

# DEFENCE COMPANIES INDEX (DCI) ON ANTI-CORRUPTION AND CORPORATE TRANSPARENCY 2020

## FINAL ASSESSMENT

### OKI ELECTRIC INDUSTRY CO. LTD

The following pages contain the detailed scoring for this company based on publicly available information.

The table below shows a summary of the company's scores per section:

Section	Number of Questions*	Score Based on Publicly Available Information
1. Leadership and Organisational Culture	4	3/8
2. Internal Controls	6	1/12
3. Support to Employees	7	1/14
4. Conflict of Interest	4	0/8
5. Customer Engagement	7	0/14
6. Supply Chain Management	5	1/10
7. Agents, Intermediaries and Joint Ventures	10	0/20
8. Offsets	4	0/8
9. High Risk Markets	4	4/8
10. State-Owned Enterprises	0	N/A
<b>TOTAL</b>		<b>10 / 102</b>
<b>BAND</b>		<b>F</b>

\*This column represents the number of questions on which the company was eligible to receive a score; i.e. where the company did not receive a score of N/A.

## 1. Leadership and Organisational Culture

Question															
<b>1.1. Does the company have a publicly stated anti-bribery and corruption commitment, which is authorised by its leadership?</b>															
Score															
<b>1</b>															
Comments															
<p>There is evidence that the company has a publicly stated anti-bribery and corruption statement. However, the company receives a score of '1' because this statement does not directly mention anti-bribery and corruption. The company makes a general commitment, authorised and supported by the President of the company, to participate in the voluntary initiative the United Nations Global Compact (UNGC).</p>															
Evidence															
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.22] Participation in the United Nations Global Compact</p> <p>The United Nations Global Compact (UNGC) is a voluntary initiative for participating in the creation of a global framework whereby companies and organizations act as good members of society to realize sustainable growth by demonstrating responsible and creative leadership. Under the commitment of top management, which agrees to subscribe to the 10 principles concerning the protection of human rights, the eradication of unfair labor practices, environmental measures, and anti-corruption, signatory companies and organizations to the UNGC are continuing to make efforts toward these goals.</p> <p>In May 2010, OKI signed the UNGC to declare its support for the Compact. It also became a member of the Global Compact Network Japan, a local network in Japan. The OKI Group supports the UNGC's 10 principles and will work to contribute to creating a sustain- able society.</p> <p><b>The Ten Principles of the UN Global Compact</b></p> <table border="1"> <tbody> <tr> <td rowspan="2"><b>Human Rights</b></td><td>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</td></tr> <tr> <td>Principle 2: make sure that they are not complicit in human rights abuses.</td></tr> <tr> <td rowspan="4"><b>Labor</b></td><td>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</td></tr> <tr> <td>Principle 4: the elimination of all forms of forced and compulsory labor;</td></tr> <tr> <td>Principle 5: the effective abolition of child labor; and</td></tr> <tr> <td>Principle 6: the elimination of discrimination in respect of employment and occupation.</td></tr> <tr> <td rowspan="3"><b>Environment</b></td><td>Principle 7: Businesses should support a precautionary approach to environmental challenges;</td></tr> <tr> <td>Principle 8: undertake initiatives to promote greater environmental responsibility; and</td></tr> <tr> <td>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</td></tr> <tr> <td><b>Anti-corruption</b></td><td>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</td></tr> </tbody> </table> <p>[p.33] Approaches to Anti-Corruption  Anti-corruption is principle 10 raised in the United Nations Global Compact, and is a global social issue. We are promoting anti-corruption initiatives based on the "OKI Group Anti- Corruption and Anti-Bribery Policy" that we put into practice in fiscal year 2013.</p> <p>The "OKI Group Anti-Corruption and Anti-Bribery Policy" sets out fundamental points for carrying out operations properly while complying with the anti-corruption-related regulations applicable to each country and region in which</p>		<b>Human Rights</b>	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Principle 2: make sure that they are not complicit in human rights abuses.	<b>Labor</b>	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Principle 4: the elimination of all forms of forced and compulsory labor;	Principle 5: the effective abolition of child labor; and	Principle 6: the elimination of discrimination in respect of employment and occupation.	<b>Environment</b>	Principle 7: Businesses should support a precautionary approach to environmental challenges;	Principle 8: undertake initiatives to promote greater environmental responsibility; and	Principle 9: encourage the development and diffusion of environmentally friendly technologies.	<b>Anti-corruption</b>	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.
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the OKI Group operates. As company bylaws, we established specific rules for recording the exchange of gifts and receiving/offering entertainment, and compliance with these rules at each Group company is monitored annually by OKI's Control Division.

## **[2] Oki Code of Conduct (Webpage)**

Accessed 05/07/2019

<https://www.oki.com/en/profile/conduct/cond.html>

### **II. Fair Corporate Activities**

1. We will seek to comply with the antitrust and fair-competition laws and regulations of all countries and regions in which we operate, striving to ensure fair and free competition.
2. We will seek to select business partners in fair and nondiscriminatory ways and engage in honest and fair transactions.
3. We will not give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, customers or their representatives.
4. In case of donations and political contributions, we will first consider the necessity and appropriateness carefully, and then we will make only appropriate donations and political contributions in accordance with applicable laws and regulations and company rules.
5. To participate in activities of maintaining international peace and security, we will comply with the laws and regulations governing export controls for each country and region in which we operate.
6. We will conduct advertisement and publicity activities under industry ethical guidelines relying on facts.
7. We will manage the company's tangible and intangible assets appropriately, refraining from unintended uses which conflict with proper business activities.
8. We will record and report financial and accounting-related information in an appropriate and correct manner. To avoid actions that may lead to any inaccurate records, we will comply with company rules and other relevant laws or regulations relating to our own duties.
9. We will refrain from any actions intended to result in personal gain or to the gain of third parties which are inconsistent with the rightful gains of the OKI Group.
10. We will resolutely confront antisocial groups and criminal organizations that pose a threat to the order and security of civil society and all contact with such entities is strictly forbidden.

## **[8] A Message from the President (Webpage)**

Accessed 20/03/2020

<https://www.oki.com/en/csr/greeting/>

We execute our responsibilities toward societies based on our corporate philosophy.

OKI has taken on the baton from its predecessor, Meikosha, founded in 1881 as the first communication device manufacturer in Japan and the company that worked to develop domestic production of the newly invented telephone. Our corporate philosophy, "The people of OKI, true to the company's 'enterprising spirit,' are committed to creating superior network solutions and providing excellent information and communications services globally to meet the diversified needs of communities worldwide in the information age.," has inherited the strong determination it has held since its foundation to "create new businesses with new technologies" and "make the world more convenient," and has become the core of what the OKI Group considers "corporate social responsibility (CSR)."

We contribute to society through our products and services.

Based on this philosophy, the OKI Group's mission is to contribute to society through our products and services. The OKI Group has been undertaking a series of activities to correctly understand the social needs, establish technologies, achieve quality to satisfy our customers, and sustain the maintenance system as part of our sales and marketing, technology development, production, and maintenance. As a result, we in the OKI Group now play an important role in Japan for supplying and maintaining various systems including systems for financial institutions, telecommunication infrastructures for telecom carriers, and various public systems such as transportation and disaster prevention in Japan, while our ATMs and printers are widely used overseas.

Regardless of how much the environment around us changes, the OKI Group seeks to increase its corporate value. As a company that supports social infrastructure development, we believe the basis for boosting corporate value is providing products and services that contribute to the creation of a safe, comfortable society and retaining the trust of our stakeholders while constantly ensuring our clients feel secure.

We promote responsible corporate management as a global corporation.

Amid further global business expansion, we are making governance at the Group level even stronger so we can advance the notion of responsible management. At the same time, we believe it is important to contribute what we can to creating a sustainable society in terms forming an accurate recognition of social issues from various angles in our corporate activities.

The OKI Group strives to fulfill its social responsibility in accordance with its corporate philosophy. To that end, OKI established the OKI Group Charter of Corporate Conduct as a statement of values that OKI Group companies need to share and it set up the OKI Group Code of Conduct to be conformed to by all OKI executive officers and employees, and it is working to ensure thoroughgoing adherence to them. To advance proactive initiatives to reduce the Group's environmental impacts, we adopted the OKI Environmental Challenge 2030/2050 that sets targets for 2030/2050 to prevent global warming and contribute to the achievement of SDGs. In recognition such activities should be advanced properly based on international norms, OKI joined the United Nations Global Compact in 2010 and engages in activities concerning human rights, labor, the environment, and anti-corruption in support of the Compact's ten principles.

This website is intended to help all stakeholders better understand the OKI Group's initiatives. Your honest opinions regarding our CSR initiatives would be greatly appreciated.

