

OLYMPUS[®]

Your Vision, Our Future

**Olympus Corporate Social
Responsibility Report Digest**

Toward the Realization of a Better Livelihood and Happiness

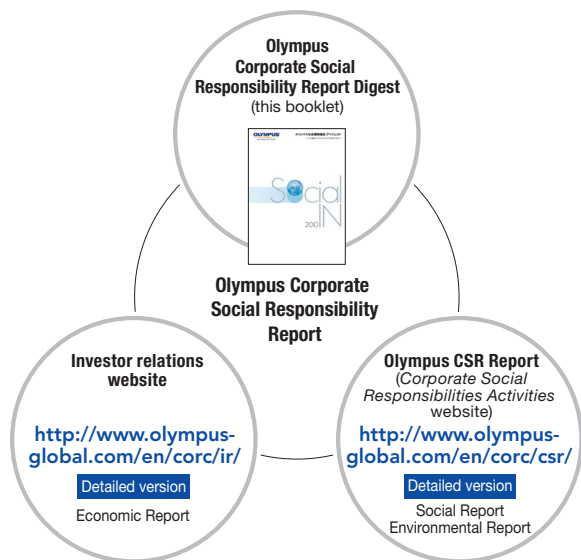
Social
IN
2010

Introduction

The Olympus Group began to publish its “Environmental Report” in 2000. In 2005 the report was expanded to include information concerning corporate governance and the social aspects of the Group’s activities, and the title was changed to the “Corporate Social Responsibility Report”.

Since 2008, the booklet has taken the form of a digest of the information provided on the Olympus Group CSR website. It is designed to provide a clear overview of the corporate activities of the Olympus Group, together with information about policies, initiatives and significant events in the current business year.

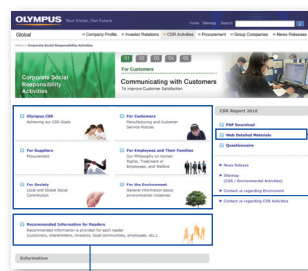
Overview of Corporate Social Responsibility Information



This Report and the Olympus CSR website

The notation **WEB WEB** indicates that more detailed information is available on our website. Please see the Web Detailed Materials to find addresses relating to specific sections of this booklet.

WEB Olympus CSR website
<http://www.olympus-global.com/en/corc/csr/>
Web Detailed Materials
<http://www.olympus-global.com/en/corc/csr/wdata/2010/>



The Web Detailed Materials can be found on the website.

The website provides information about the Group’s CSR policies, detailed case studies and information for each stakeholder category.

There are also sections presenting information designed for specific groups of stakeholders, such as consumers, shareholders and investors.

Scope of Report

Period:
 April 1, 2009 - March 31, 2010

Organizations:

Economic Report	Olympus Corporation and its consolidated subsidiaries and affiliated companies
Social Report	Olympus Corporation, Olympus Imaging Corporation, Olympus Medical Systems Corporation
Environmental Report	Olympus Group parent company, major production and logistics subsidiaries in Japan and major overseas production subsidiaries

* The ITX Group is in principle excluded from the scope of this report.

* In August 2009, the Olympus Group divested its diagnostic systems business to the Beckman Coulter Group. As a result, the diagnostic systems business is excluded from the scope of this CSR report.

* The data is continually reviewed and updated from time to time on the Olympus Group CSR website.

Reference Guidelines

Environmental Reporting Guidelines of the Ministry of the Environment, Japan (2007 edition)

* Comparative tables pertaining to the Environmental Reporting Guidelines of the Ministry of the Environment and the United Nations Global Compact have been placed on the Olympus Group CSR website.

Environmental Accounting Guidelines of the Ministry of the Environment, Japan (2005 edition)

Profile of the Olympus Group

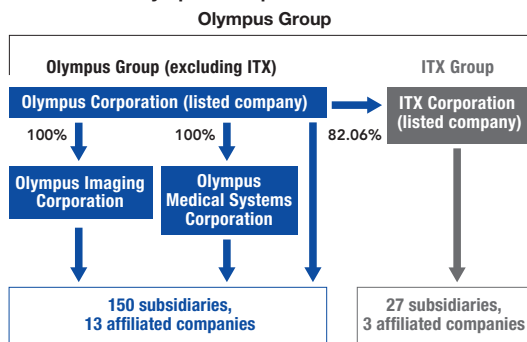
See the investor relations section for detailed and current information.

WEB Investor Relations Information
<http://www.olympus-global.com/en/corc/ir/>

Olympus Corporation

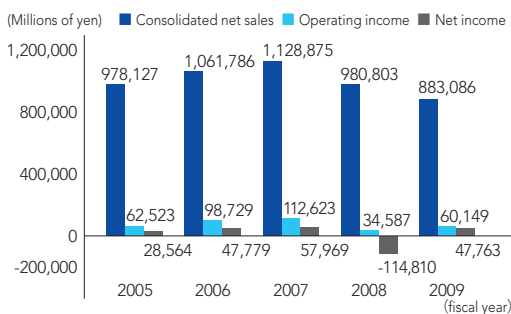
Established	October 12, 1919
Head office	Shinjuku Monolith 3-1, Nishi-Shinjuku 2-chome, Shinjuku-ku, Tokyo 163-0914
Activities	Manufacture and sale of precision machinery and instruments
Capital	¥48,332 million
Employees	35,376 (consolidated) 3,119 (non-consolidated)
Consolidated net sales	¥883,086 million

Outline of the Olympus Group

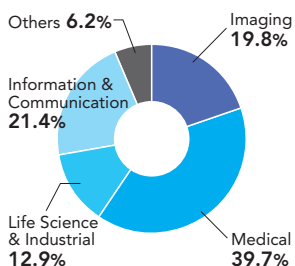


*Percentage figures indicate shares of voting rights held.

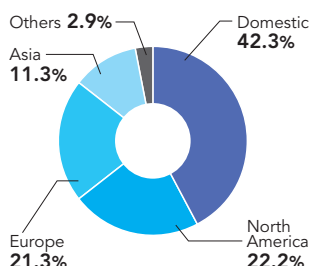
Consolidated Net Sales, Operating income and Net Income



Consolidated net sales by segment (year ended March 31, 2010)



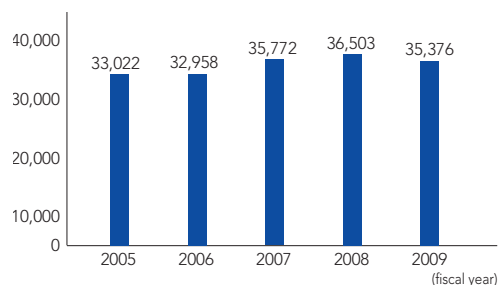
Consolidated net sales by region (year ended March 31, 2010)



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Number of employees (consolidated)



Olympus Vision

Social IN - Olympus aims to realize a better livelihood and happiness for all through its activities as a value-creating enterprise.

At a time of increasingly globalized economic activity and information flows, poverty and global environmental problems still seriously affect many parts of the world. These serious social issues cannot be solved solely by those directly involved and require initiatives by the whole of society but its expectations toward businesses are also rising in this context.

In this environment, I believe that it is more important than ever for Olympus to listen carefully to the voices of society so that we properly understand what society expects from us and what changes we need to make in order to fulfill those expectations. I also believe that this is the only way in which Olympus can achieve sustainable growth as a member of society.

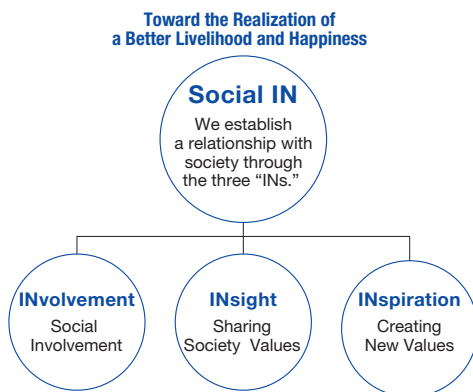
In the year ended March 2010, we divested our diagnostic systems business. That decision affected many stakeholders, including employees and, from a management perspective, I felt a profound sense of responsibility. However, we concluded that we could achieve a better outcome for employees working in that area by divesting the business,

rather than by retaining it as part of Olympus, and they would still be able to contribute to medical science by making effective use of technology assets built up over many years.

In the year ending March 2010, we launched a new medium-term Corporate Strategic Plan (CSP). Under this five-year plan, we will create a structure that will allow the continuous development and assessment of the unique CSR activities that the Olympus Group has undertaken in various regions and business segments. That structure will be the basis for CSR management under a more uniform group-wide strategy.

The foundation for these initiatives is based on our Social IN management philosophy. This philosophy represents our commitment to help all people achieve health and happiness by working as an integral member of society, by sharing our values and by offering new values to society through our business activities. I believe that the goal of the Social IN philosophy is to maximize the stakeholder value of Olympus by ensuring that everyone who is associated with Olympus can feel pride in that relationship, and by working through frank and open dialogue. This will build a

Management Philosophy of the Olympus Group



Social IN comes from Social Value IN the Company, a concept of incorporating social value into the Company's activities. The philosophy is also based on the three INs of INvolvement, INsight, and INspiration defining the relationship of the Company and society.

Olympus Group Corporate Conduct Charter (Extracts)

Based on the fundamental concept of Social IN and being fully aware of its responsibilities as a corporate member of society and as a company prized by people with various value systems around the world, the Olympus Group continues to provide value for our society in support of the livelihood and happiness of people all over the world. The Olympus Group, with a strong sense of ethics, engages in global corporate activities while strictly complying with relevant laws and regulations.

Policies for Corporate Activities

1. Sound corporate activities
2. Act on behalf of the customer

Involvement with People

3. Respect for human rights
4. Working environment with vitality

Involvement with Society

5. Harmony with the environment
6. Good relationship with the community

WEB

<http://www.olympus-global.com/en/corc/csr/olycsr/philosophy/csrcorporate/>

strong and trusting win-win relationship with all stakeholders, including employees and their families, customers, suppliers, shareholders, NGOs and NPOs, communities and society throughout the world. As part of our commitment to the realization of the Social IN philosophy, we have joined the United Nations Global Compact (GC), and we are continually working to fulfill the 10 Global Compact guidelines through our business activities.

Examples of our efforts to realize the aims of the Social IN philosophy by contributing to society through our business activities include the “Brave Circle” campaign to eradicate colorectal cancer in Japan and cancer eradication initiatives in other countries. We have also provided ongoing support for efforts to achieve the United Nations Millennium Development Goals (MDGs). A notable initiative in that area was an African photo contest with the theme “Picture This: Caring for the Earth,” which we ran in collaboration with the United Nations Development Programme and the AFP Foundation.

As a business corporation, we have a strong sense of mission toward society’s expectations in such areas as the creation of a low-carbon society, energy conservation and the preservation of biodiversity. This is reflected in our efforts to reduce CO₂ emissions throughout entire product lifecycles, from production and distribution through to use and disposal. Our long-term target, as expressed in the words “Carbon

½ 2020,” is to reduce the environmental burden by cutting our total CO₂ emissions to one-half of the fiscal 2007 level by fiscal 2020. This is an extremely challenging target from a business management viewpoint, but we are determined to work with our employees to realize our goal to become a leading environmental company.

I will conclude by sharing my belief that sincerity is the most important requirement as we work to realize the aim of the Social IN Philosophy. Only if we act in good faith will our stakeholders be able to feel proud of Olympus. We will continue to do our best to contribute to the development of a sustainable society by putting the Social IN philosophy into practice.



Tsuyoshi Kikukawa
President
Olympus Corporation

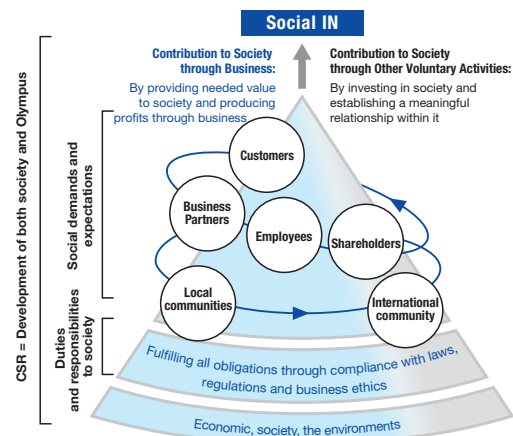
United Nations Global Compact



Olympus joined the United Nations Global Compact program in October 2004. Olympus also supports the “Caring for Climate” statement and signed the Global Compact Climate Initiative in 2009.

