

HUMAN RESOURCE MANAGEMENT

In order for the OKI Group to achieve sustainable growth by solving social issues and creating new value, it needs human resources who can respond flexibly to changes without being bound by conventional methods. The OKI Group has established five Action Principles as values shared by all executives and employees. We are working to cultivate human resources who can create new value by translating these Action Principles into practice in various situations and to foster an organizational culture that supports this.

Basic Approach to Human Resources

The OKI Group positions human resources as one of its most important management resources for adapting to changes in the social environment and for sustainable development. It aims to foster “autonomous employees” who implement actions based on the five Action Principles (see page 1), and thereby, respond flexibly according to their roles and create results by involving the people around them.

In Medium-Term Business Plan 2022, the “development and securement of human resources who will support Mono-zukuri and growth-area businesses” has been set forth as a personnel measure aimed at sustainable growth. We are developing personnel systems that lead to the further invigoration of sites of Mono-zukuri, such as on-the-job human resource development through target management and personnel evaluation and using skill assessment (see page 45) for the optimal assignment of human resources. From the perspective of supporting businesses in growth areas, we are working on the development of AI human resources with practical skills, including AI trainings according to occupation and level. In addition, we are promoting diversity and inclusion initiatives to realize “a workplace where all employees thrive at work and demonstrate their full potential.”

Initiatives for Human Resource Development

The OKI Group promotes the personal growth of each employee via both human resource development through work experience and human resource development through training and learning, and is taking the following initiatives to ensure that everyone has opportunities to grow and is evaluated appropriately.

Human Resource Development through Work Experience

•Thorough Management of Targets

The OKI Group thoroughly manages employee targets, based on the idea that setting high targets and implementing actions promotes personal growth. Furthermore, the target items are set taking into account the Action Principles in order to ensure that employees always carry out their work while being mindful of the Principles. OKI follows the steps outlined in the figure to appropriately break down organizational targets into individual targets and establish clear individual goals.

• Evaluation System

In order to promote the implementation of the Action Principles, OKI assesses the extent to which the Principles have been implemented with respect to the aforementioned set targets, as one of the evaluation indicators since fiscal year 2019. OKI also takes the following initiatives to perform fair and impartial evaluations of the achievement of set targets and of the processes leading up to these results.

Evaluation Feedback Meeting

Superiors hold meetings with their team members to provide feedback on their evaluation results. The objective is to make the evaluations more convincing, such that they lead to employees’ understanding of their evaluation-based treatment, further growth of employees through knowing their strengths and weaknesses, and improvement of organizational management through mutual understanding between superiors and team members. We check the effectiveness of the feedback meetings through the annual awareness survey.

Results of Awareness Survey of All OKI Group Employees (in Japan)

	Employees who gave a positive response*		
	FY2019	FY2020	FY2021
My current work was evaluated properly	61% (64%)	61% (68%)	61% (70%)

*Positive response: Very much so / more or less so

*Figures in parentheses represent only OKI

Support for Evaluators

To enhance the evaluation skills and quality of feedback provided by superiors who perform the evaluations, we hold “evaluator training” to educate superiors about the evaluation approach and feedback methods and conduct the “360-degree evaluation” to objectively assess the actions of evaluators and clarify their strengths and weaknesses.



System of human resource development through work experience

Human Resource Development through Training and Learning

• Support for Personal Growth

The OKI Group provides all employees with career design opportunities for their continuous personal growth, and has established a training system to support career development and provide opportunities to acquire specialized knowledge.

Career Design Meeting

At OKI, employees hold a career design meeting once a year with their superiors. The meetings are intended to support autonomous career development, with the aim of helping each employee transform their actions as autonomous employees.

Training System

The OKI Group has established a comprehensive training system that allows employees to receive training regardless of their job position and occupation. The system consists of “common training for business skills” to learn about marketing, innovation, accounting, and foreign languages, “training based on job position” to learn about the roles of each job position, and “specialized and departmental training” to hone professional expertise such as sales, technical, and production skills. In fiscal year 2021, the total number of training hours per OKI employee was 170 hours.

