TAMRON
New eyes for industry

CSR Report 2010

Corporate Social Responsibility Report

Message from the President

Morio Ono
President & CEO
Tamron Co., Ltd.

Strengthening Our Management System and Addressing CSR through Our Primary Business

In 2009, as part of our work to increase our CSR management efficiency, we integrated our quality (ISO 9001) and environment (ISO 14001) management systems at our head office and three Aomori factories. We obtained authentication of the integrated management system, and have been conducting our business based on linking quality and the environment since then. Our next step is to integrate the management systems of all group factories including Tamron Optical (Foshan) in China into one system by 2010. Globally integrating management systems will enable us to more easily track our CO_2 and waste emission reductions, which are global tasks imposed on all of us as corporate citizens. In 2009, we established a three-year program to reduce CO_2 emissions by 15% compared to 2009 sales units (index of CO_2 emissions per net sales). We are committed to continuing to reduce CO_2 emissions by introducing measures such as changing lighting systems to LEDs, shortening development-to-production lead time through quality improvements from the design stage to procurement, and enhancing production efficiency.

In 2009, we also obtained authentication of ISO/TS 16949, which is a quality management system for the automobile industry. Our company started as a manufacturer of interchangeable lenses for single lens reflex (SLR) cameras, but we now produce a wide variety of optical devices including surveillance camera lenses and vehicle built-in camera lenses as eyes for industry, contributing to a safe society where people can live with a sense of security. We are committed to contributing to environmental conservation by combining energy saving and imaging technologies.

Social Contribution Expected of Tamron as Optics Manufacturer

At Tamron, we always consider how we can contribute to society through our primary business operations. One successful example is our contribution to photographic culture. We launched our Railroad Scenery Photo Contest in 2008 and have already held the contest twice. In 2009, we received a wealth of photographic work from photographers, exceeding the 2008 submissions. The fact came as a fresh reminder that many people from children to adults are interested in and enjoy the world of photography by taking pictures related to the familiar world of railroads. We also contribute to our community by holding a photography exhibition in Saitama City, which has strong ties with railroad transportation and is where our head office is located. In addition, we continued to hold the Tamron Macro Photo Contest and received a great number of impressive macro shots of nature, plant life, insects and animals. 2010 is the International Year of Biodiversity (1). We are expected to play an important role as a manufacturer of photographic lenses that serve as eyes for discovering and emphasizing the importance of biodiversity to people around the world.

We also continued to teach classes at elementary schools in Saitama City, using giant soap bubbles, to stimulate interest in science and chemistry among school children. In 2008, we started to use giant bubbles, each large enough to accommodate a child, serving as a tool to deliver the image of a lens and teach the wonder of science and chemistry. We will continue to implement these activities in 2010 and beyond to further contribute to society.

Participation in the United Nations Global Compact

In 2007, Tamron joined the Global Compact of the United Nations (2). Since then, we have continued to express our support of the ten principles of the Global Compact initiative that serves as the basic code of conduct for all global companies. Strengthening our consciousness of human rights is particularly important when we deploy our business operations around the globe. We have therefore included the ten principles in our Codes of Conduct and have been enriching our organization with internal education following the ten principles. We have also continued to assert the importance of CSR procurement to our business partners.

In compiling this CSR Report, we focused on communicating with our stakeholders. We would greatly appreciate your comments and suggestions for how we can further improve our CSR management.

(1) International Year of Biodiversity
The United Nations has declared 2010 the International Year of Biodiversity, a year to appreciate the diversity of life on Earth, learn more about the rich tapestry of life around us, discover why a healthy environment is important and become involved in monitoring and conserving our local wildlife.

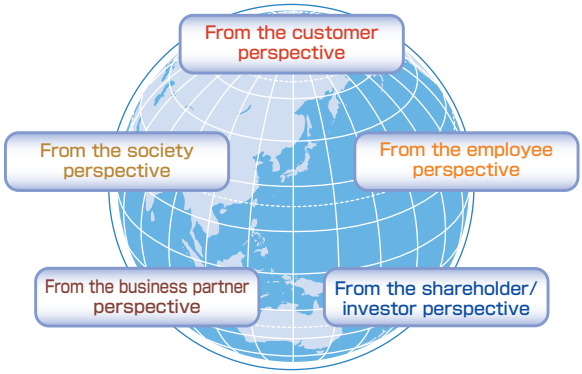
(2) The Global Compact of the United Nations is an international initiative of the United Nations, calling on participating companies and organizations to support ten fundamental principles of human rights, labor, the environment, and anti-corruption.

Tamron's CSR Management

For Enhancing Corporate Value

Tamron's CSR management is conducted under our basic corporate philosophy of contributing to the economy, society and environment by supplying customers with quality products that serve as eyes for industry. Our basic corporate philosophy advocates performing all of our primary business operations based on The Action Declarations, defining the stance the company should take toward stakeholders divided into five categories, and The Action Codes, showing how all Tamron employees should act while dialoguing with our stakeholders.

Perspectives from Stakeholders Divided into Five Categories



All five perspectives interlink with our environment.

The Action Declarations of Tamron

●From the customer perspective

Recognizing that customer satisfaction is of the highest importance, we will contribute to society by supplying safe, high-quality original products and services.

●From the employee perspective

In order to become self-reliant, each employee at Tamron works with a spirit of challenging difficulties, maintains good communications with fellow workers for creating a lively work environment, and strives to yield the best possible results at all times while observing the laws and regulations.
Each and every employee at Tamron respects human rights to support a good society as a good corporate citizen.

●From the shareholders/investor perspective

All of us working at Tamron strive to enhance Tamron's corporate value through faithful management, maintain good communications with our stakeholders, and work on enhancing stakeholder confidence to be a company worthy of stable investments.

●From the business partner perspective

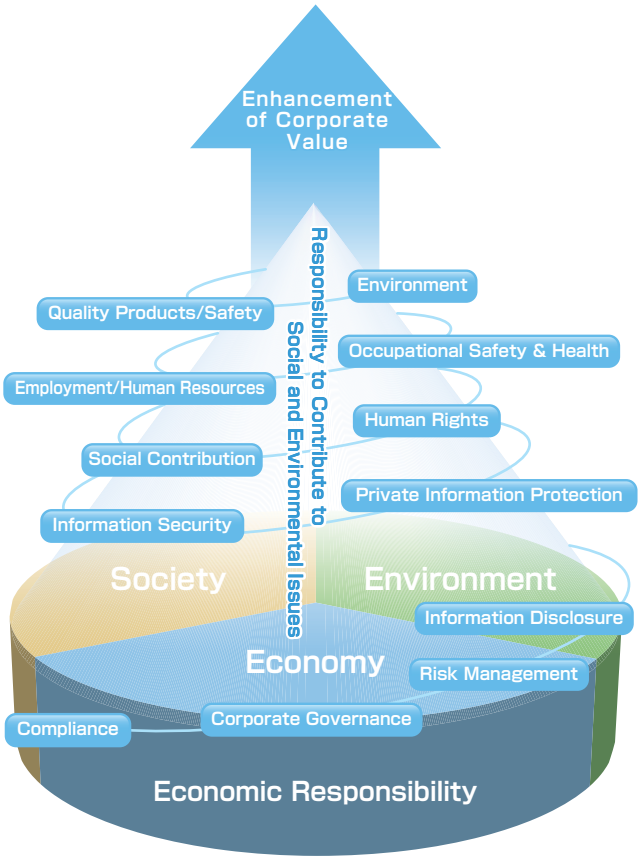
All of us working at Tamron observe the laws and regulations, aiming to establish relationships that ensure receiving a supply of quality materials and services from our partners through transparent transactions, working to grow and contribute to society together with our partners.

●From the society perspective

Maintaining good communications with local communities, we will strive to contribute to their growth while upholding their tradition and culture as a good corporate citizen.
We will observe the laws and regulations, aiming at earning confidence from society as a good corporate citizen.
We will be up against all social anti-society forces and organizations that pose threats to the public order and safety of our civil society.
We will work hard in NGO and NPO projects to establish a good society.

Twelve Themes for Enhancing CSR Management

We have established twelve themes for being a company acknowledged by stakeholders. Through addressing these themes, we are discharging compliance responsibility, economic responsibility, and responsibility to contribute to social issues. The themes of compliance, corporate governance, risk management, and information disclosure are essential for conducting sound business operations while discharging compliance and economic responsibility. The remaining themes are environmental conservation, quality, product safety, occupational safety and health, employment and human resources, human rights, social contribution, information security, and private information protection.



Twelve Themes for Enhancing CSR Management

CSR Committee

Our CSR Committee meets monthly to closely watch the progress of activities for pursuing the twelve themes. The committee is an organization under the direct command of our president. Representatives from all divisions at the head office and factories at home and abroad meet monthly through videoconferencing.

Participation in the UN Global Compact

Tamron operates around the world, including a production base in China and subsidiary sales companies in Europe and America. Agreeing to the Global Compact (GC), the international initiative proposed by the United Nations to support the Ten Principles related to human rights, labor, environmental protection and preventing corruption, Tamron became a supporter of the initiative in August 2007. The Ten GC Principles became pillars for establishing our CSR promotion structure. We will continue to conduct our business following The Ten Principles, fulfilling our social responsibility.

THE GLOBAL COMPACT
WE SUPPORT

For further details on the initiative, please visit the United Nation website at
WEB http://www.unglobalcompact.org/.

COP Report (Communication on Progress)

The COP program of the Global Compact requires participants to submit Communication on Progress Reports (COP Reports) that describe the actions taken following the Ten Principles. The following table describes actions taken at Tamron during 2009 in line with the Ten Principles.

	Principle	Actions taken, implementation processes	Relevant page
Human Rights	Principle 1: Business should support and respect the protection of internationally proclaimed human rights	"As members of society, we at Tamron respect human rights and establish and support good society" (Good citizens) (Quoted from our Action Declaration: Employees' viewpoint) We could promote the awareness of the importance of respecting human rights among our employees by clearly stating it in our policy platform as stated above.	P2
	Principle 2: Business should ensure that they are not complicit in human rights abuses	"We at Tamron will always work on maintaining sound working environment and respecting human rights of all people, and will not conduct any deed that may lead to discrimination." (Quoted from the Compliance Regulations of our company)	P2,9
Labour	Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	"The labor union of our company shall aim at conducting activities and operations that are necessary to attain its objectives through solidarity and cooperation of its members."(Quoted From "Objective" of the labor union bylaw. Labor management negotiation meetings are held regularly between representatives from the company and the labor union to discuss labor conditions.	——
	Principle 4: Business should support the elimination of all forms of forced and compulsory labour	"Our company will comply with labor-related laws and regulations in order to maintain sound workplaces where employees are comfortable to work." (Quoted From the Compliance Regulations)	P11
	Principle 5: Business should support the effective abolition of child labour	"Our company will not employ persons under full 15 years of age." (Quoted From the Rules of Employment of our company)	——
	Principle 6: Business should support the elimination of discrimination in respect of employment and occupation	Our company advocates equality in employment and sets our target ratios of employment of handicapped persons and female managers, and we are deploying business operations aimed at establishing workplaces valuing diversity.	——
Environment	Principle 7: Business should support a precautionary approach to environmental challenges	In our Company-wide Environment Management Policy, we address the following four actions as preventive measures against environment contamination: (i) Reducing CO2 emissions, (ii) Reducing Waste (iii) Alternating and reducing the harmful substances (iv) Conservation of biodiversity. Environmental contamination accident : Zero Harmful chemical substance discharge accident : Zero	P13~18
	Principle 8: Business should undertake initiatives to promote greater environmental responsibility	Our company set the 3rd environmental objectives and targets (for a three-year period from 2007 through 2009): (i) Integrated management systems for environment and quality; (ii) Reduction of waste; (iii) Reduction of CO2 emissions; (iv) Promotion of DfE ("Designs for Environment") (Product development based on the DfE concept); (iv) Adequate administration of chemical substances; (vi) Prevention of environment pollution.	
	Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies	We integrated our domestic management systems for grasping environmental load as a whole and promoting reduction of the load.	
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Regulations regarding endowments, political contribution and brushing off relations with antisocial organizations (Stipulated in the Compliance Regulations)	P9

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Editorial Policy

1. This report is issued to inform our customers, employees, shareholders, investors, business partners, communities and other bodies (local communities, public bodies,NGOs and NPOs being our stakeholders) about Tamron's work and progress on environmental conservation and social responsibility.
2. This report covers the whole Tamron group including Tamron Co., Ltd and Tamron Optical (Foshan) Co., Ltd. and subsidiary sales companies overseas (except for some environmental data).
3. The guidelines referred to are the Environmental Report Guidelines (2007 Version),Greenhouse Effect Gas Assessment & Reporting Manual (Ver. 2.4 2009) and Environmental Accounting Guidelines (2005), issued by the Ministry for the Environment.
4. The needs for disclosing information to stakeholders were determined in accordance with GRI Sustainability Reporting Guidelines.
5. We strive to disclose information from the perspective of stakeholders by referring to the warranty processes in AA1000 Warranty Standards.