[President's signature]

Question
<b>1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories:</b> <b>a) All employees, including staff and leadership of subsidiaries and other controlled entities;</b> <b>b) All board members, including non-executive directors.</b>
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company has an anti-bribery and corruption policy as part of its Code of Conduct. However, the company receives a score of '1' because it does not make specific reference to facilitation payments and it is not clear that the policy applies to board members.</p>
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.22] Participation in the United Nations Global Compact</p> <p>The United Nations Global Compact (UNGC) is a voluntary initiative for participating in the creation of a global framework whereby companies and organizations act as good members of society to realize sustainable growth by demonstrating responsible and creative leadership. Under the commitment of top management, which agrees to subscribe to the 10 principles concerning the protection of human rights, the eradication of unfair labor practices, environmental measures, and anti-corruption, signatory companies and organizations to the UNGC are continuing to make efforts toward these goals.</p> <p>In May 2010, OKI signed the UNGC to declare its support for the Compact. It also became a member of the Global Compact Network Japan, a local network in Japan. The OKI Group supports the UNGC's 10 principles and will work to contribute to creating a sustain- able society.</p> <p>[p.33] Approaches to Anti-Corruption  Anti-corruption is principle 10 raised in the United Nations Global Compact, and is a global social issue. We are promoting anti-corruption initiatives based on the "OKI Group Anti- Corruption and Anti-Bribery Policy" that we put into practice in fiscal year 2013.</p> <p>The "OKI Group Anti-Corruption and Anti-Bribery Policy" sets out fundamental points for carrying out operations properly while complying with the anti-corruption-related regulations applicable to each country and region in which the OKI Group operates. As company bylaws, we established specific rules for recording the exchange of gifts and receiving/offering entertainment, and compliance with these rules at each Group company is monitored annually by OKI's Control Division.</p> <p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a>  Note: In this Code of Conduct, the OKI Group shall refer to the group comprising Oki Electric Industry Co., Ltd. and its affiliated companies determined by the Board of Directors of Oki Electric Industry Co., Ltd. to which this Code of Conduct shall be applied. "We" used in this Code of Conduct shall refer to all executives and employees (including temporary employees, contract employees, employees from placement agencies, and part-time employees) at any company of the OKI Group.</p> <p>[...]</p> <p>II. Fair Corporate Activities</p> <ol style="list-style-type: none"> <li>1. We will seek to comply with the antitrust and fair-competition laws and regulations of all countries and regions in which we operate, striving to ensure fair and free competition.</li> <li>2. We will seek to select business partners in fair and nondiscriminatory ways and engage in honest and fair transactions.</li> </ol>

3. We will not give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, customers or their representatives.
4. In case of donations and political contributions, we will first consider the necessity and appropriateness carefully, and then we will make only appropriate donations and political contributions in accordance with applicable laws and regulations and company rules.
5. To participate in activities of maintaining international peace and security, we will comply with the laws and regulations governing export controls for each country and region in which we operate.
6. We will conduct advertisement and publicity activities under industry ethical guidelines relying on facts.
7. We will manage the company's tangible and intangible assets appropriately, refraining from unintended uses which conflict with proper business activities.
8. We will record and report financial and accounting-related information in an appropriate and correct manner. To avoid actions that may lead to any inaccurate records, we will comply with company rules and other relevant laws or regulations relating to our own duties.
9. We will refrain from any actions intended to result in personal gain or to the gain of third parties which are inconsistent with the rightful gains of the OKI Group.
10. We will resolutely confront antisocial groups and criminal organizations that pose a threat to the order and security of civil society and all contact with such entities is strictly forbidden.

[...]

#### Implementation System

1. The Board of Directors of Oki Electric Industry Co., Ltd. shall make decisions regarding the establishment, amendment, and abolition of this Code of Conduct.
2. As determined by resolution of the board of directors of each company of the OKI Group, this Code of Conduct shall apply to all executives and employees.
3. When necessary in light of the laws, regulations, and practices of the countries in which it operates or of the nature of its businesses, each company of the OKI Group may modify the content of this Code of Conduct by resolution of its board of directors as long as such modification does not conflict with this Code of Conduct.
4. CSR Division of Oki Electric Industry Co., Ltd. shall be responsible for maintaining this Code of Conduct.

Question
<b>1.3. Does the board or a dedicated board committee provide oversight of the company's anti-bribery and corruption programme?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the Board of Directors and the CSR division oversee the Code of Conduct, which includes the company's anti-bribery and corruption policy. However, there is no evidence to suggest that the Board engages in formal oversight functions, such as reviewing reports from management or results of informal and external audits.</p> <p>There is also evidence that the company has a Risk Management Committee and a Compliance Committee. However, it is unclear whether either of these bodies provide oversight of the company's anti-bribery and corruption programme specifically.</p>
Evidence
<p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a></p> <p>Note: In this Code of Conduct, the OKI Group shall refer to the group comprising Oki Electric Industry Co., Ltd. and its affiliated companies determined by the Board of Directors of Oki Electric Industry Co., Ltd. to which this Code of Conduct shall be applied. "We" used in this Code of Conduct shall refer to all executives and employees (including temporary employees, contract employees, employees from placement agencies, and part-time employees) at any company of the OKI Group.</p> <p>[...]</p> <p>Implementation System</p> <ol style="list-style-type: none"> <li>1. The Board of Directors of Oki Electric Industry Co., Ltd. shall make decisions regarding the establishment, amendment, and abolition of this Code of Conduct.</li> <li>2. As determined by resolution of the board of directors of each company of the OKI Group, this Code of Conduct shall apply to all executives and employees.</li> <li>3. When necessary in light of the laws, regulations, and practices of the countries in which it operates or of the nature of its businesses, each company of the OKI Group may modify the content of this Code of Conduct by resolution of its board of directors as long as such modification does not conflict with this Code of Conduct.</li> <li>4. CSR Division of Oki Electric Industry Co., Ltd. shall be responsible for maintaining this Code of Conduct.</li> </ol> <p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a></p> <p>[p.33] Advancement of Risk Management</p> <p>OKI is working to reinforce risk management under the Risk Management Committee (with the president as Committee Chairman, and outside directors and Audit &amp; Supervisory Board members as advisors). The committee deliberates and decides basic policies relating to managing risk that accompany the Group's business activities. The committee receives reports on risk information that accompany business activities from executive officers and divisions and promotes measures to prevent manifestation of risks.</p> <p>The compliance risks (risks associated with violation of laws, regulations and in-house rules) requiring common management across the Group are managed by the Compliance Committee (the chair is a chief compliance officer), which oversees the Control Division that registers risks and implements preventive measures within the Group, thereby building and operating the management cycle that carries out regular verification of implementation status. Moreover, in order to discover and rectify improper activities at an early stage, we have established consultation and reporting channels to enable anonymous reports as well as reports to outside directors and Audit &amp; Supervisory Board members at every Group company, and stipulated whistle-blowing regulations such as those about the protection of whistle-blowers. In fiscal year 2017, we further enhanced this system with the establishment of new external and common contacts for the OKI Group.</p>



Question
<b>1.4. Is responsibility for implementing and managing the company's anti-bribery and corruption programme ultimately assigned to a senior executive, and does he or she have a direct reporting line to the board or board committee providing oversight of the company's programme?</b>
Score
<b>0</b>
Comments
<p>There is no publicly available evidence that a specific senior executive or managerial-level employee has ultimate responsibility for implementing and managing the company's anti-bribery and corruption programme. The company has a Chief Compliance Officer, however it is not stated that his/her remit includes implementing and managing the company's anti-bribery and corruption programme.</p>
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.33] Advancement of Risk Management  OKI is working to reinforce risk management under the Risk Management Committee (with the president as Committee Chairman, and outside directors and Audit &amp; Supervisory Board members as advisors). The committee deliberates and decides basic policies relating to managing risk that accompany the Group's business activities. The committee receives reports on risk information that accompany business activities from executive officers and divisions and promotes measures to prevent manifestation of risks.</p> <p>The compliance risks (risks associated with violation of laws, regulations and in-house rules) requiring common management across the Group are managed by the Compliance Committee (the chair is a chief compliance officer), which oversees the Control Division that registers risks and implements preventive measures within the Group, thereby building and operating the management cycle that carries out regular verification of implementation status. Moreover, in order to discover and rectify improper activities at an early stage, we have established consultation and reporting channels to enable anonymous reports as well as reports to outside directors and Audit &amp; Supervisory Board members at every Group company, and stipulated whistle-blowing regulations such as those about the protection of whistle-blowers. In fiscal year 2017, we further enhanced this system with the establishment of new external and common contacts for the OKI Group.</p>



## 2. Internal Controls

Question
<b>2.1. Is the design and implementation of the anti-bribery and corruption programme tailored to the company based on an assessment of the corruption and bribery risks it faces?</b>
Score
<b>0</b>
Comments
There is some evidence that the company has a formal risk management procedure, however there is no evidence that this is used to inform and tailor the company's anti-bribery and corruption programme.
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.33] Advancement of Risk Management  OKI is working to reinforce risk management under the Risk Management Committee (with the president as Committee Chairman, and outside directors and Audit &amp; Supervisory Board members as advisors). The committee deliberates and decides basic policies relating to managing risk that accompany the Group's business activities. The committee receives reports on risk information that accompany business activities from executive officers and divisions and promotes measures to prevent manifestation of risks.</p> <p>The compliance risks (risks associated with violation of laws, regulations and in-house rules) requiring common management across the Group are managed by the Compliance Committee (the chair is a chief compliance officer), which oversees the Control Division that registers risks and implements preventive measures within the Group, thereby building and operating the management cycle that carries out regular verification of implementation status. Moreover, in order to discover and rectify improper activities at an early stage, we have established consultation and reporting channels to enable anonymous reports as well as reports to outside directors and Audit &amp; Supervisory Board members at every Group company, and stipulated whistle-blowing regulations such as those about the protection of whistle-blowers. In fiscal year 2017, we further enhanced this system with the establishment of new external and common contacts for the OKI Group.</p>

