication with Stakeholders	20		5.3
G4-27*	a. Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	Examples of Communication with Stakeholders	20		
Report Profile					
G4-28*	a. Reporting period (such as fiscal or calendar year) for information provided.	Period Covered by the Report	1		
G4-29*	a. Date of most recent previous report (if any).	Publication Date	2		7.5.3
G4-30*	a. Reporting cycle (such as annual, biennial).	Publication Date	2		7.6.2
G4-31*	a. Provide the contact point for questions regarding the report or its contents.	Back cover		Back cover	
GRI Content Index					
G4-32*	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option (see tables below). c. Report the reference to the External Assurance Report, if the report has been externally assured. (GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.)	This chart			
Assurance					
G4-33*	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	Assurance Statement related to GHG Emissions	81		

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
Governance					
Governance Structure and Composition					
G4-34*	a. Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	Corporate Governance Structure (Annual Report)	21		
G4-35	a. Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	CSR Promotion Structure	30		
G4-36	a. Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	CSR Promotion Structure	30		
G4-37	a. Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	—			
G4-38	a. Report the composition of the highest governance body and its committees. <ul style="list-style-type: none"> · Executive or non-executive · Independence · Tenure on the governance body · Number of each individual's other significant positions and commitments, and the nature of the commitments · Gender · Membership of under-represented social groups · Competences relating to economic, environmental and social impacts · Stakeholder representation 	Corporate Governance Structure (Annual Report)	21		6.2 7.4.3 7.7.5
G4-39	a. Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	Corporate Governance Structure (Annual Report)	21		
G4-40	a. Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including: <ul style="list-style-type: none"> · Whether and how diversity is considered · Whether and how independence is considered · Whether and how expertise and experience relating to economic, environmental and social topics are considered · Whether and how stakeholders (including shareholders) are involved 	Corporate Governance Structure (Annual Report)	21		
G4-41	a. Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders. <ul style="list-style-type: none"> · Cross-board membership · Cross-shareholding with suppliers and other stakeholders · Existence of controlling shareholder · Related party disclosures 	—			
Highest Governance Body's Role in Setting Purpose, Values, and Strategy					
G4-42	a. Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	Corporate Governance Structure CSR Promotion Structure	21 30		6.2 7.4.3 7.7.5
Highest Governance Body's Competencies and Performance Evaluation					
G4-43	a. Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	—			
G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	—			6.2 7.4.3 7.7.5
Highest Governance Body's Role in Risk Management					
G4-45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	Corporate Governance Structure Risk Management System	21 30		6.2 7.4.3 7.7.5
G4-46	a. Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	Corporate Governance Structure Risk Management System	21 30		
G4-47	a. Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	CSR Promotion Structure	30		
Highest Governance Body's Role in Sustainability Reporting					
G4-48	a. Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	—			6.2 7.4.3 7.7.5

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
Highest Governance Body's Role in Evaluating Economic, Environmental and Social Performance					
G4-49	a. Report the process for communicating critical concerns to the highest governance body.	Corporate Governance Structure CSR Promotion Structure	21 30		6.2 7.4.3 7.7.5
G4-50	a. Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	—			
Remuneration and Incentives					
G4-51	a. Report the remuneration policies for the highest governance body and senior executives. · Fixed pay and variable pay: - Performance-based pay - Equity-based pay - Bonuses - Deferred or vested shares · Sign-on bonuses or recruitment incentive payments · Termination payments · Clawbacks · Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.	(Annual Report)			6.2 7.4.3 7.7.5
G4-52	a. Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	(Annual Report)			
G4-53	a. Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	—			
G4-54	a. Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	—			
G4-55	a. Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	—			
Ethics and Integrity					
G4-56*	a. Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Olympus Group Corporate Conduct Charter	23	10	
G4-57	a. Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	Compliance Promotion System	24	10	4.4 6.6.3
G4-58	a. Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	Compliance Hotline Systems	25	10	

Specific Standard Disclosures

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
G4-DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material.	Employment and Labor Management Systems	34		6
	b. Report how the organization manages the material Aspect or its impacts.	Occupational Safety and Health Promotion Structure	36		
	c. Report the evaluation of the management approach.	Health Management Support System	37		
	· The mechanisms for evaluating the effectiveness of the management approach	Promotion Structure	40		
	· The results of the evaluation of the management approach	System for Promoting an Active Role for Diverse Human Resources	42	7.3.1	
	· Any related adjustments to the management approach	Systems and Mechanisms (Human Rights)	44	7.4.3	
		Systems and Mechanisms (Fair Business Practices)	46	7.7.3	
		Environmental Management	61	7.7.5	

