

# SUSTAINABILITY INITIATIVES OF THE OKI GROUP

As a Company “Delivering OK! to your life.”

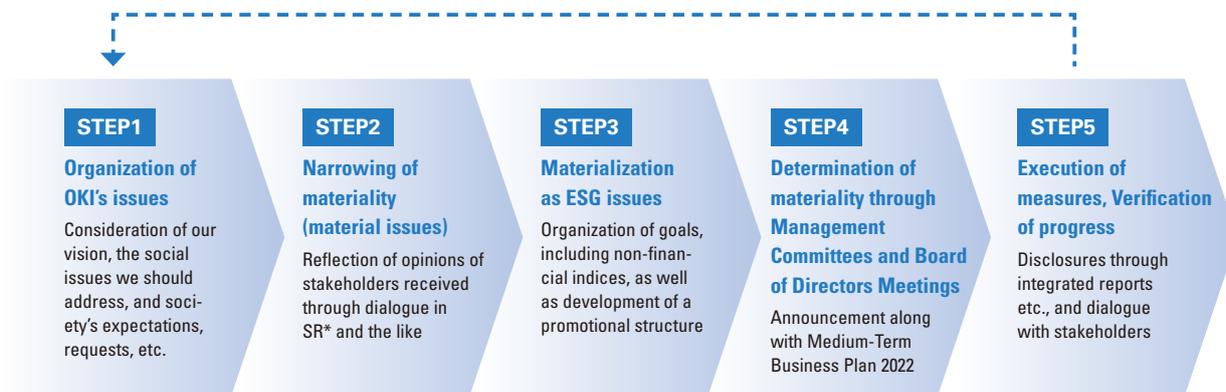
Based on its corporate philosophy, the OKI Group is working to advance sustainability initiatives as a company “Delivering OK! to your life.” Through the key Japanese concepts of Mono-zukuri and Koto-zukuri, we will contribute to resolving social issues and help create a safe and convenient infrastructure for customers and society as a whole, and we will also practice corporate activities that are worthy of the trust of stakeholders.

## Promoting Initiatives Based on Materiality

The OKI Group, based on its “enterprising spirit” articulated in the corporate philosophy, has supported social infrastructure in a broad sense, consistently providing products and services that are finely attuned to the needs of real sites in society and contribute to their resolution. In addition, we created the “OKI Group Charter of Corporate Conduct” and the “OKI Group Code of Conduct,” which outline required actions to carry out sincere corporate activities that meet the expectations of stakeholders. The Charter and Code have been adopted across all Group companies and incorporated into OKI’s educational programs in order to be made well known and compulsory. They are regarded as the basis for OKI Group Values that all Group executives and employees hold in esteem in their pur-

suit of increasing corporate value (see page 1).

In order to maintain this stance over the long term and “Delivering OK! to your life.” as “a corporate group that helps create a safe and convenient infrastructure for customers and society as a whole through the key Japanese concepts of Mono-zukuri and Koto-zukuri,” which is our vision, we identified OKI’s issues and specified the materiality in fiscal year 2020 from the twin perspectives of creating social value and strengthening management infrastructure. Our environmental, social, and governance (ESG) initiatives embody this materiality, and an overview of our initiatives for fiscal year 2021 can be seen in the table on the following pages.



\*SR: Shareholder Relations

### The current materiality identification process

## To Strengthen Sustainability Initiatives

OKI has set up the “Sustainability Promotion Working Group (WG)” as a mechanism to promote the strengthening of sustainability initiatives based on materiality. The WG, chaired by the President and comprised of the representatives of related corporate divisions, the Business Groups, and the Marketing & Sales Group, shares the progress and issues facing the activities. The WG promotes internal education, recognizing that all Group employees must take personal responsibility for sustainability. In fiscal year 2021, it hosted an online internal forum

on “OKI’s Targeted Sustainability Management” featuring the President and heads of related divisions as speakers. It also disseminated information on global sustainability trends via internal newsletters and the intranet.