Question
<b>2.2. Is the company's anti-bribery and corruption programme subject to regular internal or external audit, and are policies and procedures updated according to audit recommendations?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is evidence that the company has an internal auditing division that audits the state of compliance and risk management across the group's businesses. However, there is no clear evidence that the company's anti-bribery and corruption programme is subject to internal or external audit.
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.29] Internal Auditing</p> <p>The Internal Auditing Division is tasked with internal auditing and its staff comprises nine internal auditors. The division must accurately perceive the actual state of compliance risk management across businesses and functions in the OKI Group, and on that basis conduct internal audits for the purpose of identifying and preventing mistakes and errors as well as corruption in the operation of internal control systems with the goal of supporting operational improvements.</p> <p>[p.33] Approaches to Anti-Corruption  Anti-corruption is principle 10 raised in the United Nations Global Compact, and is a global social issue. We are promoting anti-corruption initiatives based on the "OKI Group Anti- Corruption and Anti-Bribery Policy" that we put into practice in fiscal year 2013.</p> <p>The "OKI Group Anti-Corruption and Anti-Bribery Policy" sets out fundamental points for carrying out operations properly while complying with the anti-corruption-related regulations applicable to each country and region in which the OKI Group operates. As company bylaws, we established specific rules for recording the exchange of gifts and receiving/offering entertainment, and compliance with these rules at each Group company is monitored annually by OKI's Control Division.</p>

Question
<b>2.3. Does the company have a system for tracking, investigating and responding to bribery and corruption allegations or incidents, including those reported through whistleblowing channels?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company commits to investigating incidents, and there is a specific procedure in place to deal with whistleblowing cases.</p> <p>However, the company receives a score of '1' because it does not provide information on the investigative procedure from receipt to outcome, nor is it clear that investigations are handled by an independent team that reports to an independent board member. There is no evidence that the company commits to providing whistleblowers with updates on the outcome of investigations and it is not clear that information from each case is appropriately documented. There is also no evidence that a central body reviews summary information on all open cases on a regular basis.</p>
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.33] Advancement of Risk Management  OKI is working to reinforce risk management under the Risk Management Committee (with the president as Committee Chairman, and outside directors and Audit &amp; Supervisory Board members as advisors). The committee deliberates and decides basic policies relating to managing risk that accompany the Group's business activities. The committee receives reports on risk information that accompany business activities from executive officers and divisions and promotes measures to prevent manifestation of risks.</p> <p>The compliance risks (risks associated with violation of laws, regulations and in-house rules) requiring common management across the Group are managed by the Compliance Committee (the chair is a chief compliance officer), which oversees the Control Division that registers risks and implements preventive measures within the Group, thereby building and operating the management cycle that carries out regular verification of implementation status. Moreover, in order to discover and rectify improper activities at an early stage, we have established consultation and reporting channels to enable anonymous reports as well as reports to outside directors and Audit &amp; Supervisory Board members at every Group company, and stipulated whistle-blowing regulations such as those about the protection of whistle-blowers. In fiscal year 2017, we further enhanced this system with the establishment of new external and common contacts for the OKI Group.</p> <p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a>  For the Thorough Implementation of Code of Conduct</p> <ol style="list-style-type: none"> <li>Each executive of the OKI group will take the initiative showing compliance behaviors with this Code of Conduct and fully inform employees for the thorough implementation through education etc. If any incidents that contravene this Code of Conduct occur, we will immediately investigate causes and implement measures for preventing a recurrence as well as clarifying where responsibilities lie.</li> <li>An employee becoming aware of any actions that contravene or could contravene this Code of Conduct shall immediately report his/her supervisor or respective window to whistle blowing in his/her company. Each company of the OKI group will not impose any unfair treatment on an employee who makes a report to the window in accordance with the whistle-blowing regulations.</li> <li>An employee who is involved in any actions that contravene this Code of Conduct could be subject to a punishment for the action with reference to relevant laws or regulations or the Work Rules.</li> </ol> <p>Implementation System</p> <ol style="list-style-type: none"> <li>The Board of Directors of Oki Electric Industry Co., Ltd. shall make decisions regarding the establishment, amendment, and abolition of this Code of Conduct.</li> <li>As determined by resolution of the board of directors of each company of the OKI Group, this Code of Conduct shall apply to all executives and employees.</li> </ol>

3. When necessary in light of the laws, regulations, and practices of the countries in which it operates or of the nature of its businesses, each company of the OKI Group may modify the content of this Code of Conduct by resolution of its board of directors as long as such modification does not conflict with this Code of Conduct.
4. CSR Division of Oki Electric Industry Co., Ltd. shall be responsible for maintaining this Code of Conduct.

Question
2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?
Score
0
Comments
There is no evidence that the company assures itself of the quality of its internal investigations.
Evidence
No evidence found.

Question
<b>2.5. Does the company's investigative procedure include a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities?</b>
Score
<b>0</b>
Comments
There is no evidence that the company's investigative procedure includes a commitment to report material findings to the board or, if necessary, to the relevant authorities.
Evidence
No evidence found.

Question
<b>2.6. Does the company publish high-level results from incident investigations and disciplinary actions against its employees?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any data on ethical or bribery and corruption-related investigations or disciplinary actions involving its employees.
Evidence
No evidence found.



### 3. Support to Employees

Question								
3.1. Does the company provide training on its anti-bribery and corruption programme to all employees across all divisions and geographies, and in all appropriate languages?								
Score								
1								
Comments								
Based on publicly available information, there is evidence that the company provides a training module on compliance to all employees that outlines the whistleblowing options available to them. There is evidence that this compliance training included a specific anti-bribery and corruption module in 2014, however it is not clear whether the company provides an anti-corruption module regularly or since 2014. In addition, there is no evidence that the training is provided to all employees across all divisions, all countries and regions of operation or in all appropriate languages.								
Evidence								
<p><b>[1] Oki 2018 Annual Report (Document)</b> Accessed 05/07/2019 <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a> [p.33] Enhancement of Compliance Training</p> <p>The OKI Group implements training sessions for compliance managers at six sites in Japan for employees at the senior manager level as regular training. Participants learn in these sessions, and roll out the gained 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. We have tools in place to promote learning and retention of program content such as sharing specific examples through the booklet called “Case Examples of Compliance” on the Internet.</p> <p>Moreover, we implement fixed-point observations on conduct and awareness relating to compliance of executives and employees, and to make the most of such measures, we implement compliance awareness surveys on an ongoing basis.</p> <p><b>Participation Rates in Compliance Training Programs (for the OKI Group in Japan) in Fiscal 2017</b></p> <table><tr><th>Training overview</th><th>Participation rate</th></tr><tr><td>Training sessions for compliance managers (implemented in July-August 2017) Main themes: Anti-Monopoly Act, measures against anti-social forces, internal whistle-blowing system</td><td>100%</td></tr><tr><td>The e-learning program (about on-the-job compliance) (implemented in December 2017 to January 2018)</td><td>100%</td></tr><tr><td>e-learning courses on “Anti-Monopoly Act” (implemented in February-March 2018)</td><td>98.6%</td></tr></table>	Training overview	Participation rate	Training sessions for compliance managers (implemented in July-August 2017) Main themes: Anti-Monopoly Act, measures against anti-social forces, internal whistle-blowing system	100%	The e-learning program (about on-the-job compliance) (implemented in December 2017 to January 2018)	100%	e-learning courses on “Anti-Monopoly Act” (implemented in February-March 2018)	98.6%
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<p><b>[6] Oki 2015 CSR Report</b> Accessed 05/07/2019 <a href="https://www.oki.com/en/csr/report/2015/pdf/OKI_CSR2015e.pdf">https://www.oki.com/en/csr/report/2015/pdf/OKI_CSR2015e.pdf</a> [p.13] In fiscal 2014, we strengthened the expansion of prevention measures to the companies in our overseas group, reconfirming the situations in our approaches to observe international labor standards (e.g. ILO conventions and recommendations) and local labor laws in all our overseas companies as part of our risk prevention measures related to the labor law. Apart from that, we also organized overseas training materials and carried out training in our overseas companies on subjects such as prevention of bribery corruption and security export controls.</p> <p>[p.13] Enhancement of Compliance Training</p>								

In order to deploy compliance-related measures across the group, we in the OKI Group give training sessions for compliance managers at six sites in Japan as our regular training. Participants learn in these sessions, and roll out the gained 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 house organ (Intranet) that features possible compliance related issues in operations and actions to be taken.

In fiscal 2014, taking corruption related laws and the antitrust law as the theme for our training program for our compliance managers, we focused on training as well as thoroughly incorporating our Compliance Commitment, the OKI Group Code of Conduct and measures that need to be taken at times of risk into the compliance training units for the all different levels of training, starting with new directors in the group. Note that we at OKI implement compliance awareness studies continuously to check on the benefits and issues of various forms of training. In the study implemented in February 2015, a lot of the feedback commented on how the necessary compliance related information (laws and regulations, etc.) was difficult to find. Therefore, we will continue to enhance the ways in which we link training to areas such as improving use of disseminating knowledge about the intranet "compliance portal site" we have prepared.

