

Corporate Governance

Oki Electric Industry Co., Ltd.

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Oki Electric Industry Co., Ltd.

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The corporate governance of Oki Electric Industry Co., Ltd. (the “Company” or “OKI”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information

1. Basic Views

To earn the trust of its various stakeholders, the OKI Group recognizes ensuring sustainable growth and increasing corporate value over the medium to long term as its most important management priorities. To this end, we are working to enhance corporate governance based on our fundamental policies, including “enhancement of management fairness and transparency,” “timely decision-making processes,” and “full compliance and fortification of risk management.”

Reasons for Non-Compliance with Principles of Japan’s Corporate Governance Code

This Corporate Governance Report is based on the Corporate Governance Code revised in 2018.

[Principle 1-4: Cross-Shareholdings]

(1) Policy on cross-shareholdings

The Company is gradually reducing its cross-shareholdings, taking into overall consideration such factors as enhancing the medium- to long-term corporate value of the Company and the share-issuing companies.

(2) Details on verifying cross-shareholdings

The Board of Directors reviews cross-shareholdings each year. The Company considers quantitative and qualitative factors when determining the suitability of its holdings of each stock.

(3) Standards for the exercise of voting rights on cross-shareholdings

In exercising its voting rights on cross-shareholdings, the Company categorizes agenda items as follows. We make decisions and exercise voting rights based on exercise criteria.

- When appointing executives, the Company considers such factors as the total number of executives and the ratio of Independent Directors.
- For executive compensation, the Company looks at such factors as business performance and the status of assets.
- For the appropriation of surpluses, the Company considers such factors as business performance and retained earnings.
- The Company gives special consideration to proposals related to anti-takeover measures, M&A, and third-party share allocations.

[Principle 5-2: Establishing and Disclosing Business Strategies and Business Plans]

The Company’s capital policy is to invest for sustainable growth, to maintain a sound financial structure that allows for such risks, and to provide stable and continuous returns to shareholders.

In the “Medium-Term Business Plan 2022” up to FY2022, we have set targets for profitability, stability, and capital efficiency, and are implementing various measures such as structural reforms and growth strategies. Based on the progress made, the Company will continue to consider about reviewing of its business portfolio and allocation of management resources.

[Disclosure Based on the Principles of Japan’s Corporate Governance Code]

Details of the items disclosed in accordance with the principles of Japan’s Corporate Governance Code are as follows.

[Principle 1-7: Related Party Transactions]

The Board of Directors supervises transactions involving conflicts of interests between the Company and Directors in accordance with the rules of the Board of Directors, and Audit & Supervisory Board members conduct audits in accordance with the auditing standards.

The Company does not have any major shareholder who owns 10% or more of its shares.

[Principle 2-6: Roles as Asset Owners of Corporate Pension Funds]

The OKI Corporate Pension Fund manages funds for corporate pensions of the Company and its domestic group companies.

Each year, the Investment Management Committee drafts investment targets, asset allocations, and investment consignees, which are decided by the Board of Trustees. Members of both the Investment Management Committee and the Board of Trustees include employee representatives as well as people with expertise in the finance and human resources departments, appointed by the Company. Committee members and clerical staff improve their expertise by receiving advice from pension management consultants.

The Company entrusts the specific selection of fund investments to multiple investment institutions, monitoring the status of investment at quarterly management reporting meetings.

[Principle 3-1: Full Disclosure]

(1) Company goals (vision, etc.), business strategies and business plans

The Company's philosophy is available on its website.

<https://www.oki.com/en/profile/spirit/>

In October 2020, we formulated the "Medium-Term Business Plan 2022" with FY2022 as the final year. Details are disclosed on the company website.

<https://www.oki.com/en/ir/corporate/strategy/>

(2) Basic views and guidelines on corporate governance based on each of the principles of the code

These are described in "I.1. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information" in this report.

(3) Board policies and procedures in determining the remuneration of senior management and Directors

These are described in "II.1. [Director Remuneration]" in this report.

(4) Board policies and procedures in the appointment/dismissal of senior management and the nomination of candidates for Directors and Audit & Supervisory Board Members

To ensure transparency in the process of nominating candidates for Directors, Audit & Supervisory Board members, and executive officers, the Company consults with the Personnel and Compensation Advisory Committee, a voluntary committee. After receiving the committee's response, the Board of Directors and the Audit & Supervisory Board decide on candidates. The committee is composed of five members, including four Outside Directors (of whom one is a woman), and the chairperson is appointed from among the Outside Directors.

In the nomination and appointment of candidates for Directors, Audit & Supervisory Board Members and executive officers, the Company considers the following matters in addition to meeting legal requirements.

- Nobility of character, wisdom, a high level of ethics, fairness, honesty, and a law-abiding spirit
- The ability to conduct duties in a manner that will help realize the OKI Group's corporate philosophy and enhance corporate value sustainably
- Length of tenure
- Audit & Supervisory Board members must have the necessary financial, accounting, and legal knowledge.
- Outside officers who satisfy the Company's independence criteria

The criteria for submitting a proposal to dismiss a Director, an Audit & Supervisory Board Member, or an executive officer take into consideration the following: where the person's act violates or infringes on the law and the Articles of Incorporation; whether the person has become unable to properly perform his/her duties. Such proposals are immediately deliberated by the Personnel Affairs and Compensation Advisory Committee, which then submits its proposal to the Board of Directors.

(5) Explanations with respect to individual appointments/dismissals and nominations based on (4)

Reasons for appointment and dismissal as well as brief backgrounds and responsibilities are described in reference documents for the General Meeting of Shareholders, business reports, corporate governance reports, financial reports, and other documents.

[Principle 4-1: Roles and Responsibilities of the Board (1)]

(Supplementary Principle 4-1-1)

The Company has stipulated in the rules of the Board of Directors that important matters, such as laws and regulations, matters stipulated in the Articles of Incorporation, and basic management policies are to be discussed by the Board of Directors. Executive officers carry out their duties in accordance with basic management policies determined by the Board of Directors.

[Principle 4-9: Independence Standards and Qualifications for Independent Directors]

This information is described in "II.1. [Independent Officers]" in this report.

[Principle 4-11: Preconditions for Ensuring the Effectiveness of the Board of Directors and the Board of Audit & Supervisory Board Members]

(Supplementary Principle 4-11-1)

To deliberate on and decide important matters related to the execution of the Company's business and to fulfill its duties of supervising the execution of business, the Board of Directors has established a board that is within the 15-member range stipulated in the Articles of Incorporation and has multiple Independent Outside Directors. The Board of Directors also takes into account Directors' areas of specialization and experience.

