Last Update: July 7, 2026
NIKON CORPORATION
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Securities code: 7731

The corporate governance of NIKON CORPORATION (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information

1. Basic Views

- ■ Based on its Corporate Philosophy, the Nikon Group will carry out highly transparent management by fulfilling its fiduciary responsibilities toward shareholders as well as its responsibilities toward all stakeholders, including customers, employees, business partners, and society, with a sincere and diligent attitude.
- ■ The Nikon Group will strive to achieve sustainable growth and enhancement of its corporate value over the medium-to long-term, by improving management efficiency and transparency and further strengthening the supervisory function over management in light of the purpose of Japan's Corporate Governance Code.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company implements all the principles of the Corporate Governance Code.

Disclosure Based on Principles of the Corporate Governance Code [updated]

[Principle 1.4: Cross-shareholdings]
If the Company holds shares in other listed companies for strategic purposes, the Board of Directors regularly examines and verifies the rationale for holding such shares for each of the listed companies in terms of strategic significance and rationality, benefits and risks that accompany the cross-shareholding, including total shareholder return and related earnings on transactions, and capital costs that the Company bears. If the Board of Directors finds the necessity or rationality for holding such shares insignificant, the Company gives due consideration to options, including the possibility of selling them.
In the fiscal year ended March 31, 2026, the Board of Directors continued to examine the appropriateness of any sale of the cross-shareholdings and sold a portion that was judged to be appropriate be sold.
When exercising voting rights associated with cross-shareholdings, the Company makes decisions based on perspectives such as whether each proposal will improve the corporate value of the Company and the issuing company over the medium-to-long term. In particular, if there is a high chance that the proposal will damage the issuing company's corporate value, or if the issuing company is facing a major corporate scandal, the Company makes a decision with extra caution to exercise its voting rights.

[Principle 1.7: Related party transactions]
Upon conducting transactions with related parties, the Company will follow appropriate procedures in advance as listed below, to avoid harming the common interest of the Company and its shareholders.
- Make resolutions at the meetings of the Board of Directors as appropriate, in consideration of the importance, etc., of a transaction.
- Exclude directors with special interest, etc. from resolution.
- Verify whether a transaction is carried out under common terms and conditions.
- Seek opinions from external directors, etc., as appropriate.

[Supplementary Principle 2.4.1: Ensuring diversity in the promotion, etc. of core personnel]
Based on the belief that the diverse talent who works in the Nikon Group is the driving force behind realizing its corporate philosophy, the Company has positioned promotion of Diversity, Equity & Inclusion (DEI) as one of the important factors that serve as a foundation for the growth of the Company.
Under the Nikon Global Diversity, Equity & Inclusion Policy, which shows the Group's common approach to DEI, the Company will promote the creation of an environment where diverse employees can demonstrate their abilities to the maximum extent, while having an attitude to pursue autonomous growth and a sense of contributing to teams.

Reference: Nikon Global Diversity, Equity & Inclusion Policy
https://www.nikon.com/company/sustainability/society-labor/dei/dei_policy.pdf

Appointment of women to management positions

The Company considers the promotion of women's active participation as an important issue. Aiming to achieve an environment where women are more deeply involved in the Company's decision-making and organizational operation to bring diverse perspectives, the Company has set the ratio of female managers as a KPI to measure women's active participation. The Company is making efforts to increase the ratio of female managers, such as promoting systematic training for and promotion of women to higher positions in their workplaces and supporting their career development. The Company has also continued to set a target of "increasing the ratio of female new hires to at least 25%" since fiscal year 2016 to stably secure female employees.

Furthermore, the Company is working to establish systems and environments that allow not only female employees but also employees with various circumstances, such as childcare and nursing care, to choose flexible work styles according to their life stages. In recognition of its support for diverse work styles and ongoing initiatives, the Company obtained the Platinum Kurumin and Eruboshi (level 2) certifications, both certified by the Minister of Health, Labour and Welfare.

As of March 31, 2026, the ratio of female employees was 18.3% and the ratio of female managers reached 8.0%, achieving our target of increasing the ratio of female managers at least 8.0% by the end of March 2026. Going forward, the Company has set a new target of increasing the ratio of female managers at least 10.0% by the end of March 2031, and will continue to implement systematic training for the next generation managers.

Two of the eleven Board of Directors of the Company are women. While placing emphasis on the diversity of the Board of Directors as required by the Corporate Governance Code, the Company appoints individuals who understand the Company's management environment and can contribute to the sustainable growth of the Nikon Group as well as the enhancement of corporate value over the medium to long term from a high-level perspective and a global viewpoint.

Appointment of non-Japanese to management positions

The Company has been promoting its global human resources, including the appointment of non-Japanese as executive officers. The percentage of non-Japanese in the Company's management is 0.7% as of March 31, 2026. Going forward, the Company will continue to promote the appointment of excellent human resources to management and managerial positions regardless of nationality.

Appointment of mid-career hires to management positions

In order for the Company to continue to grow sustainably and create new value, it is essential to acquire industry-ready human resources with specific expertise and diverse skills, knowledge, and experience, as well as to develop internal human resources. The Company has strengthened its follow-up system for mid-career hires to ensure their early active participation by, for example, providing training and education and conducting regular monitoring to support their retention and active participation in their workplaces so that they can utilize and fully display their knowledge cultivated from their pervious careers.

As of March 31, 2026, the percentage of mid-career hires in management positions is 38.2%. The Company promotes the active participation of mid-career hires in various fields and actively promotes them to management positions after appropriately evaluating their abilities, achievements, etc. by, for example, developing flexible forms of compensation, recruitment, and hiring, as well as work styles that suit the characteristics of their work and individual circumstances.

The Company's approach to diversity in the appointment of human resources, its human development policy, and the status of implementation are also described in the 162nd Annual Securities Report, which is disclosed on the following website:
https://www.jp.nikon.com/company/ir/ir_library/sr/
*Currently, Annual Securities Reports are only available in Japanese.

[Principle 2.6: Roles of corporate pension funds as asset owners]

Upon the implementation of a defined-benefit corporate pension plan, the Company establishes the Pension Committee headed by the CFO and composed of the heads of the finance and human resources divisions and determines the policy for asset management.

Actual asset management is entrusted to an asset management agency. The Company receives reports on the status of asset management once every three months and monitors the management status. Furthermore, the Company appropriately manages and administrates its pension assets, such as by conducting regular reviews of the strategic asset mix at the Pension Committee.

[Principle 3.1: Full disclosure]

(i) The Company's management philosophy and vision are disclosed on the following website:
- Philosophy & Vision
  https://www.nikon.com/company/corporate/philosophy/

(ii) The Company has established the Nikon Group Corporate Governance Guideline, which sets forth the Company's views and basic policies on corporate governance, and disclosed them on the following website:
https://www.nikon.com/company/ir/governance/organization/guideline/

(iii) The policies and procedures for the Board of Directors to determine the compensation of directors and others are described in "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight, 1. Organizational Composition and Operation, [Director Compensation], Disclosure of Policy on Determining Compensation Amounts and Calculation Methods" of this report.