WEB [United Nations Global Compact
http://www.unglobalcompact.org/](http://www.unglobalcompact.org/)

CSR Concept of the Olympus Group



Through its CSR activities, the Olympus Group meets the demands and expectations of society while fulfilling its duties and obligations to it.

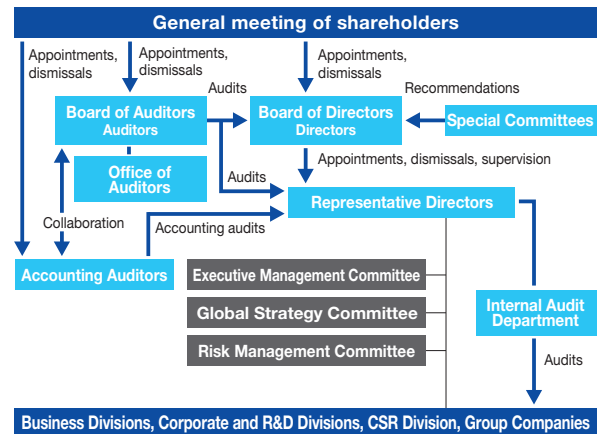
Corporate Governance and CSR Management

Under its Social IN management philosophy, Olympus is working to provide continuing value to its stakeholders by building corporate governance and CSR management systems that are optimal and fair from a global perspective, by clearly defining its business responsibilities and by improving its efficiency.

Corporate Governance ————— Timely Decision-Making and Effective Supervision

The Board of Directors, which consists of 15 directors, including three external directors, normally meets once a month to make timely decisions about management strategies and other important matters, and to provide appropriate supervision of business operations. Directors are appointed for one-year terms, and the performance of each director is assessed annually to ensure the clear identification of responsibilities. To assist with decision-making by the President, Olympus has also established an Executive Management Committee, which in principle meets three times a month. Olympus has further strengthened its corporate governance by establishing an executive officer system. This system is based on the separation of roles between directors, who make management decisions and supervise the performance of business operations, and the executive officers, who manage business operations. Olympus is structured as a company with auditors and has four corporate auditors, including two external corporate auditors. Detailed information about corporate governance, including the corporate auditors, is disclosed in the Corporate Governance Report.

Corporate Governance Structure

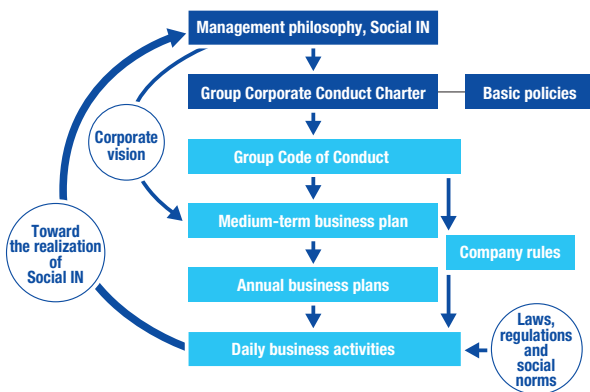


CSR Policies and Linkage between Code of Conduct CSR Policies ————— Strengthening Group-Wide CSR Initiatives

In September 2004, Olympus adopted the Corporate Conduct Charter and Code of Conduct for Olympus Group companies. The purpose of these rules is to ensure that the Olympus Group fulfills its social responsibilities by basing its day-to-day business activities on the Social IN philosophy. The Charter and Code of Conduct require Olympus Group companies to comply with all laws and regulations, to maintain high ethical standards, to disclose corporate information fairly and in a timely manner, and to act fairly and in good faith in their relationships with all stakeholders, including customers, suppliers, shareholders, employees and local communities.

As shown in the table below, we have formulated basic policies, a charter and a philosophy to guide the development of measures based on items in the Olympus Group Corporate Conduct Charter, and we are working to implement these consistently throughout the Olympus Group. We have further strengthened group-wide initiatives based on these policies by establishing dedicated units with specific CSR-related functions.

From Management Philosophy to Policies/Plans/Actions



Linkage to CSR Policies

	Olympus Group Corporate Conduct Charter	Basic CSR-related policies, charter, philosophy
Policies for Corporate Activities	1. Sound corporate activities	Information Security Policy Procurement Policy Personal Information Protection Policy
	2. Act on behalf of the customer	Quality Philosophy Personal Information Protection Policy
Involvement with People	3. Respect for human rights	Human Rights and Labor Policy
	4. Working environments with vitality	
Involvement with Society	5. Harmony with the environment	Environmental Charter
	6. Good relationship with communities	Social Contribution Policy Information Disclosure Policy

Protecting Information

Information Security/Protection of Personal Information

In March 2005, Olympus implemented information security measures based on human, material, organizational and technical perspectives by adopting the Olympus Group Information Security Policy and establishing a group-level Information Security Committee. Educational and awareness programmes are provided for all employees, including security handbooks, e-learning and

“Information Security Month” campaigns. Personal information provided by stakeholders is handled using appropriate methods as stipulated in the Olympus Group Information Security Policy.

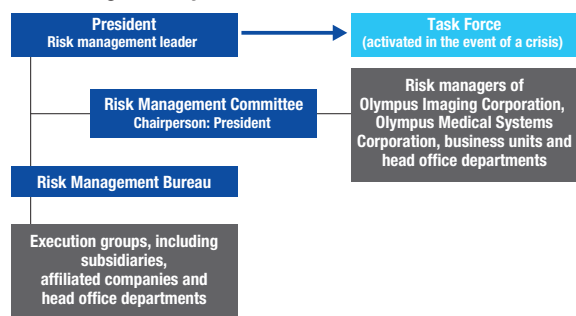
Risk Management System

Special Committee, Chaired by President

Under its risk management rules, Olympus has established systems to minimize risk under normal conditions, prevent crisis situations, and ensure a timely and effective response in the event of a serious crisis. This work is carried out primarily by the Risk Management Committee, which is chaired by the President.

If a serious risk situation occurs, such as an earthquake, fire, accident, or other emergency or a violation of business ethics, emergency reports are submitted to members of the Risk Management Committee, including the President, and other officials through the Risk Management Bureau. Decisions on response actions are taken by the President as the officer responsible for risk management.

Risk Management System



Group-Wide Safety and Health Initiatives

Coordinated System

In the past, safety and health activities were the responsibility of individual work sites and group companies. This system has been replaced with a management structure that provides organized controls and supports a uniform approach across the entire Olympus Group in Japan. Group-wide initiatives, including information sharing, have been expanded and enhanced to ensure that all activities are consistent, regardless of the organizational unit, location or other circumstances.

These changes to the management structure were accompanied by measures to strengthen safety and health activities. The aims of the new system are to improve workplace safety and eliminate industrial accidents, and to facilitate the creation of safe working environments in which all employees, who are the most important corporate assets, can work with confidence and in good health. Another goal is to foster a workplace culture that will give individuals enhanced motivation to achieve their full potential.

Topics

Preventing a Major Risk Factor— Precautions against novel Influenza

The Olympus Group responded to fears of a global epidemic of novel influenza by formulating the Olympus Group Influenza Response Policy and distributing influenza prevention manuals to all employees in Japan.

When H1N1 cases began to spread in Japan in 2009, Olympus immediately established a response headquarters as stipulated in its policy and began to monitor infections

among employees and their families. Preventive measures were implemented, including the installation of hand soap and hand disinfectant dispensers, in an effort to prevent the spread of the disease.

Experience gained during the H1N1 influenza epidemic has been reflected in changes to the Olympus Group's response systems for novel influenza, including the highly virulent H5N1 strain.



A manual describing preventive measures against novel influenza

Our Relationships with Stakeholders

Toward the Realization of a Better Livelihood and Happiness

Olympus is a company dedicated to continuously creating value-added products and services and contributing to health, happiness and livelihood for people. As such, Olympus approaches CSR activities to build win-win relationships with all stakeholders. Details of this commitment can be found on the following website.

WEB Olympus CSR website
<http://www.olympus-global.com/en/corc/csr/>

Olympus aims to improve not only its own corporate value but also that of its suppliers through collaborative CSR initiatives at all stages of the supply chain. Specifically, we are working to strengthen our partnerships with suppliers by ensuring that every transaction is based on compliance with all laws and regulations, respect for human rights as well as the environment, while ensuring that all business dealings are fair and open.

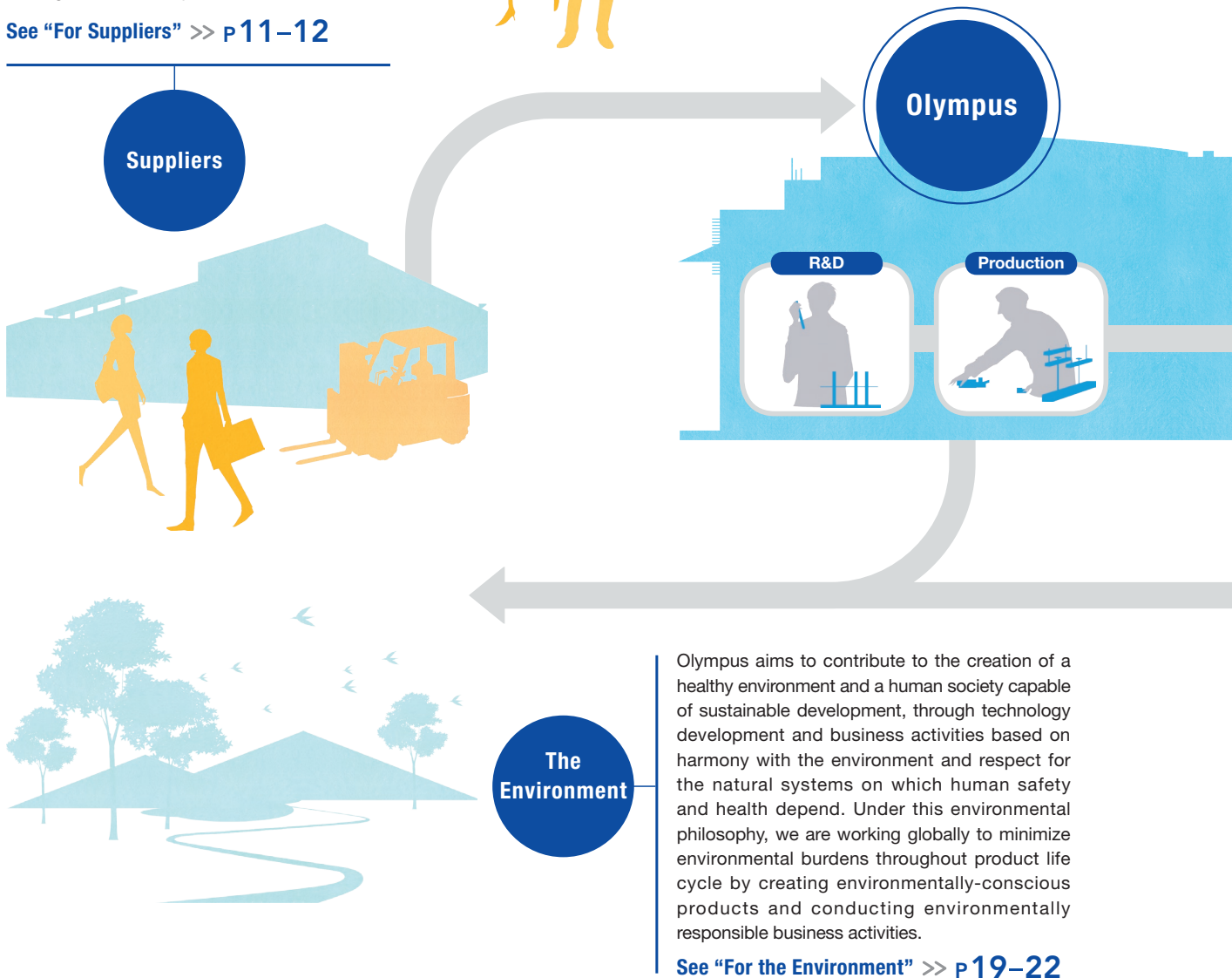
See "For Suppliers" >> P 11-12

Shareholders/ Investors



To ensure consistent compliance with laws and regulations, Olympus has established compliance systems based on its Social IN management philosophy. In fiscal 2009, we continued to provide compliance education for executives and employees. We also assessed the effectiveness of the internal control systems used to ensure the accuracy and reliability of financial reporting.