OKI will continue to accurately disclose the progress of initiatives, and, based on this, advance dialogue with stakeholders to gauge OKI’s challenges and societal demands in a timely manner, provide feedback for activities, verify materiality, and so forth.

## SUSTAINABILITY INITIATIVES OF THE OKI GROUP

### Basic Approach to Human Rights

The OKI Group, as a signatory to the United Nations (UN) Global Compact, recognizes that respecting international human rights norms, including the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and considering the human rights of each and every person connected to OKI in our operations is the foundation of all corporate activities. It enshrines “Respect for Human Rights” in its Charter of Corporate Conduct and Code of Conduct, and ensures human rights are respected by providing education through new hire trainings, trainings based on job position, and e-learning programs. The Group is also working on a fair employment and selection process and creating a working environment where diverse employees can play an active role.

The OKI Group manages harassment and other human rights and labor risks as “common risks” (see page 53). In addition to educating all employees through the compliance training program, we have established the Harassment Consultation Center as a contact point in the event that a problem occurs

or could occur. We have also developed and are implementing procedures for dealing with any risks, including protecting employees who have consulted the center.

Furthermore, we made “Respect for Human Rights” the first principle of the “OKI Group AI Principles” (see page 26), which provides guidelines for OKI as a company that offers products and solutions using AI. The principle sets forth that the OKI Group strives to prevent discrimination by AI, respects privacy, and complies with laws and regulations concerning the handling of personal information. In addition, we conduct surveys on the human rights, labor, and other initiatives of our suppliers as provided in the “OKI Group Supply Chain CSR Deployment Guidebook” (see page 46).

In order to further promote such initiatives, in fiscal year 2022, we enacted human rights policy based on the UN Guiding Principles on Business and Human Rights. We will establish mechanisms in accordance with this policy and develop and implement measures for human rights due diligence and other requirements.

### Main Initiatives/Organizations in Which OKI Participates

#### United Nations Global Compact

In May 2010, OKI signed the “United Nations Global Compact (UNGC).” The OKI Group supports the UNGC’s 10 principles concerning the protection of human rights, the eradication of unfair labor practices, environmental measures, and anti-corruption, and will work to contribute to creating a sustainable society.

#### Task Force on Climate-related Financial Disclosures (TCFD)

In May 2019, OKI announced its support for the “Task Force on Climate-related Financial Disclosures (TCFD)” recommendations. We will disclose and disseminate information in accordance with TCFD recommendations, and will strengthen our efforts to contribute to the realization of a sustainable society brought about by a virtuous cycle of the environment and the economy. (see page 41)

#### Japan Climate Initiative (JCI)

In April 2020, as a part of initiatives aimed at contributing to global warming prevention and the achievement of SDGs, OKI joined the “Japan Climate Initiative (JCI),” a network aiming for the realization of a decarbonized society. We will leverage co-creation with a broad range of partners aiming for decarbonization to strengthen our measures against climate change, and will contribute to the realization of a decarbonized society.

#### Challenge Zero

In June 2020, OKI joined “Challenge Zero (Challenge Net Zero Carbon Innovation)” organized by Keidanren (Japan Business Federation), which aims to encourage companies and organizations to take on the challenge of creating new innovations to realize a decarbonized society. We will take on this challenge of creating new innovations that will lead to products and services which contribute to resolving a wide range of environmental issues.