(iv) The policies and procedures for the Board of Directors to appoint or remove the senior management and nominate director candidates are as follows:

Policies for appointment

The Company nominates director candidates from among those who understand the management environment of the Company and who can contribute to the sustainable growth of the Nikon Group and the enhancement of corporate value over the medium to long term from a sophisticated and global viewpoint, while also being qualified to earn the trust of society as members of the Board of Directors. The specific race, gender, nationality, or country of origin of candidates shall not be determining factors in the nomination of candidates. Furthermore, the Company nominates external director candidates from among those with a wealth of knowledge and experience, etc., as executives of other companies, or expertise and experience, etc., as specialists such as attorneys and Certified Public Accountants, and who are qualified to take part in management supervision function from a fair and objective standpoint independent of management.

The Company appoints officer candidates from among those with a broad perspective, a wealth of experience, leadership skills, and capabilities to promote reforms in their respective areas of responsibility, while possessing the ability to strategically fulfill their capabilities to contribute to the improvement of business performance. Meanwhile, the Company appoints executive fellow candidates from among those who possess the outstanding expertise, abundant experience and distinguished achievements in specific field, and who contribute to the management of the Company with accomplishments.

Procedures for appointment

The Nominating Committee deliberates on the nomination of candidates for director, and the nomination of candidates is determined by resolution of the Board of Directors based on the results of these deliberations.

The appointment of officers (including executive fellows and other persons equivalent to Officer; hereinafter referred to as "officers, etc.") is determined by resolution of the Board of Directors after prior examination by the Nominating Committee of the appropriateness of the candidates.

The nomination of candidates for director who is an Audit and Supervisory Committee member is subject to the prior consent of the Audit and Supervisory Committee.

Policies and procedures for dismissal

If directors or officers, etc. of the Company fall under the dismissal criteria formulated by the Nominating Committee, the Nominating Committee and the Board of Directors shall consider whether he or she should be dismissed.

(v) The career summaries and reasons for the appointment of individual directors are described in the Notice of the Annual General Shareholders' Meeting. The notice is disclosed on the following website:
https://www.nikon.com/company/ir/stock_info/meeting/

[Supplementary principle 3.1.3: Sustainability initiatives]

Sustainability initiatives

The Company's Board of Directors has established the Sustainability Policy as follows:

Sustainability Policy

The Nikon Group aims to both contribute to a sustainable society and achieve sustainable growth for itself by putting into practice the Nikon philosophy of Trustworthiness and Creativity through our business activities.

- We are committed to helping solve environmental and social challenges and achieve Sustainable Development Goals (SDGs) through our business activities by delivering uniquely Nikon products and services.
- We aim to do better for the environment and for society by objectively assessing the impact our business has on the environment and society and continually striving to make improvements.
- Through active dialog with our stakeholders, we stay abreast of changes in society. We also constantly reflect on our own activities to meet stakeholder expectations.
- We do more than what is required to comply with laws and regulations. We act with integrity and fairness and disclose information appropriately.

The Company's sustainability initiatives are described in the sustainability report and disclosed on the following website:
https://www.nikon.com/company/sustainability/report/

Investment in human capital and intellectual property

Based on the belief that the diverse talent who works in the Nikon Group are the driving force behind realizing its corporate philosophy, the Company is implementing its human resources strategy based on three pillars: acquiring, developing, and leveraging talent who will be responsible for implementing the Company's management strategies. In particular, under its new medium-term management plan (FY2026–2030), which commenced in FY2026, the Company plans to strengthen investments in the development of talent who can be leveraged as key members of the organization. The details of the Company's approach to human capital are described in the 162nd Annual Securities Report and disclosed on the following website:
https://www.jp.nikon.com/company/ir/ir_library/sr/
*Currently, Annual Securities Reports are only available in Japanese.
Furthermore, patents, designs, trademarks, and other intellectual property are also regarded as vital assets for securing the Company's competitive advantage and enhancing corporate value. The Company adopts an "intellectual property mix" approach—leveraging a combination of patents, designs, trademarks, and other intellectual property—to provide comprehensive protection for its products and services and to support the business strategies of each business from an IP

standpoint. The Company advances intellectual property initiatives as one of the technological foundations that create value through close coordination among its intellectual property, business, and R&D divisions, sharing values and strategies. The Company also continues to focus on recruitment and cultivation of the human resources necessary for these activities.
With respect to patents, the Company engages in "patent creation activities" in each business domain, which involve identifying core technologies, filing patent applications promptly, and building a distinctive patent portfolio. These activities are closely aligned with the Company's business and technology strategies and are driven through close collaboration among relevant departments.
In addition, the Company broadly protects its distinctive designs—developed to differentiate its products from those of competitors—through design rights. At the same time, by registering and leveraging the "Nikon" trademark in approximately 180 countries and regions, including emerging markets, the Company is committed to the global protection and enhancement of the Nikon brand, which has been built over many years.

[Supplementary principle 4.1.1: Scope of delegation to management]
The Board of Directors supervises management by directors and assumes the decision-making functions regarding matters prescribed under laws and regulations, the Articles of Incorporation of the Company, as well as the important matters concerning the Nikon Group.
For the purpose of clarifying the scope of delegation to executive directors and officers while ensuring prompt decision-making and management by executive directors and officers, the Company specifically sets out the matters subject to deliberation at Board of Directors' meetings in the criteria for matters subject to deliberation and reporting at Board of Directors' meetings. For example, the Board of Directors makes decisions on matters concerning important management issues, including the basic management policies, the Medium-Term Management Plan, the annual plan, the Basic Policy on Internal Control System, and investments and loans exceeding a certain amount.

[Principle 4.9: Criteria and qualification for determining independence of independent external directors]
In addition to the criteria for external directors under the Companies Act, the Company judges an external director candidate to be independent if he/she does not fall under any of the following criteria:
(a) The candidate serves or had served the Group in the past.
(b) The candidate is a "major client or supplier*" of the Company or an executive thereof.
(c) The candidate is a major shareholder of the Company or an executive of said major shareholder.
(d) The candidate had served in the past at a company whose directors are concurrently serving as external directors of the Company and vice versa.
(e) The candidate is a person who belongs to a company or organization that receives a donation from the Company, or a person who had served in the past at such a company or organization.
(f) The candidate's relative within the second degree of kinship serves as an important executive of a "major client or supplier" of the Group or the Company.

* "Major client or supplier" refers to a client or supplier that falls into either of the following:

(1) A client or supplier with whom the Company has a transaction that falls into the following, in any of the past three years
- a party that receives payment from the Company equivalent to 2% of the party's consolidated net sales or 100.0 million yen, whichever is greater
- a party that makes payments to the Company equivalent to 2% of the Company's consolidated net sales or 100.0 million yen, whichever is greater

(2) A consultant, an accounting professional, or a legal professional who receives compensation from the Company in excess of 10.0 million yen per year (average over the past three fiscal years)

[Supplementary principle 4.10.1: Views, authority, and roles, etc. regarding the independence of committee composition]
The views, authority, and roles, etc. regarding the independence of committee composition are described in "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight, 1. Organizational Composition and Operation, [Voluntary Established Committee(s)].

