

Promoting locally rooted CSR activities in China as a member of the community

OKI Electric Industry (Shenzhen) manufactures printers and ATM machines in China, the core region for the global business activities being developed by the OKI Group. The company complies with local laws as a matter of course, but it also engages in CSR activities that give consideration to employees and the local community.



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The OKI Group is actively working to globalize its operations, and has a goal of raising its overseas sales ratio to 50% by 2010, for consolidated group sales. Business development is conducted based on regional awareness, which is part of the OKI Group Charter of Corporate Conduct. We are working to build good relations with local communities while respecting the cultures and customs of the countries and regions in which we operate. This section introduces some of the CSR activities being conducted by OKI Group companies in China, the core region of our global endeavors.

Business Development Through the Establishment of Production, Sales, and Development Sites in China

Since first forming a joint venture with a Chinese company in 1997, the OKI Group has established a series of local affiliates in the country that are engaged in production, sales, support, software development and other activities. We have expanded our business in China so that it now encompasses 14 affiliates and three representative offices.

OKI Electric Industry (Shenzhen) (OSZ) was established in July 2001 and is responsible for manufacturing printers and ATM machines. In conjunction with growth in local demand, in January 2007, OSZ relocated to a new plant in the Nanshan District of Shenzhen. The new plant boasts an annual production capacity of 600,000 printers and 30,000 ATM machines (including unit production). As an employer of some 1,600 local employees, OSZ engages in a variety of CSR activities.

Improving Quality Through Systems and Employee Training

In order to earn the robust trust and support of ever-expanding markets, OSZ has created mechanisms for preventing the incorporation, creation and output of defective products on the basis of an ISO 9001-compliant quality management system. For

example, when a problem occurs during the production process, a warning alarm goes off and the line is stopped. The situation is assessed and corrective measures are considered right at the site. The line does not start up again until improvements are made. Also, for printers, 100% inspections are conducted on the quality of printing, external casing and internal components.

OSZ also focuses on employee training. Engineers from Japan provide training on production technology and quality management, level-specific training is conducted for new hires and newly promoted employees, and skills competitions are held four times a year as a part of efforts to improve employee skill levels.



An inspection of a printer's internal components and external casing

Environmental Considerations in Business Activities and Products

OSZ acquired ISO 14001 certification in 2003 and is working to be included in the OKI Group's consolidated certification in the year ending March 2008.

OSZ actively manufactures products that are environmentally conscious. Our printers and ATM machines are in full compliance with the European Union's RoHS Directive and China's Measures for Administration of the Pollution Control of Electronic Information Products, also called China RoHS. In addition, for printers sold on the domestic Chinese market, we have acquired a series of energy conservation certifications from the China Certification Center for Energy Conservation Products, starting in June 2005. OSZ was also the first overseas affiliate in the OKI Group to institute our skill qualification system for lead-free soldering and is in compliance with lead-free solder regulations.

Creating Empowering Work Environments for Employees

Developing good work environments is also a major agenda at OSZ. Efforts are being made to strengthen health and safety systems, which include establishment of a Safety and Health Committee in accordance with OKI Group



The plaque presented to OSZ



standards and creation of a plan for preventing occupational accidents. Safety inspections are also normally conducted once a year by OKI in order to check management in this area. Moreover, management training is conducted for local managers to raise awareness of compliance, labor management and other issues.

Thanks to these initiatives, in 2006 OSZ was recognized by the city of Shenzhen as a model company for compliance with labor laws.

Harmony with Society Through Interactions with Local Communities

Another priority of OSZ is harmony with the local community. In the year ending March 2008, employees of the company, including staff dispatched from Japan, visited a high school in the Nanshan District in June and November to play baseball with the students and deepen friendships within the community. We also donated equipment.

Based on this kind of interaction with the local community, OSZ intends to expand the scope of its social contribution activities in the nearby Nanshan District and Shenzhen.

Employee Perspective

I believe that it is the mission of General Affairs Division to carry out its responsibilities to employees. This is done, for example, by improving motivation through making the goals of the company consistent with individual career plans and by managing health and safety at company facilities. As a foreign company, we intend to continue to increase our contribution to the local community, which includes environmental conservation in R&D, procurement and manufacturing, participating in local tree-planting programs and administering blood drives.



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Local Contribution Activities in China by the OKI Group

Building a New Building and Repairing Existing Classrooms for an Elementary School in Shaanxi Province

In June 2006 rebuilding work was completed on Fu Jia Pan Primary School in Yu Lin, Shaanxi Province.

The project was sponsored by OKI and five local affiliates and was one of the projects undertaken to commemorate OKI's 125th anniversary. It was conducted through Plan Donor-tied Project of Plan Japan. We built a new two-storey school building made improvements to existing classrooms, and donated teaching materials, books and other supplies.

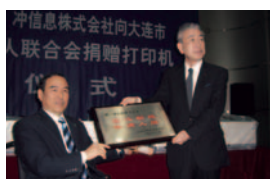


New, two-storey school building

Donating Color LED Printers to the Dalian Disabled Persons Federation

In March 2007 OKI Data donated five C3400n color LED printers to the Dalian Disabled Persons Federation in Dalian, China.

The Dalian Disabled Persons Federation was established in 1988 to help people with disabilities become self-reliant. It is a regional branch of the



nationwide China Disabled Persons Federation and has twenty locations, including a rehabilitation center. In recent years the federation has put emphasis on IT training. The new printers donated by OKI are expected to improve convenience, and utilization of color printouts should facilitate communication.

Acquiring CSA800 Certification, Changzhou's CSR Standard

In March 2007, OKI Software Technology a software development company located in Changzhou, China, acquired CSA8000 certification from the Changzhou CSR Standardization Committee. CSA8000 is a CSR standard developed by the city of Changzhou based on SA8000, the international standard for human rights and labor.

Since its establishment in 2001, the company has been actively involved in various social contribution activities. However, in order to promote CSR activities from a broader perspective, in 2006, the company established a CSR Promotion Committee. The company successfully acquired certification through the institution and development of management systems and the training of employees.