*About the front cover design
We tried to express how our company works with lenses to contribute to the earth, the environment and harmony with people.

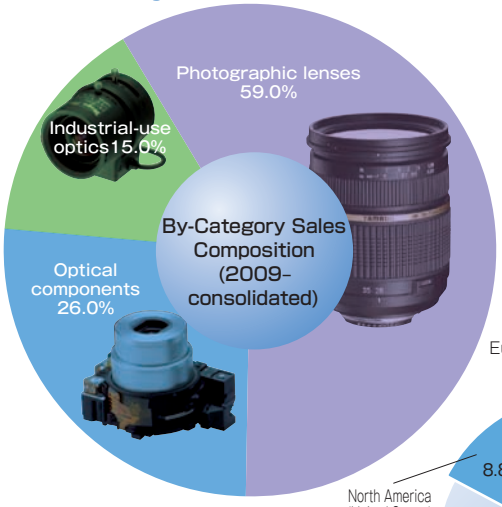
Company Outline

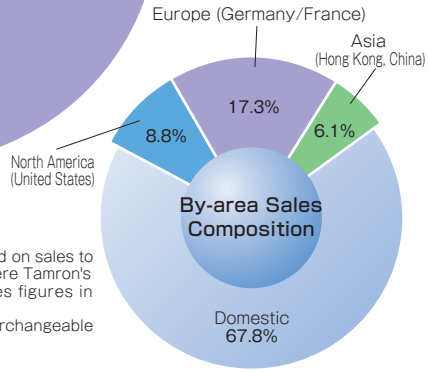
Trade Name: Tamron Co., Ltd.
Head Office: 1385 Hasunuma, Minuma-ku, Saitama City, Saitama Prefecture 337-8556 Japan
Tel: +81-48-694-9111
Founded: November 1, 1950
Established: October 27, 1952
Capital Amount: 6.923 billion yen
Representative Director: Morio Ono

Employees Consolidated: 5,922(including 450 temporary employees)
Non-consolidated: 1,489 (including 441 temporary employees)
Total Sales Consolidated: 49,892 billion yen (2009)
Non-consolidated: 45,369 billion yen (2009)
Stock Exchange: 1st Section, Tokyo Stock Exchange
Domestic Factories: Hirosaki, Namioka, Owani
Affiliated Companies: The United States, Germany, France, Hong Kong, China (Shanghai, Foshan)

Head office (Saitama)

Summary of Business

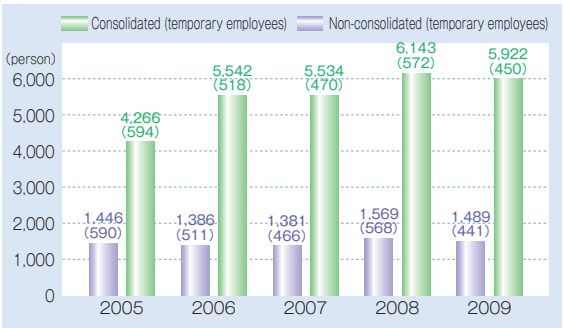




By-area Sales Composition is based on sales to customers in Japan and areas where Tamron's subsidiary companies exist. Sales figures in overseas markets are primarily sales of interchangeable lenses for SLR cameras.

Net Sales

Numbers of Employees



Relationships with Customers

Tamron is committed to contributing to society by supplying customers with safe, unique and quality products and services, putting the highest priority on satisfying customers, dealers and OEM customers.

Major accomplishments in 2009

- We enhanced the annual average satisfaction points of dealers and OEM customers by 0.2%.
- We established our VC (Vibration Compensation) technology.
- We obtained TS 16949 certification.

Tasks for 2010

- Developing high performance products chosen by customers
- Launching products using recycled materials

Improvement through Effectively Using Customer Feedback

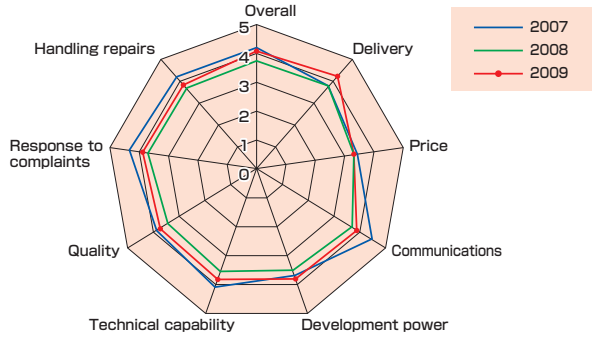
We work hard to develop and deliver quality products and services that meet customer satisfaction, understanding customer needs from the customer perspective. Tamron asks users of photographic interchangeable lenses for feedback through questionnaires included in our product display boxes and in boxes of repaired lenses to understand the customer perspective on our products and repair services. To shorten repair service periods for interchangeable lenses as requested by many customers, we worked hard on improving our repair service structure for the domestic market in order to complete repairs within three days after receipt at our repair service points. We met our target by 100% for the second year in a row in the domestic market.

Valuing and Understanding Customer Perspectives

In addition to including questionnaires in display boxes to understand the perspective of consumers using our photographic interchangeable lenses sold under our own brand, we sent questionnaires to all our OEM customers. We asked about the eight aspects of delivery, price, communications, development power, technical capability, quality, response to complaints and repair handling capability. We improved our capabilities and services based on the information gathered. As a result, we enhanced our communications and capability to respond to complaints as well as our overall capability by 0.2 points. Much still remains for us to do. In 2010, we will continue to work on enhancing customer satisfaction.

Results of Customer Satisfaction Survey

(Annual average points in 2007, 2008 and 2009 - Dealers & OEM customers)



1: Dissatisfied, 2: Slightly dissatisfied, 3: Ordinary, 4: Satisfied to some degree, 5: Satisfied

	Delivery	Price	Communications	Development power	Technical capability	Quality	Response to complaints	Handling repairs	Overall
2007	3.6	3.4	4.5	3.9	4.3	3.9	4.2	3.8	3.9
2008	3.7	3.3	3.8	3.8	3.8	3.6	3.5	3.4	3.6
2009	4.0	3.3	4.0	4.0	4.0	3.7	3.7	3.6	3.8

Opportunities for Interacting with Customers

Tamron provides free maintenance services for Tamron lenses at PIE (Photo Imaging Expo) every year at Tokyo Big Site. We also provided services at our booth in 2009 to 460 users, up 20% from 2008. This is an important opportunity for our repair service technicians to have direct contact with our customers. We wish to make the most use of the valuable information received in order to improve our services and develop new products that meet customer needs.

Free maintenance services at PIE

For Developing Original High-quality Products

The SP AF17-50 mm F/2.8 XR Di II VC LD Aspherical (IF) (Model B005) launched in September 2009 may look like an improved version of the conventional model A16 (1) with a VC (2) mechanism, but the lens is entirely different. It is a fast standard zoom lens newly developed for APS-C-size DSLR cameras by thoroughly reviewing the optical design of the conventional model to deliver optical quality at least equal to that of the A16 while incorporating the VC mechanism. Thanks to the VC mechanism, the fast zoom lens delivers sharp descriptive performance and stabilized viewfinder images, even in handheld photography. The zoom lens strikes a balance between high performance and convenience. Tamron is committed to developing high performance products that meet customer needs, continuing work worthy of our reputation for manufacturing quality interchangeable lenses. The SP AF17-50 mm F/2.8 zoom lens won the Gold Prize in the third-party interchangeable lens segment of the 2010 Digital Camera Grand Prix.

B005

(1)
The A16 17-50 mm F/2/8 is one of Tamron's fast standard zoom lenses for DSLR cameras.
(2)
VC stands for Vibration Compensation, a mechanism to compensate for image blur due to vibrations.

Enhancing Quality at Factories at Home and Overseas

Tamron's factories at home and abroad fill different roles. The three domestic factories in Aomori are positioned as the mother factories. They are responsible for finding problems and solutions at pre-production stages before establishing new assembly lines abroad, developing new technology for processing lens elements as well as engineering plastic parts. Tamron Optical (Foshan) Co., Ltd (TOF), Tamron's production base in China, is an integrated production facility that handles all manufacturing operations ranging from assembling lenses to processing lens elements and injection-molding plastic components. In 2009, TOF also started painting and printing processes as well as processing metallic parts, resulting in the capability to handle all operations from processing parts and elements to assembling them into final products. Since manufacturing operations are performed with consistent quality management, TOF can quickly reflect customer requirements in processes from component manufacturing to assembling, which is expected to enhance the speed of further improvements.

ISO/TS 16949 Certification

In August 2009, Tamron obtained ISO/TS 16949 certification, an internationally recognized quality management system for the automotive industry. The TS 16949 certification is for the Tamron Optical (Foshan) factory in China, Hirosaki and Namioka factories in Aomori and the headquarters in Omiya. ISO/TS 16949 is a certification system that applies only to the supply chain of the automotive industry, a management system designed to steadily satisfy customer requirements at actual manufacturing sites focused on processes. Compared to the ISO 9001 standard, ISO/TS 16949 covers a wider range of requirements specific to the automotive industry, such as the method called the core tool (1).

As a lens maker aspiring to contribute to society by creating eyes for industry, Tamron is committed to meeting challenges in new fields including vehicle-built-in camera lens units by using the ISO/TS 16949 certification while delivering quality products such as interchangeable lenses, digital camera lens units and surveillance camera lenses.

(1) The term core tool is a collective name of documents specifying technical specifications referenced by the ISO/TS 16949 standard. The term covers specifications related to APQP (Advanced Production Quality Planning), PPAP (Production Part Approval Planning), EMEA (Failure Mode Evaluation Analysis), MSA (Measuring System Analysis) and SPC (Statistical Process Control) technologies.

TS16949 certification mark

Tamron's DfE (Designs for Environment)

●Tamron Eco Label

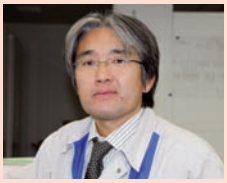
In order to continue to develop products with designs for the environment, Tamron enacted Product Assessment Regulations. The regulations require each new product be evaluated based on safety and environment impact and meet the standards. In 2009, we reviewed all evaluation items used up to 2008 and included new evaluation items related to using recycled materials. We plan to establish methods for all the evaluation items including the new criteria, developing more environmentally-friendly products meeting social needs. Products satisfying the standards set for the evaluation items will carry Tamron Eco Labels.

Tamron Eco Label design:
The label symbolizes an eye gently looking at our economy, society and environment. The eyebrow symbolizes a flowing stream of air and water, the pupil the earth in green, and the tree in the pupil our work for the three R's of reduce, reuse and recycle.

●Efforts to Introduce Recycled Materials

Our engineers are working on using parts made from recycled plastic materials.

