

Full Compliance with Laws and Regulations

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

Ensuring Full Compliance

Establishment of Compliance Systems

In the fiscal year ended March 2005, OKI established the company-wide Compliance Committee to deliberate on basic compliance-related policies and the Compliance and Business Ethics Division to plan, formulate and promote compliance-related initiatives. Under the Chief Compliance Office, the entire 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.

To further promote these 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 OKI's compliance promotion efforts.

Strengthening Compliance Education

In order to disseminate compliance-related measure across the company, OKI conducts training sessions for Compliance Managers twice a year at seven sites in Japan. In addition, it runs an e-learning program for all employees to facilitate and confirm the fulfillment of the measure. In the second half of the fiscal year ended March 2008, OKI's efforts for compliance education centered on the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct (enacted in August 2007). Participation in the training session for Compliance Managers was 93%, and the same of the e-learning program was 98%. OKI also reviewed its e-learning system and rolled out the program to about 70 group companies in Japan.



Screen shot of the e-learning program on the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct

Steady Promotion of Risk Management

Enhancing Risk Management Based on Risk Management Regulations

OKI established Risk Management Regulations in December 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 a major risk materializes.

» 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 the fiscal year ended March 2006. 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 the fiscal year ended March 2008, each business unit reviewed its registered risks based on the audit conducted in the previous year and reexamined how its measures had been implemented. As a result, the scope of risk management to be handled by each business unit was expanded. Each business unit also enhanced its monitoring system by introducing methods such as interviews and spot investigations to deal with different types of risks.

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

Focal Points for the Fiscal Year Ended March 2008 →

- Continue to steadily promote risk management
- Review assessment and enhance monitoring of each risk

Main Initiatives in the Fiscal Year Ended March 2008 →

- **Expanded the scope of participation in the e-learning program on compliance**
- **Increased the number of group companies subject to risk management**
- **Enhanced monitoring based on the results of assessments**

Focal Points for the Fiscal Year Ending March 2009

- Steady promotion and improvement of the risk management system
- Enhancement of compliance education for the group

Emergency / Disaster Response

The OKI Group has established Safety Countermeasures Committees and emergency communication networks at its domestic and overseas sites and 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, the OKI Group has started to study BCM and BCP (Business Continuity Management and Plan) since the fiscal year ended March 2008. The group will make further efforts for this issue in the future.

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. OKI's such efforts for compliance and security control have been highly regarded. In December 2007, OKI was certified as an authorized exporter in accordance with the Authorized Exporters' Program by Tokyo Customs. In March 2008, OKI Data Corporation also obtained the same certification.



Keizo Hamada, Director General of the Tokyo Customs, giving a certificate to OKI's Managing Director Fukumura

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. 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 that features training and information sharing on related laws and regulations as well as the OKI Group's compliance initiatives.



Purchasing law workshop

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. Among them is the

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. We also added to our Purchasing Policy with a view to promoting CSR-oriented procurement practices and created the OKI Group Procurement Policy, which was announced in June 2006. The new policy includes stipulations on compliance with the laws and social norms, considerations for environmental protection, and proper management and protection of information. In order to disseminate the policy across the group, training programs have been offered to employees involved in purchasing.

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 started to consider setting a code of conduct for suppliers in the fiscal year ended March 2008. We will further promote environmentally-friendly procurement in cooperation with our suppliers.



The OKI Group Procurement Policy

<http://www.oki.com/en/profile/procure/>