(Supplementary Principle: 4-11-2)

Significant concurrent positions of Directors and Audit & Supervisory Board Members (including candidates) are disclosed in the reference documents for the General Meeting of Shareholders and business reports in the "Notice of Convocation of the General Meeting of Shareholders," as well as in security reports.

- Notice of Convocation of General Meeting of Shareholders: <https://www.oki.com/en/ir/stock/meeting.html>
- Security Report (Japanese only): <https://www.oki.com/jp/ir/data/report/>

The status of Outside Directors and Outside Audit & Supervisory Board Members is also described in "II.1. [Related to Directors]" and "[Related to Audit & Supervisory Board Members]" in this report.

(Supplementary Principle 4-11-3)

The Company conducts evaluations and analyses to improve the effectiveness of the Board of Directors by recognizing, sharing, and improving the directions that the Board of Directors should take and the issues related to that direction.

[Method for Evaluating the Effectiveness of the Board of Directors]

The Board of Directors discussed methods for evaluating the effectiveness of the plan in FY2020.

- (1) We judged that self-evaluation is appropriate for conducting research and evaluation in line with our company's circumstances. On the other hand, in order to verify the objectivity and validity of the evaluation process, we judged that a third-party evaluation should be introduced at least once every few years, and entrusted a trust bank with the verification of the evaluation process and the contents of the questionnaire.
- (2) As in the previous year, the assessment was conducted in three stages: a questionnaire survey, individual hearings, and deliberations at the Board of Directors. This applied to all Directors and Audit & Supervisory Board members. The Secretariat of the Board of Directors served as the secretariat.
- (3) The questionnaire was the same as the previous year. It was based on "Corporate Governance Code" and related materials.

The Company received advice from the above company that it should explain the "Practical Guidelines for Independent Directors" (Ministry of Economy, Trade and Industry 2020) to its directors.

[Results of Evaluation of the Effectiveness of the Board of Directors]

As a result of the FY2020 evaluation, it was confirmed that, although the effectiveness of its Board of Directors has been improving overall, there are still matters that need to be improved.

The details are as follows:

As a result of discussions on "Medium-Term Business Plan 2022" both before and after the outbreak of the COVID-19, both inside and outside directors strongly shared recognition on our company's existence value, management strategy, and other issues. We will improve the accuracy of the segment-specific management indicators and the quantitative evaluation of the business portfolio and supervise the progress of the plan. "Successor Development Plan for the President" made progress in deliberations at the Personnel and Remuneration Advisory Committee, whose members are mainly outside directors. In FY 2021, the Board of Directors will deliberate and supervise its implementation. Operation of the board has become more efficient and the time for discussion has increased.

Further operational improvements will be made so that more useful discussions can be held. Progress in the issues recognized in the previous year, such as "increasing opportunities to provide field information to outside directors" and "increasing opportunities for communication between outside directors and the middle level" was not enough. The Company will rebuild the implementation method according to COVID-19's situation.

OKI will strive to continuously improve the effectiveness of the Board of Directors with the goal of increasing corporate value.

[Principle 4-14: Training for Directors and Audit & Supervisory Board Members]

(Supplementary Principle 4-14-2)

The Company provides opportunities for Directors and Audit & Supervisory Board Members to participate in seminars and training conducted by external specialized agencies necessary to fulfill their roles and responsibilities. Based on this policy, necessary support is provided such as holding seminars by experts and utilizing training by external organizations. Training is also provided for newly appointed officers. When outside officers are appointed, explanations are given to them to deepen their understanding of the OKI Group's business activities, and visits are also made to business sites and

factories.

[Principle 5-1: Policy for Constructive Dialogue with Shareholders]

The Company believes that constructive dialogue with shareholders and other stakeholders and appropriate use of market feedback in management and business activities will lead to more efficient management and increased corporate value. Therefore, the President and Chief Financial Officer play a central role in dialogue with shareholders. The IR Division, a dedicated team, supports them.

Opportunities for direct dialogue with shareholders are provided within a reasonable scope. Specifically, we hold management briefings, quarterly financial results briefings, various meetings and individual meetings with major shareholders.

In IR activities, in addition to holding individual interviews as needed, we actively provide information through our website and annual reports. The opinions of shareholders obtained through IR activities are periodically fed back to management.

The IR Division discuss and share information with related divisions regarding disclosure information that serves as the basis for dialogue, and make timely, appropriate, and fair disclosure. As for the handling of insider information, we prevent insider information leakage by making it known to the management and employees that it is strictly managed in accordance with the "regulation on insider trading preventions".

2. Capital Structure

Foreign Shareholding Ratio	20% to less than 30%
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[Major Shareholders]

Name or Company Name	Number of Shares Held	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	9,265,300	10.70
Custody Bank of Japan, Ltd. (trust account)	5,087,200	5.88
Oki Denki Group Employees' Shareholdings Committee	2,084,561	2.41
Custody Bank of Japan, Ltd. (trust account 4)	1,773,200	2.05
Custody Bank of Japan, Ltd. (trust account 9)	1,569,900	1.81
Mizuho Bank, LTD.	1,419,648	1.64
Meiji Yasuda Life Insurance Company	1,400,097	1.62
Custody Bank of Japan, Ltd. (trust account 5)	1,248,900	1.44
State Street Bank West Client-Treaty 505234	1,211,193	1.40
JP Morgan Chase Bank 385781	1,134,592	1.31

Controlling Shareholder (excluding Parent Company)	—
Existence of Parent Company	None

Supplementary Explanation

Major shareholders are listed based on the shareholders' register as of March 31, 2021.

The Report of Possession of Large Volume (Change Report), which was opened for public inspection on July 20, 2020, stated that Nomura Asset Management Co., Ltd. and its joint holders owned a total of 4,985,218 shares (holding ratio of 5.72 %) as of July 15, 2020. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2021, OKI has not included them in the above status of major shareholders.

The Report of Possession of Large Volume (Change Report), which was opened for public inspection on July 21, 2020, stated that Sumitomo Mitsui Trust Asset Management Co., Ltd. and its joint holders owned a total of 5,823,300 shares (holding ratio of 6.68 %) as of July 15, 2020. However, as the Company is unable to confirm the actual number of shares held as of March 31, 2021, OKI has not included them in the above status of major shareholders.