**Participation rates in compliance training programs  
(for the OKI Group in Japan) in fiscal 2014**

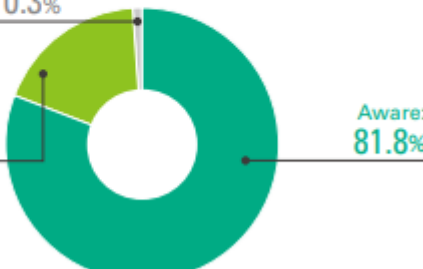
Training overview	Participation rate
Training session for compliance managers (implemented from July to August 2014) Focused themes: Corruption related laws and antitrust law	100%
The e-learning program (about on-the-job compliance) (implemented from December 2014 to January 2015)	100%

Question								
3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees: a) Employees in high risk positions, b) Middle management, c) Board members.								
Score								
0								
Comments								
There is no evidence that the company tailors its anti-bribery and corruption training to employees based on an assessment of their role and exposure to corruption risk. Although there is evidence that managers receive tailored training on compliance matters, it is unclear whether this training includes a specific section on anti-bribery and corruption.								
Evidence								
<p><b>[1] Oki 2018 Annual Report (Document)</b> Accessed 05/07/2019 <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a> [p.33] Enhancement of Compliance Training</p> <p>The OKI Group implements training sessions for compliance managers at six sites in Japan for employees at the senior manager level as regular training. Participants learn in these sessions, and roll out the gained 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. We have tools in place to promote learning and retention of program content such as sharing specific examples through the booklet called “Case Examples of Compliance” on the Internet.</p> <p>Moreover, we implement fixed-point observations on conduct and awareness relating to compliance of executives and employees, and to make the most of such measures, we implement compliance awareness surveys on an ongoing basis.</p> <p><b>Participation Rates in Compliance Training Programs (for the OKI Group in Japan) in Fiscal 2017</b></p> <table><tr><th>Training overview</th><th>Participation rate</th></tr><tr><td>Training sessions for compliance managers (implemented in July-August 2017) Main themes: Anti-Monopoly Act, measures against anti-social forces, internal whistle-blowing system</td><td>100%</td></tr><tr><td>The e-learning program (about on-the-job compliance) (implemented in December 2017 to January 2018)</td><td>100%</td></tr><tr><td>e-learning courses on “Anti-Monopoly Act” (implemented in February-March 2018)</td><td>98.6%</td></tr></table> <p><b>[6] Oki 2015 CSR Report</b> Accessed 05/07/2019 <a href="https://www.oki.com/en/csr/report/2015/pdf/OKI_CSR2015e.pdf">https://www.oki.com/en/csr/report/2015/pdf/OKI_CSR2015e.pdf</a> [p.13] Enhancement of Compliance Training</p> <p>In order to deploy compliance-related measures across the group, we in the OKI Group give training sessions for compliance managers at six sites in Japan as our regular training. Participants learn in these sessions, and roll out the gained 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 house organ (Intranet) that features possible compliance related issues in operations and actions to be taken.</p> <p>In fiscal 2014, taking corruption related laws and the antitrust law as the theme for our training program for our compliance managers, we focused on training as well as thoroughly incorporating our Compliance Commitment, the</p>	Training overview	Participation rate	Training sessions for compliance managers (implemented in July-August 2017) Main themes: Anti-Monopoly Act, measures against anti-social forces, internal whistle-blowing system	100%	The e-learning program (about on-the-job compliance) (implemented in December 2017 to January 2018)	100%	e-learning courses on “Anti-Monopoly Act” (implemented in February-March 2018)	98.6%
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OKI Group Code of Conduct and measures that need to be taken at times of risk into the compliance training units for the all different levels of training, starting with new directors in the group. Note that we at OKI implement compliance awareness studies continuously to check on the benefits and issues of various forms of training. In the study implemented in February 2015, a lot of the feedback commented on how the necessary compliance related information (laws and regulations, etc.) was difficult to find. Therefore, we will continue to enhance the ways in which we link training to areas such as improving use of disseminating knowledge about the intranet “compliance portal site” we have prepared.

**Participation rates in compliance training programs  
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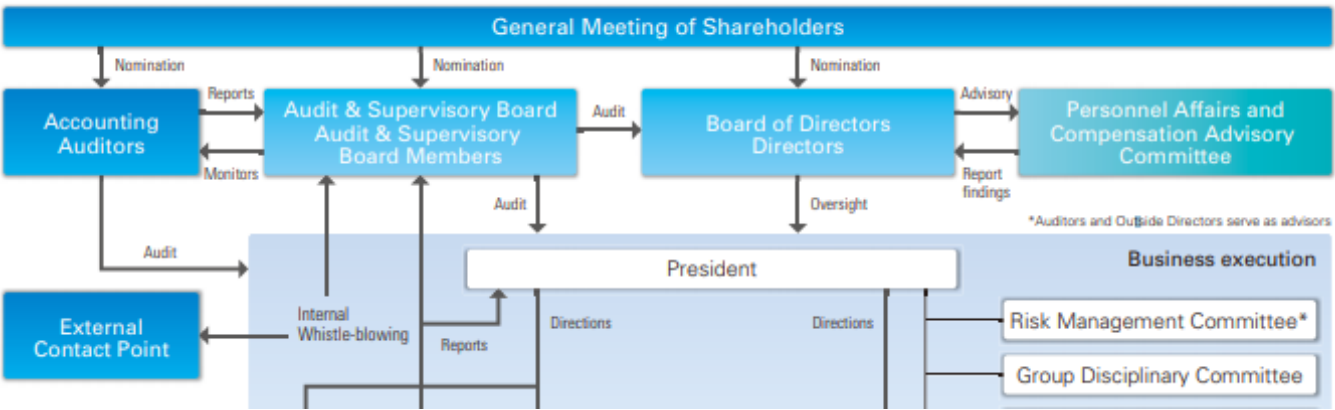
Question								
3.3. Does the company measure and review the effectiveness of its anti-bribery and corruption communications and training programme?								
Score								
0								
Comments								
Based on publicly available information, there is some evidence that the company measures the effectiveness of its compliance training through fixed point observations and a compliance awareness survey. However, it is not clear whether this training includes anti-bribery and corruption so the company receives a score of '0'.								
Evidence								
<p><b>[1] Oki 2018 Annual Report (Document)</b> Accessed 05/07/2019 <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a> [p.33] Enhancement of Compliance Training</p> <p>The OKI Group implements training sessions for compliance managers at six sites in Japan for employees at the senior manager level as regular training. Participants learn in these sessions, and roll out the gained 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. We have tools in place to promote learning and retention of program content such as sharing specific examples through the booklet called "Case Examples of Compliance" on the Internet.</p> <p>Moreover, we implement fixed-point observations on conduct and awareness relating to compliance of executives and employees, and to make the most of such measures, we implement compliance awareness surveys on an ongoing basis.</p> <p><b>Participation Rates in Compliance Training Programs (for the OKI Group in Japan) in Fiscal 2017</b></p> <table><tr><th>Training overview</th><th>Participation rate</th></tr><tr><td>Training sessions for compliance managers (implemented in July-August 2017) Main themes: Anti-Monopoly Act, measures against anti-social forces, internal whistle-blowing system</td><td>100%</td></tr><tr><td>The e-learning program (about on-the-job compliance) (implemented in December 2017 to January 2018)</td><td>100%</td></tr><tr><td>e-learning courses on "Anti-Monopoly Act" (implemented in February-March 2018)</td><td>98.6%</td></tr></table> <p><b>Compliance Awareness Survey Results (implemented in February 2018)</b></p> <p>Were you aware that external and common contacts for the OKI Group have been established as part of the internal whistle-blowing system?</p> <p>Unanswered: 0.3%</p> <p>Was not aware: 17.9%</p> <p>Aware: 81.8%</p> 	Training overview	Participation rate	Training sessions for compliance managers (implemented in July-August 2017) Main themes: Anti-Monopoly Act, measures against anti-social forces, internal whistle-blowing system	100%	The e-learning program (about on-the-job compliance) (implemented in December 2017 to January 2018)	100%	e-learning courses on "Anti-Monopoly Act" (implemented in February-March 2018)	98.6%
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Question									
<b>3.4. Does the company ensure that its employee incentive schemes are designed in such a way that they promote ethical behaviour and discourage corrupt practices?</b>									
Score									
<b>0</b>									
Comments									
<p>Based on publicly available information, there is evidence that the company aims to make the decision-making process around compensation for its Board Members and Executive Directors transparent and objective. However, there is no evidence that the company's incentive schemes incorporate ethical principles specifically nor is it clear that this applies for all employees.</p>									
Evidence									
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.30] Compensation for the Board Members and Executive Directors</p> <p>In order to secure transparency and objectiveness in the decision-making processes concerning compensation for officers, the Personnel Affairs and Compensation Advisory Committee deliberates on the structure and level of compensation for directors and executive officers from an objective viewpoint, and reports the results to the Board of Directors.</p> <p>OKI's basic policy on compensation for directors and executive officers is to serve as incentives for the performance improvement with the aim of the continuous enhancement of the corporate value and the corporate competitiveness while being the compensation structure that can attract excellent human resources.</p> <p>The compensation system consists of basic compensation, annual incentive compensation linked to the performance of each fiscal year, and compensation-type stock option as medium- to long-term incentive compensation. These changes have been implemented as part of efforts to develop an environment for a shift to the management focused on "more aggressive goal setting" and "growth over medium- to long-term" in order to achieve "continuous growth" of the OKI Group.</p> <table border="1"> <thead> <tr> <th>Type</th><th>Content of Compensation</th></tr> </thead> <tbody> <tr> <td>Basic compensation</td><td>When serving as executive officer concurrently, monetary compensation shall be paid, determined individually tailored to position, followed by duties.</td></tr> <tr> <td>Annual incentive compensation</td><td>Monetary compensation shall be paid, determined individually with a linkage with the past fiscal year's consolidated business performance of the OKI Group and that of the division each director/executive officer is responsible for. The amount of payments is 35% of the basic compensation in case that the rate of payments is 100%. The rate of payments is determined within the scope of 0% to 200%, according to a linkage with business performance and the President's qualitative assessment.</td></tr> <tr> <td>Medium- to long-term incentive compensation</td><td>Compensation-type stock option shall be granted, around 13% of basic compensation amount, in the view of value sharing with shareholders and the enhancement of corporate value as well as shareholders' value over the medium- to long-term.</td></tr> </tbody> </table> <p>Compensation for outside directors consists only of basic compensation. In addition, the appropriateness of the structure and level of compensation is validated utilizing objective evaluation data from external organizations and others.</p>		Type	Content of Compensation	Basic compensation	When serving as executive officer concurrently, monetary compensation shall be paid, determined individually tailored to position, followed by duties.	Annual incentive compensation	Monetary compensation shall be paid, determined individually with a linkage with the past fiscal year's consolidated business performance of the OKI Group and that of the division each director/executive officer is responsible for. The amount of payments is 35% of the basic compensation in case that the rate of payments is 100%. The rate of payments is determined within the scope of 0% to 200%, according to a linkage with business performance and the President's qualitative assessment.	Medium- to long-term incentive compensation	Compensation-type stock option shall be granted, around 13% of basic compensation amount, in the view of value sharing with shareholders and the enhancement of corporate value as well as shareholders' value over the medium- to long-term.
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Question
<b>3.5. Does the company commit to and assure itself that it will support and protect employees who refuse to act unethically, even when it might result in a loss of business?</b>
Score
<b>0</b>
Comments
There is no publicly available evidence that the company commits to support or protect employees who refuse to act unethically.
Evidence
No evidence found.