Interview with an engineer in charge of introducing recycled materials



interview

Satoshi Todani
Manager, Design & Engineering Dept. #1, Imaging Products Business Unit

At Tamron, we are developing products with the slogan of DfE (Designs for Environment) under the leadership of the resource saving design promotion sub-committee of composed of members from the design divisions of respective business units. One major approach of the sub-committee is promoting parts made from recycled plastic materials. In 2009, we used a photographic interchangeable lens as a model case and used plastic materials with recycled materials content ratios of 20 to 30% in injection-molding (2) plastic parts for the lens model. We are repeating the evaluation processes to confirm that actual use is free of performance and quality problems. We are also studying the possibility of using 100% recycled materials for rear caps for lenses. We will continue to work on introducing components made from recycled materials in close cooperation with Hirosaki and Owani Factories in order to promote DfE designs.

(2) The term injection-molded parts means plastic parts made from metallic molds.

Relationships with Business Partners

Tamron respects human rights, ensures compliance with laws and regulations, and establishes good relationships with business partners to grow and contribute to society together.

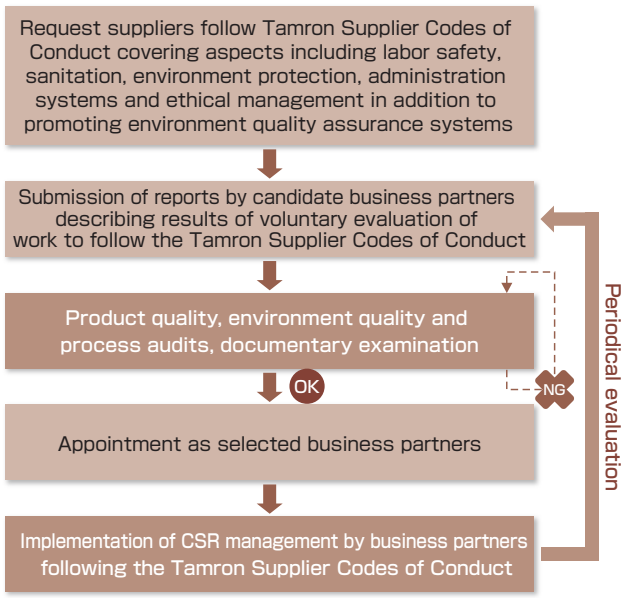
Major accomplishments in 2009	Tasks for 2010
• We continued to work on CSR procurement, addressing chemical substance controlling regulations together with our business partners.	• We will continue to work on CSR procurement, emphasizing the relevant points. We will pursue sufficient information disclosure as required by the REACH Initiative.

For Establishing Good Relationships with Business Partners

As time goes on, criteria change for selecting business partners and evaluating their capability to satisfy our requirements. D (Delivery), Q (Quality) and C (Cost) were the three basic requirements in the past, but environment requirements are now just as important. To meet the demands of our times, Tamron promptly started to work on strengthening the management of harmful chemical substances in products, requested the assistance of business partners to create an environment where joint efforts are made to that end and introduced green procurement as well as the Tamron Eco Partner Accreditation System. In 2008, Tamron called on business partners to jointly pursue green procurement, established and distributed Tamron Supplier Codes of Conduct covering aspects including labor safety, sanitation, environment protection, administration systems and ethical management in addition to promoting environment quality assurance systems, requesting the cooperation of all business partners.

We regretfully found in 2009 that our conventional system for procuring materials and components was insufficient to respond to some customer requirements. We therefore reviewed our criteria for selecting business partners and included additional requirements in our CSR procurement system, carrying out repartition, review and re-selection of business partners. In 2009, we also started addressing the REACH initiative together with our business partners.

Procedures to Select Suppliers



CSR Procurement

In 2009, we administered a questionnaire survey on CSR, sending questionnaires to all business partners as we did in 2008, and received voluntary evaluation reports from 236 business partners at home and abroad. The reports showed us our partners' CSR recognition and their CSR promotion work.

We discovered that more than 90% of our business partners were willing to work with us, attaching importance to CSR management and incorporating the necessity of paying attention to the environment, human rights and more in their own internal regulations and policies as advocated in our Codes of Conduct. We also discovered that while quality assurance, environment protection, labor safety and sanitation were themes they had been working on for many years, themes such as information management, proper disclosure and social contributions were regarded as themes to be pursued anew. We therefore wish to educate our own procurement personnel to first clearly understand the actual conditions at our business partners so they may pursue approaches in clearly understandable terms, working together with us. We are committed to maintaining sufficient communication to work on CSR procurement with our business partners.

Interview with Business Partner

interview

Mr. CHOU, LIANG-CHEN
President,
FOSHAN HUAGUO OPITCAL CO.,LTD.

Since the establishment of our company, we have engaged in business through our management creeds: advocating human resources development – the first and foremost task and contributing to society through business. Standing out from the crowd, we introduced XRF (X-ray fluorescent) analysis apparatuses at an early date to inspect and eliminate harmful substances included in raw materials and final products. In 2009, we started to respond to the REACH Initiative and plan to address environmental requirements that are expected to become more demanding. In addition to paying attention to environmental issues, we work on educating children. We have built three elementary schools in villages in mountainous areas of Gangsu and Guangxi provinces and launched a foundation called the Huaguo Scholarship to help junior high school students with limited financial resources who excel in their behavior and at their schoolwork. We will continue to help to educate children in order to contribute to society.

In the future, we wish to continue to call in the best brains to command leading-edge technologies while strengthening corporate governance. We are committed to striving to keep our company a top-level optical company trusted by society and all stakeholders.

For Meeting Stricter Regulations on Harmful Chemical Substances

Compliance with REACH Initiative

REACH is an international initiative proposed by the European Chemicals Agency and enacted in 2007 to control harmful chemical substances. REACH stands for Registration, Evaluation, Authorization and Restriction of Chemicals. We must disclose related information to customers and consumers while submitting all related data to the European Agency in case our products contain SVHC(1). Under the initiative, any manufacturers who produce products containing 0.1 wt%(2) of SVHC among products they manufacture must report when they export more than 1 ton of such products to Europe annually. Manufacturers must also disclose all information related to chemical substances used in their products within 45 days when demanded by any NGO, NPO or consumer.

(1) Percent by weight
(2) SVHC means Substances of Very High Concern and includes suspected endocrine disrupting chemicals. As of March 2010, 29 kinds of substances are considered to be suspected substances. As many as 1,520 kinds of chemical substances may be specified as SVHCs in the future.

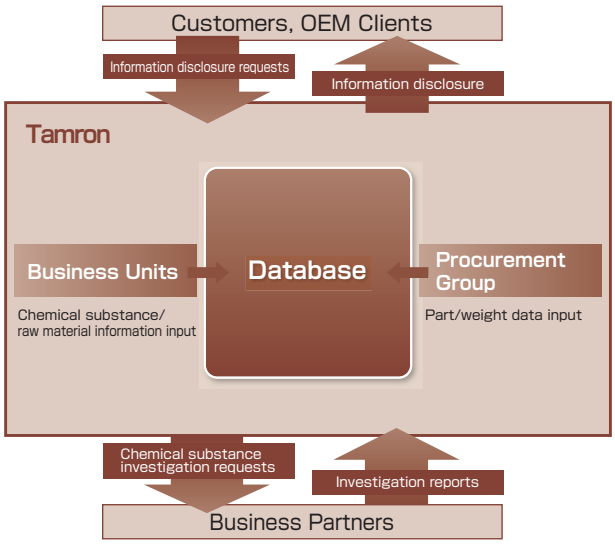
●Internal Structure

Upon enactment of the REACH Initiative, we recognized the necessity of obtaining related information and data from all business partners in order to discharge the reporting and information disclosure obligations as required by the initiative. We launched a group-wide project with participating members from the Head Office, three Aomori factories, Tamron Optical (Foshan) in China and Tamron Europe GmbH. Since then, four project teams have been working on improving four different systems: marketing, designing, procurement and coordination.

●Database Formulation and Information Disclosure Flow

In order to promptly respond to customer and consumer requests for information disclosure, establishing a sufficient database on chemical substances used in our products was essential. In 2009, our project teams continued to work on refining our database administering systems. In February 2010, we compiled our database and established a management system. We will continue to work on improving the database.

Database Positioning



●For Supplying Customers with SVHC-free Products

As a result of our 2008 investigation to check harmful substances used in our products, we found that SVHCs exceeding 0.1% weight-ton, the criterion requiring official notice to the European Agency, were not in our products exported to the EU in volumes of over 1 ton. We are not obligated to submit our report to the agency, but we decided to keep a closer watch on SVHCs despite the results. We are continuing to work to find alternative chemical substances and drugs so we may quickly act when even a small amount of SVHCs are found in our products. In 2009, a paint material used on lens surfaces was found to contain a very small amount of SVHCs. We were able to immediately select an alternative paint material. The material test-coated on products is under final evaluation and is expected to replace the previous material in 2010.

Project Teams' Main Activities

2008	Project was launched and chemical substance investigations started.
2009	Teams engaged in establishing internal management structures and defining the flow of processes, ranging from collecting chemical substance data from business partners to reporting to the European agency and information disclosure to customers and consumers. Requested business partners cooperate with our REACH-compliance (through briefing sessions) Compiled internal database. Continued investigating chemical substances included in our products.(As a result we confirmed observance of the statutory limit)
2010	Plans include establishing and refining our internal database and continued work to find alternative SVHC-free materials.

Efforts to Increase Precision of Chemical Substance Analysis

Since 2003, our company has been closely watching lead, mercury, cadmium, sexavalent chrome, PBB and PBDE, which are chemical substances prohibited by the RoHS initiative of the EU. All pre-production sample products are inspected at the Head Office with advanced equipment including ICP-AES (Inductivity Coupled Plasma Atomic Emission Spectrometry) and GC-MS (Gas Chromatography Mass Spectrometry), and all procurement part samples and raw materials samples are inspected at our three Aomori factories and Tamron Optical (Foshan) in China with XRF (X-Ray Fluorescent) analysis apparatuses in order to eliminate any RoHS substances. As for metal and plastic hybrid materials, we outsourced analysis work up to 2009, but established our own analysis technology. We are expanding our own structure to promptly and accurately analyze at our own facilities, which will contribute to shortening our companywide lead-time from development to production.

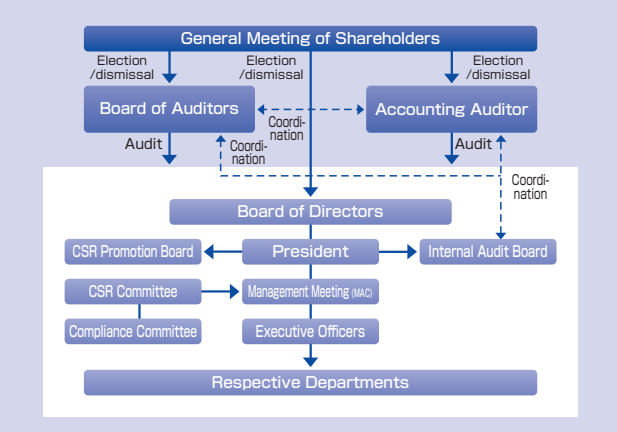
A scene of internal analysis

Relationships with Shareholders and Investors

We strive to enhance the corporate value of our company by pursuing faithful management and maintaining communications with our stakeholders including shareholders and investors.

Major accomplishments in 2009	Tasks for 2010
• Established organizational structure for internal control • Implemented risk management	• Enrooting risk management and thorough governance of everyday issues

Corporate Governance



Corporate Governance Framework

We at Tamron constantly pursue fair and highly transparent management.

1.Separation of Management and Executive

Tamron introduced an executive officer system in January 2005. Under the new system, directors focus on management decisions, working with strategies on a mid/long-term basis as well as ideas for evolving new business, while executive officers flexibly and promptly superintend and carry out our daily business.

2. Organizational Structure for Internal Control(1)

Tamron organized an Internal Audit Board in January 2004 as an organization under direct supervision by our representative director. The board audits our business operations based on our internal audit regulations, independently reporting the state of compliance with internal regulations to our president. The board also implements follow-up audits after the initial audit to ascertain that improvements have been made and ensure compliance with internal regulations. Tamron also set up a CSR Promotion Office in January 2007 to put CSR management into practice. The CSR Promotion Office is promoting work in line with our Twelve CSR Themes to put CSR management into practice, in addition to refining our quality and environment management systems.