[Supplementary principle 4.11.1: Board balance, diversity, size, and skill mix of directors]
To accomplish its management strategy, the Company selects the specific skills expected from its directors and authorizes them following the deliberation by the Nominating Committee. The skills include knowledge on and experience in corporate management, management strategy, internal control, and governance as well as the Company's business characteristics and issues. The composition of the Board of Directors is designed to ensure that each director possesses these skills in a well-balanced manner and the Board as a whole can demonstrate its effectiveness, taking into account the need to maintain diversity and an appropriate number of directors.
In addition, in order to further strengthen the supervisory function of the Board of Directors, the Company has appointed six independent external directors. Of these, three are external directors with management experience at other companies.
The skill matrix of the Company's directors is disclosed on the following website:
https://www.nikon.com/company/ir/governance/organization/

[Supplementary principle 4.11.2: Status of concurrent positions of directors]
The status of concurrent positions of directors of the Company at other listed companies is stated in the Notice of the Annual General Shareholders' Meeting and disclosed on the following website:
https://www.nikon.com/company/ir/stock_info/meeting/

[Supplementary principle 4.11.3: Summary of the results of the evaluation of the Board of Directors' effectiveness]
The Company asks a third-party organization to analyze and evaluate the effectiveness of its Board of Directors in order to further improve its functions. The efforts to address issues identified through the previous evaluation (for the fiscal year ended March 31, 2025) as well as the issues identified in this evaluation (for the fiscal year ended March 31, 2026) and future responses are outlined below.

Evaluation Method and Overall Evaluation
- A third-party organization conducted a survey and individual interviews of all directors on general matters related to the Board of Directors, its composition, meeting preparations, and details of deliberations, among others, to evaluate Board effectiveness.
- As a result of the above evaluation, the Board of Directors has comprehensively confirmed that its effectiveness has been appropriately ensured.

Identification of Issues and Discussion of Response Policies
- Based on the results of the effectiveness evaluation, the Board of Directors identified issues and discussed response policies through the following process.
  (i) Shared the evaluation results and issues identified at the meeting of the Board of Directors held in April 2026,
  (ii) Confirmed the issues and exchanged opinions on response policies also at the Independent External Directors' meeting held in April 2026, and
  (iii) Discussed initiatives aimed at enhancing the Board effectiveness at the Board of Directors meeting held in May 2026.

Efforts to Address Issues Identified in Previous Evaluation
- **Further reinforcement of the monitoring function of the Board of Directors**
  Opportunities for discussions outside the Board of Directors' meetings have been increased by utilizing advance briefings and study sessions for directors, while communication has been enhanced through one-on-one dialogues between external directors and the president, as well as meetings between external directors and officers. As a result, discussions at the Board of Directors' meetings have been further enhanced, thereby establishing the foundation for improving the monitoring function.
- **Enhancement of discussions on management conscious of cost of capital and stock price**
  Discussions about the way of management conscious of cost of capital and stock price have been taken place several times at the Board of Directors' meetings in the process of formulating the FY2026-2030 medium-term management plan, thereby establishing KPIs and monitoring system thereof to ensure the achievement of the medium-term management plan.
- **Ongoing monitoring of internal control and risk management systems**
  Internal control and risk management systems have been regularly and continuously monitored, and the way of internal control and risk management systems necessary for the achievement of the FY2026-2030 medium-term management plan and present issues have been discussed and recognized at the Board of Directors' meetings in the process of formulating the medium-term management plan.

Response Policies for Issues Identified in This Evaluation
- **Monitoring of progress on the medium-term management plan**
  For the steady achievement of the FY2026-2030 medium-term management plan, recognize signs of changes in external environment and discuss necessary measures in a timely manner by appropriately monitoring progress on the medium-term management plan by the Board of Directors.
- **CEO succession plan**
  In light of transition to the new management team, discuss CEO succession plan mainly at the Nominating Committee.
- **Monitoring of the second line function of management base**
  To ensure the achievement of the FY2026-2030 medium-term management plan, further reinforce monitoring of the second line function of the management base such as human capital, manufacturing and DX mainly by increasing opportunities to report to the Board of Directors' meetings.

Taking into account the issues raised by this evaluation, Nikon plans to continue implementing measures to further enhance the Board effectiveness going forward.

[Supplementary principle 4.14.2: Policy on the training of directors]
When new directors take office, the Company offers training opportunities for them to fully understand the roles and responsibilities they are expected to fulfill. In addition, even after taking office, the Company offers opportunities for these directors to attend training sessions, including study sessions with external experts, such as attorneys, as lecturers and seminars hosted by external organizations, in order to promote further understanding about the roles and responsibilities of directors.

[Principle 5.1: Policy for constructive dialogue with shareholders]
The Company aims to hold constructive dialogue with shareholders, and appoints an officer in charge of this initiative, while collecting and sharing information through cooperation among relative departments within the Company as necessary. For the purpose of dialogue with shareholders, senior management or responsible officers of the Company will attend meetings with shareholders, as far as reasonably practicable, and opinions, etc., obtained from such occasion will be shared among the senior management. Any insider information will not be expressed in said meetings, in accordance with the internal rules of the Company.
The Company will also enhance information sharing through such means other than meetings, including briefing sessions for

institutional investors and individual investors, and provision of information through the Company's website, etc.

Action to implement management that is conscious of cost of capital and stock price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update [updated]	July 7 , 2026

Explanation for Applicable Items [updated]

In the medium-term management plan (FY2022–2025), which concluded in FY2025, the Company achieved its revenue target of 700.0 billion yen over multiple years, and steadily progressed in improving its management base. Meanwhile, although the Company worked on cultivating new businesses in all directions to develop new business pillars, limited resources were spread across many new initiatives, delaying core business improvements and resulting in lower profitability. As a result, the Company fell significantly short of both its targets of an operating margin of 10% or higher and an ROE of 8% or higher.
In light of these circumstances, under the new medium-term management plan covering FY2026 to FY2030, the Company will place importance on financial discipline than ever before and prioritize resource investment in focus areas that enhance corporate value. The Company will pursue maximum corporate value through the Precision Equipment business, including semiconductors, and the Digital Manufacturing business, while securing stable profits from the Imaging, Healthcare, and Industry businesses. Through these initiatives, the Company aims to achieve a short-term business performance recovery while targeting revenue of 1 trillion yen, operating profit of 80.0 billion yen, companywide ROIC of 7%, and ROE of 10% in FY2030.

In addition, its fundamental policy on shareholder returns is to distribute a steady dividend, and the Company will strive to enhance shareholder returns with a target total shareholder return ratio of 40% or more.