Economic

Economic Performance					
G4-EC1	Direct economic value generated and distributed	Financial Highlights	15		6.8.1-6.8.2, 6.8.3, 6.8.7, 6.8.9
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Environmental Risk Management	62	10	6.5.5
G4-EC3	Coverage of the organization's defined benefit plan obligations	—			6.8.7
G4-EC4	Financial assistance received from government	—			—
Market Presence					
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	—		6	6.3.7, 6.3.10, 6.4.3, 6.4.4, 6.8.1-6.8.2
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	—		6	6.4.3, 6.8.1-6.8.2, 6.8.5, 6.8.7
Indirect Economic Impacts					
G4-EC7	Development and impact of infrastructure investments and services supported	—			6.3.9, 6.8.1-6.8.2, 6.8.7, 6.8.9
G4-EC8	Significant indirect economic impacts, including the extent of impacts	—			6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8.1-6.8.2, 6.8.5, 6.8.7, 6.8.9
Procurement Practices					
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	—			6.4.3, 6.6.6, 6.8.1-6.8.2, 6.8.7

Environmental

Materials					
G4-EN1	Materials used by weight or volume	Material Balance	65	7, 8	6.5.4
G4-EN2	Percentage of materials used that are recycled input materials	—		8	
Energy					
G4-EN3	Energy consumption within the organization	Energy/Atmospheric Release	66	7, 8	6.5.4
G4-EN4	Energy consumption outside of the organization	Energy/Atmospheric Release	66	8	6.5.4
G4-EN5	Energy intensity	Energy/Atmospheric Release	66	8	6.5.4
G4-EN6	Reduction of energy consumption	Energy/Atmospheric Release	66	8, 9	6.5.4 6.5.5
G4-EN7	Reductions in energy requirements of products and services	—		8, 9	6.5.4 6.5.5
Water					
G4-EN8	Total water withdrawal by source	Water/Waste	68	7, 8	6.5.4
G4-EN9	Water sources significantly affected by withdrawal of water	—		8	
G4-EN10	Percentage and total volume of water recycled and reused	—		8	
Biodiversity					
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	—		8	6.5.6
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	—			
G4-EN13	Habitats protected or restored	—			
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	—		8	6.5.6

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
Emissions					
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Energy/Atmospheric Release	66	7, 8	6.5.5
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Energy/Atmospheric Release	66		
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Energy/Atmospheric Release	66		
G4-EN18	Greenhouse gas (GHG) emissions intensity	Energy/Atmospheric Release	66	8	
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Energy/Atmospheric Release	66	8, 9	
G4-EN20	Emissions of ozone-depleting substances (ODS)	—		7, 8	6.5.3
G4-EN21	NOx, SOx, and other significant air emissions	Energy/Atmospheric Release	66		6.5.5
					6.5.3
Effluents and Waste					
G4-EN22	Total water discharge by quality and destination	Water/Waste	68	8	6.5.3
G4-EN23	Total weight of waste by type and disposal method	Water/Waste	68		6.5.4
G4-EN24	Total number and volume of significant spills	Environmental Risk Management	62		6.5.3
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	—			
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	—			
				6.5.4	
				6.5.6	
Products and Services					
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Environmentally Conscious Products	70	7, 8, 9	6.5.3, 6.5.4, 6.5.5, 6.7.5
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	—		8	6.5.3, 6.5.4, 6.7.5
Compliance					
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Environmental Risk Management	62	8	4.6
Transport					
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Energy/Atmospheric Release	66	8	6.5.4
					6.6.6
Overall					
G4-EN31	Total environmental protection expenditures and investments by type	Environmental Accounting	72	7, 8, 9	6.5.1-6.5.2
Supplier Environmental Assessment					
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	—		8	6.3.5
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	Supplier survey Green Procurement	32 63		6.6.6
					7.3.1
Environmental Grievance Mechanisms					
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	Environmental Risk Management	62	8	6.3.6

Social

Labor practices and decent work					
Employment					
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Employment-Related Data	35	6	6.4.3
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	—			6.4.4
					6.8.7
G4-LA3	Return to work and retention rates after parental leave, by gender	Employment-Related Data	35	6	6.4.4
Labor/Management Relations					
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	Minimum Notice Period Regarding Operational Changes	35	3	6.4.3
					6.4.5
Occupational Health and Safety					
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Labor-Management Consultation	35		6.4.6
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Safety & Health Promotion Activities	36		6.4.6
					6.8.8
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	—			
G4-LA8	Health and safety topics covered in formal agreements with trade unions	—			6.4.6