WEB Olympus Investor Relations website
<http://www.olympus-global.com/en/corc/ir/>

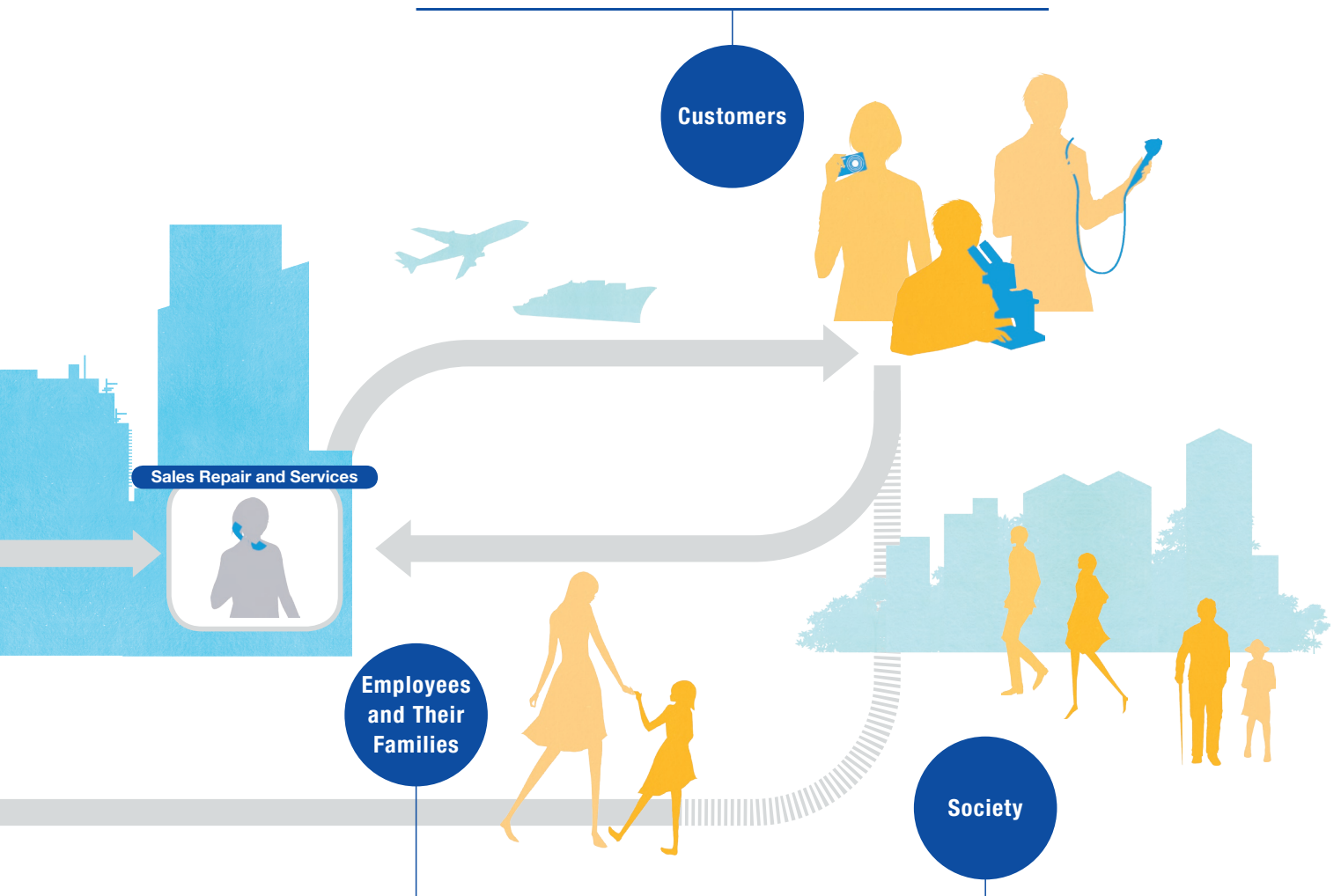


Olympus aims to contribute to the creation of a healthy environment and a human society capable of sustainable development, through technology development and business activities based on harmony with the environment and respect for the natural systems on which human safety and health depend. Under this environmental philosophy, we are working globally to minimize environmental burdens throughout product life cycle by creating environmentally-conscious products and conducting environmentally responsible business activities.

See "For the Environment" >> P 19-22

We want our customers to be happy that they chose Olympus products, which is why we have established systems to support the use of customer feedback across the entire Olympus organization through “Voice of Customer” (VOC) activities. We are also enhancing and expanding our customer satisfaction (CS) training programs for all employees.

See “For Customers” >> P 9–10



Employees are the most vital and valuable asset for the Olympus Group. We aim to provide the best possible working environments for our employees by respecting human rights and providing attractive work opportunities that contribute to enhanced personal and corporate growth. We ensure that working environments are safe and pleasant by complying with all local laws and regulations and by implementing measures and initiatives that reflect the characteristics of individual overseas subsidiaries.

See “For Employees and Their Families” >> P 13–14

As a global citizen, Olympus aims to improve and continue its relationships with all stakeholders by developing business activities from the perspective of making contributions to society and by using our technological and human resources in activities that benefit society.

See “For Society” >> P 15–18

Communicating with Customers

To improve Customer Satisfaction

Olympus maintains structures and systems not only to create excellent products, but also to respond effectively and promptly to customer inquiries and requests for repairs and other forms of support. We listen to our customers, and we will continue our efforts to earn their trust, and ensure that every customer is completely satisfied with Olympus products and support.

Staff respond to microscope-related inquiries in a customer contact center.

Improving Our Ability to Provide Attractive Products and Services Activity Policies

Olympus always aims to manufacture products and provide services from the customer's perspective, and all employees work to implement our Quality Philosophy through their activities.

We reflect customer perspectives at the development stage through a number of priority measures such as "Voice of Customer" activities, optimizing ease of use through usability assessments and implementing safety assessments to ensure that our products can be used safely and with confidence. To reinforce the structure and systems for customer inquiries and request for repairs, we aim to enhance customer satisfaction by improving our customer response ratio* and reducing repair turnaround times, etc.

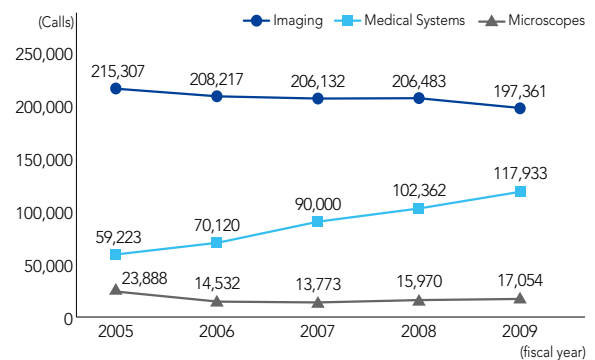
In recent years, the number of customer inquiries has risen to more than 300,000 per year. We receive numerous opinions and requests from customers, and we are continually working to reflect these in our products and services (see graph on right).

* The customer response ratio is the probability that a customer will be connected to an operator the first time that he or she calls an Olympus contact center.

Quality Philosophy

1. Realization of genuinely world-class "Total Quality" in all aspects of the organization
2. Provision of the highest quality products and services to customers

Calls Received at Customer Contact Centers



Responding Promptly to Customer Inquiries

Main Initiatives

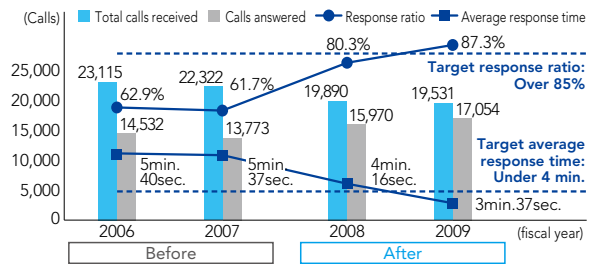
Our customer contact center for microscopes receives inquiries from a wide range of callers, including general consumers, distributors, branches and sales offices and Olympus sales divisions. The knowledge required to respond to these diverse inquiries varies widely according to the type of caller. Olympus representatives need to have extensive product knowledge and experience. Recruiting and training contact center representatives are key issues in customer satisfaction.

We aim to satisfy as many customers as possible by improving our customer response ratio and reducing the average call response time. One of the ways in which we are achieving these goals is through the creation of a knowledge database containing approximately 2,000 categorized items, including frequently asked questions (FAQs), and a wide range of microscope-related information. The database is structured to allow representatives to find answers to customer inquiries using the customers' own words rather than technical terminology.

In fiscal 2009, this system was introduced at branches and sales offices throughout Japan, allowing representatives to respond directly to customer inquiries without the need to refer questions to other units within the Olympus organization. Previously, information was spread throughout the company, and the content of responses and the time required to provide them varied according to the searching capabilities and experience of individual representatives. Our aim with the new system was to ensure all representatives would be able to provide timely, accurate responses. As shown in the graph on the right, this initiative has resulted in improvements of approximately 40% in the average response time and approximately 70% in the customer response ratio (see graph on right).

We will continue these efforts to improve our ability to provide services that will result in customer satisfaction. We will further enhance the database, including the addition of more information and the expansion of the scope of data. We also aim to create a global knowledge database through the inclusion of overseas subsidiaries.

Benefits from Introduction of a Knowledge Database



VOICE

Comment from System Designer

Category optimization is critical when designing a system to provide the required information quickly in response to inquiries.

That was a difficult task, since we had to sort approximately 20,000 items of response information. Since the installation of the new system, there has been an increase in the number of customer telephone calls and e-mails expressing appreciation. We are extremely happy to contribute to the improvement of customer satisfaction.



Noriaki Hisanaga

Supervisor, Microscope Customer Contact Center in Japan, Domestic Sales Department, Life Science Business Division, Olympus Corporation

Comment from System User

The increased availability of information retrieval tools has made the task of responding to inquiries from customers and sales outlets much easier. There are still information items that have not yet been recorded, but the volume of information available has expanded steadily with the addition of items from various sources, including knowledge that was previously managed by individuals. As a user, I look forward to further enhancements to the information resources and search functions.



Miyuki Kanazawa

Domestic Sales Department, Life Science Business Division, Olympus Corporation

Towards Targeting Further Improvements in Quality and Service

Future Goals

Olympus is determined to supply products and services that truly reflect the voice of the customer (VOC). We will achieve this by enhancing the mechanisms used to convey customer feedback on the initial stages of development, and by implementing and consolidating those mechanisms throughout the Olympus organization as the basis for effective customer-focused management.

We are also working to achieve further improvements in customer satisfaction by reliably capturing customer input through enhanced support systems.

VOICE

Using Customer Input to Realize Customer Satisfaction

We will continue to implement our Quality Philosophy from the customer's perspective by building mechanisms to maintain and enhance the reliability of our services. Our goal is to improve customer satisfaction by supplying products and services that meet and even exceed the wishes and expectations of our customers.



Akimasa Wakabayashi

Division Manager, Quality and Environment Administration Division, Olympus Corporation

Promoting Procurement Based on Social IN

To Work with Suppliers as a CSR - practicing company



Olympus is helping to build a sustainable society by cooperating with its suppliers throughout the world as a good partner. By maintaining good business relationships with our suppliers, we aim to provide optimal satisfaction to all of our customers as a CSR-practicing enterprise.

Suppliers attend a briefing presented by Olympus Medical Systems Corporation.