	Common training for business skills	Training based on job position	Specialized and departmental training
Executives	Innovation, AI, Foreign language and accounting	Training for new assignees by position	
Managers		Management, Career design	Quality Control, Sales, Production skills, Techniques
General employees			

Training system of the OKI group (In Japan)

Developing Executive Talent

Through their work, we develop executive talent and business leaders who will be responsible for the OKI Group in the future. In this gradual process that starts from a young age, we give tough assignments that require on-site practice, assign careers suitable for the next generation of management executives, offer selective internal training programs, and dispatch employees to external business schools.

Website “Initiatives for Human Resource Development”
<https://www.oki.com/en/sustainability/csract/emply/promotion.html>

Creating an Environment Where Diverse Human Resources Can Demonstrate Their Full Potential

Promotion of Diversity and Inclusion (D&I)

The OKI Group’s D&I is a management strategy for strengthening human resources. It supports respecting and valuing the diversity of employees with the aim of creating innovation, increasing motivation, and achieving sustainable growth

for the organization. In order to foster a corporate culture in which diverse human resources respect each other’s differences in gender, age, disability, SOGI (sexual orientation and gender identity), nationality, and personal life, and in which they can engage in their work with a sense of fulfillment and demonstrate their full potential, the Group conducts internal awareness-raising activities, establishes diversity-conscious programs, realizes flexible work styles that increase efficiency, and develops a scheme for appointing individuals based on their evaluation. In addition, meetings chaired by the head of the OKI Human Resources and General Affairs Division have been conducted to promote D&I through coordination among OKI Group companies.

Learning about D&I Together

For continuous learning on respecting each other and making the most of diversity, we hold an annual joint learning event on D&I promotion for executives, managers, and general employees of the OKI Group. In fiscal year 2021, we held a seminar on “unconscious bias” with the aim of encouraging behavioral changes among employees to ensure fair and objective assessment of each other’s abilities and motivation. Approximately 350 employees attended, and 95% of them answered in a survey immediately afterwards that the seminar was beneficial. In a survey conducted one month later to check changes in behavior, 96% of the 228 respondents said they had become more conscious of their behavioral biases.

To Enable Everyone to Balance Work and Private Life

At OKI, the labor union and management members confirm employee work hours and paid leave and maintain a host of systems to support balancing work with childcare/caregiving, among other duties, including the flextime system without core time (super flextime), the flextime system, the teleworking system, systems to provide special work conditions for people caring for children and nursing the elderly, as well as a Special Leave for Particular Purposes system which can be used to nurse family members, to attend children’s school events, and so forth. In addition to providing OKI Group employees with “Training on Balancing Work and Childcare,” OKI has established a system that enables everyone to balance work and childcare, including holding “Returning Employee Meetings” among the three parties of employees who have returned from childcare leave, their superiors, and the Human Resources and General Affairs Division for anyone who is interested. The OKI return-from-childcare-leave rate was 100% in fiscal year 2021. In the same year, we held a new seminar on balancing work and caregiving, which was attended by 240 employees from Group companies. We have also established paid leave systems that employees can utilize for infertility treatment and external volunteer activities.

Promoting Older Employees’ Participation in the Workplace

In order to leverage and smoothly pass on the techniques and skills cultivated by employees, OKI supports the workplace participation and diverse work styles of older employees who continue to be hired after retirement. Based on the principle of continued employment in workplaces where the employee

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can be expected to play the most active role while meeting his/her needs and expertise, we support pre-retirement employees in designing their careers after retirement by holding meetings with them and confirming their career paths. In addition, as with regular employees, we have introduced systems that lead to increasing the participation and motivation of older employees, such as target management and evaluation system. The continuous employment system is for all employees who wish to continue working until they reach the age of 65. Since April 2021, we also have a continuous employment system for those who meet certain criteria for employment until they reach the age of 70.