Please refer to the following page for details of the medium-term management plan.
https://www.nikon.com/company/ir/management/midtermbusiness/

In addition, to achieve its medium-term management plan, the Company has introduced an executive compensation system linked to ROE, companywide ROIC, Relative Total Shareholder Return, and other indicators. Please refer to pages 25 to 28 of the Notice of the 162nd Annual General Shareholders' Meeting for details.
https://www.nikon.com/company/ir/stock_info/meeting/

2. Capital Structure

Foreign Shareholding Ratio	30% or more

Status of Major Shareholders [updated]

Name or Company Name	Number of Shares Owned	Percentage (%)
SG/ESSILOR LUXOTTICA	61,051,800	18.53
The Master Trust Bank of Japan, Ltd. (Trust Account)	45,722,500	13.88
Meiji Yasuda Life Insurance Company	17,583,783	5.34
STATE STREET BANK AND TRUST COMPANY 505001	15,244,681	4.63
Custody Bank of Japan, Ltd. (Trust Account)	13,160,200	4.00
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	10,107,300	3.07
STATE STREET BANK AND TRUST COMPANY 505301	10,040,746	3.05
MUFG Bank, Ltd.	7,009,357	2.13
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS	6,711,899	2.04
The Joyo Bank, Ltd.	5,321,000	1.62

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	None

Name of Parent Company, if applicable	None

Supplementary Explanation [updated]

1. The above capital structure is as of March 31, 2026
2. The percentages shown are calculated by subtracting treasury shares held by the Company of 4,176,609 shares (1.25% of the total number of shares issued).
3. The following large shareholding reports have been submitted.
   - Report of a large shareholding by BlackRock Japan Co., Ltd. and its joint holders dated May 18, 2023
   - Amendment report of a large shareholding by SILCHESTER INTERNATIONAL INVESTORS LLP dated November 25, 2025
   - Amendment report of a large shareholding by MUFG Bank, Ltd. and its joint holders dated March 30, 2026
   - Amendment report of a large shareholding by EssilorLuxottica dated April 6, 2026
   - Amendment report of a large shareholding by Nomura Securities Co., Ltd. and its joint holders dated April 7, 2026

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Precision Instruments
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	50 or more but fewer than 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

None

5. Other Special Circumstances which may have a Material Impact on Corporate Governance

None

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Committee

Directors

Number of Directors Stipulated in Articles of Incorporation	20
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	External Director
Number of Directors	11
Election of External Directors	Elected
Number of External Directors	6
Number of Independent Directors	6

External Directors' Relationship with the Company (1) [updated]

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Takuya Nakata	From another company											
Tsuneyoshi Tatsuoka	Other											
Toshihiro Uchiyama	From another company											
Shigeru Murayama	From another company											
Michiko Chiba	Certified Public Accountant											
Yoko Seki	Attorney-at-law											

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/company auditor
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

External Directors' Relationship with the Company (2) [updated]

Name	Audit and Supervisory Committee Member	Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Takuya Nakata		○	None	Takuya Nakata served as Director, President and Representative Executive Officer of Yamaha Corporation and has held other important positions, and possesses long years of management experience and outstanding insight. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. He also meets the independence criteria set by the Company, and has no conflict of interest with general shareholders. Accordingly, we have appointed him as an independent director.
Tsuneyoshi Tatsuoka		○	None	Although Tsuneyoshi Tatsuoka has never been directly involved in corporate management in the past other than through acting as an External Director or an External Audit and Supervisory Board Member, he has held important positions at the Ministry of Economy, Trade and Industry, and possesses outstanding insight regarding industrial and economic policies. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. He also meets the independence criteria set by the Company, and has no conflict of interest with general shareholders. Accordingly, we have appointed him as an independent director.
Toshihiro Uchiyama		○	None	Toshihiro Uchiyama served as Director, President and Chief Executive Officer of NSK Ltd. and has held other important positions, and possesses long years of management experience and outstanding insight. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. He also meets the independence criteria set by the Company, and has no conflict of interest with general shareholders. Accordingly, we have appointed him as an independent director.
Shigeru Murayama	○	○	None	Shigeru Murayama served as Representative Director and President of Kawasaki Heavy Industries, Ltd. and has held other important positions and possesses long years of management experience and outstanding insight. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. He also meets the independence criteria set by the Company, and has no conflict of interest with general shareholders. Accordingly, we have appointed him as an independent director.
Michiko Chiba	○	○	None	Although Michiko Chiba has never been directly involved in corporate management in the past other than through acting as an External Director or an External Audit and Supervisory Board Member, she possesses outstanding insight regarding corporate accounting, finance and governance through her abundant experience in auditing operations as a Certified Public Accountant at an auditing firm. For those reasons, we expect that she will be able to contribute to securing the

				soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. She also meets the independence criteria set by the Company, and has no conflict of interest with general shareholders. Accordingly, we have appointed her as an independent director.
Yoko Seki	○	○	None	Although Yoko Seki has never been directly involved in corporate management in the past other than through acting as an External Director or External Audit and Supervisory Board Member, she possesses outstanding insight regarding legal affairs and corporate accounting, etc. as an attorney-at-law and a Certified Public Accountant. For those reasons, we expect that she will be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. She also meets the independence criteria set by the Company, and has no conflict of interest with general shareholders. Accordingly, we have appointed her as an independent director.

Audit and Supervisory Committee

Composition of Audit and Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Audit and Supervisory Committee	5	2	2	3	External Director

Appointment of Directors and/or Staff to Support the Audit and Supervisory Committee	Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

(a) In order to ensure an efficient procedure of the Audit and Supervisory Committee as well as to ensure the increased effectiveness of the audit, the Audit and Supervisory Committee's Section is established and we appoint employees who are exclusively assigned to the section. The employees assigned to the Audit and Supervisory Committee's Section assist the Audit and Supervisory Committee in their duties in obedience to orders of the Audit and Supervisory Committee.

(b) Orders given by the Audit and Supervisory Committee to the employees assigned to the Audit and Supervisory Committee's Section, their transfer, and evaluation of their performance are ensured to be independent from officers who assume executive responsibilities.

Cooperation among the Audit and Supervisory Committee, Accounting Auditors and Internal Audit Division

1. Cooperation between the Audit and Supervisory Committee and accounting auditors
   The Audit and Supervisory Committee holds regular meetings with accounting auditors and actively exchanges opinions and information, including audit plans and reports, to ensure the effectiveness of audits.
2. Cooperation between the Audit and Supervisory Committee and internal audit division
   In October 2005, the Company established internal audit division which is independent from the Company's other departments. This department audits the Nikon Group's systems and business execution from the perspectives of legal compliance, effectiveness, and efficiency. Internal audit division regularly reports the status of internal audit as well as the results of the audit to the Audit and Supervisory Committee. The Audit and Supervisory Committee maintains close coordination with internal audit division by measures including requesting, if necessary, further investigations by internal audit division.

Voluntary Established Committee(s)

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Compensation Committee	Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	External Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nominating Committee	5	0	2	3	0	0	External Director
Voluntarily Established Committee Equivalent to Compensation Committee	Compensation Committee	5	0	2	3	0	0	External Director

Supplementary Explanation

As a voluntary advisory body to the Board of Directors, the Nominating Committee primarily formulates criteria for the election and removal of the chief executive officer, president, and directors, nominates candidates, considers the composition of the Board of Directors, and oversees evaluation and assignment of officers, etc. so as to ensure that decisions on the election and removal of directors and officers, etc. are transparent and objective. From the perspective of conducting appropriate supervision, a majority of the members of the Nominating Committee shall be external directors, and the Committee chairperson shall also be an external director.
The Company recognizes the appointment, dismissal, and systematic training for the successors of its chief executive officer, as a task with utmost importance in achieving its sustainable growth, and the Nominating Committee formulates appointment and dismissal criteria, narrows down successor candidates, monitors their training, and nominates successors.

As a voluntary advisory body to the Board of Directors, the Compensation Committee deliberates and makes proposals for policy regarding executive compensation as well as various related systems so as to ensure objectivity, transparency and linkage with performance in the process of determining executive compensation. From the perspective of conducting appropriate supervision, a majority of the members of the Compensation Committee shall be external directors, and the Committee chairperson shall also be an external director. In addition, one outside expert is invited as an advisor.