The Olympus Group's Procurement Policy

Policies and Initiatives

■ Commitment to Regulatory Compliance and Respect for Human Rights, Labor Standards and the Environment

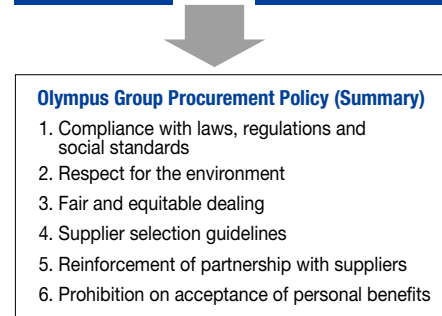
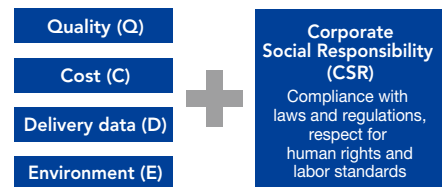
Olympus currently procures various materials and parts from approximately 1,300 suppliers in Japan and overseas, for use in a wide range of products including cameras and medical equipment. Ensuring the sustainability of our manufacturing activities requires a commitment to regulatory compliance, respect for the environment, human rights and labor standards, and the prevention of corruption at all stages of the supply chain based on cooperation with suppliers. Under the Olympus Group Procurement Policy, which was adopted in November 2005, we ask our suppliers to practice together to apply CSR principles in partnership.

■ Extensive Procurement Training

Olympus recognizes that good relationships with suppliers must be built on a foundation of trust. We place great importance on regulatory compliance and provide extensive training for our employees. To graduate under our e-learning system, staff responsible for procurement-related tasks must demonstrate their knowledge of the Japanese subcontracting law* and Olympus policies concerning CSR and information security in the supply chain in Japan and overseas by achieving 100% test scores. We will continue to apply CSR principles, including respect for human rights and environmental responsibility, to our procurement activities, and to strengthen CSR-based procurement practices within our organization through our in-house education programs for employees involved in procurement activities.

* The Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors is an antimonopoly law. Its purpose is to prevent payment delays, ensure fairness in subcontracting relationships, and protect the rights of contractors.

Old procurement standards and policy



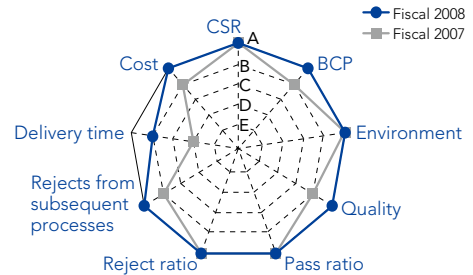
Staff involved in procurement activities undergo extensive training.

Improving Manufacturing Practice

Main Initiatives

■ Maintaining and Reinforcing Partnerships with Suppliers

Olympus Medical Systems Corporation manufactures and sells medical endoscopes around the world. Because lives can depend on the quality of medical equipment, we need to ensure that the parts used to manufacture these products are safe and reliable. To achieve this, we have centralized our procurement operations in one location. The improvement of manufacturing practice requires collaborative efforts by Olympus and its suppliers based on a shared commitment to reliability and safety. As part of our efforts to establish shared goals, we invite our suppliers each year to a briefing on the business situation of the Olympus Group and our procurement policies. We use assessment standards, which are disclosed in advance to our suppliers, to check suppliers' performance in terms of quality, price, delivery dates, environmental responsibility and business management. Based on these assessments, we advise suppliers about areas in which improvements are needed. This system allows us to maintain and strengthen mutual partnership relationships (see diagram on right).



Assessment results (sample) forwarded to Supplier A



Suppliers report on quality improvement measures.

■ Working with Suppliers to Optimize Quality

We prioritize quality improvement as a particularly important aspect of our partnership with suppliers and provide extensive support. If we find that a supplier needs help with quality improvement, we assign Olympus technical staff to identify the causes of problems through on-site inspections based on the “three actuals” approach (actual place, actual situation, actual part). We then work with the relevant staff of the supplier concerned, to propose and verify measures to prevent recurrences and implement the solution throughout the supplier's operations. In this way, we help suppliers to improve quality by developing systems that allow them to improve their own operations, and by creating their own process assurance systems (see photograph on right).

VOICE

Building Supplier Relationships Based on Trust

Lives depend on the products that we supply for use in front-line medical institutions. Our efforts to ensure that those products will operate reliably must begin with effective quality management for each individual part. We achieve this by cooperating with our suppliers and building long-term relationships based on trust.



Yasuhiko Oki
General Manager, Medical Purchasing Department,
Olympus Medical Systems Corporation

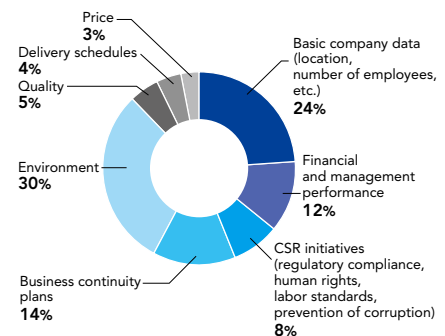
Partnerships Based on Trust and Responsibility

Goals for the Future

Olympus gives priority to CSR-practicing suppliers. To identify those suppliers, we conduct a comprehensive self-assessment survey about CSR initiatives. This survey, which was first carried out in fiscal 2006, covers basic company data, financial and management performance, CSR activities, business continuity plans, quality, price, delivery schedules and environmental performance. A total of 1,128 companies in Japan participated in the fiscal 2009 survey. The results of these self-assessment surveys have improved as a result of regular briefings and partnership activities.

In the future, we aim to carry out regular information-sharing activities and surveys on a global basis with the support and cooperation of our suppliers. We will also share information dynamically within the Olympus Group by developing procurement databases and implementing human resource development programs.

Items in CSR Self-Assessment Survey of Suppliers (Fiscal 2009)



Realizing Better Working Environment

To facilitate employment and support for the Physically Challenged

Olympus is modifying its work sites to make it easier for people with disabilities to work. A special-purpose subsidiary has been created to provide a new working environment for those who would be unable to achieve their potential capabilities in current environments.

Olympus employees at a work-related meeting

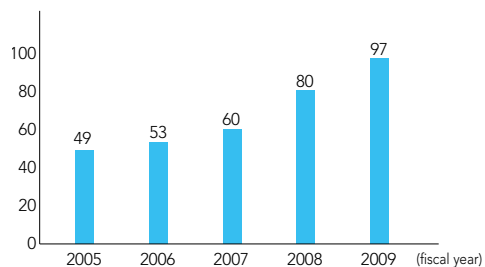
Enhanced Employment Opportunities and Support for People with Disabilities

Policies and Initiatives

Olympus traditionally provided employment for people with disabilities under the provisions of its basic Human Resource Policy. Unfortunately, the job separation rate for these employees was high for a number of reasons, including a lack of support systems backed by understanding of the special characteristics of people with disabilities and sensitivity to their problems and aspirations.

In 2006 Olympus formulated a medium-term plan containing measures to promote employment for people with disabilities and began to implement initiatives to create amenable and motivating working environments for them. We also held roundtable meetings to provide opportunities for people with disabilities to raise issues and express their requests to Olympus. These measures were accompanied by awareness-raising programs targeted toward management and executives. Work areas were expanded and workplace environments improved to create spaces in which people with disabilities could work and contribute. Individual employees were assigned to tasks that matched their abilities and accommodated their special needs in terms of working environments and spaces. Another important initiative was the appointment of a full-time staff member to advise employees with disabilities through one-on-one interviews. This provided a channel for sharing problems and concerns that could not readily be expressed to workplace supervisors. It was then possible to take steps to remedy these problems. In

Number of Employees with Disabilities



The numbers of employees with disabilities are aggregate for Olympus Corporation, Olympus Medical Systems Corporation and Olympus Imaging Corporation as of June 1 each year. (The figure for 2009 also includes the total for Olympus Supportmate Corporation. The aggregate percentage of employees with disabilities for the seven companies with group links to the special-purpose subsidiary was 1.81% as of October 2009.

addition, Olympus began to collaborate with outside support agencies for workers with disabilities. These organizations now provide guidance and support to both individual workers with disabilities and their employers about ways to realize the full potential of those workers. These efforts have substantially reduced the job separation rate, except among those leaving for personal reasons, such as childcare or health changes. In addition to changing its corporate “software,” Olympus also is improving the “hardware” aspects of work environments. For example, buildings are being modified to remove barriers to access for people with disabilities.

Expanding Work Opportunities for People with Disabilities

Main Initiatives

■ Establishment of Special-Purpose Subsidiary

In 2007, Olympus established a special unit responsible for worksite cleaning operations to provide increased work opportunities for people with intellectual disabilities. A support organization made up of experts, including former teachers at special needs schools and former employees of welfare facilities, was set up within this unit to provide guidance based on the nature of each individual's disabilities. This group also provides advice about human relationships and other aspects of life in the workplace. The support organization also provides lifestyle assistance in cooperation with those who know the individual workers well, including families, special needs schools and employment support centers.

In 2009, this special unit was restructured to become an independent company, Olympus Supportmate Corporation, which was approved as a special-purpose subsidiary. As a separate company, Olympus Supportmate Corporation was able to provide working environments and employment conditions matched to the nature of each individual's disabilities and the work that they perform. The new company is also helping to expand work opportunities by providing advice to the entire Olympus organization about employment for people with disabilities.

■ Initiatives as a Member of Local Communities

From time to time, Olympus Supportmate Corporation accepts High School students from special needs schools for work experience programs and to date over 50 students have participated.

Olympus also helps workers with disabilities to contribute to their communities through participation in clean-up programs on streets and at bus stops around business sites. These initiatives also promote good community relations, as illustrated by the expressions of appreciation from local residents.



Workers participate in a clean-up program near an Olympus worksite.

COMMENT

Supporting people with disabilities to achieve their dreams

We are very grateful to Olympus Supportmate for its determined efforts to provide work experience and employment to people with disabilities. Those who find employment are assigned to appropriate work and given training to enable them to achieve their full potential by boldly accepting new challenges. They seem to glow like athletes competing in sporting events. We look forward to cooperating with Olympus Supportmate to assist students after they graduate.



Naoki Kikuchi

Senior Career Guidance Teacher
Tokyo Metropolitan Akiruno School

COMMENT

Environments in which People with Disabilities Can Work with Confidence

This Center works closely with Olympus when an employment opportunity is provided for a person with an intellectual disability. Four people from here are currently employed. All have received careful consideration and guidance based on the specific nature of their disabilities. As a result, they are proud and highly motivated employees of Olympus Supportmate.



Yumiko Tojo

Director, Kujira Center
Akishima City Employment Support Center for People with Disabilities, CHALLENGED STATION KUJIRA (NPO)

Topics

Adapting Flexibly to Life Events Worksite Daycare Centers

Olympus Corporation of the Americas has established an 1,100m² daycare center at its Pennsylvania-based headquarters to assist employees with children. The facility provides daycare services on weekdays between 7:30 a.m. and 6:30 p.m.

Children at the center participate in programs tailored to each age group. The center also runs a summer camp program for elementary school children

during the school summer holiday period. Facilities include workrooms, playrooms and separate outdoor play areas for each age group. Parents can visit their children at anytime during the day. The center is very popular with employees because it allows them to work with peace of mind, knowing that their children are in a safe and healthy learning environment.



Creative activities using digital cameras

Contributing to the Achievement of the Millennium Development Goals

To hold an environmental photography contest

One of the Millennium Development Goals (MDGs) is to ensure environmental sustainability. Olympus, the United Nations Development Programme (UNDP) and the AFP Foundation jointly ran a photography contest focusing on the environment in Africa to raise awareness of the importance of caring for the environment.

"Green Wedding", by Simon Ndegwa of the Republic of Kenya, shows a couple planting a tree during their wedding ceremony. It won first prize in the amateur section of the contest.

Photography Contest : Caring for the Environment in Africa

Background and Aims of Initiatives

■ A Record of Environmental Protection Activities by Africans

As a member of the United Nations Global Compact, Olympus is actively involved in efforts to achieve the Millennium Development Goals (MDGs). The "Picture This: Caring for the Earth" photography contest was a joint initiative by Olympus, the United Nations Development Programme (UNDP) and the AFP Foundation (a foundation established by a French news agency) to raise awareness of global warming and other aspects of climate change. Entries for the contest, which was open to people living in Africa, were accepted between June and September 2009.

People living in developing countries are the first to feel the impact of environmental degradation and climate change which is already causing serious problems in Africa, including water shortages, crop failures and the spread of infectious diseases. However, Africans are not simply watching these changes as demonstrated by the photographs submitted for the contest which show people across Africa working to protect the environment.