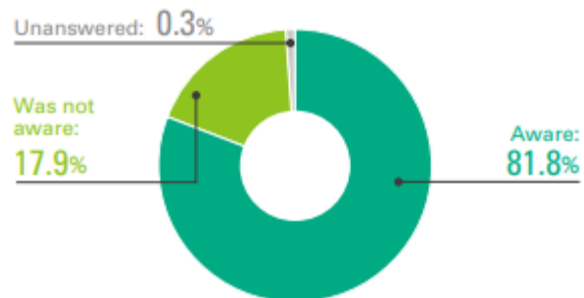
Question
<b>3.6. Does the company have a clear policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company has a policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents, which explicitly applies across the organisation.</p> <p>However, the company receives a score of '1' because there is no evidence that the company assures itself of its employees' confidence in this commitment through surveys, usage data or other clearly stated means.</p>
Evidence
<p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a></p> <p>Note: In this Code of Conduct, the OKI Group shall refer to the group comprising Oki Electric Industry Co., Ltd. and its affiliated companies determined by the Board of Directors of Oki Electric Industry Co., Ltd. to which this Code of Conduct shall be applied. "We" used in this Code of Conduct shall refer to all executives and employees (including temporary employees, contract employees, employees from placement agencies, and part-time employees) at any company of the OKI Group.</p> <p>[...]</p> <p>For the Thorough Implementation of Code of Conduct</p> <ol style="list-style-type: none"> <li>Each executive of the OKI group will take the initiative showing compliance behaviors with this Code of Conduct and fully inform employees for the thorough implementation through education etc. If any incidents that contravene this Code of Conduct occur, we will immediately investigate causes and implement measures for preventing a recurrence as well as clarifying where responsibilities lie.</li> <li>An employee becoming aware of any actions that contravene or could contravene this Code of Conduct shall immediately report his/her supervisor or respective window to whistle blowing in his/her company. Each company of the OKI group will not impose any unfair treatment on an employee who makes a report to the window in accordance with the whistle-blowing regulations.</li> <li>An employee who is involved in any actions that contravene this Code of Conduct could be subject to a punishment for the action with reference to relevant laws or regulations or the Work Rules.</li> </ol> <p>Implementation System</p> <ol style="list-style-type: none"> <li>The Board of Directors of Oki Electric Industry Co., Ltd. shall make decisions regarding the establishment, amendment, and abolition of this Code of Conduct.</li> <li>As determined by resolution of the board of directors of each company of the OKI Group, this Code of Conduct shall apply to all executives and employees.</li> <li>When necessary in light of the laws, regulations, and practices of the countries in which it operates or of the nature of its businesses, each company of the OKI Group may modify the content of this Code of Conduct by resolution of its board of directors as long as such modification does not conflict with this Code of Conduct.</li> <li>CSR Division of Oki Electric Industry Co., Ltd. shall be responsible for maintaining this Code of Conduct.</li> </ol>

Question
<b>3.7. Does the company provide multiple whistleblowing and advice channels for use by all (e.g. employees and external parties), and do they allow for confidential and, wherever possible, anonymous reporting?</b>
Score
<b>0</b>
Comments
<p>Based on publicly available information, there is some evidence that the company has provides channels for employees to report instances of suspected corrupt activity.</p> <p>However, the company receives a score of '0' because there is no publicly available evidence to indicate how they can be accessed. It is not explicitly clear that these channels allow for anonymous or confidential reporting, nor is there evidence that the company provides externally-operated channels (i.e. by an independent third party). The company also does not provide evidence to indicate whether employees can use these channels to seek advice on the company's anti-bribery and corruption programme. Furthermore, the channels are not explicitly available to all employees in any country of operation, or in multiple languages, or to any employees of third parties, suppliers or joint venture partners.</p>
Evidence
<p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a></p> <p>Note: In this Code of Conduct, the OKI Group shall refer to the group comprising Oki Electric Industry Co., Ltd. and its affiliated companies determined by the Board of Directors of Oki Electric Industry Co., Ltd. to which this Code of Conduct shall be applied. "We" used in this Code of Conduct shall refer to all executives and employees (including temporary employees, contract employees, employees from placement agencies, and part-time employees) at any company of the OKI Group.</p> <p>For the Thorough Implementation of Code of Conduct  [...]</p> <ol style="list-style-type: none"> <li>An employee becoming aware of any actions that contravene or could contravene this Code of Conduct shall immediately report his/her supervisor or respective window to whistle blowing in his/her company. Each company of the OKI group will not impose any unfair treatment on an employee who makes a report to the window in accordance with the whistle-blowing regulations.</li> <li>An employee who is involved in any actions that contravene this Code of Conduct could be subject to a punishment for the action with reference to relevant laws or regulations or the Work Rules.</li> </ol> <p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.29]</p> <p><b>Corporate Governance Structure</b></p>  <p>The diagram illustrates the Corporate Governance Structure. At the top is the 'General Meeting of Shareholders'. Below it, three entities are nominated: 'Accounting Auditors', 'Audit &amp; Supervisory Board Audit &amp; Supervisory Board Members', and 'Board of Directors Directors'. The 'Accounting Auditors' report to the 'Audit &amp; Supervisory Board' and monitor the 'Board of Directors'. The 'Audit &amp; Supervisory Board' audits the 'Board of Directors'. The 'Board of Directors' oversees the 'President' and has an advisory relationship with the 'Personnel Affairs and Compensation Advisory Committee'. The 'President' is responsible for 'Business execution' and reports to the 'Internal Whistle-blowing' system. The 'Internal Whistle-blowing' system is connected to an 'External Contact Point'. The 'Internal Whistle-blowing' system also reports to the 'Audit &amp; Supervisory Board'. The 'President' gives 'Directions' to the 'Business execution' area, which includes the 'Risk Management Committee*' and the 'Group Disciplinary Committee'. A note states: '*Auditors and Outside Directors serve as advisors'.</p>

[p.33]

**Compliance Awareness Survey Results  
(implemented in February 2018)**

Were you aware that external and common contacts for the OKI Group have been established as part of the internal whistle-blowing system?



## 4. Conflict of Interest

Question
4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?
Score
0
Comments
There is no publicly available evidence that the company has a policy on conflict of interest.
Evidence
No evidence found.

Question
4.2. Are there procedures in place to identify, declare and manage conflicts of interest, which are overseen by a body or individual ultimately accountable for the appropriate management and handling of conflict of interest cases?
Score
0
Comments
There is no evidence that the company has procedures to manage conflict of interest or their oversight.
Evidence
No evidence found.

Question
4.3. Does the company have a policy and procedure regulating the appointment of directors, employees or consultants from the public sector?
Score
0
Comments
There is no evidence that the company has a policy regulating the employment of current or former public officials.
Evidence
No evidence found.

Question
4.4. Does the company report details of the contracted services of serving politicians to the company?
Score
0
Comments
There is no evidence that the company reports details of the contracted services of serving politicians.
Evidence
No evidence found.



## 5. Customer Engagement

### 5.1 Contributions, Donations and Sponsorships

Question
<b>5.1.1. Does the company have a clearly defined policy and/or procedure covering political contributions?</b>
Score
<b>0</b>
Comments
There is some evidence that the company has a policy on political contributions, indicating that such donations are permitted in line with local laws and company regulations. There is no evidence that authorisation from an individual with legal expertise is required.
Evidence
<p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a></p> <p>II. Fair Corporate Activities</p> <ol style="list-style-type: none"> <li>1. We will seek to comply with the antitrust and fair-competition laws and regulations of all countries and regions in which we operate, striving to ensure fair and free competition.</li> <li>2. We will seek to select business partners in fair and nondiscriminatory ways and engage in honest and fair transactions.</li> <li>3. We will not give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, customers or their representatives.</li> <li>4. In case of donations and political contributions, we will first consider the necessity and appropriateness carefully, and then we will make only appropriate donations and political contributions in accordance with applicable laws and regulations and company rules.</li> </ol>

Question
<b>5.1.2. Does the company publish details of all political contributions made by the company and its subsidiaries, or a statement that it has made no such contribution?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any details of its political contributions.
Evidence
No evidence found.