Promotion of Hiring of Challenged People

The OKI Group promotes the hiring of challenged people. OKI provides support at the time of hiring and at work, raise awareness at the workplace where challenged people are assigned, and develop a training system so that challenged employees can play an active role in a variety of workplaces without being limited in their job areas or occupations. In addition, OKI WorkWel, a special subsidiary established in 2004 with the aim of providing opportunities for people with serious physical impairments to work from home using the network, employs 77 challenged employees as of June 2022. Among them, 59 with serious physical impairments work from home in 22 prefectures, utilizing their IT skills for tasks such as building websites. The OKI Group's employment rate for challenged people* in FY2021(June 2021) was 2.44%.

*Employment rate of challenged people is the aggregate of seven special subsidiary-applied Group companies in Japan.

Promoting Women's Participation and Advancement in the Workplace

Aiming to support women so they can pursue their own growth and develop their careers in ways that allow them to demonstrate their full potential, OKI has drawn up an action plan to promote women's participation and advancement in the workplace. We have set the following action plan targets to be achieved by April 2023: (1) reduce the number of overtime hours for full-time employees so that it is equal to or lower than the fiscal year 2019 monthly average (24 hours); and (2) increase the female management ratio to 5%.

The female management ratio in fiscal year 2021 was 3.6% for OKI and 5.1% for the OKI Group. We continue to provide training to cultivate female leaders on a selective

Female Executives and Employees

		End of FY2019	End of FY2020	End of FY2021
Number of female executives	OKI	2	2	1
	OKI Group	5	5	6
Female management ratio	OKI	3.4%	3.3%	3.6%
	OKI Group	5.9%	5.3%	5.1%
Percentage of female employees	OKI	12.8%	13.1%	13.5%
	OKI Group	22.4%	22.9%	23.2%

basis to raise female employees' awareness about becoming managers. We are also engaged in workplace training for appointing female employees as managers.

Initiatives for Sexual Minorities

Aiming to become a workplace in which everyone is respected and able to securely demonstrate their abilities, since fiscal year 2019, the OKI Group has provided e-learning materials that allow users to gain basic information at any time about LGBTQ, which refers to sexual minorities. In fiscal year 2021, 99.9% of employees of the OKI Group in Japan took e-learning to help entrench this knowledge.

Website "Initiatives for Diversity and Inclusion"
<https://www.oki.com/en/sustainability/csract/emp/ diversity.html>

Initiatives for the Smart Work-Life Project

The OKI Group launched the Smart Work-Life Project in August 2020 to enable diverse human resources to demonstrate their full potential in anticipation of lifestyle changes during and after the COVID-19 pandemic. The Group is reviewing its systems and promoting the digital transformation of work styles based on the concept of "derive maximum value out of time and dramatically improve work life quality."

Greater Flexibility in Work Location and Hours

In April 2021, OKI introduced the "System of Working Outside the Commuting Area," which permits employees who live outside the commuting area to telework, with the aim of reducing the number of employees who must transfer (move) because they are assigned to an area outside their commuting area or must move without their families (live separately from their families), as well as reducing the number of employees who leave OKI due to their spouse's relocation, childcare, or caregiving. Furthermore, as part of the activities to link employees' smart work-life efforts and endeavors to company-wide productivity improvements, OKI launched the "Smart Work-Life Award System" in fiscal year 2021. Through this system, employees vote for and praise work style efforts which have been registered on the intranet. OKI also offers online seminars on target management and communication as part of its management support. Approximately 2,000 OKI Group managers have attended these seminars as of fiscal year 2021.

Office Reorganization and Rearrangement

In fiscal year 2021, OKI newly defined its Toranomon office as a "space for co-creation with customers" and a "space for employee collaboration," introducing open seating at workspaces and establishing café-style meeting spaces. We have increased co-creation opportunities by turning our rooms into showrooms, including conducting demonstration testing of our remote communication system, and guiding customers through these showrooms along with our existing product and solution showrooms.