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
Training and Education					
G4-LA9	Average hours of training per year per employee by gender, and by employee category	—		6	6.4.7
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Systems and Mechanisms (Training and Education)	40		6.4.7 6.8.5
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	—		6	6.4.7
Diversity and Equal Opportunity					
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Employment-Related Data Diversity of Human Resources	35 42	6	6.2.3, 6.3.7, 6.3.10, 6.4.3
Equal Remuneration for Women and Men					
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	—		6	6.3.7, 6.3.10, 6.4.3, 6.4.4
Supplier Assessment for Labor Practices					
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	—			6.3.5 6.4.3
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Supplier survey	32		6.6.6 7.3.1
Labor Practices Grievance Mechanisms					
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	—			6.3.6
Human Rights					
Investment					
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	—		2	6.3.3 6.3.5 6.6.6
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	—		1	6.3.5
Non-discrimination					
G4-HR3	Total number of incidents of discrimination and corrective actions taken	—		6	6.3.6, 6.3.7, 6.3.10, 6.4.3
Freedom of Association and Collective Bargaining					
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Supplier survey Initiatives with Suppliers Human Rights Due Diligence	32 44 45	3	6.3.3, 6.3.4, 6.3.5, 6.3.8, 6.3.10, 6.4.5, 6.6.6
Child Labor					
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	Supplier survey Initiatives with Suppliers Human Rights Due Diligence	32 44 45	5	6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10, 6.6.6, 6.8.4
Forced or Compulsory Labor					
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	Supplier survey Initiatives with Suppliers Human Rights Due Diligence	32 44 45	4	6.3.3, 6.3.4, 6.3.5, 6.3.10, 6.6.6
Security Practices					
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	—		1	6.3.4, 6.3.5, 6.6.6
Indigenous Rights					
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	—		1	6.3.4, 6.3.6, 6.3.7, 6.3.8, 6.6.7, 6.8.3
Assessment					
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	—		1	6.3.3, 6.3.4, 6.3.5
Supplier Human Rights Assessment					
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	—			
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	Supplier survey Initiatives with Suppliers	32 44	2	6.3.3, 6.3.4, 6.3.5, 6.6.6
Human Rights Grievance Mechanisms					
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	—		1	6.3.6

Description * Core Indicator		Item	Page	GC Principles	ISO 26000
Society					
Local Communities					
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	—		1	6.3.9, 6.5.1-6.5.2, 6.5.3, 6.8
G4-SO2	Operations with significant actual or potential negative impacts on local communities	—			6.3.9, 6.5.3 6.8
Anti-corruption					
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	—		10	6.6.1-6.6.2 6.6.3
G4-SO4	Communication and training on anti-corruption policies and procedures	Compliance Education Prevention of Bribery	26 46		6.6.1-6.6.2, 6.6.3, 6.6.6
G4-SO5	Confirmed incidents of corruption and actions taken	Status of Legal Compliance	27		6.6.1-6.6.2 6.6.3
Public Policy					
G4-SO6	Total value of political contributions by country and recipient/beneficiary	—		10	6.6.1-6.6.2 6.6.4
Anti-competitive Behavior					
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	—			6.6.1-6.6.2 6.6.5 6.6.7
Compliance					
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Status of Legal Compliance	27		4.6
Supplier Assessment for Impacts on Society					
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	—			6.3.5, 6.6.1-6.6.2, 6.6.6, 6.8.1-6.8.2, 7.3.1
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Supplier survey	32		
Grievance Mechanisms for Impacts on Society					
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	—			6.3.6 6.6.1-6.6.2 6.8.1-6.8.2
Product Responsibility					
Customer Health and Safety					
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	—			6.7.1-6.7.2, 6.7.4, 6.7.5, 6.8.8
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	—			4.6, 6.7.1-6.7.2, 6.7.4, 6.7.5, 6.8.8
Product and Service Labeling					
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	—			6.7.1-6.7.2, 6.7.3, 6.7.4, 6.7.5, 6.7.9
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	—			4.6, 6.7.1-6.7.2, 6.7.3, 6.7.4, 6.7.5, 6.7.9
G4-PR5	Results of surveys measuring customer satisfaction	—			6.7.1-6.7.2 6.7.6
Marketing Communications					
G4-PR6	Sale of banned or disputed products	—			—
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	—			4.6 6.7.1-6.7.2 6.7.3
Customer Privacy					
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	—			6.7.1-6.7.2 6.7.7
Compliance					
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	—			4.6 6.7.1-6.7.2 6.7.6

Assurance Statement related to GHG Emissions

Assurance Statement related to GHG Emissions (1/2)



Assurance Statement related to GHG Emissions Inventory 2015 prepared for Olympus Corporation

Terms of Engagement

This Assurance Statement has been prepared for Olympus Corporation.

Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by Olympus Corporation (hereafter referred to as "the organisation") to assure its GHG Emissions Inventory for the fiscal year 2015 (1 April 2015 to 31 March 2016) (hereafter referred to as "the Report").

The Report relates to direct GHG emissions (Scope 1)¹, energy indirect GHG emissions (Scope 2) and other indirect GHG emissions related to upstream transportation and distribution (Scope 3, Category 4)².

The GHG emissions from industrial wastewater and sewage treatment, refrigerant leaks from chilling and air-conditioning equipment were excluded from the Report *on the basis of their de minimis contribution to the total direct GHG emissions*.

Management Responsibility

The organisation's management was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. LRQA's responsibility was to carry out an assurance engagement on the Report in accordance with our contract with the organisation.

Ultimately, the Report has been approved by, and remains the responsibility of the organisation.

LRQA's Approach

Our verification has been conducted in accordance with ISO 14064-3:2006, '*Specification with guidance for validation and verification of greenhouse gas assertions*' to provide limited assurance that GHG data as presented in the Report have been prepared in conformance with ISO 14064-1:2006, '*Specification with guidance at the organizational level for quantification and reporting of greenhouse gas emissions and removals*'.

To form our conclusions the assurance engagement was undertaken as a sampling exercise and covered the following activities:

- conducted site tours of the facilities and reviewed processes related to the control of GHG emissions data and records at Shenzhen Factory in China and Hinode Factory in Japan;
- reviewed the management system documents for GHG emissions data, information and records, covering all the processes up to the preparation of the GHG Inventory;
- interviewed relevant staff of the organization responsible for managing GHG emissions data and records;
- assessed effectiveness of implementation of the GHG management system and the internal data verification; and
- verified historical GHG emissions data and records at an aggregated level for the fiscal year 2015, including the associated main activity data for each type of energy consumption as summarised in Table 1 below.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a limited level of assurance and at a materiality of the professional judgment of the Verifier.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that the total direct GHG emissions, energy indirect GHG emissions and other GHG emissions related to upstream

¹ The Scopes are as defined in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard.

² The categories of Scope 3 emissions are as defined in the Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Assurance Statement related to GHG Emissions (2/2)



transportation and distribution as disclosed in the Report as summarized in Table 2 below are not materially correct and that the Report has not been prepared in conformance with ISO 14064-1:2006.

LRQA's Recommendations

The organisation should:

- continue improving the quality assurance and control systems with internal self-verification controls particularly across its overseas group companies, and
- maintain an up-to-date site-level information about emission sources.

Dated: 17 June 2016

Michiaki Chiba
 LRQA Lead Verifier 
 On behalf of Lloyd's Register Quality Assurance Limited
 Japan Business Centre, Queen's Tower A, 10th Floor
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LRQA Reference: YKA4005278

Table 1. Summary of energy consumption

Type of energy consumption		Tera-joule (TJ)
Direct energy consumption	Town gas	141
	Liquefied petroleum gas (LPG)	54
	Liquefied natural gas (LNG)	46
	Heavy oil	13
	Kerosene	2
	Diesel oil	1
	Gasoline	0
Indirect energy consumption	Electricity	1,745
	Hot water	2
	District heat	7

Table 2. Summary of Olympus Corporation, GHG Emissions Inventory 2015

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG emissions (Scope 1)	13,563
Energy indirect GHG emissions (Scope 2)	97,072
Other indirect GHG emissions (Scope 3, Category 4) related to upstream transportation and distribution	49,619

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Due to inherent limitations in any internal control, it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Further, the verification was not designed to detect all weakness or errors in internal controls so far as they relate to the requirements set out above as the verification has not been performed continuously throughout the period and the verification carried out on the relevant internal controls were on a test basis. Any projection of the evaluation of control to future periods is subject to the risk that the processes may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

The English version of this Assurance Statement is the only valid version. Lloyd's Register assumes no responsibility for versions translated into other languages.

In the case of any conflict between the English and Japanese versions of this legal section, the English version shall prevail.



Olympus Corporation

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