Judges for the contest included Ms. Wangari Maathai, who won the Nobel Peace Prize for her environmental activities. From the many entries received, the judging panel chose a photograph showing environmental activists planting trees in a river basin in Kenya, a photo essay depicting a fair trade initiative in which Moroccan women sell handbags made from discarded plastic bags and a photograph of a Kenyan couple planting a tree during their wedding ceremony. In November 2009, the prize winners in each category were invited to New York for the award ceremony and the announcement of the winning entries.

The Millennium Development Goals (MDGs)

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender quality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

The eight Millennium Development Goals were adopted at the United Nations Millennium Summit in September 2000 and at previous summit conferences as a comprehensive development challenge that the international community needs to meet by 2015.

A logo created to promote awareness of the MDGs



Reproduced with the permission of the Hottokenai Sekai no Mazushisa (Don't let it be - World Poverty) organization

WEB "Picture This: Caring for the Earth" (Only in Japanese)
<http://www.olympus.co.jp/jp/event/picturethis/>

Holding Photographic Exhibitions Around the World

Main Initiatives

On November 25, 2009, the first exhibition of prize-winning photographs was held at the Shinjuku Monolith Building, where the Olympus head office is located. In addition to the winning entries from the contest, the exhibition also included pictures from the “A Day in the Life of Africa” project*. Olympus provided total support for this project, which took place in February 2002 and aimed to inform the people of the world about ordinary lives of people in Africa, and about the impact of HIV/AIDS.

At the opening ceremony, UNDP Administrator Helen Clark, film actress and UNDP Goodwill Ambassador Misako Konno, and Olympus President Tsuyoshi Kikukawa held a press conference at which they called for further action to halt climate change and environmental change.

* On February 28, 2002, approximately 100 leading photographers were dispersed through 53 African countries to produce photo essays. In 2003, Olympus began to promote awareness of the Millennium Development Goals through exhibitions of photographs from the “Day in the Life of Africa” project and features on its website. It also supports public information activities in cooperation with United Nations agencies, NGOs and NPOs.

WEB [A Day in the Life of Africa](http://www.olympus-global.com/en/event/DITLA/)
<http://www.olympus-global.com/en/event/DITLA/>

The Tokyo event was followed by photographic exhibitions at other venues, including the Museum Africa in Johannesburg, South Africa, the UN Visitors’ Lobby at the United Nations Headquarters in New York, and the International Exchange House, Osaka during One World Festival 2009. Further events are planned in cities throughout the world, including Dakar, Senegal and Geneva, Switzerland, as part of continuing efforts to foster awareness of the need to protect the environment.

As a member of the international community, Olympus will continue to work toward the realization of the Millennium Development Goals.



At the opening ceremony for the Tokyo photographic exhibition, from left: UNDP Goodwill Ambassador Misako Konno, UNDP Administrator Helen Clark and Olympus President Tsuyoshi Kikukawa

COMMENT

Building understanding about the lives of people in Africa

We are extremely grateful for the huge contribution made by Olympus as co-sponsor of this photography contest.

I have great admiration for the continuing efforts made by Olympus over many years in line with the aims of the UN Global Compact.

We all have a role to play in protecting the Earth. I hope that these images of Africans working to protect the natural environment will inspire further action to halt climate change.

Helen Clark

Administrator
United Nations Development Programme (UNDP)



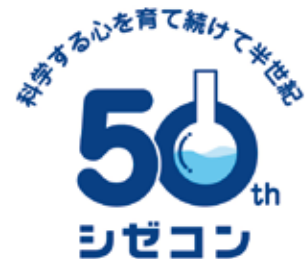
Topics

Fostering Interest in Science for Half A Century 50 Years as a Co-Sponsor of the Natural Science Observation Contest

Organized by the Society of Scientific Photography and the Mainichi Newspapers, the Natural Science Observation Contest, held on the 50th occasion in 2009, gives elementary school and junior high school children an opportunity to present the results of scientific research projects carried out during the summer holidays in the categories of free research and science. Olympus recognizes the importance of this contest as a way of encouraging children to develop scientific curiosity by finding their own answers to questions that interest them. It has been a co-sponsor of the

program for half a century since the very first contest in 1960. Olympus has also played an active role in the administration of the program, including the creation of a DVD and website explaining how to select and approach free research themes, the preparation of posters and entry rules, the judging process and the presentation of awards.

Olympus will continue to support this initiative to foster scientific curiosity in children and encourage them to meet the challenge of exploring the mysteries of the world around them.



The logo for the 50th Natural Science Observation Contest

WEB [The website for the Natural Science Observation Contest \(Only in Japanese\)](http://www.shizecon.net)
<http://www.shizecon.net>

Community Activities—Fostering Harmonious Coexistence with Local Communities

The Olympus Group implements unique environmental activities and social contribution initiatives targeted toward individual communities. Examples of these activities are introduced on this page but more detailed information can be found on our website.

WEB Activities in Japan (Only in Japanese): <http://www.olympus.co.jp/jp/corc/csr/social/domestic/>
Activities in other countries: <http://www.olympus-global.com/en/corc/csr/social/overseas/>

Japan

Research and Development Center Improved energy efficiency

Despite a 56% increase in floor area following the completion of a new building at Ishikawa, the increase in daily CO₂ emissions has been limited to just 9% through the installation of highly efficient equipment fueled by electricity and gas instead of fuel oil. This initiative and the new facilities were featured in panel displays during Environment Month as part of a campaign to encourage employees to take an interest in day-to-day environmental activities.

Hinode Plant Raising Environmental Awareness at Home

During Environment Month, employees participated in a survey about CO₂ reduction activities in the home. Designed to encourage family-based environmental efforts, the survey helped employees to calculate the results of their CO₂ reduction activities. Employees were already working to reduce environment burdens through eco-driving, and by switching off unused electrical appliances but the survey further raised awareness of the benefits of these activities.

Tatsuno Plant Photo 1 Award for Contribution to the Development of a Recycling-Oriented Society

The Tatsuno Plant received an award from the Governor of Nagano Prefecture in recognition of its contribution to the development of a recycling-oriented society. This contribution includes a “no-car day” for all employees every Wednesday (increased from two days a month last year), the planting of 50 maple trees in a local park using funds donated through the no-car day program, energy conservation case study seminars, and the publication of an ecological newsletter.



Photo 1 Collecting donations from no-car day participants to fund tree-planting activities

Ina Plant Caring for the Environment during Workplace Relocation

Because of the potential environmental and safety risks related to chemicals used in our workplace at the Ina Plant, managers consulted with government agencies before relocating the facility. Special care was taken over the cleaning of electroplating tanks, which pose a particularly high risk of environmental contamination. After cleaning these tanks, all materials were melted down to avoid any contamination and all waste resulting from the relocation was recycled.

Shirakawa Plant “Walking Clean” Campaign and Cherry Tree Planting

The Shirakawa Plant promoted good health and contributed to the local community by organizing a “Walking Clean” litter collection campaign for employees and their families around the source of the Abukuma River. In addition, proceeds from the Shirakawa Plant’s 13th annual recycling bazaar were used to fund an ongoing program to plant cherry trees in the grounds of the plant.

Tokyo Office Photo 2 Firefighting and First Aid Drill

The 42-member self-defense firefighting team staged a firefighting and rescue drill. During the drill, participants learned about cardiopulmonary resuscitation (CPR), the use of automated external defibrillator (AED) equipment and other emergency procedures under the guidance of professional firefighters. The Tokyo Office will continue to conduct these drills regularly to improve the firefighting awareness and skills of employees, and to ensure that they are able to act appropriately in disasters when lives are at risk in emergency situations.



Photo 2 An emergency first aid drill at the Tokyo Office.

Aomori Olympus Co., Ltd. Ongoing Tree-Planting Program in the Shirakami Mountain Area

Since 2007, Aomori Olympus has been supporting an ongoing nature conservation program involving the planting of trees in the Shirakami Mountains (a designated World Heritage site). This year approximately 100 employees planted 200 beech trees under the supervision of the Shirakami Mountain Preservation Society, a nonprofit organization.

Aizu Olympus Co., Ltd. Photo 3 Shift in Employee Commuting Habits

With the cooperation of a bus company, approximately 250 employees living within 700m of bus stops switched from commuting by car to commuting by bus. This initiative earned an award under the worksite transportation management section of the Fukushima Protocol, and Aizu Olympus became the first employer in Fukushima Prefecture to be registered under a program established by the Ministry of Land, Infrastructure and Transport to recognize companies that achieve excellence in environmentally-responsible commuting.

Olympus Logitex Co., Ltd. Transition to Eco-Band Use

Instead of stretch film, Olympus Logitex now uses environmentally-conscious eco-bands to secure burdens when moving products around in warehouses. Because eco-bands are reusable, this change has reduced the amount of stretch film used each year by approximately 451kg.

KS Olympus Co., Ltd. Reducing Environmental Burdens through Business Activities

KS Olympus is working to ensure that its business activities are environmentally-conscious. Initiatives include assessments of the environmental effects of product use and servicing from a sales perspective, especially in relation to Olympus Eco-Products.



Photo 3 A certificate issued by the Ministry of Land, Infrastructure and Transport registering Aizu Olympus Co., Ltd. as a business site that has achieved excellence in environmentally responsible commuting

Topics

Support for Earthquake Victims in Haiti

Olympus implements a variety of support initiatives in response to major disasters, including donations of money or rescue equipment, and the provision of special repair services. The specific response depends on circumstances in the affected area. Damage to transportation networks as a result of the major earthquake that struck

Haiti in January 2010 made the delivery of relief goods impractical, so Olympus decided to give priority to financial support. Olympus Group companies in Japan, the United States, Europe and China donated a total of ¥10 million, while Olympus Group employees in Japan gave another ¥3.3 million.



Donations from Japan were forwarded through the Japanese Red Cross Society.

Overseas

● Europe

Olympus Europa Holding GmbH(OEH) Photo 4 Emergency Support for Medecins Du Monde

Olympus Europa Holding has expanded its social contribution activities and has signed a long-term donation agreement with Medecins Du Monde (Doctors of the World), an international non-governmental organization. Under the agreement, the company is providing support for emergency humanitarian assistance to victims of the Haiti earthquake, and long-term support for the Mission Smile Project in Cambodia, which provides plastic surgery for children suffering facial deformities as a result of violence or disease.

KeyMed(Medical & Industrial Equipment) Ltd.

Continued Support for Youth Education Activities

KeyMed supports Youth Education Support Services (Y.E.S.S.), a London-based charitable organization working to build a healthier future for communities through youth education. In addition to financial support, KeyMed also provides opportunities for young people to acquire important job skills.

Olympus Winter & Ibe GmbH(OWI)

New Facilities to Reduce Costs and CO₂ Emissions

Heat pumps installed in OWI facilities will save €80,000 annually by recycling waste heat. By deploying office multi-function printers for optimal productivity, the company was also able to halve the number of systems used. These measures reduced total CO₂ emissions by approximately 16 tonnes per 100m² of office area.



Photo 4 OEH supports the Mission Smile Project in Cambodia.

©Ärzte der Welt

● North America

Olympus Corporation of the Americas(OCA)/Olympus America Inc.(OAI)[Corporate Headquarters]/Gyrus ACMI, Inc. Photo 5

Volunteer Activities by Managers

During an annual "day of service," a total of 230 managers working for OCA entities in various locations throughout the United States contributed 773 hours to organizations in their local communities. Activities at the 15 volunteer projects targeted animal and nature protection, after-school programs for children, community clean-up campaigns, food distribution, and building improvement.

Olympus America Inc. [National Service Center(NSC)]

Environmental and Social Contributions Based on Regional Characteristics

In the midst of the worst regional drought in 25 years, the Olympus America San Jose facility continued its reduction of environmental burdens by reducing its water use by 6% below the previous year's level. It also donated 45,000 meals and approximately \$20,000 to the Second Harvest Food Bank of Santa Clara and San Mateo Counties.

Olympus NDT Inc.(ONDT)

Preparations for Environmental and Occupational Safety and Health Management Certification Next Year

The company aims to build an integrated management system incorporating the existing ISO9001 quality system. In fiscal 2010, it made preparations for the certification of all worksites under the ISO14001 environmental management system and the OHSAS18001 occupational safety and health system.



Photo 5 OCA/Gyrus ACMI managers work as animal welfare volunteers.

● Other Regions

Olympus (Shenzhen) Industrial Ltd. (OSZ)

2009 Award for Excellence in Water Conservation

OSZ received recognition for its efforts to conserve water resources when it received the 2009 Award for Excellence in Water Conservation from the municipal government of Shenzhen City. The company also conducted a campaign to encourage all employees to contribute ideas as part of its ongoing environmental improvement efforts.