The Report of Possession of Large Volume (Change Report), which was opened for public inspection on November 20, 2020, stated that Mizuho Bank, Ltd. and its joint holders owned a total of 4,846,648 shares (holding ratio of 5.56 %) as of November 13, 2020. However, as the Company unable to confirm the actual number of shares held as of March 31, 2021, OKI has not included them in the above status of major shareholders.

3. Corporate Attributes

Listed Exchange and Market Section	Tokyo Stock Exchange, First Section
Fiscal Year-End	March
Industry	Electrical equipment
Number of Employees (Consolidated) at End of Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries at the End of the Previous Fiscal Year	From 50 to less than 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances That May Have a Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems Related to Decision-Making, Execution of Business, and Management Supervision

1. Organizational Composition and Operation

Organizational Form	Company with an Audit & Supervisory Board
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	UPDATED Outside Director
Number of Directors	9
Appointment of Outside Directors	Appointed
Number of Outside Directors	4
Number of Independent Directors Designated from among Outside Directors	4

Outside Directors' Relationships with the Company (1)

Name	Attributes	Relationship with the Company (*)										
		a	b	c	d	e	f	g	h	i	j	k
Shigeru Asaba	Academic											
Tamotsu Saito	From another company								△			
Izumi Kawashima	Academic											
Makoto Kigawa	From another company					△			△			

Categories of "Relationship with the Company"

“○” indicates a category into which the Director presently falls or has recently fallen. “△” indicates a category into which the Director has fallen in the past. “●” indicates a category into which a close relative of the Director presently falls or has recently fallen. “▲” indicates a category into which a close relative of the Director has fallen in the past.

- a Executive of the Company or its subsidiary
- b Non-executive Director or executive of a parent company of the Company
- c Executive of a fellow subsidiary company of the Company
- d A party whose major client or supplier is the Company or an executive thereof
- e Major client or supplier of the Company or an executive thereof
- f Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a Director
- g Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h Executive of a client or supplier company of the Company (which does not correspond to d, e, or f) (the Director himself/herself only)
- i Executive of a company to which Outside Directors are mutually appointed (the Director himself/herself only)
- j Executive of a company or organization that receives a donation from the Company (the Director himself/herself)
- k Other

Name	Designated as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Shigeru Asaba	Yes	<p>Mr. Shigeru Asaba is a professor of the Graduate School of Business and Finance of Waseda University, and an Outside Director of Nippon Beet Sugar Manufacturing Co., Ltd.</p> <p>The above company has no business relationship with OKI.</p>	<p>Mr. Shigeru Asaba is currently a professor of Waseda Business School (Graduate School of Business and Finance) and has academic expertise in business in general though his specialist knowledge in the fields of industrial organizations, corporate strategy, competitive strategy, ownership structures and strategies, and family-run businesses as well as high ethical standards. In addition, he has a high degree of independence from the management team, experience as an outside director of other companies, and serves as the chairman of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on his academic expertise in all aspects of business, the Company has appointed him as an Outside Director as it is expected that he will contribute to the strengthening of the management supervision function and the function to supervise conflicts of interest, including the supervision of the progress of medium- to long-term management plans, the supervision of succession planning for the President, etc., and the deepening of deliberations at the Board of Directors meetings. Although he has never had experience of being involved in corporate management other than as an outside officer, the Company determined that he will be able to carry out the duties of Outside Director appropriately for the aforementioned reason.</p> <p>The Company believes that he is sufficiently independent and has no risk of conflicts of interest with general shareholders.</p>
Tamotsu Saito	Yes	<p>Mr. Tamotsu Saito is currently an advisor of IHI Corporation and an Outside Director of JAPAN POST INSURANCE Co., Ltd. He has also been an outside director of Furukawa Electric Co., Ltd. since June 2021. Transaction amounts between OKI and the above-mentioned business partners are less than 1% of each party's sales.</p>	<p>As a long-time representative director of IHI Corporation and a business leader not only in the industry but also in Japan, Mr. Tamotsu Saito has a wealth of management experience and high ethical standards in the manufacturing industry. In addition, he has a high degree of independence from the management team, experience as an outside director of other companies, and serves as the member of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on his abundant management experience, the Company has appointed him as an Outside Director as it is expected that he will contribute to the strengthening of the management supervision function and the function to supervise conflicts of interest, including the supervision of the progress of medium- to long-term management plans, the supervision of succession planning for the President, etc., and the improvement of risk and crisis response.</p> <p>The Company believes that he is sufficiently independent and has no risk of conflicts of interest with general shareholders.</p>

Izumi Kawashima	Yes	<p>Ms. Izumi Kawashima is a professor on the Faculty of Social Sciences at Waseda University.</p>	<p>Ms. Izumi Kawashima is currently a professor of the Faculty of Social Sciences at Waseda University. She specializes in commercial law (mainly the Companies Act) and the Financial Instruments and Exchange Act, and particularly has academic specialist knowledge relating to the Companies Act and corporate governance as well as high ethical standards. In addition, she has a high degree of independence from the management team, experience as an outside director of other companies, and serves as the member of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on her knowledge as a legal expert in the Companies Act, Financial Instruments and Exchange Act, etc., the Company has appointed her as an Outside Director as it is expected that she will contribute to the strengthening of the management supervision function and the supervisory function for conflicts of interest, including the deepening of deliberations at the Board of Directors meetings, supervision of succession planning by the President, etc., and improvement of risk and crisis response. Although she has never had experience of being involved in corporate management other than as an outside officer, the Company determined that she will be able to carry out the duties of Outside Director appropriately for the aforementioned reason.</p> <p>The Company believes that she is sufficiently independent and has no risk of conflicts of interest with general shareholders.</p>
Makoto Kigawa	Yes	<p>Mr. Makoto Kigawa has served as Managing Executive Officer and Managing Director of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) from April 2002 to March 2005. Mizuho Bank, Ltd. is a major lender of the Company with borrowings of 22.7 billion yen in fiscal 2020. In addition, he is an Outside Director of Komatsu Ltd., an Outside Director of Seven Bank, Ltd., a Special Advisor of Yamato Holdings Co., Ltd., and an Outside Corporate Auditor of The Higo Bank, Ltd. Transaction amounts between OKI and the above-mentioned business partners are less than 1% of each party's sales.</p>	<p>After serving as an officer at a financial institution, Mr. Makoto Kigawa served as Representative Director of Yamato Holdings Co., Ltd. for more than ten years, and has extensive management experience and high ethical standards, mainly in the logistics industry, including the transformation of business models using ICT. In addition, he has a high degree of independence from the management team, experience as an outside director of other companies, and serves as the member of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on his abundant management experience, the Company has appointed him as an Outside Director as it is expected that he will contribute to the strengthening of the management supervision function and the function to supervise conflicts of interest, including the supervision of the progress of medium- to long-term management plans, the supervision of succession planning for the President, etc., and the improvement of risk and crisis response.</p> <p>The Company believes that he is sufficiently independent and has no risk of conflicts of interest with general shareholders.</p>