Matters Concerning Independent Directors

Number of Independent Directors	6

Other Matters Concerning Independent Directors

The Company has appointed all external directors who meet the requirements for independent directors as independent directors.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-based Remuneration Scheme

Supplementary Explanation for Applicable Items [updated]

Basic policies on compensation
Executive compensation for the Company's Directors and Officers, etc. is determined to satisfy the following basic criteria.
- Executive compensation should motivate Directors and Officers, etc. to sustainably improve corporate and shareholder value, as well as enhance their willingness and morale.
- Executive compensation should help keep, cultivate, and reward excellent personnel.
- The decision-making process for the compensation system should be objective and transparent.

The benchmarks for performance share unit compensation, the policy for determining the ratio between performance share unit compensation and other forms of compensation, and the method for determining the amount of such performance share unit compensation are disclosed in the Corporate Governance Guideline
https://www.nikon.com/company/ir/governance/organization/guideline/

Persons Eligible for Stock Options	

Supplementary Explanation for Applicable Items

None

Director Compensation

Status of Disclosure of Individual Director's Compensation	Disclosure for Selected Directors

Supplementary Explanation for Applicable Items [updated]

The following information is disclosed in the Annual Securities Report.

- The number of recipients and the total amount of compensation, etc. by type of compensation (fixed compensation, bonuses, and stock compensation), categorized into Directors who are not Audit and Supervisory Committee Members, Directors who are Audit and Supervisory Committee Members, and External Directors, for the fiscal year under review
- The individual amount and total amount of compensation, etc. for each officer whose total compensation, etc. for the fiscal year under review was 100 million yen or more

The 162nd Annual Securities Report, page 68
https://www.jp.nikon.com/company/ir/ir_library/sr/
*Currently, Annual Securities Reports are only available in Japanese.

The following information is disclosed in the Notice of the Annual General Shareholders' Meeting.

- The number of recipients and the total amount of compensation, etc. by type of compensation (fixed compensation, bonuses, and stock compensation), categorized into Directors who are not Audit and Supervisory Committee Members and Directors who are Audit and Supervisory Committee Members, with External Directors presented as a subset of each category, for the fiscal year under review

The Notice of the 162nd Annual General Shareholders' Meeting, page 44
https://www.nikon.com/company/ir/stock_info/meeting/

Policy on Determining Compensation Amounts and Calculation Methods [updated]	Established

Disclosure of Policy on Determining Compensation Amounts and Calculation Methods [updated]

Compensation for Directors who are not Audit and Supervisory Committee Members, Officers, etc. is deliberated on by the Compensation Committee by comprehensively taking into account the titles, duties, responsibilities, and other situations, and based on the results of such deliberations, determined by the Board of Directors. Compensation for Directors who are Audit and Supervisory Committee Members is determined by consultation among Directors who are Audit and Supervisory Committee Members.
The majority and chair of the Compensation Committee are Independent External Directors, and the Compensation Committee takes into account the compensation levels of major Japanese companies that globally develop their businesses, so as to determine the compensation amount consistent with the Company's performance and business scale.

Basic policies for decisions on compensation, etc. for individual Directors and Officers, etc. are disclosed in the Annual Securities Report and the Notice of the Annual General Shareholders' Meeting.
The 162nd Annual Securities Report, page 70-71
https://www.jp.nikon.com/company/ir/ir_library/sr/
*Currently, Annual Securities Reports are only available in Japanese.

The Notice of the 162nd Annual General Shareholders' Meeting, page 25–27
https://www.nikon.com/company/ir/stock_info/meeting/

Support System for External Directors

The system is same as that for other directors. Specifically, necessary information is sent to each officer through Secretary Section, etc. Information from each officer is also transmitted to the relevant departments through the Secretariat, etc.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc. [updated]

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part-time, with/without compensation, etc.)	Date when former role as president/ CEO ended	Term
Shigeo Ono	Senior Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 28, 2001	Not stipulated
Shoichiro Yoshida	Senior Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 29, 2005	Not stipulated
Teruo Shimamura	Senior Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 29, 2005	Not stipulated
Michio Kariya	Senior Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 28, 2012	Not stipulated
Makoto Kimura	Senior Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 29, 2017	Not stipulated
Kazuo Ushida	Senior Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 24, 2024	March 31, 2031
Toshikazu Umatate	Honorary Counselor	Industry group activities and social contribution activities (no involvement in management)	Part-time, without compensation	June 26, 2026	June 25, 2036

Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc. [updated]	7

Other Related Matters

None

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Compensation Decisions (Overview of Current Corporate Governance System) [updated]

1. Overview of Current Governance Structure

(a) Board of Directors

(i) Roles of the Board of Directors

The Board of Directors supervises management by directors and assumes the decision-making functions regarding matters prescribed under laws and regulations, the Articles of Incorporation of the Company, as well as the important matters concerning the Nikon Group. For the purpose of clarifying the scope of delegation to executive directors and officers while ensuring prompt decision-making and management by executive directors and officers, the Company specifically sets out the matters subject to deliberation at Board of Directors' meetings in the criteria for matters subject to deliberation and reporting at Board of Directors' meetings. For example, the Board of Directors makes decisions on matters concerning important management issues, including the basic management policies, the Medium-Term Management Plan, the annual plan, the Basic Policy on Internal Control System, and investments and loans exceeding a certain amount.

(ii) Composition and the size of the Board of Directors
To accomplish its management strategy, the Company selects the specific skills expected from its directors and authorizes them following the deliberation by the Nominating Committee. The skills include knowledge on and experience in corporate management, management strategy, internal control, and governance as well as the Company's business characteristics and issues. The composition of the Board of Directors is designed to ensure that each director possesses these skills in a well-balanced manner and the Board as a whole can demonstrate its effectiveness, taking into account the need to maintain diversity and an appropriate number of directors. Moreover, in order to further strengthen the supervisory function of the Board of Directors, the Company has appointed six independent external directors. Of these, three are external directors with management experience at other companies. The skills matrix of the Company's directors is disclosed on the following website:
https://www.nikon.com/company/ir/governance/organization/

(iii) System for operating, gathering information, and supporting the Board of Directors
The Company strives to provide appropriate and necessary information to directors for effectively fulfilling their roles and responsibilities. Meanwhile, at the meetings of the Board of Directors, the Company carries out prior distribution of relevant materials to the attendees of the meetings of the Board of Directors, and advance briefing to external directors as necessary, to ensure constructive discussion and exchange of opinions.

(iv) Evaluating the effectiveness of the Board of Directors
The Board of Directors will analyze and evaluate its effectiveness each year and disclose a summary of the results thereof. Based on the results, the Board of Directors will work on measures for further improving its functions.

(b) Audit and Supervisory Committee

(i) Roles of the Audit and Supervisory Committee
The Audit and Supervisory Committee audits and supervises the status of management by directors other than those who are Audit and Supervisory Committee members, and officers etc. as an independent body. For such a purpose, Audit and Supervisory Committee members regularly attend the important meetings of the Board of Directors as well as important meetings such as the Executive Committee, and conducts audits and supervision over management and directors.

