

The OKI Group has worked to strengthen compliance, in order to comply with all related laws and regulations and implement sound corporate activities consistent with social norms. Under the leadership of the Compliance Committee headed by the Chief Compliance Officer, we focus on the enhancement of training and the promotion of integrated, systematic, companywide risk management. Furthermore, we have established consultation and reporting channels as well as whistle-blowing regulations such as those about the protection of whistle-blowers. We thus try to discover and rectify improper activities at an early stage.

## Enhancement of Compliance Training

In order to deploy compliance-related measures across the group, the OKI Group gives training sessions for Compliance Managers at six sites in Japan as its regular training. Participants learn in these sessions, and roll out this knowledge in their business units. The deployment of such knowledge is checked through an e-learning program for all executive officers and employees of the group. In addition, various measures are promoted to communicate the training information in specific formats, including the booklet called "Case Examples of Compliance" and regular articles in our company news (Intranet) that features possible compliance-related issues in operations and actions to be taken.



Article explaining compliance examples

As a part of the recurrence prevention measures for addressing the inappropriate accounting practices in the previous year, the above-mentioned regular training sessions and trainings for each rank were held in fiscal 2013 to fully implement the newly established "Compliance Commitment" and the revised "OKI Group Code of Conduct" that aims at fostering the corporate culture in which people "express, encourage others to express and listen," as well as the procedures for responding to risks. Furthermore, a compliance awareness survey was held in February 2014 for confirming the effects and issues of this training and reflecting them to new actions. The results showed the improved awareness from the previous year in regards to the structure for responding to the risks.

## Participation rates in compliance training programs (for the OKI Group in Japan) in fiscal 2013

Training session for Compliance Managers Focused themes: Revised Code of Conduct, laws related to financial report, labor-related risks (e.g. harassment), actions to be taken in the event of risks	100%
e-learning program (about on-the-job compliance)	100%

## Ensuring Risk Information Sharing and Communication, Enhancing Management

In October 2012, OKI set up the Risk Management Committee (with the President as Committee Chairman, and outside director and company audit & supervisory board members as advisors), whose meetings have been held on a regular basis to uncover various risks involving its business activities in a precise manner and to prevent them from materializing.

At the same time, the compliance risks (i.e. risks associated with violation of laws, regulations and in-house rules) requiring common management across the Group are managed by the Compliance Committee, who establishes and manages the management cycle of defining such risks as "registered risks,"

appointing the controlling divisions, implementing preventive measures within the Group and carrying out regular verification of the implementation status.

In fiscal 2013, some improvements were made in the implementation methods of preventive measures, in such a way that the operational headquarters could manage their compliance risks more precisely in their own operations, including the operations of the group companies under their responsibility.

## Establishment of the Fundamental Anti-Corruption Policies for the Group

In December 2013, OKI established "Fundamental Rules against Bribery," along with "OKI Group Anti-Corruption and Anti-Bribery Policy" the group policies for fully informing and implementing the rules within the Group. These rules and policies take account of the global trends toward stricter sanctions imposed by laws and regulations relating to anti-corruption (e.g. Foreign Corrupt Practices Act, and UK Bribery Act), and set out the fundamental points for carrying out operations properly while complying with the related regulations applicable to each country and region in which the OKI Group operates. By March 2014, all of the OKI Group companies both in Japan and overseas had adopted these "Fundamental Policies."

In fiscal 2014, the OKI Group will continue to further inform and implement these policies to its employees through training, and proceed with the operation of specific rules concerning gift-giving and business entertainment for clients.

## Joining GC-JN's Anti-Corruption Working Group

OKI is a managing member of the Anti-Corruption Working Group of Global Compact Japan Network (GC-JN), which was established in fiscal 2013. The Working Group shares issues for engaging in anti-corruption measures with the participant companies, promotes information exchanges with experts in Japan and overseas, and discusses anti-corruption measures that should be taken by the participant companies of the UN Global Compact.

## Emergency / Disaster Response

The OKI Group has established "Safety Countermeasure Committees" at its domestic and overseas sites, as well as in its group companies, in order to ensure "protect people lives" "prevent secondary accidents" "contribute to local communities and foster good relationships with them" and "continuity of business operations" in the event of disasters. For "continuity of business operations" each business and corporate (headquarter) division develops a Business Continuity Plan, or BCP, based on BCP Development Guidelines. The contents of the BCP are reviewed annually.

In fiscal 2013, the Group's emergency communication structure was reviewed to address various risks in a precise and prompt manner. The revised structure was notified and implemented thoroughly across the Group through Intranet and training.