Olympus (Beijing) Industry & Technology Ltd. [Pan Yu Factory](OGZ)

Environmental Education and Firefighting and Evacuation Drills for All Employees

During Environment Month, OGZ ran a lecture program for all factory employees. The aim of this initiative was to foster awareness of the environment, both at work and at home, by presenting case studies about environmental contamination accidents and teaching day-to-day environmental protection skills. In November 2009, the company also strengthened safety preparedness by implementing evacuation, emergency rescue and firefighting drills based on a fire disaster scenario.

Olympus Optical Technology Philippines, Inc. (OPI) Photo 6

Continued Commitment to Tree-Planting Program

In October 2009, OPI employees undertook a tree-planting project as part of a nature conservation initiative that began in 2005. Forest improvement efforts in 2009 included grass clearing in areas planted in previous years, as well as the planting of additional saplings.



Photo 6 Tree-planting on Cebu Island

Harmonizing Business Activities with Protection of the Environment

To reduce greenhouse gas emissions

Olympus is determined to contribute to the solution of today's increasingly serious global environmental problems and has made the reduction of greenhouse gas (CO₂) emissions a key management priority. We have set long-term targets for the reduction of total greenhouse gas emissions throughout entire product lifecycles.

This picture of the Earth was taken by Japan Aerospace Exploration Agency (JAXA) astronaut Koichi Wakata from the Kibo experimental module on the International Space Station as part of the "Olympus Space Project," a 90th anniversary commemorative project. Dr. Wakata used an E-3 digital single-lens reflex camera, which has been certified under the Olympus Eco-Product system.

Setting Long-Term Goals

Background and Policies

In 1992, the Olympus adopted the Olympus Group Environmental Charter. This consists of the Environmental Protection Declaration, which expresses the Olympus Group's basic philosophy on environmental matters as a global citizen, and the Guidelines for Environmental Action, which define specific actions. Under the Environmental Charter, we continue to implement environmental initiatives with the aim of contributing to the creation of a healthy environment and a society capable of sustainable development.

The Olympus Group regards global warming as a life-threatening problem that could not only have a devastating impact on human communities, but also cause major impacts in the natural world, including changes to wildlife habitats caused by sea level rises and desertification. As a company dedicated to human health and happiness, Olympus has adopted a long-term goal based on new frameworks established since the Kyoto Protocol and the Biodiversity Treaty. That goal is a 50% reduction in CO₂ emissions across product lifecycles by fiscal 2020, compared with fiscal 2007 levels. We are working to achieve this goal through a commitment to environmental responsibility in our manufacturing activities and the products and services that we supply. Our aim is to achieve harmony between our business activities and active protection of the global environment.

Olympus Group Environmental Charter (Extract)

Environmental Protection Declaration

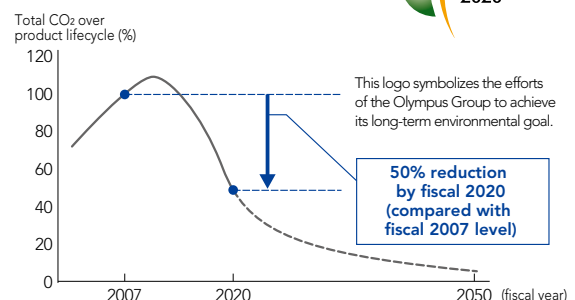
The Olympus Group respects people's security and health as well as the natural mechanisms on which these rely. We are also contributing to the realization of a sustainable society and sound environment through environmentally compatible technological development and corporate activities.

Guidelines for Environmental Action

In all business activities, the Olympus Group will give priority to environmental protection and will apply itself with dedication to this task, both on an organizational and individual basis.

1. Technology Development
2. Drawing up Norms and Assessing Results
3. Protection of Natural Resources and Prevention of Pollution
4. Compliance and Active Support
5. Education and Total Staff Participation
6. Structure to Promote Activities

Long-term environmental goal



Reducing Environmental Burden

Main Initiatives

Outlined below are examples of initiatives by Olympus Group to protect the global environment in all areas of its business activities, including its products, manufacturing operations and logistics systems.

I Product-Related Initiatives

■ Dramatic Reductions in Size and Weight of Micro-SLR Cameras

Manufactured by Olympus Imaging Corporation, the Olympus PEN E-P1 is a micro-SLR camera based on the Micro Four Thirds standard for compact, lightweight digital cameras. Far superior to ordinary compact cameras in terms of image quality, the Olympus PEN E-P1 is approximately 37% smaller (by volume) than conventional Olympus digital SLR cameras and about 12% lighter (by mass). These reductions in size and weight are helping to conserve energy and resources while reducing the environmental impact of product transportation through the supply chain.



In this photograph, the Olympus PEN E-P1 micro-SLR camera is compared with a conventional Olympus SLR camera.

■ Reduction of Resource Use in Endoscope Instrument Packaging

Olympus Medical Systems Corporation develops, manufactures and sells instruments that can be used with its endoscopes to grip or excise lesions and other tissue. After reviewing the materials, printing technology and packaging methods used for these products, Olympus Medical Systems replaced its existing packaging with a vinyl alternative (shown on the right in the photograph), reduced the quantity of barcode labels used and modified the backing paper. Compared with the original packaging method, these changes reduced the final waste disposal volume of label paper by approximately 93%.



Olympus Medical Systems has switched from blister packaging (left) to vinyl packaging (right) for its endoscope instruments.

■ Products to Reduce Environmental Burdens in Use

Olympus Corporation manufactures and sells a variety of non-destructive flaw detection and inspection equipment, including ultrasonic systems for detecting flaws and damage, and industrial videoscopes that can be used to view interior spaces. These products are used to inspect aircraft engines and petrochemical plants. They also contribute to the reduction of environmental burdens through their use in the inspection of turbines and piping in wind power generation facilities, which are seen as an effective way to prevent global warming. Olympus has also reduced the environmental footprint of its IPLEX LX/LT industrial videoscopes by reducing their power consumption by 46%, their weight by 43% and their volume by 46% compared with earlier versions of the products.



An IPLEX-FX industrial videoscope in use at a wind power generation facility in New Zealand

■ Eco-Product Certification

The Olympus Group has established its own Olympus Eco-Product standards using the foundation of ISO14021 Type II, which is based on the international environment labeling standard for environmentally-conscious products. The four core requirements for certification as an Olympus Eco-Product are environmental protection, energy conservation, resource conservation and information disclosure. By March 2010, the Olympus Group had launched a cumulative total of 286 Olympus Eco-Products onto the market in all product categories.

Cumulative Total of Olympus Eco-Products



II Manufacturing Initiatives

■ Reducing CO₂ Emissions

CO₂ emissions from Olympus business sites in fiscal 2009 were 5% below the fiscal 2008 level at 109,766 tonnes. In addition to its ongoing energy conservation efforts, Olympus is also making improvements to its building services - including the replacement of fuel oil systems with facilities designed to run on liquefied natural gas (LNG) which produce less CO₂. Olympus is also introducing green energy technologies and using electric power monitors to visualize any wastage. Another focus is the development of alternatives for non-energy greenhouse gases, such as HFC, PFC and SF₆, which are used for cleaning as well as in etching and other semiconductor-related processes. We are continuously working to accelerate initiatives to improve the environmental performance of our manufacturing operations.

■ Using Green Energy

In March 2009, Aizu Olympus Co., Ltd. completed a new manufacturing facility for medical endoscope base units. The company installed 144 solar panels over a total area of approximately 290m² on the roof and walls of the new plant to generate electricity collect heat for the factory's hot water supply system. This initiative has reduced annual CO₂ emissions by approximately 140 tonnes and Aizu Olympus held an "Open House" event to give employees and their families an opportunity to learn about these environmental efforts.

■ Reducing Waste

In fiscal 2009, the amount of waste was reduced by 10% from the fiscal 2008 level to 5,476 tonnes.

In addition to the day-to-day resource conservation initiatives of waste sorting and recycling, paper use reduction, and packaging material reuse, Olympus reduces the generation of waste through the use of liquid waste concentration systems and other technologies. We are also developing new technologies to enhance the resource productivity of our manufacturing operations through the reduction of processing losses and the reuse of waste raw materials.

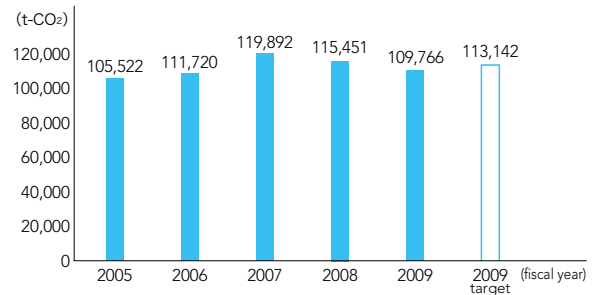
■ Reducing the Use of Chemicals

In fiscal 2009, the Olympus Group used 25 tonnes of substances covered by the Pollutant Release and Transfer (PRTR) Law. This represents a reduction of 8% from the fiscal 2008 level.

We developed a powder paint for use on microscope components and reduced the use of organic solvents by using alternative products on our lens processing lines. Other initiatives included the use of lead-free solders on circuit board assembly lines, and the reduction of chemical use through the integration of production lines.

CO₂ Emissions Reduced by 5% from the Fiscal 2008 Level

Trends in CO₂ Emissions



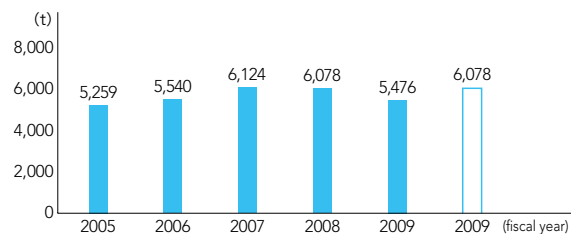
In fiscal 2009, Olympus switched from a CO₂ emissions per unit of sales target to one based on total CO₂ emissions.



An "Open House" event hosted by Aizu Olympus Co., Ltd.E-P

Waste Reduced by 10% from the Fiscal 2008 Level

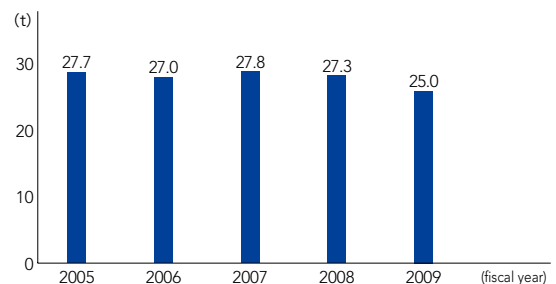
Trends in Waste emissions



In fiscal 2009, Olympus switched from a waste emissions per unit of sales target to one based on total waste emissions.

Amount of PRTR Substances Used Reduced by 8% from Fiscal 2008 Level to 25 Tonnes

Trends in Amount of PRTR Substances Used

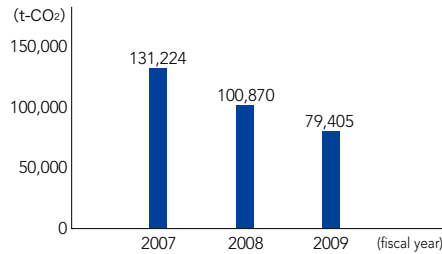


III Product Logistics-Related Initiatives

CO₂ emissions related to product logistics in fiscal 2009 amounted to 79,405 tonnes, a reduction of 21% from the fiscal 2008 level. Olympus Imaging Corporation expanded the scope of its modal shift from air to sea freight and also reduced the weight of shipments by reducing the volume and weight of products and packaging materials (Page 20). We will continue our efforts to reduce environmental burdens, including the expansion of the modal shift, the reduction of product volumes and weights, and the improvement of packaging.

Product Logistics-Related CO₂ Emissions Reduced by 21% from Fiscal 2008 Level

Product Logistics-Related CO₂ Emissions



Starting in fiscal 2009, the scope of these product logistics statistics has been expanded from North America and Europe to the entire world.

IV Environmental Communications

■ Tree-Planting

Olympus Optical Technology Philippines, Inc. (OPI) has been planting mangrove trees since fiscal 2005 and from 2007, it has also supported government initiatives to protect tropical rain forests and coral reefs while continuing to plant trees.