(ii) Composition and the size of the Audit and Supervisory Committee
The Audit and Supervisory Committee shall maintain an adequate number of members, within five members as prescribed in the Articles of Incorporation, to ensure highly effective audits and supervision. Furthermore, members with the appropriate experience and capabilities as well as knowledge in the areas of finance, accounting and legal affairs shall be appointed. In particular, at least one member with ample knowledge in the areas of finance and accounting shall be appointed. In addition, for the purpose of further enhancing independence and neutrality of the audit system, the majority of the Audit and Supervisory Committee shall be comprised of independent external directors. The Company currently has appointed four persons with sufficient knowledge of finance and accounting matters.

The following shows the names of the Certified Public Accountants who performed services in fiscal year 2025 and the composition of the assistants for auditing services.

- Names of the Certified Public Accountants who performed services
  Motoyuki Suzuki and Kazuya Shinjo, Designated Engagement Partner
- Composition of assistants for accounting and auditing services
  Certified Public Accountants: 20, Persons who passed the CPA examination: 4, Others: 31

2. Status of measures to strengthen the functions of the Audit and Supervisory Committee
The Company takes the following initiatives to strengthen the functions of the Audit and Supervisory Committee.

(a) The Company has appointed three independent external directors who are Audit and Supervisory Committee members. Each of them has abundant knowledge and experience as an executive, attorney, or Certified Public Accountant at other companies. We expect them to perform their auditing and supervisory functions adequately.

(b) Satoshi Hagiwara and Seiji Kikuchi, Directors who are full-time Audit and Supervisory Committee members, have long-term experiences in the Finance & Accounting Division at the Company, and Michiko Chiba and Yoko Seki are Certified Public Accountants. Accordingly, they have considerable knowledge of finance and accounting.

(c) Matters concerning employees assisting the Audit and Supervisory Committee

(i) In order to ensure an efficient procedure of the Audit and Supervisory Committee as well as to ensure the increased effectiveness of the audit, the Audit and Supervisory Committee's Section is established and we appoint employees who are exclusively assigned to the section. The employees assigned to the Audit and Supervisory Committee's Section assist the Audit and Supervisory Committee in their duties in obedience to orders of the Audit and Supervisory Committee.

(ii) Orders given by the Audit and Supervisory Committee to the employees assigned to the Audit and Supervisory Committee's Section, their transfer, and evaluation of their performance are ensured to be independent from officers who assume executive responsibilities.

(d) A reporting framework to the Audit and Supervisory Committee

(i) An Audit and Supervisory Committee member of the Company has the authority to attend major meetings. This ensures that the Audit and Supervisory Committee members have opportunities to constantly understand the status of operations and the decision-making process of the Group.

(ii) A framework is being developed to ensure appropriate and effective reporting to the Audit and Supervisory Committee of the Company regarding facts that can potentially cause damage to the Company, information obtained through the whistleblowing hotline, or items to be reported at the Audit and Supervisory Committee as previously agreed with directors.

(iii) Internal audit division regularly reports the status of internal audit as well as the results of the audit to the Audit and Supervisory Committee of the Company. The Audit and Supervisory Committee of the Company maintains close coordination with internal audit division by measures including requesting, if necessary, further investigations by internal audit division.

(iv) The Company ensures that parties who make reports to the Audit and Supervisory Committee of the Company do not receive any negative treatment, by stipulating rules to forbid retaliation against parties that make reports to the whistleblowing hotline.

(e) Matters regarding policies related to processing expenses or liabilities arising from performance of duties by Audit and Supervisory Committee members of the Company

Expenses related to the duties of Audit and Supervisory Committee members of the company are budgeted annually to a certain amount by request of the Audit and Supervisory Committee, and for necessary expenses, the Company makes payments that are in excess of the budget, pursuant to laws and regulations. Additionally, the Company also makes payments, as required, for expenses required to appoint outside specialists.

(f) A framework to ensure effective audit by the Audit and Supervisory Committee of the Company

(i) While ensuring independence of the Audit and Supervisory Committee of the Company from management functions, this framework enables the Audit and Supervisory Committee of the Company to hold regular meetings with the representative director in order to exchange opinions regarding issues to be dealt with by the Company, or important tasks pertaining to audits, and to make necessary requests, consequently deepening the mutual understanding between them.

(ii) The Audit and Supervisory Committee of the Company holds regular meetings with the accounting auditor, to actively exchange opinions and information.

3. Reasons for Adoption of Current Corporate Governance System

1. Reasons for adoption of the current corporate governance system

   The Group aims to contribute to sustainable development of society founded on its corporate philosophy “Trustworthiness & Creativity,” unchanging principles, and the basis of all the Group’s activities.

   Based on its corporate philosophy, the Group will carry out highly transparent management by fulfilling its fiduciary responsibilities toward shareholders as well as its responsibilities toward all stakeholders, including customers, employees, business partners and society, with a sincere and diligent attitude. In addition, the Nikon Group will strive to achieve sustainable growth and enhancement of its corporate value over the medium-to-long term, by improving management efficiency and transparency and further strengthening the supervisory function over management in light of the purposes of Japan’s Corporate Governance Code.

   Based on this approach, aiming to further enhance corporate governance, Nikon adopted a company with an Audit and Supervisory Committee. This position further strengthens the supervisory function of the Board of Directors as it strives to streamline decision-making and clarify management responsibility arising through delegation of authority.

2. Roles and function of external directors

   Each external director has a wealth of knowledge and experience as executives of other companies, or expertise and experience as an attorney, Certified Public Accountant, or other experts. They are qualified to take part in the management supervision function from a fair and objective standpoint independent of management. The Company believes that the role of each of them in expressing their opinions based on a broad perspective is valuable for realizing the Group’s corporate philosophy “Trustworthiness & Creativity.”

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meetings of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Delivery of Notice of the General Meeting of Shareholders	The Company delivers the notice three weeks in advance to inform shareholders of the agenda and other items.
Electronic Exercise of Voting Rights	For the convenience of its shareholders, the Company supports the exercise of voting rights by electronic means.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	For the convenience of its shareholders, the Company uses an electronic voting platform.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The Company prepares the notice in English.
Other	The Company posts the notice (in Japanese) on its website one week prior to the date of distribution.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Company discloses its disclosure policy on the following website: https://www.nikon.com/company/ir/management/ir_policy/	
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds quarterly financial results briefings with representatives or the officer in charge of the Company. In addition, IR staff members hold individual meetings with analysts and institutional investors in Japan and overseas as needed.	Yes
Regular Investor Briefings held for Overseas Investors	Several times a year, the Company's representatives, the officer in charge, and IR staff members provide briefings to investors in North America, Europe, and Asia.	Yes
Online Disclosure of IR Information	The Company widely discloses its messages from Top Management, financial results, annual securities reports, integrated reports, and other information on the following website: https://www.nikon.com/company/ir/	
Establishment of a department (person in charge) for IR	Investor Relations Section, Finance & Accounting Division	