Voluntary Establishment of Committee(s) Corresponding to the Nomination Committee or Remuneration Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson	UPDATED
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	Committee's Name	Total Committee Members	Full-time Members	Internal Directors	Outside Directors	Outside Experts	Other	Chairperson
Committee Corresponding to Nomination Committee	Personnel Affairs and Compensation Advisory Committee	4	0	0	4	0	0	Outside Directors
Committee Corresponding to Remuneration Committee	Personnel Affairs and Compensation Advisory Committee	4	0	0	4	0	0	Outside Directors

Supplementary Explanation

OKI has established the Personnel Affairs and Compensation Advisory Committee as a voluntary body to ensure transparency and objective judgment in the decision-making processes for appointing board members and executive officers and determining their remuneration.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established		
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5		
Number of Audit & Supervisory Board Members	5	UPDATED	

Cooperation among Audit & Supervisory Board Members, Accounting Auditors, and the Internal Audit Department

Audit & Supervisory Board members attend meetings of the Board of Directors and other important meetings based on auditing policies and methods determined by the Audit & Supervisory Board, verify the content of reports received from Directors and others, and investigate the status of the Company's operations and assets. Audit & Supervisory Board members audit the execution of duties by Directors in close cooperation with Outside Directors, the Internal Auditing Division, and accounting auditors.

Appointment of Outside Audit & Supervisory Board Members	Appointed	
Number of Outside Audit & Supervisory Board Members	3	UPDATED
Number of Independent Officers Designated from among Outside Audit & Supervisory Board Members	3	UPDATED

Name	Attributes	Relationship with the Company (*)													
		a	b	c	d	e	f	g	h	i	j	k	l	m	
Hideo Shiwa	From another company									△					
Ryuichi Makino	Certified Public Accountant								△						
Yoshihiro Tsuda	Certified Public Accountant								△						

Categories of “Relationship with the Company”

“○” indicates a category into which the member presently falls or has recently fallen. “△” indicates a category into which the member has fallen in the past. “●” indicates a category into which a close relative of the member presently falls or has recently fallen. “▲” indicates a category into which a close relative of the member has fallen in the past.

- a Executive of the Company or its subsidiary
- b Non-executive Director or accounting advisor of the Company or its subsidiary
- c Non-executive Director or executive of a parent company of the Company
- d Audit & Supervisory Board member of a parent company of the Company
- e Executive of a fellow subsidiary company of the Company
- f A party whose major client or supplier is the Company or an executive thereof
- g Major client or supplier of the Company or an executive thereof
- h Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board member
- i Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- j Executive of a client or supplier company of the Company (which does not correspond to f, g, or h) (the Audit & Supervisory Board member himself/herself only)
- k Executive of a company to which Outside Directors are mutually appointed (the Audit & Supervisory Board Member himself/herself only)
- l Executive of a company or organization that receives a donation from the Company (the Audit & Supervisory Board member himself/herself)
- m Other

Name	Designated as Independent Officer	Supplementary Explanation of Relationship	Reasons for appointment
Hideo Shiwa	Yes	Mr. Hideo Shiwa has served as Executive Officer of Fujikura Ltd. from April 2007 to March 2018 (concurrently serving as Director from June 2014 to June 2016). In addition, he is an Outside Director (Audit and Supervisory Committee Member) of Outsourcing Co., Ltd. Transaction amounts between OKI and the above-mentioned business partners are less than 1% of each party's sales.	Mr. Hideo Shiwa has headed the finance & accounting and planning divisions and presided over a business company and unit of the head office of a manufacturing company before serving as Director and Senior Managing Executive Officer and completing overseas assignments. The Company has appointed him as an Audit & Supervisory Board Member based on its judgement that he can conduct appropriate audits of its management by making use of his extensive experience, global insight, and high ethical standards. Based on his background described above, he has considerable financial, accounting and legal knowledge required for the Company's audits. The Company believes that he is sufficiently independent and has no risk of conflicts of interest with general shareholders.

Ryuichi Makino	Yes	<p>Mr. Ryuichi Makino was a certified public accountant at KPMG AZSA LLC from April 1980 to June 2019. He also serves as Outside Audit & Supervisory Board Member of Synchro Food Co., Ltd., and head of Ryuichi Makino CPA Office. Transaction amounts between OKI and the above-mentioned business partners are less than 1% of each party's sales.</p>	<p>As a certified public accountant, Mr. Ryuichi Makino has been engaged in accounting audit of manufactures and other businesses in a wide range of industries for many years. He also has extensive knowledge in internal control. The Company has appointed him as an Audit & Supervisory Board Member based on its judgement that he can conduct audits of its management in an objective, neutral manner by making use of his extensive experience, insight, and high ethical standards. Based on his background described above, he has considerable financial, accounting and legal knowledge required for the Company's audits. Although he has never been involved in corporate management, the Company has determined that he is able to carry out the duties of Outside Audit & Supervisory Board Member appropriately for the aforementioned reason.</p> <p>The Company believes that he is sufficiently independent and has no risk of conflicts of interest with general shareholders.</p>
Yoshihiro Tsuda	Yes	<p>Mr. Yoshihiro Tsuda is a Full-time Corporate Auditor of Tribeck Inc. In June 2021, he assumed the position of Outside Audit & Supervisory Board Member of PRONEXUS INC. Transaction amounts between OKI and the above-mentioned business partners are less than 1% of each party's sales.</p>	<p>As a certified public accountant, Mr. Yoshihiro Tsuda has been involved in global accounting audits in various industries for many years. The Company has judged that he can conduct objective and neutral audits of the Company's management from a global perspective by utilizing his wealth of experience, knowledge and high ethical standards, and has therefore been appointed him as an Audit & Supervisory Board Member. Although he has no experience of being involved in the management of a company in the past, the Company believes that he will be able to appropriately execute his duties as Outside Audit & Supervisory Board Member for the reasons mentioned above.</p> <p>The Company believes that he is sufficiently independent and has no risk of conflicts of interest with general shareholders.</p>

