

Innovation Strategy

Promoting Full Participation Innovation (Full-Scale Launch of IMS)

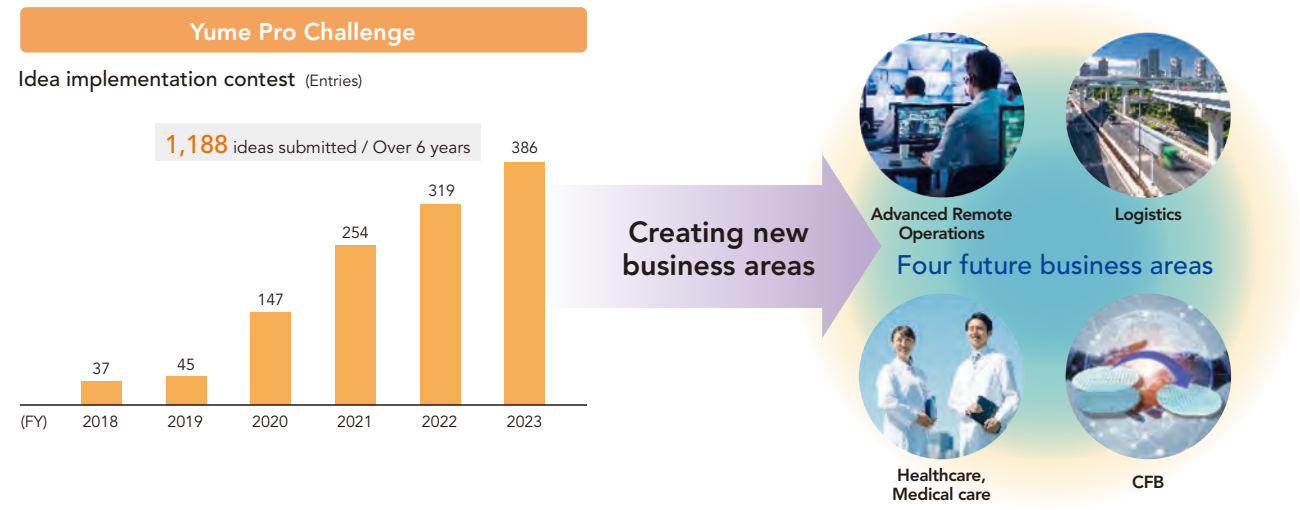
With the strong conviction of OKI's top management to continuously challenge new ideas, believing in "today better than yesterday, and tomorrow better than today," OKI set out to systematically foster innovation, which had previously been sporadic. In fiscal year 2017, we began building the IMS, "Yume Pro." In fiscal year 2020, OKI declared its commitment to "full participation innovation," a hallmark of the organization, fostering a mindset where all employees are involved in innovation. This has led to a broad cultural transformation throughout the Company.

Starting in fiscal year 2023, OKI launched full-scale operation of the IMS across the entire Company, strengthening the system by appointing "Divisional Innovation Managers/Promoters" in all 34 departments. Through regular meetings with the promoters, active exchanges of ideas are held, driving full operation of the IMS forward. A key feature of OKI's "full participation innovation" is that it defines innovation as not only (1) the creation of new businesses and (2) the reform of existing businesses but also (3) operational improvements. The "Yume Pro Challenge" internal idea contest, which measures the level of innovation permeation within the Company, has been held annually since its launch in fiscal year 2018, with the number of applications increasing each year as cultural reform advances. In fiscal year 2023, the contest expanded its scope to include ideas for operational improvements, resulting in 386 applications. While these efforts clearly demonstrate progress in cultural reform, the next step is to ensure that more employees become "swimmers who can reach the finish"—those who can take ideas all the way through to commercialization. The "High-Potential Innovation Talent Development program" has been implemented to nurture such talent. By fully launching the "Acceleration Support Community" with the help of entrepreneurial professionals, OKI is strengthening the practical capabilities required for commercialization. Meanwhile, contest participants with less experience in innovation activities are individually mentored, raising overall levels through improved skills and higher-quality project themes.