3. Internal Control through Committee Meetings

We regularly report business tasks such as budget changes and countermeasures in monthly business performance discussion meeting (MAC meetings) attended by all directors, full-time corporate auditors and executive officers. External officers and a representative of our Internal Audit Board also attend each meeting to observe. At each meeting of our CSR Committee, which was organized in 2007, aspects related to CSR management are discussed with an eye toward all divisions concerned, pursuing unified business operations, and resolutions adopted are brought up for discussion at MAC meetings.

(1) Organizational structure for internal control: A system to prevent acts of dishonesty by letting internal plural organizations and persons monitor activities each other

For Thoroughgoing Compliance

The Compliance Committee at Tamron has met monthly since 2006.

●Activities in 2009

1.Workshop on Insider Transactions

In 2009, inviting a lecturer from the Tokyo Stock Exchange, we held a workshop on insider transactions to better understand the regulations, learning more about transactions running afoul of the regulations. We wish to hold similar workshops again to prevent employees from violating insider transactions regulations.

2.Workshop on Subcontracting Transactions

We also held a workshop to help employees working at departments related to subcontracting to learn more about the Subcontracting Law and related transactions.

3.Workshop on Security and Export Trade Control Ordinance

We held a workshop to help employees working at departments related to export trade control to learn more about the Export Trade Control Ordinance.

4.Study Sessions on Compliance Regulations

We held study meetings to help all the members of our CSR Committee to learn more about and eliminate ambiguity over our Compliance Regulations.

5.Study Meetings on Compliance-related Laws and Regulations

We held study meetings to help all the members of our CSR Committee to learn more about the Unfair Competition Prevention Law as well as other laws related to copyrights, rights of likeliness and our business.

For Stricter Internal Control

In line with the Corporate Law enforced in May 2005, we resolved basic policies for strengthening our internal control systems at a meeting of the board of directors held in the same month. Since then, we instituted our Corporate Philosophy, Action Declarations and Codes of Conduct as prerequisites for all business at Tamron, requiring compliance and continuing to refine our structure.

Based on the Financial Instruments Transaction Law enacted in April 2008, an internal control reporting system (2) was introduced in Japan. We reported all aspects as required by the end of December 2009 including the results of evaluating the effectiveness of our systems, in accordance with our evaluation plan. We will continue to work on reviewing our internal control systems, fulfilling our social responsibility for reliable financial statements.

(2) The Financial Instruments Transaction Law requires refining corporate frameworks to secure accuracy in financial statements and information disclosed as well as creating and reporting internal control reports evaluating the effectiveness of the frameworks.

Communications with Shareholders and Investors

The importance of information disclosure (IR) (1) for securing the soundness of management and transparency has been growing every year. Tamron adequately discloses information as required on a timely basis, while paying attention to fairness, in compliance with related laws and regulations, participating in seminars the Tokyo Stock Exchange holds from time to time. For instance, Tamron holds briefing sessions twice a year (intermediate stage and term end) for explaining account settlement results to institutional investors and security analysts, in addition to individual IR meetings. To eliminate discrepancies between our stakeholders, we also regularly insert explanatory materials on account settlement and press releases in English too. We also participate in IR events to explain our business and management philosophy to as many individual investors as possible.
In 2009, we participated three times in briefings the Tokyo Stock Exchange held for individual investors, explaining about our optical technologies including our new headlight optical systems, far infrared optical systems, liaison and representative offices we opened in Moscow and India, and our work to contribute to society and protect the environment. We will continue to work on improving our IR system.

(1) IR stands for investor relations and means providing shareholders and investors with information such as financial standing that is necessary for investors to make investing decisions.

IR Sites http://www.tamron.co.jp/en/investors/top/index.html

IR Event (Kono Vice-president)

Information Security

In 2009, we set zero information divulgence and zero virus infection as two of our CSR objectives, and took the following measures for all personal computers used by our employees:
(1)Personal identification with bio-authentication devices
(2)Encryption of all data on hard discs
(3)Introducing anti-virus software and surveillance
(4)Collecting mail and external access logs.
We use these countermeasures to prevent illegal access, information leakage and virus infection, maintaining and improving our information security system. Under the information security policy introduced, we provide all directors, executive officers and employees including temporary employees with opportunities to learn more about information security.

Risk Management

In January 2008, we assessed all risks in our business operations and established our risk management policies. Since then, we have been operating our risk management framework under the twelve themes of compliance, corporate governance, information disclosure, labor safety and sanitation, employment, human resources, human rights, social contribution, information security, private information protection, environment and quality assurance. We manage important risks involved in our business with our Business Continuity Plan (BCP), which was formulated for ensuring smooth business recovery after natural disasters such as large-scale earthquakes. Under the BCP, we will organize a control committee chaired by our representative director to promptly respond to problems if any emergency arises.

●Training for Emergency Situations

Our risk management policies require immediate countermeasures to prevent damage from increasing whenever any emergency situation affecting the management of our company occurs, in accordance with our emergency situation handling regulations. We conduct training drills at our sites addressing possible situations. Since our head office is located in a residential area, ensuring smooth evacuation and preventing fire hazards are essential as part of our risk management program. We held a fire and evacuation drill in 2009 for all employees with the assistance of the fire department of Saitama City. Our employees learned about initial stage fire fighting and using fire extinguishers. We also held an initial stage drill for earthquakes, using the government's preliminary earthquake flash announcement program.

Tamron's Risk Management Policy

At Tamron, recognizing all possible risks that may affect our business, we are committed to all possible damage prevention in order to minimize damage to the economy, our society and our environment. In emergencies, we work to minimize damage and promptly recover by acting responsibly, providing continuous services to our customers for continuing growth. We aim for safety and ease of mind for all stakeholders including our employees, shareholders, customers and business partners. We will continue to provide opportunities for learning about risk management to all employees so that they may work on risk management from a CSR perspective built on properly recognizing the importance of the policy and their missions.

September 30, 2009
Morio Ono, Representative Director & President (CEO)

Relationships with Employees

Tamron fosters self-disciplined employees with the spirit of rising to the challenge of creating new ideas in a climate emphasizing ethics. Tamron strives to create a safe work environment that encourages work, based on fair evaluations, respect for human rights and mutual understanding.

Major activities in 2009

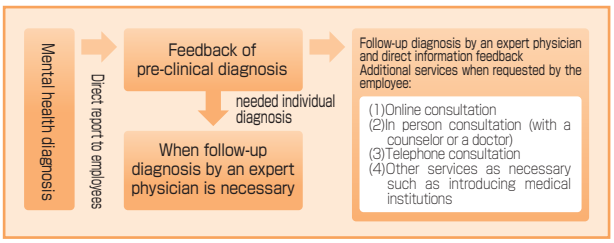
- Expanded the area to provide a mental health diagnosis program to the Aomori area
- Introduced a new employee trainer system

Tasks for 2010

- Creating a comfortable work environment by further improving our mental health diagnosis and human resources nurturing systems

Mental Health Diagnosis

We continued to provide mental health diagnosis services in order to help our employees find any indications of possible mental health disorders at an early stage for early recovery. Finding that we could increase the number of employees who needed long-term therapy with the mental health diagnosis program introduced at our Omiya head office in 2008, we expanded the area to provide the diagnosis services to our three Aomori factories in 2009. (The ratio of employees who underwent diagnosis reached 92%.) Employees can have their mental health diagnosed without worrying about private information since diagnosis results and other related information are directly sent to employees, not disclosed to the company. We will continue to provide our employees with opportunities to receive diagnosis in order to help them find any possible indications and receive support from experts at an early stage. In addition to our mental health diagnosis program, we established and introduced a program for supporting employees undergoing long-term therapy to return to work under the guidance of an industrial physician we contracted with for employees at our Omiya head office. We will continue to work on refining our pre-clinical diagnosis and follow-up care programs.



For Creating a Safe and Comfortable Work Environment

Tamron works hard to ensure security, maintain and enhance the mental and physical health of employees and create a comfortable work environment. In 2009, recognizing the importance of administering labor hours more strictly, we introduced coordinated lights out at 21:00, in addition to our already existing two overtime-free work days each week, working to reduce overtime even more.

Based on our Labor Safety & Sanitation Regulations, we organized a committee for preventing occupational accidents and started patrolling employee work sites. We reduced the number of occupational accidents from six cases in 2008 to two cases in 2009. We also reduced the number of accidents during commuting from seven cases to four cases. Since the number of minor traffic accidents when commuting by bicycle was large in 2008, we held safety seminars for employees who commute by bicycle. To be prepared for the worse-case scenario of a serious accident, we held seminars including an emergency treatment seminar on cardiopulmonary resuscitation to minimize risks. We set up a consultation/suggestion office at our general affairs department as part of our efforts to create a comfortable work environment. The contact office received over 40 suggestions in 2009 for improving facilities and premises and consultations on human relations and jobs. The office responded to each case, seeking solutions. We will continue to work on creating a safe and comfortable work environment.

For Nurturing Human Resources

New Employee Trainer System

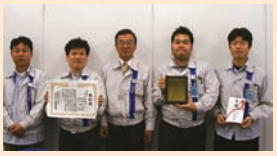
Nurturing new employees is a very important task for every company. At Tamron, we introduced a new program in 2009 to educate trainers who train new employees to work at their work sites as employees and members of society. The system is designed to appoint two senior employees for each new employee to educate the employee with basic knowledge on their work, including rules and manners, teach the skills required for now and be available to consult on relevant matters such as concerns and problems on and off site. The system works well because it is more comfortable for new employees to consult with senior employees who are closer to them in age than their immediate superiors, helping them to find solutions to their problems and concerns. The system is also designed to ensure discussion among trainers, department heads and personnel department members, sharing the same information on consulting and finding solutions in the initial stages before problems become too complicated.

Commendations

Years ago Tamron instituted commendations to enhance employee morale, energize organizations and improve productivity, holding commendation ceremonies on the commemoration day of its establishment in November at Tamron work sites. In 2009, six Presidential Awards were given to six groups: one gold prize, one silver prize, three bronze prizes and one award for effort.

Interview with Presidential Gold Prize Winner Group

interview



Members of a development team
(Engineers Kitayama, Sugiyama, Moriya, Kudo and Yoshida from left to right)

Receiving the Presidential Gold Prize for developing the LCU(1) for inspecting lens units for compact digital cameras is a great honor. We started to work on LCU development to comply with requests from our OEM customers and enhance the optical performance and precision of our own products. The newly developed LCU is designed to display numerical values for centering errors previously judged by eye, contributing to quality assurance and enhancing production efficiency. We are pleased that our colleagues at production sites highly evaluate the new equipment because they can adjust it by the micrometer, which makes assembling operations easier.
Being able to pursue technology exchange by working on development between plural business units because a valuable asset for all of us. As the newly development equipment is highly versatile, we wish to communicate the know-how to the relevant business units to apply it to many more lens models. We also wish to continue to strive so that we may develop more new technology that leads to another presidential award in the future.

(1) LCU stands for Lens Centering Unit, which measures centering errors in lens elements.

Integrated Management System

Certification of Management Integrating QMS and EMS

At Tamron we have been working on refining our Quality Management System (QMS) and Environmental Management System (EMS) since 2000 in accordance with ISO 90001 and ISO 14001 standards. In 2009, we obtained unified certification applicable to all domestic sites at our Omiya Head Office, Hirosaki Factory, Namioka Factory and Owani Factory with our management system integrating ISO 9001 (quality) and ISO 14001 (environment). We are working to obtain certification for the whole Tamron group including Tamron Optical (Foshan), our manufacturing base overseas. We will strive to continue to produce high quality products that are safe and satisfy our customers, while paying attention to the environment, under the integrated management system.