### OKI Group’s Materiality & ESG Initiatives

Materiality	ESG Themes	Initiatives for FY2020 to FY2022	FY2021 Results	Related pages
<b>Creating Social Value</b> Social issues: aging infrastructure, natural disasters, transportation issues, environmental issues, labor shortages, labor productivity, infectious diseases	<b>E</b> • Creating products that contribute to solving environmental issues • Supporting a circular economy	• Expansion of environmental contribution products • Reduction of life cycle CO <sub>2</sub> • Creation of circular economy projects	• Achieved net sales of environmentally contributing products of ¥110.3 billion, accounting for 31% of the net sales of the entire Group • Reduced CO <sub>2</sub> emissions during procurement and product use by 18.1%, with the target set at 25% reduction by FY2030 (compared to FY2020 levels) • Completed criteria development for environmentally contributing products and considering their application for six circular economy projects (FY2022 target: 3 projects)	P41-44 P57-58
	<b>S</b> • Creating products that contribute to resolving social issues • Promoting value creation in corporate activities	• Efforts toward social issues indicated in growth strategy • Internal cultural reforms aimed at innovation • Development and securement of human resources who will support Mono-zukuri and growth area businesses	• Promoted product creation aimed at resolving the seven social issues; launched “Zero Energy High-Sensitivity Camera,” which can monitor natural disasters such as river flooding and landslides day and night through solar power generation and advanced power-saving control • Basic training attended by a total of 8,163 Group employees, with the aim of realizing Group-wide participatory innovation • Number of Yume Pro Challenge applications increased to 254 • Trained 310 AI engineers with practical skills, against a target of 300 engineers by the end of FY2022 • Standardized skill items for hardware engineers in 49 fields and 492 items	P21-24 P19-20 P25-26 P45
	<b>G</b> • Positioning ESG at the core of management	• Promotion and evaluation of initiatives based on materiality	• Held an internal forum on “OKI’s Targeted Sustainability Management” featuring the President and heads of related divisions as speakers • Developed a CSR survey plan using self-assessment questionnaires for approximately 300 primary and secondary suppliers, and completed surveys of 51 companies targeted in FY2021	P34-36 P46
<b>Strengthening Management Infrastructure</b> Business activities built on integrity (governance, internal controls, disclosure), response to climate change, HR management Strengthen the Infrastructure that Support Mono-zukuri	<b>E</b> • Mitigation of and adaptation to climate change, pollution prevention, and resource recycling	• CO <sub>2</sub> reduction at business sites, strengthening of introduction of renewable energy • Strengthening of chemical substance management through standardization of operations • Improvement of recycling rate	• Reduced CO <sub>2</sub> emissions from business sites by 4.2%, against a target of 3.1% (compared to FY2020 levels) • Purchased 450t-CO <sub>2</sub> of renewable energy J-Credits, against a target of 450t-CO <sub>2</sub> • Strengthened chemical substance management through working group activities • Achieved a recycling rate of 85.7%, against a target of 83%	P41-44 P57-58
	<b>S</b> • Strengthening of Mono-zukuri infrastructure • Strengthening of human rights and labor initiatives	• Promotion of Virtual One Factory • Strengthening of quality initiatives • Realization of smart work-life • Promotion of diversity and inclusion • Strengthening of occupational health and safety, health management initiatives	• Completed construction of a new plant in the Honjo district, the Group’s flagship plant, in April 2022 • Carried out questionnaires of all OKI Group employees on quality fraud prevention, as well as simultaneous inspections and on-site surveys at production bases • Introduced the “System of Working Outside the Commuting Area” to permit employees living outside the commuting area to telework • Training programs to support management in telework environments attended by a total of 2,000 employees • Realized a female management ratio of 3.6% at OKI, and 5.1% across the OKI Group as a whole • Continued to implement the selective Female Leader Development Program • Announced the “OKI Group Health Management Declaration” and promoted initiatives through collaborative health systems; 94.7% of employees received stress checks	P13 P45 P37-40 P57-58
	<b>G</b> • Strengthening of corporate governance • Internal controls/ Risk management • Accurate information disclosure and strengthening of engagement (dialogue)	• Steady improvements based on board effectiveness evaluations • Accuracy improvement and entrenchment of risk management • Disclosures based on TCFD framework • Reliable disclosures regarding materiality initiatives • Strengthening of dialogue in IR/SR, etc.	• Carried out board effectiveness evaluations for FY2021 • Expanded the scope of business risk identification at OKI business groups to include major subsidiaries • Continued disclosures based on the TCFD framework; received an A- rating on CDP climate change • Selected as constituent of the FTSE Blossom Japan Sector Relative Index in March 2022 and the FTSE Blossom Japan Index in June 2022	P47-52 P53-54 P41-44 P57-58