[Independent Officers]

UPDATED

Number of Independent Officers

7

Matters relating to Independent Officers

Independence Standards for Appointment of Outside Directors

The Company appoints Outside Directors and Outside Audit & Supervisory Board Members based on the following criteria.
(1) Not an executive*¹ of the OKI Group

- (2) Not a party whose major client (sales to the OKI Group exceed 2% of total sales of the relevant party's group) is the OKI Group, or an executive thereof
- (3) Not a party whose major client (sales to the relevant party's group exceed 2% of total sales of the OKI Group) is the OKI Group, or an executive thereof
- (4) Not a major shareholder of the Company (those who directly or indirectly hold 10% or more of total voting rights) or an executive thereof
- (5) Not a party whose major shareholder is the OKI Group or an executive thereof
- (6) Not a consultant, accounting professional such as certified public accountant, or legal professional such as lawyers who receives a large amount of money (over ¥10 million per year) or other assets (over ¥10 million per year) from the OKI Group besides officer compensation. (In the event that the accounting professional or legal professional is an organization such as a corporation or association, people who belong to such organizations are included.)
- (7) Does not belong to an auditing firm that conducts the Company's statutory audit
- (8) A person who has not fallen under (1) to (7) above in the past 10 years.
- (9) A person is not a relative within the second degree of kinship to any the following people.
- People listed in (2) to (7) above (limited to important executives*² for "executives" in (2) to (5), (2) for "people belonging to associations" in (6), important executives and people whose associations have professional qualifications such as certified public accountants or lawyers in the case of accounting or legal expert associations such as audit firms or legal firms, and people who have professional qualifications such as certified public accountants and certified public accountants for "people belonging to audit firms" in (7).
 - An important executive of the OKI Group
 - A person falling under category b above in the past 10 years
- *1 "Executive" refers to a person who performs the business such as a Director (excluding Outside Directors), executive officer, employee, etc.
- *2 "Important executive" refers to a person who performs important business such as a Director (excluding Outside Directors), an executive officer, or a department head.

We have provided notice that outside officers who qualify as independent officers are Independent Officers.

In addition to the above policies, the Company has appointed Outside Directors and Outside Audit & Supervisory Board Members based on the fact that their experience and knowledge in their respective fields of expertise are useful for the Company today.

[Incentives]

Implementation of Measures to Provide Incentives to Directors	Performance-based pay, stock options
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Supplementary Explanation

Please refer to "Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" in "Director Remuneration" below.

Recipients of Stock Options	Internal Directors and others
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Supplementary Explanation

UPDATED

Since FY2016, the Company has introduced stock-based compensation-type stock options as medium-to long-term incentive compensation.

Details are disclosed on the Company website.

<https://www.oki.com/en/ir/corporate/governance/officers.html#co04>

[Director Remuneration]

Disclosure of Individual Directors' Remuneration

No individual disclosure

Supplementary Explanation

In FY2020 (the fiscal year ended March 2021), the total amount of compensation paid to Directors was ¥311 million, and the total amount of compensation paid to Audit & Supervisory Board Members was ¥63 million. The aforementioned compensation paid to Directors includes ¥10 million in stock option compensation.

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Company has established a policy for determining the details of compensation for individual Directors. The outline of the policy is as follows. The Company's basic policy is that the remuneration of directors and executive officers functions as an incentive to improve business performance in order to continuously improve corporate value and enhance corporate competitiveness, and that it is a remuneration system that can secure excellent human resources.

Details are disclosed on the Company website.

<https://www.oki.com/en/ir/corporate/governance/officers.html#co04>

[Support System for Outside Directors / Outside Audit & Supervisory Board Members]

UPDATED

Support System for Outside Directors

Departments in charge: Secretariat of the Board of Directors, Secretarial Division

Person in charge: Yes

Information communication system: The Company has established a system in which the information required for the execution of duties by Outside Directors is communicated through the staff member in charge. The Company provides materials and explanations prior to Board of Directors' meetings.

Support System for Outside Audit & Supervisory Board Members

Departments in charge: Dedicated staff to support Audit & Supervisory Board Members

Staff: Yes

Information communication system: Members of staff who are not subject to the instructions or orders of Directors are appointed to assist Outside Audit & Supervisory Board Members in their duties.

[Status of People Retired from Such Positions as Representative Director and President]

Advisors Who Previously Served in Such Positions as Representative Director and President

Name	Title / Position	Role/ Activity	Working Conditions (Full-Time/Part-Time, Paid/Unpaid, etc.)	Date of Retirement from President, etc.	Term of Office
—	—	—	—	—	—

Total number of advisors who Previously Served in Such Positions as Representative Director and President

—

Others

The Company has abolished the system whereby people who previously served in such positions as Representative Director and President were appointed as advisors.

2. Matters Related to the Functions of Business Execution, Auditing and Supervision, Nomination, and Determination of Remuneration (Overview of the Current Corporate Governance System)

UPDATED

The Company maintains a corporate auditor system with a Board of Directors and an Audit & Supervisory Board. Having an executive officer system in place, the Company strives to promote timely decision-making by separating business execution and oversight. It endeavors to improve the fairness and transparency of management by nominating Outside Directors to the Board and by setting up voluntary committees for such aspects as nomination and remuneration, in the aim of ensuring effective supervision from an independent and objective standpoint. In addition

to audits by Audit & Supervisory Board members and the Audit & Supervisory Board, the Company has established a Risk Management Committee that includes Outside Directors to ensure thorough compliance and strengthen risk management.

(1) Board of Directors

In principle, the Board of Directors meets once a month, with extraordinary meetings also held if necessary, to make decisions on basic management policies and other important matters and to supervise the execution of business in accordance with laws and regulations and the Articles of Incorporation. In order to secure the functions of the Board of Directors, the Company considers diversity in areas of specialization, work experience, and gender when selecting candidates for Directors, and has appointed four highly independent Outside Directors (including one female Director) in an effort to improve the fairness and transparency of management. In addition, in order to further clarify the management responsibility for each business year, the Articles of Incorporation provide that the term of office shall be one year.

(2) Audit & Supervisory Board

The Audit & Supervisory Board consists of five Audit & Supervisory Board members, three of whom are highly independent outside Audit & Supervisory Board members. Audit & Supervisory Board members attend meetings of the Board of Directors and other important meetings based on audit policies and methods determined by the Audit & Supervisory Board, verify the content of reports received from Directors and others, and investigate the status of the Company's operations and assets, etc. Collaborating closely with Outside Directors, the Internal Auditing Division, accounting auditors, and Audit & Supervisory Board members audit the performance of duties by Directors. Members of staff who are not subject to the instructions and orders of Directors are appointed to assist Outside Audit & Supervisory Board Members in their duties.