Question
<b>5.1.3. Does the company have a clearly defined policy and/or procedure covering charitable donations and sponsorships, whether made directly or indirectly, and does it publish details of all such donations made by the company and its subsidiaries?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is evidence that the company has a procedure covering charitable donations. However, there is no evidence that this policy includes measures to ensure donations are not used as vehicles for bribery and corruption, for example, by specifying criteria for donations, procedures for senior sign-off, or due diligence on recipients. There is also no evidence that the company addresses or has measures in place to regulate sponsorships, nor is there evidence to indicate that the company does not engage in such contributions.
Evidence
<p><b>[2] Oki Code of Conduct (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a></p> <p>II. Fair Corporate Activities</p> <ol style="list-style-type: none"> <li>1. We will seek to comply with the antitrust and fair-competition laws and regulations of all countries and regions in which we operate, striving to ensure fair and free competition.</li> <li>2. We will seek to select business partners in fair and nondiscriminatory ways and engage in honest and fair transactions.</li> <li>3. We will not give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, customers or their representatives.</li> <li>4. In case of donations and political contributions, we will first consider the necessity and appropriateness carefully, and then we will make only appropriate donations and political contributions in accordance with applicable laws and regulations and company rules.</li> </ol>

## 5.2 Lobbying

Question
5.2.1 Does the company have a policy and/or procedure covering responsible lobbying?
Score
0
Comments
There is no publicly available evidence that the company has a policy or procedure on lobbying.
Evidence
No evidence found.

Question
<b>5.2.2 Does the company publish details of the aims and topics of its public policy development and lobbying activities it carries out?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any information on its lobbying aims, topics or activities.
Evidence
No evidence found.

Question
5.2.3 Does the company publish full details of its global lobbying expenditure?
Score
0
Comments
There is no evidence that the company publishes any details about its global lobbying expenditure.
Evidence
No evidence found.

### 5.3 Gifts and Hospitality

Question
<b>5.3.1 Does the company have a policy and/or procedure on gifts and hospitality to ensure they are bona fide to prevent undue influence or other corruption?</b>
Score
<b>0</b>
Comments
<p>The company states that it has a policy on the giving and receipt of gifts and hospitality, but it receives a score of '0' because it does not make details about the contents of this policy publicly available. There is no evidence that the policy specifies financial or proportional limits or different approval procedures for different types of promotional expenses. There is also no evidence that it addresses the risks associated with gifts and hospitality given to or received from domestic or foreign public officials, nor is there evidence that gifts and hospitality over a certain threshold are recorded in a central register that is accessible to those responsible for oversight of the process.</p>
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.33.] Approaches to Anti-Corruption  Anti-corruption is principle 10 raised in the United Nations Global Compact, and is a global social issue. We are promoting anti-corruption initiatives based on the "OKI Group Anti- Corruption and Anti-Bribery Policy" that we put into practice in fiscal year 2013.</p> <p>The "OKI Group Anti-Corruption and Anti-Bribery Policy" sets out fundamental points for carrying out operations properly while complying with the anti-corruption-related regulations applicable to each country and region in which the OKI Group operates. As company bylaws, we established specific rules for recording the exchange of gifts and receiving/offering entertainment, and compliance with these rules at each Group company is monitored annually by OKI's Control Division.</p>



## 6. Supply Chain Management

Question
<b>6.1. Does the company require the involvement of its procurement department in the establishment of new supplier relationships and in the oversight of its supplier base?</b>
Score
<b>0</b>
Comments
<p>There is no publicly available evidence that the company requires and ensures the involvement of its procurement department in the establishment and oversight of its supplier base. There is some evidence that the company has a procurement policy which outlines the company's approach to selecting and managing suppliers, but this does not assign responsibility for oversight to a specific body, department or team.</p>
Evidence
<p><b>[3] Oki Group Procurement Policy (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/procure/">https://www.oki.com/en/procure/</a></p> <p>In purchasing the materials, services, and other inputs needed in the manufacture and supply of the products it provides its customers, the OKI Group implements procuring activities with appropriate quality and price levels on a worldwide basis, through transactions that are always fair and transparent. It also endeavors to promote efforts in areas such as compliance with laws, regulations, and societal norms and protection of the environment, by working to build partnerships founded on relationships of trust with its suppliers, requesting its suppliers to cooperate in its activities in the area of corporate social responsibility (CSR).</p> <p><i>1. Basic approach</i></p> <ol style="list-style-type: none"> <li>1. We will select suppliers in a fair and honest manner, both in Japan and overseas.</li> <li>2. We will promote procuring activities that incorporate the concepts of CSR, based on the OKI Group Charter of Corporate Conduct.</li> <li>3. In addition to pursuing appropriate levels of quality and cost, we will work to ensure a stable procurement of materials.</li> </ol> <p><i>2. Procurement guidelines</i></p> <p>Based on the basic approach above, we will promote procuring activities focusing on the following five points:</p> <ol style="list-style-type: none"> <li>1. Selection of suppliers in a fair and honest manner, both in Japan and overseas: In selection of suppliers, we will provide equal opportunities to all prospective suppliers both in Japan and overseas, select suppliers through fair evaluation, and work to achieve mutual growth and performance for both the OKI Group and its suppliers.</li> <li>2. Compliance with laws, regulations, and societal norms: We will comply with the laws, regulations, and societal norms that apply to each country and territory.</li> <li>3. Environmental considerations: We will conduct purchasing activities based on the OKI Group Environmental Vision 2020.</li> <li>4. Appropriate management and protection of information: We will endeavor to manage and protect personal information and confidential information in appropriate ways.</li> <li>5. Pursuit of appropriate levels of quality and costs, and ensuring a stable procurement of materials: Our procuring activities shall be based on the goal of procuring materials that meet the quality, cost, and delivery-time requirements of the OKI Group.</li> </ol> <p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a></p> <p>[p.28] RESPONSIBILITIES TO OUR SUPPLIERS AND BUSINESS PARTNERS</p> <p>To promote fair corporate activities in response to the voice of stakeholders, cooperation from suppliers is essential. OKI strives to build trusting relationships with its suppliers and business partners and promotes CSR procurement initiatives.</p>

#### Promoting CSR Procurement

“OKI Group Procurement Policies” reflect three basic points: “We will select suppliers in a fair and honest manner,” “We will promote procuring activities that incorporate the concepts of CSR,” and “In addition to pursuing appropriate levels of quality and cost, we will work to ensure a stable procurement of materials.” Based on the OKI Group Supply Chain CSR Deployment Guidebook\*, we implement CSR procurement surveys both in Japan and overseas. Based on the results of surveys carried out thus far in Japan, we place our suppliers and business partners into groups and regularly check up on the progress of their initiatives. Beginning in fiscal year 2018, we plan to conduct similar periodic surveys on our overseas suppliers and business partners. We provide survey findings to each suppliers as a form of feed- back and request them to make necessary corrections.

\*Our guidebook conforms to the Supply-Chain CSR Deployment Guidebook published by Japan Electronics and Information Technology Industries Association (JEITA).

Question
<b>6.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers?</b>
Score
<b>0</b>
Comments
There is no evidence that the company conducts anti-bribery and corruption due diligence on its suppliers. There is some evidence that the company has a procedure for the selection of suppliers, but it is not clear that this includes due diligence and/or anti-corruption considerations.
Evidence
<p><b>[3] Oki Group Procurement Policy (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/procure/">https://www.oki.com/en/procure/</a></p> <p><b>2. Procurement guidelines</b>  Based on the basic approach above, we will promote procuring activities focusing on the following five points:</p> <ol style="list-style-type: none"> <li>1. Selection of suppliers in a fair and honest manner, both in Japan and overseas:  In selection of suppliers, we will provide equal opportunities to all prospective suppliers both in Japan and overseas, select suppliers through fair evaluation, and work to achieve mutual growth and performance for both the OKI Group and its suppliers.</li> <li>2. Compliance with laws, regulations, and societal norms:  We will comply with the laws, regulations, and societal norms that apply to each country and territory.</li> <li>3. Environmental considerations:  We will conduct purchasing activities based on the OKI Group Environmental Vision 2020.</li> <li>4. Appropriate management and protection of information:  We will endeavor to manage and protect personal information and confidential information in appropriate ways.</li> <li>5. Pursuit of appropriate levels of quality and costs, and ensuring a stable procurement of materials:  Our procuring activities shall be based on the goal of procuring materials that meet the quality, cost, and delivery-time requirements of the OKI Group.</li> </ol>