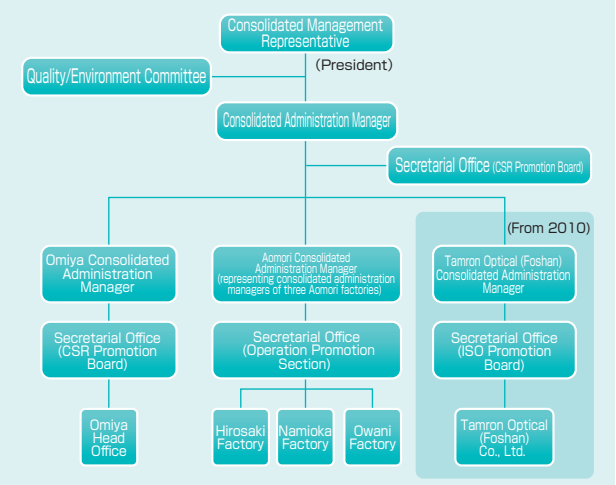
Integrated Management Policies

As a member of the optical industry of the world, we will continue to manufacture products meeting customer satisfaction and our goal of being Tamron ? Contributing to Society by Creating Eyes for Industry, while paying attention to environmental conservation.

1. We will supply our customers with high quality and reliable products by using our originality, ingenuity and technology, pursuing sustainable growth with profits arising out of delighting and satisfying our customers.
2. In running our business, we will comply with all related laws, standards and treaties at home and abroad, respecting the requests and demands postulated by our customers and the local community.
3. We will work on preventing environmental contamination through reducing CO2, waste emissions and harmful chemicals while seeking alternatives and keeping biodiversity intact.
4. We will continue to work on improving the effectiveness of our integrated management system.
5. To achieve this management policy, we will specifically set up our objectives and targets, periodically evaluating our achievement level.
6. To enhance recognizing the importance of our integrated management, we will maintain good communications while providing sufficient education and training to all people working for Tamron.
7. We will closely cooperate with society in all countries and regions where we work and disclose information as necessary on our quality assurance and environment conservation.

December 7, 2009
Morio Ono, President & CEO

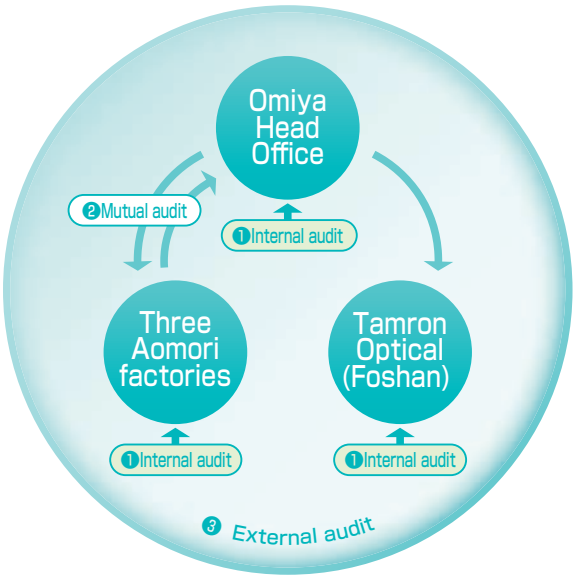
Organizational Structure for Promoting Consolidated Management



Triple Audit Systems for Surveillance and Finding Problems

We annually audit the implementation of the integrated management system at the Omiya Head Office and the three Aomori factories to check the effectiveness of the system and continually improve it, which are our internal quality and environment audits. From the auditing, internal auditors found some nonconformity cases and suggested improvements at the Omiya Head Office and three Aomori factories. In addition to the internal audit, the Omiya Head Office and three Aomori factories audit each other to check their systems and manufacturing processes. We periodically audit with contracted external audit organizations to maintain certifications while continually improving the integrated management system at Tamron. We study problems and improvements suggested from these triple audits and the follow up for further improvements. We introduce improvements thus made to other sites within our group so that the same information may be shared for improvements as a whole group.

Triple Audit System



Overall Audit Results from External Auditing

In 2009, we asked an external auditing organization to audit our Omiya Head Office and three Aomori factories where we obtained the certification of the integrated management system. As a result of the audit, the effectiveness of our administration processes was rated as the 3rd grade of their valuation method rating achievement levels in five grades (1-2-3-4-5). The auditor suggested some observation and improvements for some minor shortcomings and corrective actions are being taken. The points from the auditor are also shared by the CSR Committee for raising the level of the activities of our whole group.

For Protecting Our Environment

We pay attention to protecting the environment in deploying our business operations, working to be a company pursuing harmony with the environment.

Environmental Loads

We have the Omiya head office where products are designed, metal molds are fabricated and prototypes are made. In Japan, we also operate our Namioka Factory for manufacturing lens elements, Owani Factory for injection-molding plastic components and Hirosaki Factory for assembling final products. We operate Tamron Optical (Foshan) Co., Ltd as a manufacturing base abroad. The factory in China is an integrated factory performing all operations ranging from component production to semi-assembling and assembling of final products, which means the factory has heavy environmental loads.

We use electricity, heavy oil, kerosene and other energy sources in the developing, designing and manufacturing stages. Our consumption of energy sources other than kerosene and LPG rose in 2009; our CO_2 emissions accordingly grew 1% compared to 2008. In processing lens elements, we use water for cleaning after polishing. We reduced water consumption by 13% compared to 2008.

As for waste, we reduced the total waste volume from the Omiya head office and three Aomori factories by 30% compared to 2008. Metal waste was reduced by 45% compared to 2008, but the total waste volume from Tamron Optical (Foshan) rose 42%. We recognize the importance of reducing industrial waste from the factory in China by reducing the defect percentage in mass production processes.

The contraction of fleet operations following the reduction of the total production volume resulted in reduced energy consumption for transporting products. We reduced CO_2 emissions by 25% compared to 2008. For more information on environmental loads at our sites, please refer to pages 17 and 18.

Environmental Load Scope Covered: Omiya head office (including sales offices in Tokyo and Osaka), three Aomori factories and Tamron Optical Foshan (TOF). However, the output data on recycled materials and waste entrusted for intermediate treatment only cover data from domestic facilities. TOF data are only for reference since the calculation methods are different.

INPUT

Energy

Electric power	57,906,788kWh
Crude oil	194kℓ
Kerosene oil	10.3kℓ
Diesel oil	57.7k
LPG	4,000㎥
Natural gas	92,000㎥
Total	**537,000GJ**

Paper

Copy paper	20.5t

Water

Clean water	49.8万㎥
Sewage water	13.0万㎥
Total	**62.8万㎥**

Raw/auxiliary materials

Metal (brass, aluminum
Glass
Plastic
Chemicals (drugs, solvents, cleaners)
Gas (nitrogen, oxygen, argon)
Electrical components
Cardboard

Transportation energy(1)

Diesel oil	276.4kℓ
Gasoline	104.9kℓ
Total	**381.3kℓ**

Scope of INPUT Items :
Omiya head office (including Tokyo/Osaka sales offices), three factories in Aomori, Tamron Optical (Foshan), China (excluding Tamron Optical (Foshan) as for waste entrusted for intermediate treatment)

(1) The energy consumption data for transportation cover energy used by trucks for transporting parts and final products and commercial vehicles connecting five sales offices in Japan. The TOF data covers company cars only.

Sites covered: 97.5%
(based on the total number of employees)

Manufacturing raw materials/ parts at suppliers ▶ **Development, design and production at Tamron** ▶ **Transportation between factories and delivery to stores (logistics/business vehicles)** ▶ **Customers**

OUTPUT

CO_2 Emissions

Electric power	29,077t-CO_2
Crude oil	525t-CO_2
Kerosene oil	26t-CO_2
Diesel oil	151t-CO_2
LPG	25t-CO_2
Natural gas	192t-CO_2
Total	**29,996t-CO_2**

Waste entrusted for intermediate treatment

Industrial waste	598.0t
General waste	165.3t
Total	**763.3t**

(reference) TOF
Industrial waste 171.9t
General waste 789.6t

Recycled

Paper	36.5t
Cardboard	69.2t
Metal	71.4t
Glass	123.8t
Plastic	155.1t
Grinding sludge	22.8t
Waste fluid	175.0t
Others	7.0t
Total	**660.8t**

Products *2

Total	**2,092.0t**

CO_2 Emissions during Transportation(1)

Diesel oil	725.4t-CO_2
Gasoline	243.8t-CO_2
Total	**969.2t-CO_2**

Reference Guideline
"Greenhouse Effect Gas Calculation/Reporting Manual" (Ver. 2.4) issued by The Ministry for the Environment

Major accomplishments in 2009

- Reduced CO_2 emissions by enhancing heating efficiency at the Hirosaki Factory and changing the Namioka Factory's lighting system from an overall control system to an individual control system.
- Reduced industrial waste emissions by starting to recycle waste oil and solvent at the Namioka Factory.

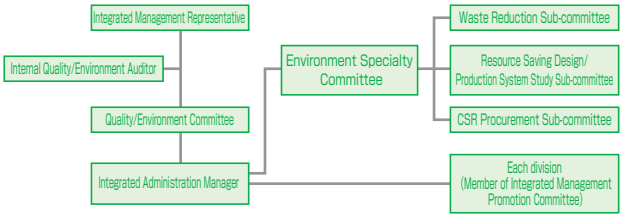
Tasks for 2010

- Reducing CO2 and industrial waste emissions at Tamron Optical (Foshan) in China.

Environment Management Structure

At Tamron we have been enhancing product quality while paying attention to the environmental impact from our offices and factories with our management system integrating quality assurance and environmental management. (For more information, please refer to page 12.)
We establish our environmental objectives and targets for the whole Tamron group, reducing CO_2 and industrial waste emissions, promoting recycling and reducing substances applicable to the PRTR (Pollutant Release & Transfer Register) program. Under the integrated management system, the integrated administration manager of each site reports the accomplishments toward meeting the site's environmental objectives and targets to the CSR Committee for sharing information on tasks, accomplishments and countermeasures. For activities requiring cross-sectional efforts or new approaches from the environmental protection perspective, our Environment Specialty Committee leads the way. The specialized committee consists of sub-committees responsible for reducing waste, promoting resource saving designs/manufacturing processes and pursuing CSR procurement, and the related departments at the Omiya head office, factories in Japan and China and at subsidiary sales companies abroad act. Integrating management systems into one enables us to study industrial waste emissions, which is an important task for people working at factories but difficult to understand with independent management systems, both from the overall standpoint and from the design stage at the Omiya head office. System integration also enables us to pursue cross-sectional approaches such as unifying procurement methods.

Organizational Structure for Promoting Environment Management



Environment Management Education

In 2009, we held environment education seminars twice. The 1st seminar was for integrated management promotion committee members representing sites, and the objective was to promote environment education to learn about waste sorting, energy saving methods and green procurement. The committee members then educated their colleagues in the same way, leading the implementation of energy saving and compiling records as required under the integrated management system. The 2nd seminar was for managerial employees including section managers, and they learned about the twelve CSR themes (see page 2) and tasks involved. As knowledge necessary for each work site to achieve its environmental targets, they also learned about global warming and specific methods to reduce CO_2 emissions. The same education was provided for managerial employees at the three Aomori factories via TV conferencing.

Environmental Accounting

The total investment for environmental protection in 2009 was 7 million yen while the total environmental expenses reached 244 million yen. Investment decreased 13% from 2008. We saved 21.86 million yen from reducing power consumption at the three Aomori factories while generating a profit of 0.38 million yen by selling valuable resources including metal waste.

Major investments include 2.94 million yen for providing room dividers around lens cleaning machines at the Namioka Factory, which were required for worker security and preventing harmful chemical substance washout. We invested 3.4 million yen for installing new facilities at the Omiya head office, including sound insulating walls inside the test equipment room. Pre-process apparatuses including freezing/grinding equipment were introduced to comply with IEC 6231(1), an international standard introducing methods to analyze chemical substances in products to comply with the RoHS initiative. The Omiya head office spent 0.66 million yen for those apparatuses.

