

Optos plc Slavery and Human Trafficking Statement for the fiscal year ended 31st March 2017

Optos plc endeavours to ensure that there would be no human rights violations related to our own operations, our supply chain and our products. Pursuant to the United Kingdom Modern Slavery Act of 2015, we hereby report our activities to prevent and tackle slavery and human trafficking during the financial year mentioned above. Optos plc was acquired by Nikon Corporation in 2015 and works closely with Nikon Corporation, Japan, in order to further develop and align with existing policies/activities as a member of Nikon Group.

Overview of the company, business and supply chain

Optos has been engaged in the design and development on Ultra-widefield imaging technologies for the Ophthalmology and Optometry sectors for the past 25 years. Our products are designed and developed in Scotland and sold globally via Optos subsidiaries or our network of distributors.

Our products are manufactured by Optos plc in Scotland and by Optos Inc. in USA. We have a small network of suppliers providing our parts and sub assembly modules. We also procure computer equipment such as PCs and servers to support our installed devices. This equipment is purchased as finished goods. Further details on our company and business information can be found on the following website: www.optos.com

We had 25 major suppliers as of March 2017, 68% of the suppliers are based in USA, 9% are based in UK and 22% are based in Mainland Europe, as calculated by supplier spend and which country their headquarters are located. These suppliers source product as follows; 40% product parts are manufactured in the USA, 19% in the UK, 23% in Europe, and 18% in China, as calculated by spend within factory location.

Policies related to slavery and human trafficking

The Optos plc Code of Conduct Policy for employees remained in place throughout the financial year. This policy was replaced in September 2017 with the Optos Code of Ethical and Business Conduct Policy. Our new policy has a greater focus on areas of human rights and the wider implication of the changes in legislation.

Our current reporting framework for non-compliance is to the Group Human Resources Director of Optos plc, or Company Secretary. During the period there were no instances reported.

Optos plc adopted and implemented the Nikon CSR Procurement Standards for suppliers during the financial year and has conducted internal and external training for employees and employees of suppliers.

Risk assessment, Due diligence process and Effectiveness measurement

Optos is now an active part of the Nikon Corporation's Supply Chain Sub-committee, which ensures we stay at the centre of Nikon Group thinking on compliance and corporate social responsibility matters.

From this financial year, we have started to evaluate and address risks of modern slavery and human trafficking in our supply chain. Our risk evaluation considers a number of factors including: supplier location, nature of products or component supplied and our understanding of their policies in relation to human rights. Thereafter we use this risk assessment to target those higher risk suppliers for monitoring activities, which could include supplier audits. In this financial year, we rolled out a self-assessment to the identified 6 suppliers to check compliance with the Nikon CSR Procurement Standards.

As part of our process to appoint new suppliers we consider the risk based on a number of factors. All new suppliers are now issued with the Nikon CSR Procurement Standards and expected to comply with the Standards.

Training and Capacity building

Optos conducted training sessions during the year to build further awareness of matters relating to modern slavery and our wider corporate social responsibilities. Staff engaged in the supply chain process, and those out with supply chain that may have contact with a supplier, have undertaken training on the Nikon CSR Procurement Standards. We will start to roll out training module on E-learning to our major suppliers over the coming period.

Optos will continue to further develop our activities in relation to screening of new suppliers, enhancing awareness on our code of conduct for employees and suppliers and enhance our supplier monitoring.

This Statement was reviewed and approved by the Optos plc Board of Directors on 29th September, 2017.



Robert Kennedy
Chief Executive Officer
Optos plc