

# 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.

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

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

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 2016, 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, we held training on insider trading prevention for new employees.

### Security Export Control and Appropriate Import Declaration

Olympus 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, we received certification as an Authorized Economic Operator (AEO)\* by Japan Customs and received preferential treatment as a company with superior export controls. To maintain and improve this system, we provide training programs including executive training given by outside lecturers, specialized training for employees involved frequently in export/import business and basic e-learning programs to cover nearly all executives and employees in Japan. In fiscal 2016, we reconstructed the organization, its business operations and the IT system for security trade control in Japan. To enable screening of export projects by Trade Compliance Department, the work style that was heavily dependent on manual work has been revised to highly systematic one that prevents human error.

We are also establishing a global system in cooperation with the regional headquarters to respond to extraterritorially applied regulations and enhancements in export regulations in countries concerned. We share with them regulatory information and classification data for products. As part of this effort, we adopted the Rules on Security Export Control in Olympus Group group-wide to maintain optimal trade in fiscal 2016. At the same time, we defined medium-range issues with trade control in cooperation with various regional headquarters in the Americas, Europe, and Asia/Oceania to resolve these issues.

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 Compliance Department will have verified the import declaration price, which forms the basis of the tax payment, prior to the placement of the order. We work to declare price correctly by having the verification of import declarations performed centrally by the Trade Compliance Department that possesses the specialized knowledge.

\* 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 2016)

Target	Aim/Description of Training	Number of Attendees
Directors	Security export control (overview)	21
Employees with ample opportunity for involvement in import-export duties	Point to be aware of business practice for security export control <ul style="list-style-type: none"> <li>• Export: customer classification/item classification/transaction screening</li> <li>• Import: declaration price</li> </ul>	Export/Import training: 268
Directors and employees working in Japan (including affiliated companies)	Basic awareness of import-export controls (e-learning program)	10,051

## Disclosure of Medical Business Information

### ■ Ethical Committee

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. We ensured the independence of the Committee by having it comprise internal and external experts not directly involved in the research. The scope of the assessment was all of the medical research conducted by the Company and Group companies in Japan to which the ethical guidelines apply. We disclose the Committee’s rules, register and summary of proceedings by registration on the Ethical Review Committee Reporting System of the Japan Agency for Medical Research and Development (AMED).

### ■ Transparency Guidelines

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

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

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

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

##### 1. Basic Policy

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) <http://www.jfmda.gr.jp/e/>

JFMDA Transparency Guidelines for the Medical Device Industry and its Relationships with Medical Institutions and Other Organizations [http://www.jfmda.gr.jp/wp-content/uploads/2016/10/120524\\_clear\\_02\\_e.pdf](http://www.jfmda.gr.jp/wp-content/uploads/2016/10/120524_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.

We restructured our corporate website in fiscal 2016 to provide greater accessibility. Specifically, we introduced responsive web design that will automatically optimize the screen size not only on desktop and laptop computers but also on smartphones and tablets to make viewing easier. We also updated the design of the website to make it easier to navigate and understand for senior citizens and users with disabilities, to contribute to narrowing the information divide.

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

In specific terms, we 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, we have placed managers responsible for information security management at our regional headquarters in Europe, the Americas, and Asia/Oceania while engaging in activities that are tailored to the circumstances of each region.

We continue to conduct employee education and training sessions. As the risk of cyberattack has been growing in recent years, we are focusing on education and awareness activities. While providing employees in Japan with the skills to address mail-based cyberattacks, we also provide e-learning programs that cover case studies of actual internal and external incidents and distribute mail magazines. The e-learning program was held twice in fiscal 2016, and the attendance rate on both occasions was 100%.

### 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.

## 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 Ethics. In Japan, we have stipulated The Olympus Group 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 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, Olympus 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, we utilize a personal information management register and works to improve the register's accuracy. In addition, we inspect 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.