Our environmental expenses in 2009 were reduced for all cost items, except for community activities, compared to 2008. Earth environment conservation costs decreased by 5.05 million yen from reviewing our analysis structure while resource recycling costs declined by 5.5 million yen (20%) compared to 2008. In 2010, we will continue to work on meeting environmental standards by maximizing the use of these investments and expenses.

(1)IEC 62321 is an international standard for analyzing harmful chemical substances in products as a uniform method to be employed by all nations.

(unit : thousand yen)

Category		Environmental cost		Main work	Economic effect	Environmental conservation effect	Page
		invested	Expense				
Cost with in business area	Pollution prevention cost	3,400	8,944	For introducing anti-noise, anti-vibration measures, water quality conservation systems	—	Ensuring environmental standards	—
	Earth environment conservation cost	3,602	31,484	For introducing analysis equipment, energy-saving monitoring systems	21,862	Preventing washout of harmful chemical substances and their use in products, reducing power consumption	P8, P17
	Resource cycling cost	0	20,045	For reducing waste and promoting recycling	384	Promoting recycling of general waste from business, enhancing recycling ratios of industrial waste	P18
	Sub-total	7,002	60,473		22,246		
Upstream and downstream costs		0	23,154	For enhancing green procurement	—	Implementing environmental quality audits at business partners'	P7 ~8
Management activity cost		0	45,474	For maintaining/ operating the environment management system, educating and expanding green spaces		Achieving environmental objectives and targets	P14
R&D cost		0	115,105	For enhancing environmentally-friendly designs	—	Enhancing product performance through DfE designs	P6
Social activity cost		0	740	For cleaning neighboring areas	—	Reducing disposed of garbage	P20
Cost to prevent Environmental damage		0	0		—	Environment contamination accident free	—
Total		7,002	244,946		22,246		

*Scope of Environmental Accounting
Period: From January 1 through December 31, 2009
Premises covered: Omiya headquarters (including sales offices in Tokyo and Osaka) and three Aomori factories.
*Labor costs are calculated based on the average wage.
*The economic effect in comparison with Earth environment conservation costs is calculated by comparing power consumption figures in 2008 and 2009, while the economic effect in comparisonwith resource recycling costs is represented by a gain from metal waste sales.
*Depreciation allowance is not calculated as an expense.

Achievement of Phase-3 Environmental Objectives and Targets

In 2009, we worked on achieving the environmental objectives and targets for the last year of our phase-3 environmental protection program. We achieved most of our objectives and targets. In 2010, we will continue to reduce CO_2 emissions by enhancing our production efficiency on a global basis.

Achievement of Environmental Objectives and Targets for 2009

In 2009, our Omiya head office, three Aomori factories and Tamron Optical (Foshan) jointly worked on environmental conservation, establishing a common target for the Tamron group for reducing CO_2 emissions. As for other factors, we established domestic targets. We did not achieve the CO_2 emissions reduction target for the group. CO_2 emissions from our domestic factories declined, but the absolute emissions volume from Tamron Optical (Foshan) rose 48%. In order to reduce CO_2 emissions from mass-production operations, we will enhance production efficiency of the factory in China by working with designing and manufacturing engineering departments.
We had slight delays in resource saving design targets, but we finished the quality evaluation of recycled materials and started studying tasks from the mass production engineering perspective. In 2010, we will continue on the project under the lead of our resource saving design promotion sub-committee so we can release new products using recycled materials.

We had no environmental contamination accidents in 2009. As for the problem of soil contamination found on the premises of the Omiya head office in 2003, we had completed necessary countermeasures in 2005. Monitoring in 2009 showed that the underground water quality improved to a level above the legal standard. We will continue to work on preventing environment contamination accidents.

Environmental Objectives & Goals Achieved

A: Satisfactory B:Partly Unsatisfactory C:Unsatisfactory

Environmental Objectives	Environmental Targets, Work & Achievement		Self-rating
	Environmental Targets	Work & Achievement in 2010	
1 Integrating environmental management and quality management systems into one system, integrating ISO systems of the Omiya head office and 3 factories in Aomori into one system	Integrating ISO systems of the Omiya head office and three Aomori factories	Integrated management systems of the head office into one system and covered the three Aomori factories. Worked closely with Tamron Optical (Foshan) in China on reducing CO_2 emissions and preventing environmental contamination accidents.	A
2 Reducing waste, promoting recycling (1) Achieving zero emissions target * *Definition of zero emissions: The volume of waste eventually sent to simple reclamation disposition becomes 2% or less of the total volume of industrial waste (i.e., recycling ratio of 98% or more) Confining the simple reclamation ratio of industrial waste to 2% or less (i.e., recycling ratio of 98% or more)	Confining the simple reclamation ratio of industrial waste(2) to 2% or less (i.e., recycling ratio of 98% or more)	Simple reclamation rate: 0.2% Recycling rate: 99.8%	A
(2) Reducing industrial waste volume in basic unit* *Basic unit: industrial waste volume/sales) Industrial waste from 3D Techno Center is to be managed based on its total waste volume in 2007 and not included in the group target management figure (to be included from 2008).	Reducing industrial waste emissions(2) by 5% compared to 2006 in specific productivity units (target management by including 3D Techno Center)	Reducing CO_2 emissions by 3% per specific productivity unit, compared to 2007	A
(3) Promoting recycling of general waste	Enhancing recycling ratio of general waste(2) (status quo analysis and promoting sorted disposal)	Sites properly sorted garbage in accordance with local government ordinances. (Checked and confirmed through eco-patrolling)(1)	A
(4) Reducing general waste5	Reducing general waste emissions(2) by 10% compared to 2006	Reduction rate: 42.6% (Omiya head office: 17.2% (Three Aomori factories: 51.4%)	A
3 Promoting measures to reduce CO_2 emissions *Basic unit: CO_2 emissions/sales	Reducing CO_2 emissions(3) by 3% per specific productivity unit, compared to 2007	Growth rate: 62.1%(5) (Omiya head office : 20.2% reduction Three Aomori factories : 22.6% reduction TOF, China : 88.1% increase)	C
4 Promoting DfE- positive sales (1) Each implementation item is to be assesse on the basis of cross-comparison with other products in product development and design stages. (2) Target achievement ratios in each year are to be determined by compiling assessment results at development and design stages (*Achievement ratios for items with specific target figures are to be assessed by comparing with other products in similar specifications.)	(1) Steps for resource saving designs taken as planned (a) 100% pass ratio of inspection for longer serviceability (b) For lighter weight (2% reduction in product weight) (c) For more compactness (2% reduction) (d) For easier disassembly (2% reduction) (e) Better methods for utilizing LCA (f) Use of recycled materials in products (2) Complete elimination of harmful substances from products (zero incidence)	1. Steps for resource saving designs taken as planned (1) For longer service life: Repeated parts reliability tests (2) For lighter weight: Reduced weight by 3.0% (3) For more compactness: Reduced cubage by 7.5% (4) For easier disassembling: Reduced difficulty by 1.6% (5) LCA (Life cycle assessment) approach: Started (6) studying target products Use of recycled materials: Started studying use in mass-production products 2. Worked on avoiding use of harmful chemical substances in products: Zero incidence	B
5 Proper management of chemical substances (PRTR applicable substances)* *Basic unit: Volume of chemical substances used/sales	Reducing ratio of chemical substances(2) used in products by 1% per specific productivity unit, compared to 2007	Reduction rate: 11.1% (Omiya head office: 31.4%) (Three Aomori factories: 11.0%)	A
6 Preventing environmental contamination	(1) Suppressing contamination of groundwater outside PRB(4) to a level better than the established environmental standard (2) No environmental contamination accidents(3)	No environmental contamination accident at any site	A

(1) Structure to evaluate if instructions for sorting waste materials as well as setting air-conditioner temperatures within the prescribed range are being complied with (evaluation through bimonthly investigation by departments representatives)
(2) Based on the volume of waste from the Omiya head office, Tokyo office and three Aomori factories.
(3) Based on the volume of waste from the Omiya head office, Tokyo office, Osaka office, three Aomori factories and Tamron Optical (Foshan).
(4) PRB facilities of walls and tanks are cleanup walls including neutralizing iron powder
(5) CO_2 emissions amount: Energy usage amount (GJ) x discharge coefficient Omiya headquarters and branch offices in Tokyo and Osaka: 0.000337
Three Aomori factories: 0.000441 TOF: 0.000555

Objectives and Targets for 2010

2010 is the first year of our new three-year program. Reflecting upon our accomplishments in pursuing our objectives and targets so far, we have decided to set more practical objectives and targets for 2010 and beyond. We have decided to reduce the total volume of CO2 emissions for the whole Tamron group by 15% from the 2009 emissions volume per net sales unit.
Looking at our CO_2 emissions from a global perspective, more than half of our total CO_2 emissions volume in 2009 was from Tamron Optical (Foshan). We will strengthen the administration of the whole group including the factory in China under our integrated management system in order to reduce CO_2 emissions on a global basis. For domestic operations we plan to appoint personnel in management as energy management supervisors, refining our structure for energy saving. We plan to change the lighting system of the Omiya head office from conventional fluorescent lamps to LED lighting while enhancing productivity and reducing defects at the three Aomori factories. We will continue to reduce waste and cut wasted expenses for power consumption while taking drastic countermeasures.

Three-year Plan for Reducing CO2 Emissions

	2009	2010	2011	2012
Per net sales unit, compared to 2009	Base year	- 5%	- 10%	- 15%

As for targets for factors other than CO_2, target figures were established for our factories, and we are working on those targets. In order to reduce environmental loads, we organized a waste reduction sub-committee, a resource saving design/engineering sub-committee and a CSR procurement sub-committee with employees from each factory.

Environmental Objectives for 2010

Objectives	Targets and main measures	
Reducing industrial waste	Head Office	5% reduction from the average emissions volume in 2007, 2008 and 2009 (in absolute value)
	Hirosaki Factory	5% reduction from the emissions volume in 2009 (in absolute value)
	Namioka Factory	
	Owani Factory	
	TOF in China	1% reduction from the emissions volume in 2009 (per net sales unit)
	● Measures to reuse or reduce waste plastic components ● Measures to reduce defective products and reduce residual materials when discontinuing production ● Measure to reuse waste alkali and oil ● Measures to realize eco-spool and runner-less operations	
Zero industrial waste emissions	Head Office	Continuing zero-emissions
	Hirosaki Factory	
	Namioka Factory	
	Owani Factory	
	TOF in China	To lower the final processing ratio of industrial waste to 2% or less
Promotion of DfE	For resource saving designs: (1) Use of recycled materials in final products, (2) Introduction of Tamron Eco-Label system, (3) Review of assessment methods	
	Elimination of harmful chemical substances in final products: Zero non-conformity incidence	

Efforts to Conserve Biodiversity

Biodiversity refers collectively to the long-established terms of species diversity, meaning that a variety of species exist adapting themselves to environmental conditions, eco-system diversity, meaning that the earth has various types of nature like tidal lands, corral reefs and rivers, and genetic diversity, meaning that living creatures have regional and individual differences even if they are of the same species. In recent years, the number of species has been decreasing at an unprecedented pace. Biodiversity disruption reduces the number of species and is ecocide, which is the destruction of our natural environment. Environmental issues including global warming, acid rain, forest destruction and seawater contamination disrupt biodiversity.

In October 2010, the 10th meeting of the signatory nations of the International Biodiversity Treaty (Aichi-Nagoya COP10 CBD Promotion Forum) will be held in Nagoya. Recognizing biodiversity conservation as an important task under our integrated management system, as an internal step, we launched a biodiversity e-learning program in January 2010 to educate our employees. We also became a member of the Biodiversity Sub-committee of the Global Compact of the United Nations, working on sharing information on the latest actions and activities of other member companies.

Musashi-tomiyo
This small freshwater fish living only in a part of the Arakawa River in Kumagaya is a natural treasure specified by Saitama Prefecture and is the fish of Saitama Prefecture. Musashi-tomiyo is specified as a category A endangered species in the Red Data Book of the Ministry for the Environment.