Question
<b>6.3 Does the company require all of its suppliers to have adequate standards of anti-bribery and corruption policies and procedures in place?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company ensures that its suppliers have adequate anti-bribery and corruption policies in place. The company states that all suppliers are requested to refrain from engaging in bribery – including through gift-giving, entertainment and political donations – however there is no mention of conflicts of interest or whistleblowing. There is also no evidence that the company takes steps to assure itself that these standards are in place when there is a significant change in the business relationship.</p>
Evidence
<p><b>[3] Oki Group Procurement Policy (Webpage)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/procure/">https://www.oki.com/en/procure/</a>  In purchasing the materials, services, and other inputs needed in the manufacture and supply of the products it provides its customers, the OKI Group implements procuring activities with appropriate quality and price levels on a worldwide basis, through transactions that are always fair and transparent. It also endeavors to promote efforts in areas such as compliance with laws, regulations, and societal norms and protection of the environment, by working to build partnerships founded on relationships of trust with its suppliers, requesting its suppliers to cooperate in its activities in the area of corporate social responsibility (CSR).</p> <p><i>1. Basic approach</i></p> <ol style="list-style-type: none"> <li>1. We will select suppliers in a fair and honest manner, both in Japan and overseas.</li> <li>2. We will promote procuring activities that incorporate the concepts of CSR, based on the OKI Group Charter of Corporate Conduct.</li> <li>3. In addition to pursuing appropriate levels of quality and cost, we will work to ensure a stable procurement of materials.</li> </ol> <p><b>[7] Oki Group Supply-Chain CSR Deployment Guidebook (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/procure/pdf/csrguide_201404.pdf">https://www.oki.com/en/procure/pdf/csrguide_201404.pdf</a>  [p.12] [IV-1] Prohibit corruption and bribery</p> <p>Suppliers are requested to maintain a sound and normal relationship with politics and government administration without committing bribery and/or making illegal political donations.</p> <p>“Bribe-giving” means acts of offering money, entertainment, gifts, or other benefits/conveniences to public servants or equivalent persons (hereafter called public employees), in pursuit of some business advantage in return, such as approval and license, acquisition/maintenance of trading, or access to nondisclosure information.</p> <p>In addition, “bribe-giving” includes entertainment or gift-giving that is beyond social discipline even if it does not solicit any business reward.</p> <p>“Illegal political donation” means acts of contributing political donation requesting some business advantage in return, such as approval and license, acquisition/maintenance of trading, or access to nondisclosure information. The political donation not following the proper legal procedures is included.</p> <p>[p.13] [IV-3] Prohibit the offering and receiving of inappropriate profit and advantage  Suppliers are requested not to offer and/or to receive inappropriate benefits to/from stakeholders.</p> <p>Typical examples of “Inappropriate benefit offering/receipt” are as follows:</p> <ul style="list-style-type: none"> <li>• Bribery activity such as offering or receiving a gift, award, prize money, etc. beyond the bounds of the law to/from a customer</li> <li>• Providing or accepting money/valuables or entertainment beyond the social discipline</li> </ul>

- Act of supplying inappropriate benefit to an antisocial force (criminal organization, terror organization, etc.) that adversely affects public order or sound activities.
- Insider trading by which stock of a company is traded based on the critical nondisclosure information about operations of a customer, etc.

Question
<b>6.4 Does the company ensure that its suppliers require all their sub-contractors to have anti-corruption programmes in place that at a minimum adhere to the standards established by the main contractor?</b>
Score
<b>0</b>
Comments
There is no evidence that the company takes steps to ensure that the substance of its anti-bribery and corruption programme and standards are required throughout the supply chain.
Evidence
No evidence found.

Question
<b>6.5 Does the company publish high-level results from ethical incident investigations and disciplinary actions against suppliers?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any data on ethical or anti-bribery and corruption-related investigations relating to its suppliers, or related disciplinary actions.
Evidence
No evidence found.

## 7. Agents, Intermediaries and Joint Ventures

### 7.1 Agents and Intermediaries

Question
7.1.1 Does the company have a clear policy on the use of agents?
Score
0
Comments
There is no publicly available evidence that the company has a policy covering the use of agents.
Evidence
No evidence found.



Question
<b>7.1.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging its agents and intermediaries?</b>
Score
<b>0</b>
Comments
There is no evidence that the company conducts anti-bribery and corruption due diligence on its agents or intermediaries.
Evidence
No evidence found.

Question
<b>7.1.3 Does the company aim to establish the ultimate beneficial ownership of its agents and intermediaries?</b>
Score
<b>0</b>
Comments
There is no evidence that the company commits to establish the beneficial ownership of its agents.
Evidence
No evidence found.

Question
<b>7.1.4 Does the company's anti-bribery and corruption policy apply to all agents and intermediaries acting for or on behalf of the company, and does it require anti-bribery and corruption clauses in its contracts with these entities?</b>
Score
<b>0</b>
Comments
There is no publicly available evidence that shows that the company includes anti-bribery and corruption clauses in its contracts with agents and intermediaries.
Evidence
No evidence found.

Question
<b>7.1.5 Does the company ensure that its incentive schemes for agents are designed in such a way that they promote ethical behaviour and discourage corrupt practices?</b>
Score
<b>0</b>
Comments
There is no evidence that the company addresses incentive structures as a risk factor in agent behaviour or that it incorporates ethical principles into agent incentive structures.
Evidence
No evidence found.

Question
7.1.6 Does the company publish details of all agents currently contracted to act with and on behalf of the company?
Score
0
Comments
There is no evidence that the company publishes any details of the agents currently contracted to act for or on its behalf.
Evidence
No evidence found.

Question
<b>7.1.7 Does the company publish high-level results from incident investigations and sanctions applied against agents?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any data on ethical or bribery and corruption-related investigations, incidents or the associated disciplinary actions involving agents.
Evidence
No evidence found.

## 7.2 Joint Ventures

Question
7.2.1 Does the company conduct risk-based anti-bribery and corruption due diligence when entering into and operating as part of joint ventures?
Score
0
Comments
There is no evidence that the company conducts anti-bribery and corruption due diligence on its joint ventures.
Evidence
No evidence found.

Question
<b>7.2.2 Does the company commit to incorporating anti-bribery and corruption policies and procedures in all of its joint venture relationships, and does it require anti-bribery and corruption clauses in its contracts with joint venture partners?</b>
Score
<b>0</b>
Comments
There is no evidence that the company commits to establishing or implementing anti-bribery and corruption policies or procedures in its joint ventures, nor is there evidence that it requires anti-bribery and corruption clauses in its contracts with joint ventures.
Evidence
No evidence found.



Question
<b>7.2.3 Does the company commit to take an active role in preventing bribery and corruption in all of its joint ventures?</b>
Score
<b>0</b>
Comments
There is no evidence that the company commits to take an active role in preventing bribery and corruption in all of its joint ventures.
Evidence
No evidence found.

## 8. Offsets

Question
<b>8.1 Does the company explicitly address the corruption risks associated with offset contracting, and is a dedicated body, department or team responsible for oversight of the company's offset activities?</b>
Score
<b>0</b>
Comments
There is no evidence that the company addresses the corruption risks associated with offset contracting, nor is there evidence that a dedicated body, department or team is responsible for monitoring of the company's offset activities.
Evidence
No evidence found.

Question
<b>8.2 Does the company conduct risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations, which includes an assessment of the legitimate business rationale for the investment?</b>
Score
<b>0</b>
Comments
There is no evidence that the company conducts risk-based anti-bribery and corruption due diligence on its offset obligations.
Evidence
No evidence found.


Question
<b>8.3 Does the company publish details of all offset agents and brokers currently contracted to act with and/or on behalf of the company?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any details of the offset agents, brokers or consultancy firms contracted to act with and on behalf of the company's offset programme.
Evidence
No evidence found.

Question
8.4 Does the company publish details about the beneficiaries of its indirect offset projects?
Score
0
Comments
There is no evidence that the company publishes any details of its offset obligations and contracts.
Evidence
No evidence found.

## 9. High Risk Markets

Question
<b>9.1 Does the company have enhanced risk management procedures in place for the supply of goods or services to markets or customers in countries identified as at a high risk of corruption?</b>
Score
<b>0</b>
Comments
<p>There is some evidence that the company acknowledges the risks of operating in different countries. However, there is no evidence that the company considers bribery and corruption risks specifically, nor is there evidence that it has a dedicated assessment procedure in place to assess such risks and inform the company's operations in high risks markets.</p>
Evidence
<p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.33] Approaches to Anti-Corruption  Anti-corruption is principle 10 raised in the United Nations Global Compact, and is a global social issue. We are promoting anti-corruption initiatives based on the "OKI Group Anti- Corruption and Anti-Bribery Policy" that we put into practice in fiscal year 2013.</p> <p>The "OKI Group Anti-Corruption and Anti-Bribery Policy" sets out fundamental points for carrying out operations properly while complying with the anti-corruption-related regulations applicable to each country and region in which the OKI Group operates. As company bylaws, we established specific rules for recording the exchange of gifts and receiving/offering entertainment, and compliance with these rules at each Group company is monitored annually by OKI's Control Division.</p> <p><b>[5] Oki Corporate Information – Business and other risks</b>  Accessed 20/03/2020  <a href="https://www.oki.com/en/ir/corporate/risk.html">https://www.oki.com/en/ir/corporate/risk.html</a>  2. Risks related to country risk</p> <p>The OKI Group has 39 subsidiaries in overseas and operates numerous sales and production facilities. The main production and manufacturing facilities are located in China, Thailand, and Brazil; major sales facilities are located in the United States and European states, including the United Kingdom. The Group recognizes that these countries pose the risk of coup d'état, dispute, revolution, or social disorder caused by revolt or terrorist incidents, leading to the seizure or expropriation of OKI Group's assets or harm to its personnel or property.</p> <p>The Group understands the need for appropriate measures if country risks reach a certain point. These measures include relocating the functions of related facilities or withdrawing from a country, based on a consideration of costs and benefits, or considering and implementing various measures as a hedge against such risks.</p>

