

In addition to complying with all related laws and regulations, the OKI Group implements sound corporate activities consistent with social norms.

Fiscal 2008	Achievements in Fiscal 2008	Fiscal 2009
<p>Focal Points</p> <ul style="list-style-type: none"> Steady promotion and improvement of the risk management system Enhancement of compliance education for the group 	<ul style="list-style-type: none"> Entrenched risk management focusing on risk evaluation and monitoring in the group Increased and improved tools for compliance education by utilizing e-learning and the intranet 	<p>Focal Points</p> <ul style="list-style-type: none"> Steady promotion and improvement of the risk management system Enhancement of measures against each registered risk as well as monitoring

Ensuring Full Compliance

Establishment of Compliance Systems

In fiscal 2004, OKI established the company-wide "Compliance Committee" to deliberate on basic compliance-related policies as well as "Compliance and Business Ethics" Division (reorganized as "Compliance and Business Ethics" Unit of CSR Division in November 2008). Since then, the entire OKI group has worked to strengthen compliance. We have also established consultation and reporting channels and whistleblower regulations, which enable us to discover and rectify improper activities at an early stage.

In order to further promote compliance-related measures, Compliance Managers have been assigned to each business unit, and every group company has named a Compliance Officer. We are currently working to enhance training and promote integrated, systematic, company-wide risk management, believing these two are the twin pillars of the group's compliance promotion efforts.

Improvement of Compliance Education

In order to disseminate compliance-related measures across the company, OKI conducts training sessions for Compliance Managers at six sites in Japan. Compliance Managers, then, facilitate the steady dissemination of those measures by rolling out the knowledge they learned from such training sessions to their organizations, and check the level of understanding of employees through an e-learning program. The e-learning program given in the second half of fiscal 2008 focused on "Compliance at Your Workplaces," citing various cases. Participation in the program at OKI was 99%.

In order to facilitate the dissemination of compliance-related measure throughout the OKI Group, we have rolled out our e-learning programs to approximately 50 group companies in Japan. Furthermore, we added a "permanent course" to our e-learning initiative in fiscal 2008. The course has allowed employees to learn basic knowledge on compliance through e-learning whenever they like. It can be utilized as a timely educational opportunity for new recruits and retreads as well as a good opportunity of reviewing things once learned.

We also offer approximately 100 cases responding to the issues listed in the OKI Group Code of Conduct on our intranet. We will continue to increase the number of cases posted and improve the quality thereof.

Steady Promotion of Risk Management

Enhancement of Risk Management Based on Risk Management Regulations

OKI established "Risk Management Regulations" in 2004 in order to prevent risks arising from its corporate activities and ensure that they are handled properly if any. We are currently enhancing our risk management activities on the basis of these regulations. The regulations identify potential risks and set basic rules concerning divisional responsibilities and countermeasures. They also stipulate detailed rules concerning the establishment of emergency communication systems and an emergency response headquarters in the event of a major risk.

System for Promoting Risk Management



Reviewing Compliance Risk Evaluation and Enhancing Monitoring System

As OKI regards compliance risks* as the most important category of risks, it has promoted the management thereof based on our Risk Management Regulations since fiscal 2005. More specifically, each business unit of the company has registered potential risks related to its operations with the Risk Management Promotion Office, which monitors twice a year the implementation of preventive measures, whether any risks have materialized, and take corrective measures.

In fiscal 2008, we shifted the focus of our measures against the registered risks, from the building of rules and systems to the reviewing of risk evaluation and the monitoring of compliance levels. Biannual risk management practices have been steadily entrenched throughout the group.

* A compliance risk is a risk associated with violation of laws, regulations and in-house rules.

Emergency / Disaster Response

The OKI Group has established "Safety Countermeasures Committees" and emergency communication networks at its domestic and overseas sites as well as group companies. In the event of a disaster, countermeasures are enacted that make it possible to protect people's lives, prevent secondary accidents, contribute to local communities and foster good relationships with them, and ensure the continuity of business operations. As for the continuity of business operations, we have promoted a group-wide project to study BCP and BCM (Business Continuity Plan and Management) since fiscal 2007. In fiscal 2008, we set guidelines for formulating a BCP. We will continue to make our utmost efforts so that we would be able to appropriately respond to risks including earthquakes and pandemics.

Fair Trade and Purchasing

Fair Business and Purchasing Practices

In order to ensure fair business activities in good faith, the OKI Group clearly states, as part of the actions to be taken specified in its Code of Conduct according to Japanese laws, that it observes antitrust laws, and is objective and free from bribery to civil servants and quasi-civil servants in Japan



Purchasing law workshop (December 2008)

and other countries. Furthermore, in order to avoid offering and taking bribery to and from all stakeholders including civil servants, the code of conduct also prohibits any gift or entertainment that exceeds normal business customs (such as the offering and receipt of a monetary reward and a special service). The group has helped its employees fully understand the significance of fair business activities by posting its code of conducts on its intranet and offering them training programs.

In addition, in order to ensure the appropriateness of purchasing activities, a purchasing law workshop is held twice a year for employees involved in material procurement. Such a workshop features training and information sharing on related laws and regulations as well as the OKI Group's compliance initiatives. In fiscal 2008, we held purchasing law workshops in July and December in which a total of 230 employees participated.

Strict Control of Export Practices

OKI, from the viewpoint of serving world peace and preventing the proliferation of weapons of mass destruction, has made various efforts to abide by all applicable laws and regulations about security export control as an exporter. Among them is the establishment of the Rules for Compliance with Export-Related Laws and Regulations. More specifically, the company's Export Review Section and Export Review Committee carefully examine all export-related business transactions.



An "Authorized Exporter" certificate was given at Tokyo Customs (April 2008).

Each group company has also made similar efforts. In March 2008, OKI Data was certified as an authorized exporter in accordance with the Authorized Exporters' Program by Tokyo Customs. OKI Networks started to formulate a set of regulations to control export practices in compliance with the Foreign Exchange Law and the Foreign Trade Law soon after its foundation in October 2008 by forming an organization specializing in export control. The company's guidelines and application for an export license was accepted by the Ministry of Economy, Trade and Industry. As a result, the company obtained a "General Bulk License" in March 2009.

From Green Procurement to CSR Procurement

Believing that cooperation from its partners in the supply chain is indispensable for the fulfillment of its corporate social responsibilities, OKI has promoted green procurement based on the "Green Procurement Standard" established in 2002. In 2006, we created the "OKI Group Procurement Policy" by revising the existing purchasing policy. The new policy includes several new stipulations on "compliance with the laws and social norms," "considerations for environmental protection," "proper management and protection of information" and other issues. Since then we have promoted the dissemination of the policy among employees involved in purchasing across the group.

While following the global trend in CSR-oriented procurement, we have come to realize a need for defining detailed requirements for our suppliers. As a result, we are making efforts to set a code of conduct for our suppliers. In fiscal 2008, we made a research format. We will further promote environmentally-friendly procurement in cooperation with our suppliers.