

Establishing Management Systems Required for Production Sites

As the world's economy becomes more integrated, what is required of companies is more diverse as ever. They are now asked to pursue not only their own growth but also contribution to sustainable development of the countries and regions in which they operate.

The OKI Group currently has production sites in Japan, Thailand, China and Great Britain. Our activities there focus on the further improvement of our sophisticated production technologies, the dissemination of our sophisticated production management across the group, the reduction of environmental impacts arising from manufacturing activities, and the appropriate management of occupational health and safety for employees. We address these managerial issues in accordance with the OKI Group Charter of Corporate Conduct.

As the group's all production sites are ISO9001-certified, our quality control efforts are managed based on the certification with Quality Management Department at each business unit or group company. Each production site has established its own quality control systems in accordance with their production lines and the characteristics of their products. In fiscal 2011, we established Production & Product Safety Division at the head office that is responsible for the optimal utilization of production resources, the coordination of production tasks and other group-wide efforts.

Regarding environmental conservation, 39 sites of the OKI group, mostly production sites, have obtained ISO14001 Integrated Certification. We have set a group-wide management system with business themes (focusing on reducing environmental burdens through products and services) and site themes (focusing on reducing environmental burdens at each site).

Occupational health is being managed at each production site by its Safety and Health Committee comprised of members from both management and employees.

As the promotion of CSR throughout the supply chain has become an important issue, an increasing number of our customers have expected us to make these efforts. In order to

enhance CSR-related management, we have developed an assessment format reflecting the requirements for global CSR procurement, and disseminated it to our production sites.

Growing with the Countries and Regions in Which We Operate

As contribution to the countries and regions in which we operate is one of our most important agendas, the OKI Group's global business management has focused not only on the pursuit of economic advantages, but also on efforts for promoting trust with local communities from the outset.

As we have worked closely with local employees and vendors for the improvement of production technologies, local employees have begun taking initiatives in improving productivity. We have also been active in providing local employees with IT education and language education while encouraging them to obtain various certifications because we believe human resource cultivation also is part of our social responsibilities.

In addition to these efforts through our business activities, we have also been active in interacting with local residents and participating in various social action programs inside and outside Japan. As a result of such highly-regarded community-based activities, a Chinese subsidiary of the Group recently won a local CSR award.

Supporting a Project to Build a Dining Hall at an Elementary School in China

In fiscal 2011, OKI and its nine subsidiaries in China supported a project to build a dining hall at Yuezhuang Elementary School in Shaanxi Province. OKI decided to support the project in order to express its appreciation for its business expansion in China along with the country's growth as part of its 130th anniversary celebrations.

Among 268 children attending this old school established in 1922 for neighboring 7 villages, 213 live in a dormitory. Before the project, children had to have simple meals in a makeshift tented dining room because the dormitory had no regular dining or washroom facilities.

Carried out through Plan Japan* as one of its Donor-tied projects, this project focused on providing children with a safe and sanitary dining environment by building a dining hall, a kitchen and a washroom. It also included a training program about nourishment and health. Since local stakeholders including children and teachers were involved in all stages of the project from planning to progress management, they were able to establish a system to maintain "their dining hall" by themselves. We believe that nutritious meals prepared in a sanitary environment help improve children's health and learning effect. We also hope that they will grow up to be respectable members of local communities and the nation.

The OKI Group will continue to contribute to local communities in various ways, and grow with people there.

* Plan Japan: a member of Plan International, a non-profit, non-governmental organization recognized by the United

Stakeholder's **VOICE**

Comments from Stakeholders at Yuezhuang Elementary School

Thanks to the new canteen, our dining problem has been solved. Now dining in this bright and spacious canteen, we don't have to put up with the cold winter and the hot summer. There is a disinfection cabinet in the new canteen which enables us to eat safe food.

Xi, a fifth grade student

As the student canteen is built, accommodation condition for our children has improved. Now our kids are able to grow healthily and happily in such good condition, we can do farm work or go outside to work reassuringly.

Ma Hongdeng, a parent





Old dining room (left) and inside the new dining hall

Special Report

Fulfilling Our Responsibility Even in Disasters

Corporate responsibilities for constant supply of products have drawn more attention in the wake of the Great East Japan Earthquake on March 11 of 2011 and Thailand floods in October of the same year.

The Great East Japan Earthquake forced OKI Data to partly cut off production at its Fukushima site. As a result of immediate recovery efforts by employees, the site was able to resume full production on April 11. This incident made us rethink the importance of our responsibilities for constant supply of our products. But it was not long before, however, serious floods hit Thailand in October. OKI Data Manufacturing (Thailand) (hereafter called ODMT) was forced to close up operation for about three months from October 6 since floodwater had inundated its production facilities.

In response to this disaster, OKI Data, the group company overseeing all printer-related operations, immediately set up a task force in Japan. The company then networked all relevant sites inside and out side Japan via a video teleconference system, checked on what was happening in Thailand, gave prompt instructions, drew up a plan for alternate production, and started putting the plan



Removing equipment from ODMT for alternative production

into practice on October 10. In order to effectively implement the plan, the company got the cooperation of its business partners, opened new lines for alternate production at other sites, and secured materials and equipment for them. At the same time, many Thai skilled workers from ODMT were dispatched to such alternate production sites. Each employee involved in this plan worked very hard to produce and supply products under the slogan "Customers across the world are waiting for our products! It's time to show our real strength." Meanwhile, ODMT started making arrangements for the withdrawal of damaged equipment

Recovered production line at ODMT

and the installation of new equipment soon after the flooding. Furthermore, once the floodwater receded, all employees at ODMT worked hard cleaning the site and preparing for the resumption of production. Thanks to all these efforts, ODMT resumed production partly on January 4, 2012. It resumed full production on

March 1 ahead of schedule.

In its recovery efforts, ODMT strengthen measures against flooding, and redesigned the layout of production lines for more prompt recovery from future flooding. The OKI Group will further promote its BCP by enhancing its global backup system.