3. Status of Measures to Ensure Due Respect for Stakeholders [updated]

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	Under the Nikon Code of Conduct, the Company strives to earn the trust of its stakeholders by conducting sound and fair corporate activities.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The Company has long been committed to sustainability in its management and has established a Sustainability Policy approved by the Board of Directors. It aims to contribute to a sustainable society and achieve sustainable growth for the Company by embodying the Company's corporate philosophy "Trustworthiness & Creativity." In addition, the Company has established the Nikon Code of Conduct as a basic stance on sustainability and standards for actions to be taken based on this stance and has also endorsed and joined the United Nations Global Compact and the Responsible Business Alliance (RBA), an international initiative, and is promoting activities accordingly. Furthermore, as a global corporation, the Company has established policies by issues to more clearly express the Company's stance and direction on social issues that draw international attention. In February 2025, responding to the worsening environmental issues and growing social expectations for corporate initiatives, the Nikon Environmental Activity Policy was renamed to the Nikon Environmental Policy to further clarify the activity guidelines. In April 2025 we revised the, "Nikon Human Rights Policy" to respond to societal demand and changes in business content, and to further promote initiatives to respect human rights. As a framework for promoting these initiatives, the Company established the Sustainability Committee (renamed to the current name in April 2022) in 2006, with the President acting as chairperson. Members of the Executive Committee and all general managers of business units and divisions are appointed as members of the Sustainability Committee. Audit and Supervisory Committee members also attend the Sustainability Committee meetings as observers. Moreover, the Company established the Environmental Subcommittee, the Supply Chain Subcommittee, the Human Rights Subcommittee, and the Europe Subcommittee (newly established in April. 2026) under the Sustainability Committee to deliberate specific countermeasures, and holds liaison meetings between the Committee and the Risk Management and Compliance Committee (renamed to the current name in April 2025) to communicate about sustainability risks management, thereby working together to respond to sustainability issues and risks. Furthermore, the Sustainability Committee reports matters deliberated at the Committee to the Board of Directors, and the Board of Directors supervises the appropriateness, effectiveness, and risks of the Committee's activities. In launching its new medium-term management plan (FY2026–2030) in April 2026, the Nikon Group reviewed its "materialities" and selected "Key Themes" to focus on. Specifically, we identified "creating social value through our businesses," "empowering diverse talent and strengthening organizational capabilities," and "deepen our co-creation value chain" as three "Key Themes for Creating Value" linked to our businesses. We have defined "enriched spirits," "more precise treatment and health," "future of a digital society," and "manufacturing solutions" as the areas of contribution to which the Group will contribute through its business. In addition, to address challenges related to people, society, and the global environment, and fulfill our responsibilities as a member of a sustainable society, we have identified eight "Key Themes for Building Trust": "respect for human rights across the value chain," "quality and safety of products and services," "supply chain resilience," "information security and cybersecurity," "addressing climate change," "promoting resource circularity," "pollution prevention and ecosystem protection," and "thorough compliance." For each of these eight key themes, we have established a vision, strategies, and benchmarks and targets. The Sustainability Committee manages the progress of these activities and steadily implements the PDCA cycle to promote sustainability activities and support value creation. In particular, with regard to addressing climate change, the Company has set the target of achieving net zero* greenhouse gas (GHG) emissions throughout the value chain following the requirements of the Science Based Targets (SBT) initiative by the fiscal year ending March 31, 2051 given the critical global situation in recent years. This target has been certified by the SBT initiative as the net-zero target in line with criteria of "1.5°C target" required by the Paris Agreement. The Company has participated in the RE100, with the goal of

	sourcing 100% of the electricity used by business activities from renewable energy by the fiscal year ending March 31, 2031. Further, regarding respect for human rights across the value chain, we will further promote initiatives aligned with the United Nations Guiding Principles on Business and Human Rights, responding to its importance and growing social demand. We will establish a contact point for remediation and continue to conduct due diligence, including a follow-up survey on human rights risks, analyzing outcomes, and implementing corrective actions. To report the progress of these efforts to stakeholders and to promote active communication, the Company publishes the Sustainability Report every year. In addition, it discloses sustainability information in its Nikon Reports (Integrated Reports) and Annual Securities Reports. The Company also publishes a statement in response to the United Kingdom Modern Slavery Act and a report on responsible mineral procurement. In addition, the Company works to enhance the dissemination of ESG-related information through its website. At the same time, the Company is proceeding with the preparations to appropriately respond to the future legislation of disclosing sustainability information. * Net-zero means reducing GHG emissions (Scope 1,2, and 3) across the value chain by 90% and neutralizing remaining emissions in accordance with standards set by the SBT initiative.
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Company has established the Disclosure Policy, which includes the policy for providing information to shareholders and investors, in an effort to further deepen their understanding of the Company.

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development [updated]

The Company believes that the reinforcement of its corporate governance plays a pivotal role in achieving "a fair and transparent management deserving of stakeholders' confidence," and intends to increase its effectiveness by improving the quality of its internal controls. The Company acknowledges that the achievement of effective and efficient business processes, the credibility of financial reports, the compliance with relevant laws and regulations, and the preservation of the Company's assets and its subsidiaries (hereinafter the "Group") are the management's responsibility. Accordingly, the Company will prepare and refine a framework, including its internal regulations as well as its organization, to ensure fair business activity in compliance with the Japanese Companies Act and implementing regulations of the said Act.

1. A framework to ensure that performance of duties of directors, etc. and employees of the Group is in compliance with relevant laws and regulations as well as the articles of incorporation
   (1) In order to permeate and establish awareness of corporate ethics, the Company has established the Nikon Code of Conduct, which shows the Group's basic stance on corporate social responsibility and the standards of behavior to ensure sensible conduct by directors, officers and employees of the Group, based on a high level of morality, pursuant to relevant laws and regulations as well as internal regulations.
   (2) The Risk Management and Compliance Committee regularly performs its function in order to ensure legitimate, fair, and sound corporate behavior. In addition, the Sustainability Committee conducts activities for improving, fostering and educating on issues surrounding sustainability, including social responsibility.
   (3) Regarding the elimination of anti-social forces and groups, the Company has defined its basic approach in the Nikon Code of Conduct. Additionally, the Company is establishing a system to liaison with attorneys and police forces, to take steadfast action as an organization.
   (4) The Basic Policy on internal control over financial reporting has been established to ensure credibility of financial reporting by the Group. Frameworks to enable the foregoing are being prepared and improved.
   (5) Internal audit division, as an independent organization from business execution departments, examines whether operations within the Group are conducted in compliance with relevant laws and regulations as well as internal regulations, and when necessary, makes recommendations as to how such operations can be improved.
   (6) A whistleblowing hotline is established and administered in order to fully implement compliance by the Group and prevent or correct behaviors that violate social regulations or corporate ethics.

2. A framework to ensure an efficient performance of duties, by directors of the Group etc.
   (1) At the Company and domestic subsidiaries, the executive officer system provides a clear definition of the authority and responsibility in performance of an officer's duty, resulting in quick decision-making as well as an efficient performance of the officer's duty.
   (2) Rules of authority clearly define the scope of authority and responsibility for each post as well as each organization within the Group and are administered, to ensure organized and efficient performance of duties.
   (3) Meeting structures such as the Executive Committee, as well as other committees and meeting bodies are established and are administered at the Company to enable efficient decision-making and performance of duties for the Group by directors of the Company. Among such organizations, the Executive Committee primarily consists of executive directors, deliberates about and resolves major issues regarding management, general internal controls, and guidelines about general operations of the Company's business, in accordance with the basic direction of management as determined by the Board of Directors. Major issues are reported to the Executive Committee by each department.
   (4) In accordance with the Company's corporate philosophy of "Trustworthiness & Creativity," management targets of the Group are defined within annual plans as well as within the Medium-Term Management Plans and implemented as specific measures. In order to achieve annual targets, management of operations is carried out through divisional organization. A meeting is regularly held to examine business issues and responses to them. The achievement level of annual targets is evaluated and validated based on the Achievement Evaluation System.