Since 2007, employees of Aomori Olympus have been planting beech trees in the Shirakami Mountains under the supervision of the Shirakami Mountain Preservation Society, a nonprofit organization. The tree saplings, raised from seeds gathered in natural forest areas to preserve natural eco-system, are being planted to restore natural beech forest that was cut down under a government policy of planting cedar trees.



Employees of Aomori Olympus Co., Ltd. participate in a tree-planting program.

■ ECOLY – Points Program for Environmental Activities

In fiscal 2009, Olympus launched the ECOLY (ECO+Olympus) points program for environmental activities. This in-house program is designed to encourage as many employees as possible to join in environmental activities by placing interesting information about the environment and related activities on the intranet. The aim is to turn ecological action into fun. For example, employees who participate in the ECOLY program earn points according to their level of environmental contribution and can redeem the points for eco-products.



The logo for the ECOLY program

Reducing Environmental Footprints throughout Product Lifecycles

Future Goals

In its Corporate Environmental Strategic Plan 2010, Olympus has set the ambitious goal of halving total CO₂ emissions throughout product lifecycles (relative to the fiscal 2007 level) by fiscal 2020. We aim to supply the best products and services in the industry, and we want every product to be the result of environmentally-responsible processes. We will focus in particular on the product development and design processes that define our manufacturing operations, and on the technology development activities on which those processes depend. All employees will work toward this goal under the leadership of corporate-level working groups established for each theme.

VOICE

Fulfilling Our Social Responsibilities through Environmental Management

We have a responsibility to contribute to the creation of a sustainable society. As an environmental leading company, Olympus is determined to implement environmental management by undertaking the investment required to achieve our ambitious environmental goals through the long-term efforts to reduce the environmental footprints of business activities.



Takashi Tsukaya

Group President, Corporate Monozukuri Innovation Center
Director, Executive Managing Officer
(Director Responsible for Quality and the Environment)

Results of Social and Environmental Activities

Results of the Olympus Group's Main Social and Environmental Activities in Fiscal 2009

The Olympus Group undertook a wide range of social and environmental activities in fiscal 2009. The results of these initiatives will be reflected in our medium-term Corporate Strategic Plan (10CSP), and in future initiatives.

Corporate Governance and CSR Management

Summary on Pages 5-6

Priority Measures	Targets	Results	Future Efforts
Promotion of CSR	<ul style="list-style-type: none"> Reinforcement of group-wide CSR initiatives 	<ul style="list-style-type: none"> Group-level Safety and Health Committee established, initiatives expanded 	Reinforcement of initiatives based on medium/long-term strategies
	<ul style="list-style-type: none"> Reinforcement of information security, education and awareness activities 	<ul style="list-style-type: none"> E-learning program implemented with updated content Web filtering initiated and website security strengthened 	Development of information asset management mechanisms, reinforcement of security
	<ul style="list-style-type: none"> Responding to key risks, H1N1 influenza, business continuity plan for disaster situations 	<ul style="list-style-type: none"> H1N1 influenza response manual compiled, steps taken to prevent the spread of infection Recovery manuals compiled for key facilities 	Continuing risk preparedness

For Customers

Summary on Pages 9-10

Priority Measures	Targets	Results	Future Efforts
Service innovation based on VOC management	Development and administration of systems to utilize direct customer input at the organizational level	<ul style="list-style-type: none"> Administration of management systems to use "voice of customer" (VOC) information in key business segments Fostering customer-focused culture through expanded seniority-based customer satisfaction (CS) education programs 	<ul style="list-style-type: none"> Continuing improvement of mechanisms to ensure reliable VOC feedback and its effective utilization as the product planning and development stages Increased emphasis on usability and safety in product development, improvement of customer satisfaction

For Suppliers

Summary on Pages 11-12

Priority Measures	Targets	Results	Future Efforts
Self-assessment survey of suppliers in Japan concerning CSR initiatives	Responses from 85% of suppliers in Japan	Responses from 92% of suppliers in Japan	Progressive expansion of CSR self-assessment survey to suppliers in other regions as well as in Japan Response rate from suppliers in Japan: 90% Response rate from suppliers outside of Japan: 70%

For Employees and Their Families

Summary on Pages 13-14

Priority Measures	Targets	Results	Future Efforts
Acceleration of employee skill development	To identify roles for every individual employee, to set goals that emphasize personal skill development and independence, and to introduce the MBO-S* goal management and assessment system	Use of goal management sheets to improve communication toward personal development: Employees record their thoughts about work based on an overall perspective of their activities, together with their growth targets, and supervisors record their expectations toward employees into the same sheets, which are compiled at the start of the fiscal year. A survey of employees showed that the system was seen as helping to clarify roles and work goals and strengthen autonomy.	<ul style="list-style-type: none"> Consolidation of MBO-S* through education programs for executives Verification of benefits of MBO-S*
Promotion of employee health	To support employee health improvement through Healthy Olympus 21, a comprehensive employee health management program	Employees provided with health information and given an expanded range of options through health promotion campaigns (anti-smoking and prevention of periodontal and tooth decay added to existing walking program) and promotion of colorectal and gynecological checks	Survey of employee attitudes under new long-term mental and physical health plan (expanded version of Healthy Olympus 21), use of survey results and employee health statistics to provide options that match employees' circumstances
Provision of motivating working environments and fair employment opportunities	Improved support for employees who also have childcare and nursing care responsibilities	<ul style="list-style-type: none"> In addition to compliance with the amended Child Care and Family Care Leave Act, Olympus introduced its own system to reduce working hours for workers with young children (2 hours up to end of April in child's first year of elementary school, 1 hour up to end of April in child's fourth year of elementary school) Introduction of unique Olympus system allowing workers to reduce working hours during pregnancy Establishment of special-purpose subsidiary (details on Pages 13-14) 	Further development of systems to enhance employees' work-life harmony, reform of employee attitudes and corporate culture

For Society

Summary on Pages 15-18

Priority Measures	Targets	Results	Future Efforts
Building good relationships with society	Implementation of social contribution activities based on corporate philosophy	<ul style="list-style-type: none"> ● Organization of photography contest focusing on environment in Africa, in collaboration with UNDP and others ● Co-sponsorship Natural Science Observation Contest ● Colorectal cancer eradication campaign in collaboration with Brave Circle Steering Committee (nonprofit organization) and government agencies ● Support for campaign to designate the 4th Sunday in July as "Oyako Day" (Day for Parent and Child) ● Co-sponsorship of half-year overseas (throughout Asia) photo-fieldwork program for students who aim to become news photographers ● Regional social contribution activities based on regional characteristics 	Continuation of social contribution activities

For the Environment

Summary on Pages 19-22

Priority Measures	Targets	Results	Future Efforts
Reinforcement of environmental management systems	Reinforcement of environmental risk preparedness systems	<ul style="list-style-type: none"> ● Improvement of product-related environmental risk preparedness regulations, etc. ● Assessment of environmental management systems at business sites 	Establishment of global-level environmental governance systems
Provision of environmentally-conscious products and services	Creation of more Olympus Eco-Products	Creation of 96 new Olympus Eco-Products (cumulative total: 286), raising percentage of total product sales to 54%	Creation of super-Eco-Products through enhanced environmentally-conscious design
Reduction of business-related environmental burden	<ul style="list-style-type: none"> ● 2% reduction in manufacturing-related CO₂ emissions from fiscal 2008 level ● Reduction of waste from fiscal 2008 level 	<ul style="list-style-type: none"> ● 5% reduction in manufacturing-related CO₂ emissions from fiscal 2008 level ● 10% reduction of waste from fiscal 2008 level 	Further reduction of manufacturing-related environmental footprints through improved operating efficiency and development of manufacturing technologies
Improvement of environmental communication	Promotion of information about environmental initiatives to stakeholders, expansion of social contribution activities	<ul style="list-style-type: none"> ● Distribution of information through Corporate Social Responsibility Report and websites ● Voluntary activities, such as tree-planting programs, and no-car days, etc. 	Continuous distribution of environment-related information and development of regionally focused environmental contribution activities

*MBO-S stands for "Management by Objectives and Self-Control." The aim of the system is to combine enhanced progress toward the achievement of organizational goals with human resource development by breaking organizational goals down into individual goals that are subject to thorough self-management. The core of the system is Management by Objectives (MBO). Olympus added the "S" to indicate the importance placed on the enhancement of self-management through communication.

Recall Notice for TOUGH Camera Case

The recently introduced camera bag for mju-TOUGH products CSCH-69 has been recalled in order to bring one of its component parts in line with EU environmental regulations. If you bought this case and have not yet been contacted by

Olympus directly, please get in touch with our Service team so that we can organise an exchange for a different case: di.support@olympus-europa.com or 00800-67 10 83 00 (Mon-Fri 9am-6pm CET).

Stakeholder Dialogue

Olympus invited 19 people to participate in its stakeholder dialogue program. The participants were students and/or working people with an interest in CSR, including some who had undertaken extensive study in the CSR field.

Hiroshi Ishida, Executive Director Caux Round Table-Japan, acted as facilitator for the meeting. Participants engaged in lively discussions in four groups, each of which presented the results of its deliberations.

By listening to feedback from society, as expressed by participants in stakeholder dialogue sessions, Olympus is able to gauge attitudes to and expectations toward its Social IN management philosophy and CSR activities, especially its social contribution activities in the case of the latest meeting.



Part 1

Linkage between Social IN and CSR Activities

Part 1 began with a presentation about the Olympus Group's CSR activities. This was followed by discussion about the linkage between the Social IN management philosophy and CSR activities. Participants thought that the present activities were beneficial both for society and for Olympus. They also identified a number of issues, including the need to explain the linkage between the management philosophy and individual activities, and to inform a wider range of stakeholders about the Olympus Group's CSR activities in plain and simple language.

Words used by participants to describe their perception of Olympus included the following:

Cameras	Endoscopes
Technology (optical, imaging)	Shining
Beautiful colors in photographs	Blue
Precision medical devices	
Equipment	

Views expressed by participants:

- Olympus is helping to find solutions to social problems in areas in which it can contribute through its core business activities.
- Olympus is working to bring unseen aspects of the world to people's attention through photography.
- I hope that Olympus will accelerate progress toward the achievement of goals by making new technologies created through efforts to reduce CO₂ emissions widely available.
- Olympus is informing the world about previously unknown initiatives by Africans to protect the Earth in Africa.
- Sustained initiatives are good initiatives. There is a win-win relationship between the Olympus Group's medical equipment business and its efforts to eradicate colorectal cancer. I hope that these efforts will continue.

Part 2

Detailed Analysis of CSR Activities

In this part of the meeting, participants engaged in group discussions about the specific CSR activities that Olympus is undertaking at present from four perspective: the characteristics of the activities, their strengths, aspects that will require further improvement, and expectations for the future. The following views were put forward.

- **Characteristics**
 - The activities make effective use of Olympus products (cameras, medical devices).
 - Olympus is actively working to prevent disease and maintain health.
 - The activities focus not only on Japan, but on the entire world, including international goals, such as the United Nations Millennium Development Goals.
- **Strengths**
 - Olympus does not attempt to impose values and focuses instead on engagement with society.
 - Olympus aims to help people enjoy health and happiness in their lives. This philosophy is compatible with its activities, such as the campaign to eradicate colorectal cancer and raise awareness of AIDS.
 - The Olympus Group's CSR activities are sustainable, since they are based on its business activities.
- **Aspects requiring further improvement**
 - Olympus needs to inform more people about its CSR activities.
 - It is not clear why Olympus undertakes various initiatives.
 - Olympus needs to establish mechanisms and methods to integrate and manage its activities.
 - We want to hear more of the views of the people who work for Olympus.
- **Expectations**
 - We hope that Olympus will continue to implement activities based on its unique capabilities, and that it will raise social awareness by distributing information.
 - We want Olympus to show leadership based on its characteristics as a company.
 - We want Olympus to build stronger community links at the individual employee level.