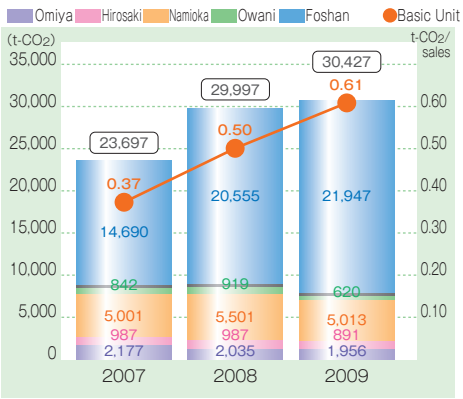
Efforts to Reduce CO_2 Emissions and Save Water Consumption

Tamron strives to reduce CO_2 emissions and water consumption at factories based on our integrated management.

CO_2 Emissions

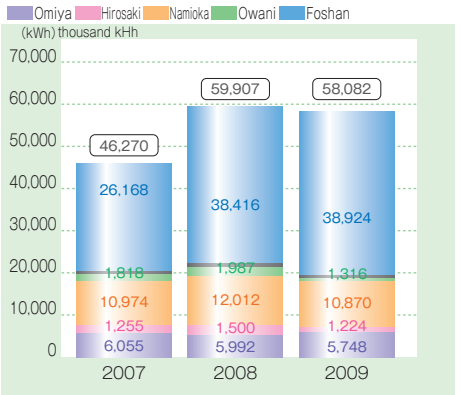
The total volume of CO_2 emissions from our Omiya head office, three Aomori factories and Tamron Optical (Foshan), our production base in China, was on the rise in terms of unit per net sales along with the decline of sales, but emissions from the Omiya head office and three Aomori factories were on the decline. Looking at the sites, emissions from the factory in China grew and accounted for 70% of the total Tamron group volume, which was primarily because the production operations of a number of mass production items were shifted to the Chinese factory. Twenty-three additional plastic injection molding machines were installed there and those factors all contributed to the increased operation rate.

Looking at emission sources, electric power accounts for 95% of the total CO_2 emissions volume, clearly showing that is the key.



Electric Power Consumption

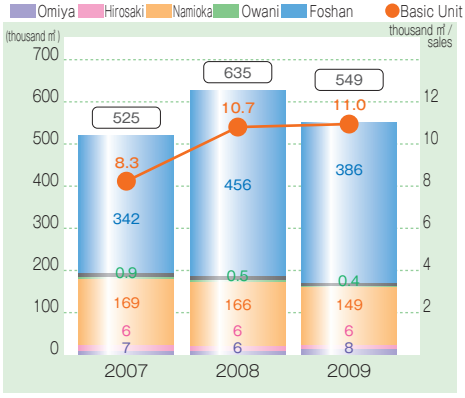
Electrical power consumption in 2009 declined at the Omiya head office and three Aomori factories. At the Omiya head office, by common consent, employees switch off almost all lighting fixtures at 18:00 on two no-overtime-work days per week. In addition, introducing a new lighting system with higher efficiency is being studied. At the Hirosaki Factory, room-divider curtains were installed in the office space to enhance heating efficiency. Employees at the Namioka Factory worked on stricter management of individual lighting fixtures by installing switches in many places. Power consumption was watched through a demand system controller in order to operate the factory with saved energy. In 2010, using this progress at domestic factories as an informative guide, we will study and introduce electricity consumption reduction at Tamron Optical (Foshan) in China.



Water Consumption

The total water consumption volume at the Namioka Factory in 2009 declined by 11% year-on-year, at Tamron Optical (Foshan) 15% and the group volume 14% year-on-year. The Namioka Factory's production volume of lens elements declined by approximately 20% compared to 2008, and the factory stopped using one lens cleaning machine. The number of times to wash lens elements was also reduced by using glass molding to form lens elements, which contributes to reducing water consumption.

At Tamron Optical (Foshan) in China, the water volume consumed for washing lens elements decreased mainly because the monthly production volume of lens elements declined by approximately 50% in the three-month period from March through May. The volume of water consumed at dormitories and dining facilities declined mainly because the number of workers at the factory decreased by approximately 15% compared to 2008. We will continue to reduce water consumption by devising means to save water so that we may reduce water consumption even when our factories increase their production volumes in the future.



Interview with a Member of the Power Saving Project Sub-committee

interview

Tomoji Soma,

Manufacturing Engineering, Namioka Factory

At the Namioka Factory, we introduced a power demand system controller in July 2009 to monitor and track the peak power consumption in different time zones. Based on the data obtained, we requested work sites set their peak levels as targets, adjust operating conditions of air-conditioners frequently and introduce a shift operating system for other facilities. In the initial stage, over 20 cases a month saw power consumption surpass the set targets, but the number gradually declined. There are no such cases now. Introducing the power demand system controller resulted in power saving consciousness growing among all of us at this factory, and we will be able to expect further favorable effects in the future.

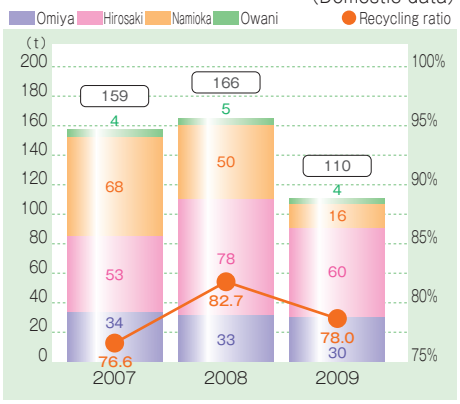
Efforts to Reduce Waste

We are working on reducing waste by enhancing production efficiency and improving business operations.

For Reducing Waste

General Waste from Business

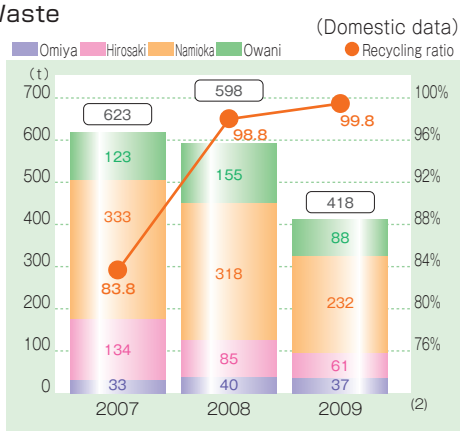
(Domestic data)



The total volume of general waste from our domestic business operations in 2009 was reduced by 34% compared to 2008. All sites reduced waste, but the Namioka Factory's performance was particularly noteworthy. The volume of combustible waste was reduced by 65% (23 tons) and non-flammable waste by 72% (7.9 tons). Our colleagues at the factory reduced cardboard boxes and cushioning materials by providing returnable containers to all material suppliers, while devising means to separate and reclaim aluminum foil and metal from waste components containing metal.

Industrial Waste

(Domestic data)



The total volume of industrial waste from our domestic business operations declined 30% year-on-year (1).

The same as with general waste, all sites reduced industrial waste. The Namioka Factory started to ask contracted processors to distill waste oil including IPA, methanol and xylene and procured processed oil from them. This resulted in switching 14.5 tons of waste oil to processed/recycled oil in 2009. Since IPA waste solvent can be used as fuel for some heaters, the Namioka Factory sold some of the solvent to other companies as recycled fuel.

Along with the production volume decrease, the industrial waste volume also declined, but the volume of waste prototypes and discarded mold-ascertained prototype products (2) was increasing at Hirosaki Factory. The factory launched a project to reduce inventory, strengthening administration to prevent unnecessary output.

From 2010, we plan to expand the scope of our Waste Reduction Sub-committee to Tamron Optical (Foshan) so that we may start reducing industrial waste from the factory by introducing know-how from our three Aomori factories.

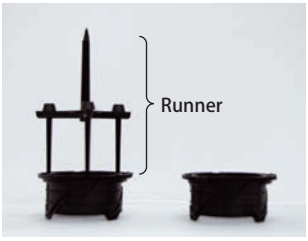
(1) General and industrial waste recycled by outside parties for delivery to our company is excluded.
(2) The term mold-ascertained prototype products means pre-production samples that are made from molds and confirmed to meet the specifications and quality standards.

Reducing Waste Plastic Components

Tamron manufactures plastic lens elements at its factories in Owani, Aomori and Foshan, China. Plastic lens elements are manufactured by pouring liquidized plastic resin materials into metal molds, injection-molding and hardening them after cooling. Since plastic materials poured into the portion of the mold called runner portions are unnecessary, they were previously discarded. Now, we have started to recycle them by mixing them with virgin materials. (Please also refer to page 6 about recycling runner materials.)

To reduce runner flow channels, our engineers at the Mold Center and 3D Techno Center jointly designed molds using eco spools and hot runner channels. The eco spool method shortens runner channels and the hot runner channel method prevents hardening of liquidized plastic materials in runner channels so the required plastic components alone can be removed from the molds. In 2009, we converted 12 plastic injection molds to runner-less molds, enabling us to reduce waste plastic by 35% compared to the volume that would have been generated from conventional molds(3).

(3) Volume of waste plastic generated by the Mold Center and 3D Techno Center



Runner-less Molds
Plastic parts made from hot-runner (runner-less) molds (right) and parts made with conventional molds (left)

Interview with an Engineer on Hot-runner Molds

interview

Toshio Shinohara,
Manager, Manufacturing Engineering, Metal Molds Center

We had worked on hot-runner technology a decade ago and found that the technology was inadequate for small plastic parts. We thought at that time the technology could only be used for molds to make large parts. From experience, we knew that a number of problems including precision, size and cost problems are involved, but we decided to face the challenge again. We had a number of restraints, but managed to clear all the problems one by one, finally succeeding in cutting the volume of waste plastic in runner channels from approximately 3 grams per shot (5) with conventional molds to zero. We verified that the hot-runner mold was capable of reducing waste plastic by approximately 36% compared to conventional molds, when our eco-spool technology is combined.
Molds using the hot-runner technology are more expensive than conventional molds, but their diffusion rates reach 30-40% in Europe and the United States while they are not widely used in our domestic market. At Tamron, we should continue to work on this technology.

(4) The term heaters used here means devices to heat runner channels.
(5) The term shot means one operation to inject liquefied plastic into a mold to cast plastic components.

Relationships with Society

To grow together with society and continue to be supported and patronized, Tamron also works to support social events and cultural activities so photography and imaging culture can develop and evolve.

Major accomplishments in 2009	Tasks for 2010
• Continued photo contests • Continued social contributions including teaching elementary school students and neighboring cleaning	• Continuing efforts to expand photographic lens user base • Continuing participation in events for social contribution

For Contributing to Developing Photographic Culture

●the Railroad Scenery Photo Contest

We hosted the Railroad Scenery Photo Contest again in 2009 to contribute to revitalizing our local community and developing photographic culture as a company with our head office in Omiya, a city known as The Railroad Town. We received 4,002 works altogether, up 7% from 2008, from photographers ranging from entry-level to advanced amateurs. We held a photo exhibition for showing the award winning photos as well as works of honorable mention at the Omiya Sogo Department Store, working together with Saitama City and The Chamber of Commerce and Industry of Saitama City to make the exhibition an event rooted in the local community. To make the contest an event enjoyable for railroad photo enthusiasts and photographers in general, we did not restrict photographic equipment, accepting all photographic works as long as they were related to the railroad. The contest was open to as many people as possible with two divisions: one for students from elementary school to high school and one for adults.

Grand Prize (For adults: Saitama City Mayor Prize)
Under a girder bridge by Yasuo Takeo

Grand Prize (For students: Saitama City Mayor Prize)
Love letter by Mimi Ogata

●Macro Lens Photo Contest

A macro lens is a lens that can take close-up pictures of small subjects such as flowers and insects with a blurred background to emphasize the main subject. Tamron is known as a manufacturer of quality macro lenses. For popularizing macro lenses further, Tamron has hosted the Macro Lens Photo Contest annually since 2004 for macro pictures alone. The Macro Lens Photo Contest 2009 was open to macro photography in general, including a non-genre sector so the contest can go beyond advanced photographers alone to include beginners who recently started to use digital SLR cameras. We wish to expand the Tamron Macro Lens Photo Contest in this way so that it may become an even more interesting event to all photographers of close-up shots including portraits, table shots and pet photos. In 2009, we received 4,139 works altogether, up 50% from 2008.