3. A framework aimed at preservation and control of information relating to the performance of duties by directors of the Company
   (1) Information regarding resolutions, decisions, and reports pertaining to performance duties by directors of the Company is preserved until such time as provided in the Regulations of the Board of Directors, the Regulations of the Executive Committee, and the Nikon Group Information Management Rules. The information control system is designed to allow access, when needed, from directors, as well as the accounting auditor.
   (2) As for security of information, an information security division controls centralized management for information management within the Group and manages coordination and reinforcement of an information management framework within the Group. Further, the common rules in the Group are being established and these rules intend to make definitions of the access level per category and relevance, password control, measures for preventing leaks, manipulations and destructions of proprietary information and other matters generally and thoroughly known by directors, officers and employees within the Group.

4. A framework including rules concerning management of the Group loss risk
   (1) In accordance with our recognition of identification, assessment, and control of risk factors potentially affecting operations and business continuity as critical issues, the Company develops a framework to appropriately control risks by, for example, having the Risk Management and Compliance Committee ascertain risks related to the Group and

determine a policy for responding to such risks. Furthermore, regarding the risks requiring the involvement of specialized experts, such as those related to sustainability and quality, the Sustainability Committee and the Quality Committee will ascertain and control such risks, and share information with the Risk Management and Compliance Committee. Through these measures, the Company will establish and ensure compliance with regulations for each risk, and develop a framework to appropriately control risks related to the Group.

(2) Internal audit division audits the status of risk control by the above committees and others and evaluates its effectiveness on a regular basis, and reports to the Audit and Supervisory Committee and the Board of Directors. The Board of Directors develops a framework whereby it can implement corrective measures when necessary.

5. A framework regarding reporting to the Company of matters related to performance of duties by directors of subsidiaries
A framework is being placed for important matters at subsidiaries to be reported and decided upon by the Company in compliance with the Decision and Reporting Rules for Subsidiaries.

6. Matters concerning employees assisting the Audit and Supervisory Committee
(1) In order to ensure an efficient procedure of the Audit and Supervisory Committee as well as to ensure the increased effectiveness of the audit, the Audit and Supervisory Committee's Section is established and the Company appoints employees who are exclusively assigned to the section. The employees assigned to the Audit and Supervisory Committee's Section assist the Audit and Supervisory Committee in their duties in obedience to orders of the Audit and Supervisory Committee.
(2) Orders given by the Audit and Supervisory Committee to the employees assigned to the Audit and Supervisory Committee's Section, their transfer, and evaluation of their performance are ensured to be independent from officers who assume executive responsibilities.

7. A reporting framework to the Audit and Supervisory Committee
(1) An Audit and Supervisory Committee member of the Company has the authority to attend major meetings. This ensures that the Audit and Supervisory Committee members have opportunities to constantly understand the status of operations and the decision-making process of the Group.
(2) A framework is being developed to ensure appropriate and effective reporting to the Audit and Supervisory Committee of the Company regarding facts that can potentially cause damage to the Company, information obtained through the whistleblowing hotline, or items to be reported at the Audit and Supervisory Committee as previously agreed with directors.
(3) Internal audit division regularly reports the status of internal audit as well as the results of the audit to the Audit and Supervisory Committee of the Company. The Audit and Supervisory Committee of the Company maintains close coordination with internal audit division by measures including requesting, if necessary, further investigations by internal audit division.
(4) The Company ensures that parties who make reports to the Audit and Supervisory Committee of the Company do not receive any negative treatment, by stipulating rules to forbid retaliation against parties that make reports to the whistleblowing hotline.

8. Matters regarding policies related to processing expenses or liabilities arising from performance of duties by Audit and Supervisory Committee members of the Company
Expenses related to the duties of Audit and Supervisory Committee members of the Company are budgeted annually to a certain amount by request of the Audit and Supervisory Committee, and for necessary expenses, the Company makes payments that are in excess of the budget, pursuant to laws and regulations. Additionally, the Company also makes payments, as required, for expenses required to appoint outside specialists.

9. A framework to ensure effective audit by the Audit and Supervisory Committee of the Company
(1) While ensuring independence of the Audit and Supervisory Committee of the Company from management functions, this framework enables the Audit and Supervisory Committee of the Company to hold regular meetings with the representative director in order to exchange opinions regarding issues to be dealt with by the Company, or important tasks pertaining to audits, and to make necessary requests, consequently deepening the mutual understanding between them.
(2) The Audit and Supervisory Committee of the Company holds regular meetings with the accounting auditor, to actively exchange opinions and information.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

Regarding elimination of anti-social forces and groups, the Company has defined its basic approach in the Nikon Code of Conduct. Additionally, the Company is establishing a system to liaison with attorneys and police forces, to take steadfast action as an organization.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items

None

2. Other Matters Concerning the Corporate Governance System

Overview of Timely Disclosure System

Recognizing the importance of ensuring credibility from the perspective of stakeholders, the Company strives to disclose corporate information in a timely, appropriate, and fair manner. In the course of business, the Company is committed to compliance with all applicable laws, regulations, and internal rules and will continue to make diligent efforts to improve its system for timely disclosure.

1. Collection of disclosure information

   Through internal rules and systems, the Company has realized a system for quickly identifying facts and other information that have a significant impact on management and reporting it to those responsible. The Company has established the Executive Committee as a decision-making body for the management and business execution of the Group. The committee deliberates or reports on matters ranging from overall Group management to the operations of each division and company in accordance with the standards for deliberation, which cover information on decisions, events, financial results, and consolidated subsidiaries that is required to be disclosed under the Timely Disclosure Rules. Important matters are resolved and reported at the Board of Directors' meetings.

   In addition, the Company holds regular meetings to report on its business activities and uses IT systems to collect and keep track of the management information as needed.

2. Publication of disclosure information

   The department in charge of information disclosure is the Investor Relations Section. The Group Governance & Administration Department, which is the secretariat of the Executive Committee, will discuss whether or not timely disclosure is necessary in conjunction with the Investor Relations Section, Corporate Communications Department, and the department in charge of the matter. Information on important decisions and financial results are promptly disclosed in a timely manner after they are resolved by the Executive Committee and the Board of Directors. Important events are disclosed in a timely manner without delay after they are reported to the Executive Committee and the Board of Directors (including extraordinary meetings).

   In order to prevent insider trading, which is prohibited under the Financial Instruments and Exchange Act, the Company has established the Nikon Group Insider Trading Rules. The Rules stipulate self-regulatory rules for stock trading and information management in the event that persons engaged in the operations of Group companies come to know undisclosed material facts, etc. of listed companies, etc., including the Company in the course of their duties. The Company has made sure that all employees are aware of these rules.

END

Schematic diagram of the corporate governance system