Website "Initiatives for Smart Work-Life"
<https://www.oki.com/en/sustainability/csract/emp/ swl.html>

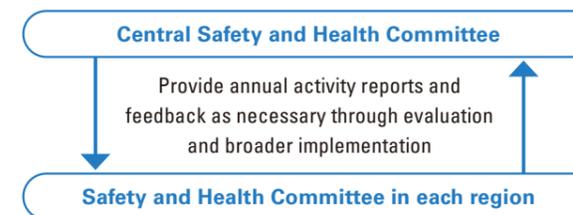
Initiatives for Occupational Health and Safety, Health Management

Occupational Health and Safety Initiatives

In each region, OKI established a "Safety and Health Committee" comprised of management and labor union members. These develop safety and health systems and systematically advance measures for preventing hazards and health problems and promoting the health of employees. The Central Safety and Health Committee meets once a year to evaluate the activities of each region and encourage their broader implementation. In 2021, OKI's incidence rate of occupational accidents*1 was 0.09 (electric machinery/equipment manufacturing industry's average in Japan: 0.54) and severity rate of occupational accidents*2 was 0.00 (electric machinery/equipment manufacturing industry's average in Japan: 0.01).

*1 Incidence rate of occupational accidents: Number of casualties due to occupational accidents per million man-hours worked, representing the frequency of occupational accidents.

*2 Severity rate of occupational accidents: Total number of lost workdays per thousand man-hours worked, representing the severity of occupational accidents.



Structure for occupational health and safety promotion

Initiatives for Health Management

Recognizing that ensuring the physical and mental health of its employees is essential for company management, the OKI Group has been promoting health management based on the "OKI Group Health Management Declaration" with the aim of enabling each and every employee to fully demonstrate his or her abilities by staying healthy, in both body and mind.

To prevent diseases and promote the health of employees and their families more effectively, the OKI Group conducts health management under a "collaborative health" system in which Group companies, including occupational health staff, and the health insurance associations work together. In addition, based on analysis of data mutually held by the companies and the health insurance associations, the OKI Group has identified priority health issues to be addressed from the three

perspectives of "body," "mind," and "awareness" and has set target indicators for promoting health. In March 2022, following the previous fiscal year, OKI was certified as a "2022 Health and Productivity Management Outstanding Organization" in the large enterprise category as a company that takes proactive initiatives for health promotion.

OKI Group's Key Indicators for Health Management

OKI Group's priority health issue target indicators	FY2019 results	FY2020 results	FY2021 results	FY2026 target
Body				
Obesity prevention / reduction of obese employees	31.6%	33.5%	32.9%	31.0%
Percentage of obese employees				
Mind				
Preventing mental health problems	93.1%	95.4%	94.7%	100.0%
Percentage of employees who took stress checks				
Awareness				
Promoting health awareness that leads to action	17.9%	20.4%	21.5%	30.0%
Exercise habit establishment rate*				

*Percentage of employees who conduct light-sweating exercise for 30 minutes or more per session, at least two days per week for at least one year

Website "Initiatives for Occupational Health and Safety, Health Management"
https://www.oki.com/en/sustainability/csract/emp/ health_safety.html

Monitoring for Increasing Work Engagement

The OKI Group continues to conduct an annual awareness survey of all employees to see whether the measures described above are contributing to a positive workplace and to rewarding work for each employee. Our goal is to achieve a 70% positive-response rate* for "rewarding workplace (the workplace is positive and work is rewarding)" in fiscal year 2022, the final year of Medium-Term Business Plan 2022.

Increasing work engagement requires understanding managerial issues and providing appropriate support. To this end, we have been conducting an employee pulse survey since fiscal year 2020. In fiscal year 2021, we expanded the survey to approximately 8,200 OKI Group employees, and conducted triannual routine monitoring and analyzed its results. We found that improvements in work environment led to greater work efficiency. The importance of communication with others and linkages with organizational targets was also confirmed.

Results of Awareness Survey of All OKI Group Employees (in Japan)

	Employees who gave a positive response*			
	FY2019 results	FY2020 results	FY2021 results	FY2022 target
The workplace is positive and work is rewarding	60% (68%)	63% (71%)	54% (64%)	70%

*Positive response: Very much so / more or less so
 *Figures in parentheses represent only OKI