Interview with Grand Prize Winner

interview

2009 Grand Prize Winner
"Watching as an idle spectator" by Kikuo Yamamoto

I visited Tamron's website to enter The Tamron Railroad Scenery Photo Contest, saw that Tamron was hosting the Macro Lens Photo Contest too, and entered the macro contest too. I was surprised to win the grand prize of the Macro Photo Contest as I failed to win anything with the pictures I submitted for the main event, the Railroad Scenery Photo Content. I was pleased Tamron accepted images taken by all lenses from all manufacturers and expect that the company will continue to contribute to photographic culture.

Growing Together with Local Communities

Tamron employees contribute to the local communities where our business sites are. At the Omiya head office, we started to visit elementary schools and teach children in 2008 and continued in 2009 at elementary schools in Saitama City. The initial objective was to teach children the wonder of science and chemistry, but in 2009 we added a class to teach children about environmental conservation due to comments from teachers at schools where we had taught in 2008. In 2009, we taught at three elementary schools. We also participated in three events held by communities at public halls. In total, 420 children participated in our educational classes, and the total number of participants since 2008 exceeded 800.

An environmental education class

A soap bubble class

(Class Content)

- Huge soap bubbles, bubbles that don't pop
  Class where children experience how the nature of soap bubbles changes depending upon differences in chemical substances
- Vitamin C checker
  Class where children examine if cookies and juice contain Vitamin-C with test fluid made by attenuating commercially available mouthwash
- CO_2 emissions quiz game
  Game designed to teach children about CO_2 emissions volumes and reduction targets of countries while answering quiz questions
- Environmental guessing game
  Game designed to teach children about eco-labels while answering questions

●Cleaning Neighboring Areas

Cleaning we started in 2003 at the Omiya head office and three Aomori factories for neighboring areas was expanded to Tamron Optical (Foshan) in 2009. At the Omiya head office, Tamron employees clean-up company premises and neighboring areas twice a month in a team of twelve employees including officers on a rotation basis, which becomes an important opportunity to think about contributing to society and manners. To our regret, no litter-free day has been reported up to now, but we will continue cleaning litter from our neighborhood.

Cleaning Neighboring Areas

●Eco-Life Days

Our employees at our business sites regularly participate in activities organized by local communities, working together. Saitama Prefecture hosts an eco life program twice a year, once in summer and once in winter. In 2008 and 2009, we suggested employees at our Omiya head office participate in the program, using eco-life checklists, making it an opportunity to pay more attention to CO_2 emissions in our daily lives. As a result, 1,118 employees participated in the program held in February 2008 and July 2009, reducing 1,107 kg CO_2 in total. We will continue to participate in such programs so that all employees at Tamron can compare their consciousness with their actual behavior to reduce CO_2 emissions.

●Car-free Day (Omiya Head Office)

Our Omiya head office participated in the Eco-car Fair & Car-free Day Campaign held by Saitama City in 2008. With this as a start, in October 2008, we introduced our own program to suggest our employees refrain from using their cars for commuting on the third Friday of every month as a car-free day. As a result of this program, we reduced CO_2 equivalent to 5 tons(1) compared to CO_2 that would have been emitted otherwise. We will continue to work on this program.

(1)Assuming that the average employee commutes 20 km by car round trip, a car discharges 3.46 kg CO_2 daily since it discharges 173 g CO_2 per kilometer (Land, Infrastructure & Transportation Ministry's Guideline). One hundred twenty employees used their cars at that time. Approximately 357 Japan cedar trees that are 50 years old are necessary to absorb 5 tons of CO_2.

●Plastic Bottle Cap Collection

We continued to collect plastic bottle caps. The campaign was started in 2007. The total volume of caps collected in 2009 weighed 220.6 kg; we sent the caps to the Eco Cap Promotion Association for recycling. The association has been making good use of them by donating gains on selling the metal in the caps for procuring polio vaccine. The total volume of caps we donated in 2009 was equivalent to 114 syringes of vaccine. We will continue to collect plastic bottle caps to contribute to protecting children in developing countries from polio.

Activities at Subsidiaries Abroad

In 2007, Tamron Optical (Foshan) started to address the twelve themes under Tamron's CSR management philosophy. Subsidiary sales companies abroad also started similar activities in 2009.

Tamron Europe GmbH (Germany)

Tamron Europe GmbH (TEG) has been contributing to society, responding to local community requests, including activities to protect the environment by changing all paper material for packing products as well as office supplies such as paper and envelopes to recycled paper. Another approach we started is assisting education for the younger generation. TEG regularly donates photographic lenses to the photographic department of the School of Applied Science in Dortmund where a number of young students study photography, preparing to work in the photographic industry in the future. Like other public schools, the school always runs short of equipment since its budget is limited. Interchangeable lenses donated by TEG are of great help to the school. Also, since 2007, TEG has participated in the occupational training program run by the Chamber of Commerce & Industry of Cologne, educating a trainee every year. We will continue to support the program in order to enable young people to experience business.
In December 2009, we started to support the fund the Hospital of the University of Cologne established for supporting children suffering from childhood cancer. Money contributed to the hospital is used to let juvenile patients joyfully spend hours other than treatment together with their families or to allow their parents to take up lodgings nearby to be with their children. Times thus spent are extremely important for parents who have children suffering from cancer.

An event held for children suffering from cancer

Tamron Optical (Shanghai) Co., Ltd. (Shanghai, China)

Tamron Optical (Shanghai) (TOS) contributes to the China Education Development Foundation every year, supporting high-achieving students who are economically disadvantaged and university professors who contribute to developing the security equipment industry of China. One serious problem for education in China is a shortage of funds. TOS donates to help reduce this problem. We will continue to do so.
When the great earthquake hit Szechuan in May 2008, we donated funds through the Red Cross of Shanghai, wishing Szechuan a speedy recovery. We will continue with social contributions that match the needs of local communities.

Tamron USA Inc.

At Tamron USA Inc. (TUS), we strive to address issues in line with Tamron's CSR management philosophy. Prompted by the Green New Deal policy of President Obama who assumed office in January 2009, recognizing the importance of environmental protection has been growing more than ever among our employees. In 2009 we focused on basic matters such as reducing copy paper use and extinguishing unnecessary lamps. Some customers who visited our office were surprised to see dark corridors. To make a safe and healthy work environment for our employees, we regularly use assessment and advisory services of outside experts. Thanks to these efforts, we have been free of occupational accidents for the past several years. We will continue to work on discharging our social responsibility by using ideas from our employees, in order to continue to be a good corporate citizen.

Tamron Optical (Foshan) Ltd. (Foshan, China)

At Tamron Optical (Foshan) (TOF), our business operates under the philosophy of establishing a company treating employees with warm affection, by giving the highest priority to the safety and health of employees. In 2009, we launched a project for maintaining safe conditions at all factory work sites to ensure safety on our premises. In the project, we sought out problems at work sites and worked on solving the problems. We became free of occupational accidents and received the title of A-Class Company under Foshan City's Norm for Safe Manufacturing Operations. We also continued to contribute to the security of our local community. In 2009, as in 2008, we donated crime prevention systems to our city while supporting security patrol teams of our community and human resource development. We also sent some employees to the Omiya head office to learn Japanese. We have dispatched 44 employees during the past five years. Those employees are ensuring smooth communications between TOF and the head office, contributing to enhancing work efficiency. We will continue to do our best to educate our employees, realize a safe and comfortable work environment and contribute to our local community.

Interview with an Employee Who Participated in Training at Omiya

interview

Yi JiHui,
Vice Office Manager,
ISO Promotion Office, TOF

I spent one year in Japan learning Japanese. I was very pleased because I could learn the Japanese way of doing business in person and directly from my Japanese trainer while experiencing the Japanese way of enjoying life. I was very impressed with the diligence and strong sense of responsibility of my Japanese colleagues and superiors, which greatly helped getting myself up for my work after returning to China. I am now responsible for improving our quality and environment management system. I wish to strive to learn more about business administration so that I may contribute to improving our business operations at the TOF ISO Promotion Office.

Independent Third Party Assurance Report / Editor's Postscript

Independent Third Party Assurance Report

Masahiko Kawamura

(Current Position)
Senior Researcher, Insurance/Pension Research Division, NLI Research Institute

(Academic Background)
Completed his master's in engineering at the graduate school of Kyushu University in 1976 and entered MODEC (Mitsui Ocean Development & Engineering Co., Ltd).
Entered NFL Research Institute in 1988 and working at his current position after engaging in projects for researching environmental management, environmental rating, corporate SRI (Social Responsibility Investment) and environmental business operations in the Urban Development Department and Social Study Department.

(Academic Societies)
Organizer of the Network for Sustainability Communications (NSC), Director of the Sustainable Management Forum of Japan.

(Offices Committee Members Held)
Advisor to the secretariat office of Japan Environmental Management Grand Prize Award Committee (Mie Prefecture), a WG member of the Environmental Communications Grand Prize Assessment Committee of Japan's Ministry for the Environment.

Tamron Has Achieved the 1st Phase of Environmental Management

A strong impression I had on visiting Tamron's head office in Omiya was that the 1st phase of its environmental management has been attained. Tamron seriously worked on improving its basic factors for environmental management (policies, plans and structures) based on its management system integrating quality assurance and environmental protection. They really worked hard at it. The company attained positive environmental performance results domestically but its accomplishments abroad (particularly CO_2 emissions from its factory in China) are not necessarily satisfactory, although the importance of the task is properly recognized.

Given the global trend toward a low-carbon society, Tamron, a global company, must work on carbon innovation, which is business innovation pursuing technical renovation for reducing CO_2 emissions. However, pursuing an environmental management system based on ISO 14401 is insufficient. Pursuing carbon innovation is based on a long-term perspective and must be part of its management strategy.

Aside from conventional three-year environmental protection plans, Tamron will need to think how low-carbon society will be in 2020 or even in 2050, envision its form and position at that time and think about the actions it should take from now based on that recognition. Tamron will need to specify a base year (as it thinks appropriate) when it maps out its environmental load targets, while showing year-to-year changes for a period as long as possible.

Enriching Social Aspects

Tamron CSR Report 2010 is rich in content on environmental aspects with data from past years, but further improvements will be necessary on social aspects for both report content and quality together with efforts to improve activities. For example, when reporting on relationships with employees, it will be more desirable to also report on aspects such as the exploitation of female employees and work-life-balance ? social issues of our country. It also reports on the consultation/suggestion handling office. It will be more significant if it reports analysis results and countermeasures for the future.

ISO 26000, an international standard for social responsibility, is expected to be formally issued at the end of this year. Its fundamental objective is contributing to the sustainable growth of society through business operations. The concept is different from being a going concern or the sustainability of business enterprises. CSR management begins with recognizing social tasks including global issues as well as community problems. If the management team and employees working at the company seriously seek solutions for such issues and problems while considering the company, their own tasks in pursuing CSR management will become evident.

Since the volume of production in China and sales in Europe and the United States will expand further, efforts to work on social issues will become even more important from the aspect of management risk administration. I hope that Tamron will continue to work on those social issues while positively promoting activities in line with the Global Compact of the United Nations.

Editors' Postscript

In compiling this report, we tried to report our accomplishments, focusing on communications with our stakeholders. We allocated a page to each stakeholder segment, reporting our accomplishments of important themes. We also tried to include as many interviews as possible to introduce unedited opinions. It will be our great pleasures if opinions thus introduced help readers deepen understanding of interviewees' worksites. We will continue to work on social issues including CO_2 emissions, listening to independent third parties. We also wish to strive to make Tamron a company that is of more and more help to society. We would greatly appreciate your comments and suggestions for how we can further improve our CSR reports.


Editors at Omiya head office


Editors at three Aomori factories


Editors at Tamron Optical (Foshan)

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CSR Implementation & Administration Board

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