Question
9.2 Does the company disclose details of all of its fully consolidated subsidiaries and non-fully consolidated holdings (associates, joint ventures and other related entities)?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company publishes a list of its affiliated companies. However, the company receives a score of '1' because it is not clear whether the list covers all consolidated subsidiaries or holdings, and it does not include further details such as the percentage ownership, country of incorporation and country of operation for all entities.</p> <p>There is an indication that the information is complete at the time of publication, but it is unclear how frequently the company updates this information.</p>
Evidence
<p><b>[4] Oki Corporate Brochure (Document)</b> Accessed 05/07/2019 <a href="https://www.oki.com/en/profile/img/brochure.pdf">https://www.oki.com/en/profile/img/brochure.pdf</a> [p.14]</p> <div><div><b>MAJOR AFFILIATES</b> (As of July 1, 2018)</div><div><div><b>JAPAN</b> OKI IDS OKI ADTECH SUPPORT OKI Advanced Communications OKI Alestech OKI Wintech ML Supply OKI Engineering OKI Customer Adtech OKI Communication Systems OKI Comtec OKI Consulting Solutions OKI Circuit Technology OKI Seatec Shizuoka OKI OKI JAINET SUPPLY OKI Software OKI Software Expert Service OKI Data OKI Data Manufacturing and Engineering Service OKI Techno Power Systems OKI Electric Cable OKI Electric Cable Service OKI Electric Cable Wire Harness OKI Trustech Nagano OKI Japan Business Operations OKI High-Technologies OKI Printed Circuits OKI Proassist OKI Proserve OKI Micro Engineering OKI Metaltech OKI WorkWel</div><div><b>AMERICAS</b> OKI Brasil OKI BR ARGENTINA OKI BR INFORMÁTICA MÉXICO OKI BR MÉXICO SERVICIOS OKI BR PARAGUAY OKI Data Americas OKI Data de Mexico OKI Data do Brasil OKI Electric Cable America <b>EUROPE</b> OKI BR ESPAÑA OKI BR PORTUGAL OKI Europe OKI Systems (Rus) OKI Systems Holding OKI (UK)</div><div><b>ASIA/OCEANIA</b> OKI Banking Systems (Shenzhen) OKI Data Dalian OKI Electric Cable Changshu OKI Electric Industry (Shenzhen) OKI Hong Kong OKI Micro Engineering (DG) OKI Micro Engineering (HK) OKI Power Trading (Shenzhen) OKI Printed Circuits (Changzhou) OKI Software Technology OKI Trading (Beijing) OKI Data (Australia) OKI Data (Singapore) OKI Data Holdings (Australia) OKI Data Manufacturing (Thailand) OKI Data Service (Australia) OKI India OKI Precision (Thailand) OKI Systems Korea OKI Systems (Thailand)</div></div></div>

Question																																																	
<b>9.3 Does the company disclose its beneficial ownership and control structure?</b>																																																	
Score																																																	
<b>2</b>																																																	
Comments																																																	
There is evidence that the company is publicly listed on the Tokyo Stock Exchange and is therefore automatically eligible for a score of '2'. In addition, the company publishes information on its major shareholders in its Annual Report.																																																	
Evidence																																																	
<p><b>[9] Financial Times Markets Data – Oki Electric Industry Co Ltd</b>  Accessed 27/07/2020  <a href="https://markets.ft.com/data/equities/tearsheet/summary?s=6703:TYO">https://markets.ft.com/data/equities/tearsheet/summary?s=6703:TYO</a></p>  <p><b>[1] Oki 2018 Annual Report (Document)</b>  Accessed 05/07/2019  <a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>  [p.69]</p> <table> <tr> <th colspan="2">Number of Shares (As of March 31, 2018)</th><th>Stock Exchange Listing</th></tr> <tr> <td>Authorized:</td><td>240,000 thousand</td><td rowspan="2">First Section of the Tokyo Stock Exchange</td></tr> <tr> <td>Issued:</td><td>87,217 thousand (including 352 thousand treasury stock)</td></tr> <tr> <th colspan="2">Number of Shareholders (As of March 31, 2018)</th><th>Administrative Agent for the Company's Shareholder Register</th></tr> <tr> <td colspan="2">73,825</td><td>Mizuho Trust &amp; Banking Co., Ltd.</td></tr> </table> <p><b>Major Shareholders</b></p> <table> <tr> <th>Name of Shareholders</th><th>Number of Shares Held (thousands of shares)</th><th>Percentage of Shares Held (%)</th></tr> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td><td>4,718</td><td>5.4</td></tr> <tr> <td>MSIP CLIENT SECURITIES</td><td>3,778</td><td>4.4</td></tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account)</td><td>3,671</td><td>4.2</td></tr> <tr> <td>Oki Denki Group Employees' Shareholdings Committee</td><td>1,864</td><td>2.2</td></tr> <tr> <td>STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS- UNITED KINGDOM</td><td>1,813</td><td>2.1</td></tr> <tr> <td>BNYM FOR GOLDMAN SACHS JAPAN</td><td>1,693</td><td>2.0</td></tr> <tr> <td>Japan Trustee Services Bank, Ltd. (trust account 5)</td><td>1,552</td><td>1.8</td></tr> <tr> <td>Mizuho Bank Ltd.</td><td>1,419</td><td>1.6</td></tr> <tr> <td>Hulic Co., Ltd.</td><td>1,407</td><td>1.6</td></tr> <tr> <td>Meiji Yasuda Life Insurance Company</td><td>1,400</td><td>1.6</td></tr> </table> <p>*The shareholding ratio is calculated after excluding 352,250 shares of treasury stock.</p>			Number of Shares (As of March 31, 2018)		Stock Exchange Listing	Authorized:	240,000 thousand	First Section of the Tokyo Stock Exchange	Issued:	87,217 thousand (including 352 thousand treasury stock)	Number of Shareholders (As of March 31, 2018)		Administrative Agent for the Company's Shareholder Register	73,825		Mizuho Trust & Banking Co., Ltd.	Name of Shareholders	Number of Shares Held (thousands of shares)	Percentage of Shares Held (%)	The Master Trust Bank of Japan, Ltd. (trust account)	4,718	5.4	MSIP CLIENT SECURITIES	3,778	4.4	Japan Trustee Services Bank, Ltd. (trust account)	3,671	4.2	Oki Denki Group Employees' Shareholdings Committee	1,864	2.2	STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS- UNITED KINGDOM	1,813	2.1	BNYM FOR GOLDMAN SACHS JAPAN	1,693	2.0	Japan Trustee Services Bank, Ltd. (trust account 5)	1,552	1.8	Mizuho Bank Ltd.	1,419	1.6	Hulic Co., Ltd.	1,407	1.6	Meiji Yasuda Life Insurance Company	1,400	1.6
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**Question****9.4 Does the company publish a percentage breakdown of its defence sales by customer?****Score****1****Comments**

There is evidence that the company publishes a percentage breakdown of its sales by geographic region, with the exception of Japan and China identified on a country/customer level. The company receives a score of '1' because it is apparent from this data that Japan accounts for approximately 70% of the company's sales, however there is evidence to indicate that this includes overall sales rather than defence specifically.

**Evidence****[1] Oki 2018 Annual Report (Document)**

Accessed 05/07/2019

<https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf>

[p.63]

(2) Geographic information

(i) Sales

	Millions of yen		Thousands of U.S. dollars
	2018	2017	2018
Japan	¥ 320,631	¥ 320,288	\$ 3,024,820
North America	17,422	17,459	164,358
Latin America	23,306	20,682	219,867
Europe	43,622	45,247	411,528
China	16,797	29,401	158,462
Other	16,245	18,548	153,254
Total	¥ 438,026	¥ 451,627	\$ 4,132,320

Note: Sales are classified as country or region based on the customer's location.

## 10. State-Owned Enterprises (SOEs)

Question
10.1 Does the SOE publish a breakdown of its shareholder voting rights?
Score
N/A
Comments
N/A
Evidence

Question
10.2 Are the SOE's commercial and public policy objectives publicly available?
Score
N/A
Comments
N/A
Evidence

Question
10.3 Is the SOE open and transparent about the composition of its board and its nomination and appointment process?
Score
N/A
Comments
N/A
Evidence

Question
10.4 Is the SOE's audit committee composed of a majority of independent directors?
Score
N/A
Comments
N/A
Evidence

Question
<b>10.5 Does the SOE have a system in place to assure itself that asset transactions follow a transparent process to ensure they accord to market value?</b>
Score
N/A
Comments
N/A
Evidence

## List of Evidence & Sources

No.	Type (Webpage or Document)	Name	Download Date	Link
01	Document	Oki 2018 Annual Report	05/07/2019	<a href="https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf">https://www.oki.com/en/ir/finance/library/ar2018pdf/ar2018.pdf</a>
02	Webpage	Oki Code of Conduct	05/07/2019	<a href="https://www.oki.com/en/profile/conduct/cond.html">https://www.oki.com/en/profile/conduct/cond.html</a>
03	Webpage	Oki Group Procurement Policy	05/07/2019	<a href="https://www.oki.com/en/procure/">https://www.oki.com/en/procure/</a>
04	Document	Oki Corporate Brochure	05/07/2019	<a href="https://www.oki.com/en/profile/img/brochure.pdf">https://www.oki.com/en/profile/img/brochure.pdf</a>
05	Webpage	Oki Corporate Information - Business and other risks	20/03/2020	<a href="https://www.oki.com/en/ir/corporate/risk.html">https://www.oki.com/en/ir/corporate/risk.html</a>
06	Document	Oki 2015 CSR Report	05/07/2019	<a href="https://www.oki.com/en/csr/report/2015/pdf/OKI_CSR2015e.pdf">https://www.oki.com/en/csr/report/2015/pdf/OKI_CSR2015e.pdf</a>
07	Document	Oki Group Supply-Chain CSR Deployment Guidebook	05/07/2019	<a href="https://www.oki.com/en/procure/pdf/csrguide_201404.pdf">https://www.oki.com/en/procure/pdf/csrguide_201404.pdf</a>
08	Webpage	A Message from the President	20/03/2020	<a href="https://www.oki.com/en/csr/greeting/">https://www.oki.com/en/csr/greeting/</a>
09	Webpage	Financial Times Markets Data – Oki Electric Industry Co Ltd	24/07/2020	<a href="https://markets.ft.com/data/equities/tearsheet/summary?s=6703:TYO">https://markets.ft.com/data/equities/tearsheet/summary?s=6703:TYO</a>