Participants: Masashi Ehara / Madoka Kagaya / Jun Kato / Yuuya Kamimura / Midori Kawamura / Naohisa Kudoh / Toyoshi Saitho / Mariko Sakao / Qiongyin Zhang / Masaki Sei / Chad Sheridan / Hitomi Tsuchiya / Norihisa Narita / Seiho Noda / Marie Michishita / Shunsuke Maruyama / Masayuki Yamamoto / Yohko Yoshida / Aiko Watabe

Part 3

Dialogue with Olympus employees, group presentations

Olympus employees participated in the group sessions, which provided an opportunity for deeper discussion before each group made a presentation. Participants highlighted the need for Olympus to clarify aspects of its activities, including policies, content and anticipated benefits. They also raised issues concerning the methods used by Olympus to communicate.

Views expressed by participants:

- Olympus should continue to use photography as a medium for its CSR activities.
- Olympus should provide a clearer explanation of why it undertakes these CSR activities.
- I became aware of the importance of how companies position their CSR activities in their corporate narratives as well as how they involve employees and consumers in those activities.
- As I read the CSR report, I realized that there were many aspects on which consumers were also lacking a sense of purpose. For example, people could lose their lives simply because they were unaware of the campaign to eradicate colorectal cancer. The public also needs to take an interest in CSR activities.



Program

- 13:30 Opening Address
 - 13:40 Overview of program
 - 13:50 Presentation by Olympus about CSR activities
 - 14:05 **Part 1** Social IN and CSR activities
 - 14:35 **Part 2** Detailed analysis of CSR activities
 - 15:10 **Part 3** Dialogue with Olympus employees, group presentations
 - 16:20 Closing remarks
- Date:** March 3, 2010
Venue: Conference Room, Olympus Headquarters (Shinjuku-ku, Tokyo)

Comments from Facilitator

This was the first stakeholder dialogue meeting held by Olympus. I believe that it provided an excellent opportunity for Olympus executives to hear views from a slightly different perspective from their day-to-day business activities and their communications with suppliers, distributors or within their corporate environment.

One of the views put forward during the group presentation was that the key phrase for the Olympus Group's CSR activities should be "society through the lens." One of the problems for Olympus is the fact that most people in society are unaware of the ways in which Olympus is working for the advancement of society and from which perspectives. To overcome this problem, Olympus will need to expand the scope of its activities, and to engage in repeated exchanges of views with a wide cross-section of the public through initiatives such as this stakeholder dialogue meeting.

A number of Olympus employees participated in this session and engaged in discussions with the participants.

There are many ways to canvass the views of stakeholders, and there is no particular need to follow the format used for this event. However, it is very important to listen to the views of the public to learn how Olympus is viewed by stakeholders, and to create mechanisms that allow this input to be reflected in management. I hope that Olympus will continue to undertake a wide range of stakeholder dialogue initiatives.

Hiroshi Ishida

Executive Director
Caux Round Table-Japan



The Caux Round Table (CRT) was founded in 1986 as a network for business people, especially in Japan, North America and Europe. Since its establishment, the group has continually examined the social responsibilities of businesses. In 1994 it produced the Caux Round Table Principles for Business, which are believed to be the first business code of conduct to be produced collaboratively by Japanese, North American and European business people. This work has influenced other CSR-related policies, such as the Nippon Keidanren Charter of Corporate Behavior.

Sharing Values with Society

This was the first stakeholder dialogue meeting hosted by Olympus, and we were a little apprehensive about the unpredictable nature of the event. However, the benefits were even greater than we had hoped.

Through our dialogue with the participants, we were able to confirm our CSR activities are in tune with the values of society. We also received a clear message that we need to provide more information and we will expand our efforts to communicate with all sectors of society, as well as implementing Olympus-style CSR activities based on our Social IN management philosophy.

Masashi Tanaka

Division Manager
Corporate Social Responsibility Division



Third-party Opinion



Professor Scott T. Davis

Department of Global Business, College of Business,
Rikkyo University

After graduating and completing a doctorate degree at the University of New South Wales in Australia, Professor Davis earned his doctorate at Rikkyo University in Japan. He previously worked as a full-time researcher with the Japan Institute for Labour and as a professor at Reitaku University before taking his present position in April 2006. His field of specialization is social responsibility and management strategy.

The importance of dialogue – the focus of this review

In response to the comment in the reviewer's evaluation of the 2009 report that Olympus needed a more concrete system to align its social goals of value creation and integrate them within its business plans, the Director in charge of CSR stated that Olympus as yet lacked the corporate culture necessary to achieve this integration.

This review will therefore focus on the steps implemented in the past year in order to redress this situation and develop the principles and processes necessary for the integration of social and financial value creation.

A meaningful implementation of Social IN – the Olympus Group's business principles – requires creating and maintaining a frank and constructive dialogue between Olympus and its stakeholders. The reviewer therefore considers the evaluation of the level and quality of such a dialogue to be of considerable importance in assessing the extent of the Olympus Corporation's commitment to social value creation and its potential for achieving this goal. This review will therefore concentrate on an assessment of the level of objectivity, materiality, interactivity and openness of the dialogues contained within the Olympus Corporation's CSR initiatives.

Structure & organization

This report is presented as a closely integrated part of the Olympus Corporation's wider reporting process. Overall, the report is well organized into clear and concise sections beginning with the President's message and followed by reports aimed at a specific stakeholder entity. The brevity of the report is augmented with abundant references to more detailed information on the Olympus Corporation's website and other internet resources which are particularly helpful for readers less familiar with CSR and its related issues.

Throughout the report a number of public and international initiatives adopted by Olympus in order to promote responsible business are introduced. While many corporations in Japan subscribe to a large number of such initiatives, the extent to which Olympus actually constructively integrates them into its business practices is remarkable. Utilizing these initiatives to such an extent requires great dedication and the ability to partner with a wide range of organizations on a long-term basis. An explanation of the criteria which Olympus has used to select these initiatives would further improve future reports.

Olympus Vision-Presidents message

Setting the tone for this report, the President's message shows a clear understanding of the need to implement the creation of social value as a part of the underlying process of value creation. This understanding is clearly expressed in the President's message where he specifies that the conduct of business with integrity is the key to ensuring that all stakeholders feel pride in their association with Olympus. In his statement the President commits Olympus to the goal of creating a mutually beneficial partnership with its stakeholders. Recognizing that these stakeholders are located in diverse backgrounds and hold their own distinct positions, the President specifically identifies a frank and open dialogue as the method by which this goal is to be achieved.

In 2010 Olympus implemented its "10CSP" – a new five-year corporate strategic plan. In his message the President explains that this plan incorporates CSR as part of the overall design and includes it as a key element in the PDCA cycle based process whereby the strategic value and sustainability of the plan will be regularly reviewed and evaluated. I look forward to reading in the next report about the yearly goals of the 10CSP, the CSR milestones set for each stage, and the evaluation of their levels of attainment.

Customers

The section on customers focuses upon quality and service improvements by optimizing post-purchase interaction. By setting the clear goal of responding to enquiries on the spot (on the first call) and in simple language, Olympus is redesigning its interaction with the customer from the customer's own perspective. This customer-based perspective requires an ongoing dialogue and develops a sensitivity whereby Olympus may evaluate its products and services objectively in terms of value creation for the stakeholder. Progress achieved to date in the implementation of this customer-based service is well explained. An exposition of how this input is being used to improve existing and develop new products would further enhance future reports.

Suppliers

Olympus has a long and well-known history of applying endoscopes. Lives depend on the ability of Olympus to assure reliability and quality whilst also realizing the ongoing innovation of these technologies. As noted in the report, this requires the cooperation of a wide range of suppliers and partners. In section two on trading partners, Olympus

outlines its systems for managing its supply chain and the section is of particular interest. Olympus predicates its supply chain management process upon the goal of ongoing quality enhancement and innovation by promoting mutually beneficial partnership with and between its suppliers. Here again, this process is guided by clearly set goals, measured in an interactive process that forms an extensive and ongoing dialogue. This is an excellent example of the social contribution made by a business in the course of its daily operations as a business. Including information in future reports on the issues identified by this process over time, and the systems employed to address the problems identified, would further enhance the readers understanding of Olympus' commitment to acting with integrity as a trading partner and the achievements resulting from this commitment.

Environment

The "Carbon 1/2 2020" project which has been introduced in previous reports (2009) is outlined in greater detail in the current report. Many corporations talk of emission reduction as a business opportunity and then simply go on to cut out "carbon dirty" processes to achieve net reductions. Olympus, by contrast, is bringing to bear its capacity for innovation as a manufacturer in order to develop a wide range of "carbon clean" production and delivery systems which enhance carbon efficiency as an integral part of a wide ranging redesign of numerous processes. The comprehensive scope of this process is well explained in a manner highly approachable for the non-technical reader.

Stakeholder dialogue

Olympus' stakeholder dialogue stands in stark contrast with the general format for dialogues in Japan, which are usually comprised of highly structured and finely choreographed presentations between corporate executives and CSR experts, with no stake in the business. Olympus' dialogue comprised of a meeting with a diverse panel of people with an interest in the corporation and its business. Participants reviewed Olympus' business processes and CSR initiatives and then evaluated them in a series of thematic discussions coordinated by a third party facilitator. The resultant opinions and comments as reported are wide-ranging and at times demanding. Most corporations strive to avoid this type of stakeholder input because of the burden it places on the organization's ability to engage and respond. Taken on its own this dialogue shows the extent of Olympus' dedication to putting its values into action. The inclusion of brief comments written directly by dialogue participants and responses to their comments and suggestions by relevant corporate officers would further enhance future reports.

In conclusion

It is obvious from this report that the employees and management of Olympus have given serious thought to what it means to be a good business. Throughout this report Olympus has very effectively illustrated a genuine commitment to conducting its business with integrity by implementing a wide range of ambitious initiatives whereby it aims to ensure the objectivity, materiality, interaction and openness necessary to achieve this goal to the benefit of its stakeholders. I look forward to next year's report with great anticipation.

Responding to the Third-party Opinion

We are grateful to Professor Davis for his assessment of this digest version of our Corporate Social Responsibility Report. These positive comments from a specialist in CSR studies are very encouraging for us as we move forward with our CSR activities.

Olympus first adopted its Social IN management philosophy in 1994 and through this philosophy, we declared that businesses are also members of society and made a commitment to engage with society within the context of our corporate management. As part of that commitment, we have sought the views of stakeholders and reflected those views in our activities. This year we used a new approach, the stakeholder dialogue meeting, which received strong expressions of support. While we have earned considerable recognition for our efforts in relation to customers, suppliers and the environment, we are not satisfied with the status quo. We will continue our efforts to build engagement between business and society by further improving the level and quality of our dialogue, based on this advice from Professor Davis.

In October 2009, Olympus celebrated the 90th anniversary of its founding. Originally a manufacturer of microscopes, Olympus has used its accumulated knowledge of optical technology as the foundation for an expanded range of business segments, including the life science business, imaging products, medical equipment and industrial systems. The geographical scope of its activities has also grown to include not only Japan but the entire world. Today the Olympus Group includes over 190 subsidiaries and associated companies and employs over 35,000 people worldwide. We undertake a wide range of CSR activities, for which we have earned significant recognition. We will continue to evolve and strengthen those activities, including the systems and mechanisms on which they are based.

In fiscal 2010, we will launch a new medium-term Corporate Strategic Plan. Our management focus under this plan is to take Olympus to the next stage of globalization, by reflecting feedback received in our business activities since last year in our business activities, by developing a group-level grand design for our CSR activities, and by working through sustained and strategic initiatives to enhance our activities through a process of review, verification and improvement. We aim to be one of the world's leading companies from an environmental as well as a business perspective. We will achieve that by pursuing CSR-based and environmentally focused management on a global scale. We will also identify priority themes and areas of activity for Olympus and work toward strategic integration, as suggested in the assessment. At the same time, we will implement specific systems to incorporate this strategic integration into our business planning.

We need to ensure that every individual has a profound understanding of the ideals contained within our Social IN management philosophy, so they can reflect those ideals in their day-to-day activities. We will continue to foster dialogue with stakeholders as we move forward toward our 100th anniversary and beyond through sustainable business activities in partnership with society.

Hideo Yamada

Director, Executive Vice President
Director Responsible for CSR
Olympus Corporation



To protect the environment, this report was printed on FSC-certified paper produced using resources from appropriately managed forests, soy ink and waterless printing technology. It has received third-party approval from the Color Universal Design Organization, a nonprofit organization in Japan, as being suitable for people with a wide range of color-vision characteristics.

OLYMPUS

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