(3) Executive Officer System

The Company appoints executive officers to implement operations in accordance with management policies determined by the Board of Directors to separate the functions of business execution and oversight of management and promote timely decision-making. The Company has also established the Management Conference to help the president make decisions.

(4) Utilization of Voluntary Committees

The Company has established the Personnel Affairs and Compensation Advisory Committee as a voluntary committee to secure transparency and objectiveness in the decision-making processes concerning appointment and dismissal of Directors and determination of compensation for officers. The Committee is consulted prior to resolutions at a Board of Directors meeting on appointment and dismissal of Directors, Executive Officers, etc. and the structure and level of their compensation, deliberates on these issues from an objective viewpoint, and reports the results to the Board of Directors.

(5) Accounting Audit

The Company has selected PricewaterhouseCoopers Aarata LLC as its accounting auditor. To improve the transparency and correctness of the accounting process, the Company undergoes regular audits and seeks advice as needed. Three certified public accountants, all of whom belong to PricewaterhouseCoopers Aarata LLC, currently audit the Company: Kensuke Yoshida, Takeaki Ishibashi, and Yoshihiro Shiribiki. In addition, audits are assisted by 17 certified public accountants and 30 others who belong to PricewaterhouseCoopers Aarata LLC (FY2020). Years of consecutive audits have been omitted, as all members have been involved in auditing the Company for less than seven years. PricewaterhouseCoopers Aarata LLC has voluntarily taken measures to prevent its executive staff from being involved in its accounting audits for a period exceeding a certain period.

(6) Internal Auditing

The Company has established the Global Internal Auditing Division as an internal auditing division that reports directly to the president. The Global Internal Auditing Division consists of 26 members, including one certified internal auditor and one certified fraud examiner. In accordance with the internal audit rules, the Global Internal Auditing Division conducts internal audits to properly understand the actual status of compliance risk management and overall operations at the Company's business units and subsidiaries, detect and prevent compliance improprieties in the execution of internal controls, and support improvement of operations.

(7) Summary of Limited Liability Contracts

The Company concluded agreements to limit liabilities with all Outside Directors and Audit & Supervisory Board Members under the provisions of Article 427, paragraph (1) of the Companies Act.

(8) Outline of liability insurance agreement for Directors

The Company concluded liability insurance agreements as defined in the provisions of Article 430-3, paragraph (1) of the Companies Act covering Directors, Audit & Supervisory Board Members and Executive Officers of the Company, Directors, Executive Officers, Audit & Supervisory Board Members and Corporate Officers of all of the domestic subsidiaries, and Directors, Executive Officers, Audit & Supervisory Board Members, Corporate Officers and employees who hold executive positions at some foreign subsidiaries in the U.S., China, Thailand, etc. as the insured.

3. Reasons for Adopting the Current Corporate Governance System

The Company has adopted the current system based on its judgment that the system facilitates the “improvement of fairness and transparency in management,” “acceleration of decision-making processes,” and “thorough compliance and strengthening of risk management” by separating business execution and supervision, strengthening supervisory functions through the active involvement of multiple Outside Directors, and conducting objective audits by Audit & Supervisory Board members who are independent from management, as well as by establishing voluntary committees. In keeping with the purposes of the Corporate Governance Code and the Company’s responsibilities to stakeholders, the Company continuously strives to achieve sustainable growth and increase corporate value over the medium to long term.

III Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Invigorate General Shareholder Meetings and Smooth the Exercise of Voting Rights

UPDATED

	Supplementary Explanation
Early Notification of General Shareholder Meeting	<p>As a general rule, the convocation notice for the Ordinary General Meeting of Shareholders is sent approximately three weeks prior to the date of the meeting.</p> <p>In addition, prior to the dispatch of the convocation notice, in principle, it is posted at an early stage on the Tokyo Stock Exchange website and the Company website approximately four weeks prior to the date of the convocation.</p> <p>(The Notice of Convocation of the 97th Ordinary General Meeting of Shareholders (held on June 29, 2021) was posted on the Company's website on Tuesday, June 1, 2021 and sent out on Monday, June 7, 2021)</p>
Allowing Electronic or Magnetic Exercise of Voting Rights	<p>The Company has implemented this system since June 2002.</p> <p>From June 2019, it became possible to exercise voting rights through smartphones.</p>
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	<p>The Company participates in the voting platform for institutional investors operated by Investor Communications Japan Inc. (ICJ, Inc.).</p>
Providing Convocation Notices (Summaries) in English	<p>The Company prepares English versions of its convocation notices, which are disclosed on its website.</p>
Others	<p>Convocation notices are disclosed on its website.</p>

2. IR Activities

UPDATED

	Supplementary Explanation	Presentation by Representative
Preparation and Publication of Disclosure Policy	<p>The disclosure policy is disclosed on the Company website.</p> <p>https://www.oki.com/en/ir/corporate/disclosure.html</p>	
Regular Briefings for Analysts and Institutional Investors	<p>Briefings on quarterly financial results and medium-term business plans are held as necessary and explained by the representative or the executive in charge of accounting.</p>	Provided
Posting of IR Materials on Website	<p>IR-related materials are posted on the Company's website in the "Investor Relations" section so that they can be viewed by all investors.</p>	
Establishment of Department / Manager in Charge of IR	<p>The Investor Relations Department is under the Corporate Planning Division.</p>	
Others	<p>We provide an IR e-mail distribution service to notify registered e-mail address of the Company IR information such as the latest timely disclosure.</p>	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Stipulation of Internal Rules for Respecting the Position of Stakeholders	<p>The OKI Group Charter of Corporate Conduct (established in October 2005) clearly states the basic stance that "for the betterment of corporate value, the OKI Group seeks to become a trusted partner for its stakeholders." In October 2012, the Company formulated the Compliance Commitment, which clearly states that top management will take the initiative in ensuring thorough compliance in order to earn the trust of stakeholders.</p>