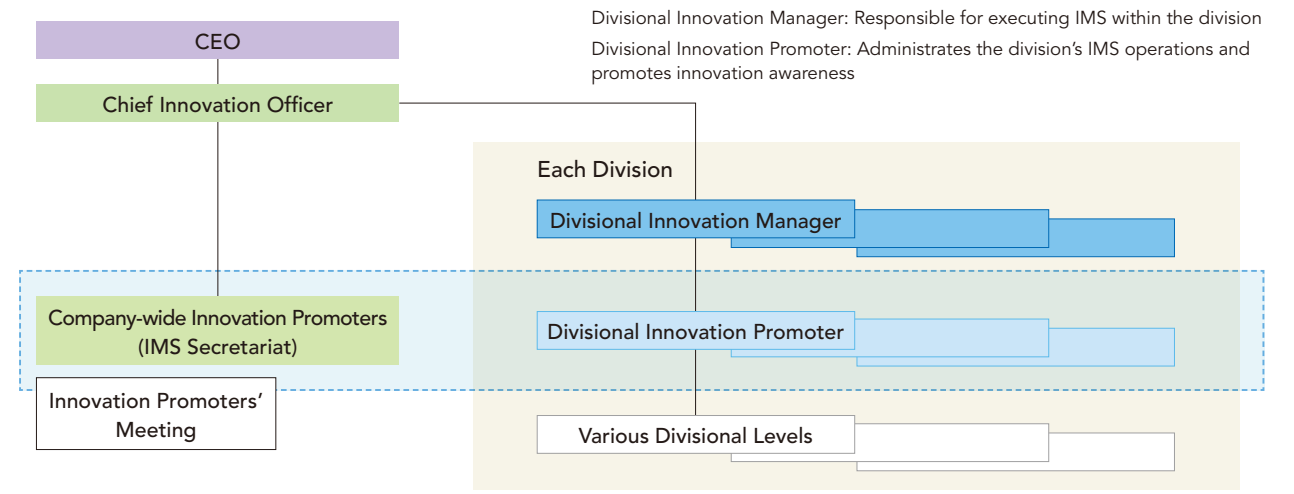
In addition, the "Yume Hub" initiative, aimed at building a core network of innovation talent, welcomed its fifth cohort in fiscal year 2023. These employees learn about the Yume Pro framework while taking action to solve internal challenges and create innovations. With a total of 180 participants to date, they form the backbone of OKI's innovation activities. These efforts are shared across the Company through the "Yume Pro Forum" and are reported to top management for support and practical implementation.

Furthermore, we are promoting "co-creation workshops" in collaboration with customers, applying the Yume Pro framework together. In these workshops, small teams of young and mid-level employees from both companies come together to set themes, apply design thinking, and follow the Yume Pro process, repeatedly identifying challenges and validating hypotheses on-site. The results are presented to the senior management of both companies, and highly evaluated ideas are further considered for realization. Since 2019, we have conducted co-creation workshops with a total of 17 companies, and senior management from participating customers have praised the process, noting that "ideas came about that wouldn't have been possible on our own."

Through these activities, in November 2023, OKI announced the Innovation Strategy 2025, which was backcasted from a 2031 vision. OKI will continue to improve and evolve its innovation framework, ensuring that innovation activities remain at the core of future business creation, with active involvement from top management.



Structure for Innovation Promotion



Please refer to our website for details. Innovation: <https://www.oki.com/global/innovation/> CINO ism: https://www.oki.com/jp/yume_pro/cino/ (in Japanese only)

Examples of activities in focus areas

Logistics: https://www.oki.com/global/yume_pro/about/logistics.html

Healthcare and Medical: https://www.oki.com/global/yume_pro/about/healthcare.html

Advanced Remote Operation: https://www.oki.com/global/yume_pro/about/ai.html

CFB: https://www.oki.com/global/yume_pro/about/cfb.html