Implementation of Environmental Activities, CSR Activities, etc.	<p>OKI announced its Materiality in its Medium-Term Business Plan 2022 in order to address ESG management as a company "Delivering OK! to your life." As for our environmental activities, we strengthened the OKI Group's medium- to long-term environmental vision, "OKI Environmental Challenge 2030/2050," by announcing that we will substantially reduce energy-derived CO2 emissions from all sites, including factories, to 0 in 2050. We are promoting the reduction of CO2 emissions from our business activities, including the realization of zero energy buildings (ZEB) at our plants. At the same time, in terms of products and services, we will create products that contribute to the reduction of CO2 emissions and disaster prevention in the face of increasingly serious climate change, and increase sales of environmentally conscious products. We are also working to strengthen information disclosure in line with the TCFD framework to address the risks and opportunities associated with climate change.</p> <p>With respect to CSR activities, based on the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct, we are engaged in various activities to earn the trust of stakeholders in each division of the company.</p> <p>The status of these activities is disclosed in an integrated report every year and also on our website.</p>
Development of Policies on the Provision of Information to Stakeholders	<p>The OKI Group's Charter of Corporate Conduct emphasizes "good communication" and sets forth a basic policy: "The OKI Group engages with society through a variety of interactions, and discloses Company information in an appropriate and fair manner." In addition, the OKI Group Code of Conduct, established in August 2007, stipulates the basic policy as a code of conduct for each executive and employee to follow.</p>
Others	<p><Promoting women's participation and advancement in the workplace></p> <p>Establishing a policy to promote human resource measures for sustainable growth, such as the creation of new innovations and the improvement of employees' engagement, the OKI Group is promoting diversity aiming to create a workplace where all employees can work comfortably and perform at their full potential. We aim to establish a workplace that accepts and respects various differences and personalities, and utilize them as valuable elements. In FY2020, as part of diversity education, we provided all employees of the OKI Group with "Unconscious bias" training and executed measures.</p> <p>Furthermore, regarding the Act on the Promotion of Female Participation and Career Advancement in the Workplace, the Company established the following two goals, and is implementing measures such as leadership development training:</p> <p>Goal 1: To keep monthly average overtime hours of full-time employees to less than that of fiscal 2019 (24 hours)</p> <p>Goal 2: Increase the ratio of female executives from 3% at present to 5%</p> <p>The current status as of March 31, 2021 is as follows:</p> <p>Average overtime hours of full-time employees in FY2020:</p> <p>OKI: 27 hours</p> <p>Female officers:</p> <p>OKI: 2</p> <p>OKI Group in Japan: 4</p> <p>Ratio of female executives:</p> <p>OKI: 3.3%</p> <p>OKI Group in Japan: 2.6%</p> <p>Female employee ratio:</p> <p>OKI: 13.1%</p> <p>OKI Group in Japan: 13.9%</p>

IV Matters Related to the Internal Control System

1. Basic Views on the Internal Control System and Progress in the System's Development

The Company has established the following Basic Policy for Establishing an Internal Control System in accordance with the Companies Act and the Enforcement Regulations of the Companies Act, and has put in place a system to ensure the appropriateness of its business operations.

In response to the Internal Control Reporting System based on the Financial Instruments and Exchange Act, we submit an internal control report to the Kanto Finance Bureau and disclose the results of evaluations of the effectiveness of internal control over financial reporting.

1. Structure to ensure that the execution of duties by Directors and hired experts is in keeping with corporate law and the Articles of Incorporation

- 1) The “OKI Group Corporation Action Charter” and the “OKI Group Code of Conduct” are in place as the basis for ensuring compliance. Directors and executive officers shall take the initiative in demonstrating compliance activities in accordance with the Compliance Commitment.
- 2) A Compliance Committee chaired by the chief compliance officer shall be established to deliberate and examine basic policies concerning compliance programs.
- 3) Based on the basic policies determined by the Compliance Committee, the departments in charge of compliance shall plan and promote specific measures, such as the education and training of Directors and employees. The Company uses e-learning and other methods to raise awareness of compliance among all employees.
- 4) The Company has established internal reporting rules that also provide for reporting to Outside Directors and corporate auditors, and has established a whistleblowing and consultation service to detect and correct improprieties at an early stage.
- 5) The Company takes a firm stance against anti-social forces that threaten the order and safety of civil society, cooperating with police and related organizations to proscribe any such relationships throughout the organization.

2. System relating to storage and management of information in regard to the execution of duties of Directors

Information pertaining to the execution of duties by Directors shall be stored appropriately and in accordance with laws and internal regulations.

3. Regulations and other systems related to managing the risk of losses

- 1) The Risk Management Committee shall be established to accurately identify risks associated with the business activities of the Company and Group companies and to promote measures for preventing such risks from materializing.
- 2) In accordance with the Risk Management Rules, each division shall manage risks that may arise in relation to its operations. The Company has in place a division to supervise risks that require company-wide management. The supervising division shall assess risks, determine response policies, and build an appropriate system on this basis.
- 3) If a risk materializes, a company-wide Emergency Response Headquarters shall be established to respond.

4. System for ensuring the efficiency of execution of duties by Directors

- 1) The Board of Directors meets regularly, once a month in principle, to make decisions on important matters such as basic management policies and to supervise the execution of business by Directors.
- 2) By appointing executive officers to execute business in accordance with the basic management policies determined by the Board of Directors, the Company aims to separate business execution from supervision and accelerate the decision-making process. In addition, the Management Committee, which is composed of executive officers and others, holds meetings to assist decision-making by the president and chief executive officer.
- 3) Responsibility and authority shall be defined in the Regulations on the Division of Operations and the Regulations on Authority in the Execution of Business.

5. System for ensuring the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries

- 1) To ensure the appropriateness of operations at the Company and each subsidiary, we have established the OKI Group Charter of Corporate Conduct, which outlines values to be applied throughout the Group. In addition, the OKI Group Code of Conduct has been established and is to be followed by all officers and employees. The Company endeavors to ensure that all officers and employees are thoroughly familiar with the code.
- 2) OKI's departments in charge of compliance shall develop measures for promoting compliance that are enforced consistently throughout the Group by people in charge of promoting compliance at each subsidiary. In addition, each company's status of implementing measures is monitored regularly and reported to the Compliance Committee.
- 3) Each subsidiary shall establish whistle-blowing rules that include a system for reporting to its Outside Directors and Audit & Supervising Board Members, provide a whistleblowing and consultation desk, report to the Company if any fraudulent acts are detected, and correct such acts as soon as possible.

- 4) With regard to business management, the Company shall receive reports regularly and as necessary in a timely manner from each subsidiary in accordance with the Management Regulations for Affiliated Companies. In this manner, the Company shall ascertain the state of management and provide necessary advice and guidance, including on such areas as establishing organizations for each subsidiary, as well as systems of rules and regulations and business plans.
- 5) To ensure the reliability of financial reporting, the Company and its subsidiaries shall develop, maintain, and improve an internal control system for financial reporting in accordance with relevant laws and regulations.
6. Matters relating to employees who support the duties of Audit & Supervisory Board members
 - 1) Staff shall be appointed to assist Audit & Supervisory Board members in their duties.
 - 2) In order to ensure the independence and the effectiveness of instructions, staff assigned to Audit & Supervisory Board members shall be employees who are not subject to instructions and orders of Directors, and the prior consent of the Audit & Supervisory Board shall be obtained for personnel transfers and personnel evaluations.
7. System for reporting by Directors and employees to Audit & Supervisory Board Members, and other systems for reporting to Audit & Supervisory Board Members
 - 1) If a Director discovers a fact that may cause significant damage to the Company, he/she shall immediately report this fact to the Audit & Supervisory Board members in accordance with laws and regulations.
 - 2) In addition to the Board of Directors, full-time Audit & Supervisory Board members shall attend management meetings and inspect major approval documents in order to ascertain important decision-making processes and the status of business execution.
 - 3) Audit & Supervisory Board members attend Risk Management Committee meetings as advisors and receive necessary reports.
 - 4) Audit & Supervisory Board members receive internal reports based on the Internal Reporting Regulations and receive reports on the status of operations semiannually from the divisions in charge of internal reports.
 - 5) Audit & Supervisory Board members may regularly receive reports from Directors and employees on the status of the establishment and operation of the internal control system, and may request reports from Directors and employees on matters deemed necessary.
 - 6) A person who has reported to Audit & Supervisory Board members shall not be treated disadvantageously because he/she has made such a report.
8. Other systems to ensure effective audits by Audit & Supervisory Board members
 - 1) Audit & Supervisory Board members shall conduct efficient and effective audits in close cooperation with the Internal Audit Division in the execution of auditing duties, such as investigating the status of the Company's operations and assets.
 - 2) In addition to meeting regularly with the accounting auditor and attending on-site audits by the accounting auditor, Audit & Supervisory Board members shall cooperate closely with the accounting auditor and conduct efficient audits by, for example, asking the accounting auditor to report on the progress of the audits as needed.
 - 3) Expenses required for the execution of the duties of the Audit & Supervisory Board members shall be paid by the Company.

2. **Basic Views on Eliminating Anti-Social Forces and Status of Related Measures**

The Company opposes anti-social forces that threaten the order and safety of civil society and cooperates with relevant organizations such as the police and taking a resolute organization-wide stance to proscribe any relations with anti-social forces.

(Status of Measures to Eliminate Anti-Social Forces)

1. "The Basic Policy for Establishing an Internal Control System under the Companies Act," the "OKI Group Code of Conduct," and the "Regulations Concerning Response to Antisocial Forces" clearly state that the Company will take a firm stance against antisocial forces and eliminate any and all relationships with such forces.
2. Human Resources & General Affairs Division of Corporate Group is designated as the Response Control Department, and a person responsible for preventing unauthorized requests is set up at each office and business site.
3. The Company also works closely with the National Police Agency, the Metropolitan Police Department, and organizations related to the elimination of anti-social forces (such as the Federation of Metropolitan Police Department Special Violence Prevention Countermeasures, the Prefectural Center for the Promotion of Violence Campaign, etc.)

4. The Company strives to accumulate internal and industry experience, collects information from police and other related organizations, and maintains a database of information on anti-social forces to help prevent damage.
5. Training and education are provided by people in charge of preventing inappropriate requests in each region and workplace.

V Others

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not adopted
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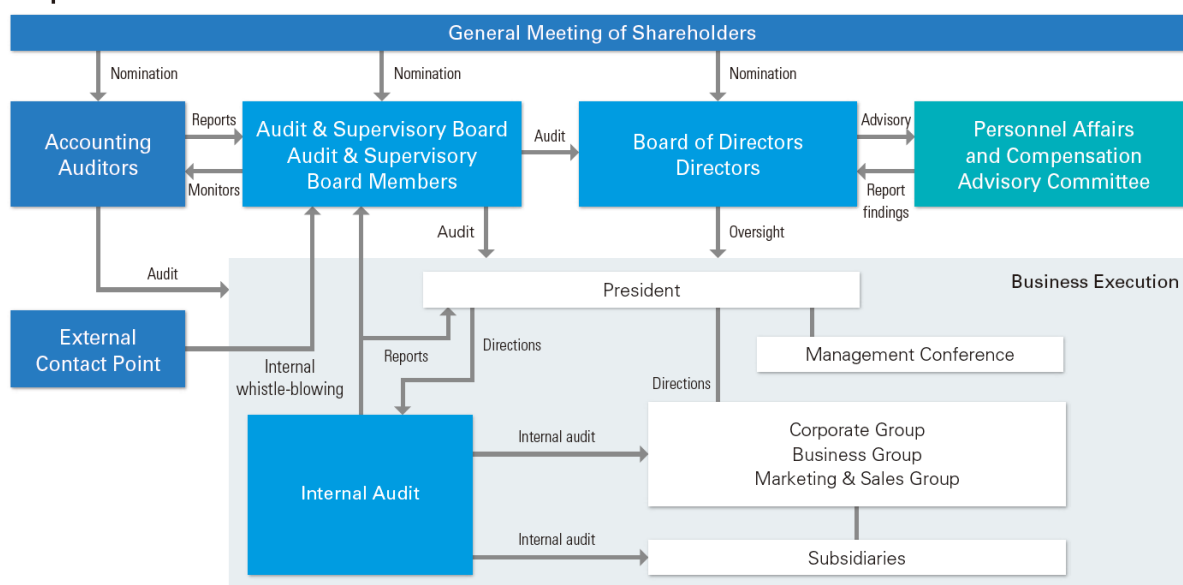
Supplementary Explanation

2. Other Matters Concerning the Corporate Governance System

(Outline of the Timely Disclosure System)

1. At OKI, matters decided by the Board of Directors and the Management Committee are communicated to the person responsible for information handling by means of minutes and other methods. Occurrences affecting the Company are also reported to the person responsible for information handling from each department. The Company performs mutual checks on such information by coordinating between related departments and considers disclosure.
2. In principle, information is disclosed to parties related to capital markets including shareholders, investors by a predetermined person responsible for disclosure.

Corporate Governance Structure



Timely Disclosure System (Account Settlement)

